

1 ST. AUGUSTINE - ST. JOHNS COUNTY AIRPORT AUTHORITY

2 General Meeting

3 held at 4796 U.S. 1 North

4 St. Augustine, Florida

5 on Monday, April 21, 2008

6 from 4:00 p.m. to 6:56 p.m.

7 * * * * *

8 BOARD MEMBERS PRESENT:

- 9 RANDY BRUNSON
- JOHN "JACK" GORMAN, Acting Chairman
- 10 WAYNE GEORGE

11 BOARD MEMBER ABSENT:

- 12 SUZANNE GREEN, Chairman
- KELLY BARRERA

13 * * * * *

14 ALSO PRESENT:

- 15 E. EUGENE ATWOOD, Esquire, Rogers, Towers, Bailey,
- 16 Jones & Gay, P.A., 1301 Riverplace Blvd.
- Jacksonville, Florida 32207
- 17 Attorney for Airport Authority.

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

19 BRYAN COOPER, Assistant Airport Authority Director

20 * * * * *

21 SHERRIE W. SMITH, RPR-CP, FPR
22 St. Augustine Court Reporters
23 1510 N. Ponce de Leon Boulevard
 St. Augustine, FL 32084
24 (904) 825-0570

24

25

1	I N D E X	
2		
3		PAGE
4	2. PLEDGE OF ALLEGIANCE	3
5	3. APPROVAL OF MINUTES	3
6	4. FINANCIAL REPORT	3
7	5. AGENDA APPROVAL	4
8	6. REPORTS	8, 40
9	7. PUBLIC COMMENTS	15
10	8. COMMITTEE REPORTS	38
11	9. PROJECT UPDATES	43
12	10. ACTION ITEMS	
13	A. Public Records Policy 2008-01	50
14	B. Resolution 2008-01 - Election Delegation	61
15	C. T-Hangar Rate Discussion	63
16	D. Property & Liability Insurance Decision	88
17	E. Airline Service Discussion - Action Plan	124
18	11. PUBLIC COMMENT - GENERAL	153
19	12. HOUSEKEEPING	163, 166
20	13. NEXT MEETING DATES	164
	14. AUTHORITY MEMBERS	166
	15. ADJOURNMENT	168

21

22

23

24

25

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

2 CHAIRPERSON GORMAN: Ladies and gentlemen,
3 have your attention please. Time for the
4 St. Augustine-St. Johns County Airport Authority
5 board meeting. And I would ask you now all to
6 rise and -- for the Pledge of Allegiance.

7 (Pledge of Allegiance.)

8 CHAIRPERSON GORMAN: We have -- I'm going to
9 wait a couple of more minutes for another board
10 member. We can call it to order, but I would like
11 to wait and see if we have anyone else show up,
12 because it's going to be necessary for a quorum.

13 Ladies and gentlemen, we'll wait another five
14 minutes, hold the meeting as informational for we
15 will not have a quorum and we will not be able to
16 do any action; but, we can, of course can go on
17 with informational and, of course, discussion from
18 the public. So, let's give it about four more
19 minutes and see what we can do.

20 3. - APPROVAL OF MINUTES

21 Let's go along with the approval of minutes
22 if the board would like to approve the previous
23 minutes.

24 MR. BRUNSON: I'll make a motion, if you need
25 it.

1 CHAIRPERSON GORMAN: And?

2 MR. BRUNSON: Approve the minutes.

3 CHAIRPERSON GORMAN: All right. The minutes
4 will be approved.

5 4. - FINANCIAL REPORT

6 CHAIRPERSON GORMAN: And then financial
7 reports. Again, being treasurer, I am yet again
8 going to defer the discussion of financial reports
9 to the next meeting. And I would like to tie that
10 in with the next issuance here.

11 5. - APPROVAL OF AGENDA

12 CHAIRPERSON GORMAN: And we've got an agenda
13 approval. Would the board like to approve the
14 agenda?

15 MR. GEORGE: I see no problem with it.

16 CHAIRPERSON GORMAN: The -- okay. Public
17 comment? We can do that.

18 MR. RIPPE: Hey, Jack, I thought last -- Herb
19 Rippe, 324 Village Drive. I thought last time we
20 talked about putting on the agenda a review of

21 maybe getting off the tax rolls a little sooner?

22 CHAIRPERSON GORMAN: That was -- that was

23 requested by myself. And I think in -- as I'm

24 treasurer, I would like to see that added as an

25 agenda item on every meeting to see if there is

1 any additions or resolutions that can be made.

2 And so that was an agenda item, it should be an
3 agenda item, and I will request that item be added
4 to the agenda.

5 In -- in defense of Mr. Wuellner, he thought
6 that I had wanted that as a specific item because
7 of the increased revenue from Skybus. And, of
8 course, that was a part of the issue. However,
9 even without Skybus, I think the issue needs to be
10 both discussed and resolved. And so I'd like to
11 have that on -- on every board -- as long as I'm
12 treasurer, on every board meeting as part of the
13 agenda. Sometimes we -- the discussion may be
14 short, maybe not. So, thank you for that comment.
15 Mr. Brunson?

16 MR. BRUNSON: Maybe not at this meeting, but
17 I'd like to recommend, because we do have a lot of
18 public interest, and the meeting sometimes drags
19 on, that we, today or in the future, move the
20 public comments to the first of the meeting.

21 CHAIRPERSON GORMAN: In other words, you're
22 suggesting that the public comments be held now?

23 MR. BRUNSON: Yes.

24 CHAIRPERSON GORMAN: Is there any other board
25 comment?

1 MR. BRUNSON: Of course, the public -- and on
2 the agenda items, they can speak again, but if
3 they have public comments, as Mr. Sanchez's group
4 does, they -- you do the public comments before
5 the meeting, right?

6 COMMISSIONER SANCHEZ: Well, it's -- it's
7 within the meeting, but we do it before we set the
8 agenda, yeah.

9 MR. BRUNSON: That's up to the board. And I
10 know we only have three, so I don't mind it coming
11 for a vote if we need that, but I think it'd be up
12 to the discretion of the chairman.

13 CHAIRPERSON GORMAN: Well, since the board
14 serves for the public, it sounds like a good idea
15 to me. Is there any other board discussion or --

16 MR. BRUNSON: No.

17 MR. GEORGE: I don't have a problem with it.

18 COMMISSIONER SANCHEZ: I'd like to ask if
19 you're going to do that today, I'd like to give my
20 report ahead of time, because after my report, I'm

21 going to leave. I've been out for two weeks
22 except for our County Commission meeting last
23 week, with a little virus of some kind, and I'm
24 getting over it, but I just -- I still want to
25 head on to the house.

1 CHAIRPERSON GORMAN: Well, certainly.

2 COMMISSIONER SANCHEZ: This is my first full
3 day in two weeks, so...

4 MR. BRUNSON: I understand.

5 CHAIRPERSON GORMAN: I've been here for
6 years. I'm no slave to Roberts Rules of Order.

7 Yes, sir, that sounds good to me. How would -- so
8 how would we like to -- to proceed with this? We
9 have numbers of slips here.

10 MR. BRUNSON: Well, why -- why don't -- I
11 would recommend that we have Commissioner Sanchez
12 give his report. And if he'd like to stay as
13 long, then -- but he might need to leave. So, I
14 would -- I would recommend that we go to -- to
15 Mr. Sanchez's report and then go to public
16 comments and then continue with the committee
17 reports.

18 CHAIRPERSON GORMAN: That's fine.

19 MR. BRUNSON: Okay.

20 CHAIRPERSON GORMAN: If there's no objection.

21 Mr. George?

22 MR. GEORGE: Yeah, I have an objection

23 because we approved the agenda. You know, you

24 said it's approved. And then we started getting

25 all this other stuff that's in there. So, you

1 just be the -- take command and run it the way you
2 want to.

3 CHAIRPERSON GORMAN: All right. Well, I make
4 a motion that we -- that we move the direction of
5 the discussion and let Mr. Sanchez go, and then
6 public opinion, and then -- then from there, we'll
7 go to committee reports.

8 MR. BRUNSON: Fine with me.

9 CHAIRPERSON GORMAN: And would you like to
10 second that, Mr. Brunson?

11 MR. BRUNSON: Second.

12 CHAIRPERSON GORMAN: All in favor?

13 MR. BRUNSON: Aye.

14 CHAIRPERSON GORMAN: Aye.

15 MR. GEORGE: Aye.

16 CHAIRPERSON GORMAN: That's fast. All right.

17 Thank you. All right. Mr. Sanchez, would you
18 like to make your report?

19 5. - COMMITTEE REPORTS

20 COMMISSIONER SANCHEZ: How about that; he

21 called me Mister, and I don't even owe him any
22 money. That's pretty nice today.

23 I want to start by saying that we -- you
24 know, we've had some people come before our board
25 and make presentations about the Airport

1 Authority. There is nothing wrong with that. I
2 have no problem with it. I don't disagree with
3 the individuals that want to come there and talk.

4 But I would like to ask the Airport Authority
5 to view what has been said at the meeting. If
6 there's any inaccuracies, or if the information
7 might have gotten wrong, if you will let me know,
8 I will read it into the record the following
9 meeting to correct those statements, because I
10 just don't want a bunch of information out there
11 that may not be totally accurate. So -- and I
12 don't know that it is or it isn't. And if the
13 board would have someone view that, check it out
14 and make me a little report, I'll be glad to do
15 that two weeks later at the next meeting.

16 I don't really have a lot to talk about,
17 other than the fact that this is an exciting
18 little board to be liaison officer to, you know?
19 It's real interesting.

20 Just real quick, because I know the subjects

21 are going to come up, but as far as Skybus is
22 concerned, bankruptcy is a legal option, and
23 that's what it is, is a business option, and --
24 and it's allowed to try to cut your losses. So,
25 you know, that's fine.

1 And I do understand the airport has -- has
2 other ways to try to follow that up. They have
3 other plans. And I knew that all along. So,
4 anyway, we'll keep working on that.

5 If there's anything else -- someone did ask
6 me a question about a straw ballot about the
7 County Commission, and I checked into that. The
8 County Commission can request a straw ballot to be
9 put on a referendum without any other approval.

10 The straw ballot carries no weight at all.
11 It's just a screen of the public, basically. Why
12 anyone would want to do that, I -- I don't know.
13 I can pretty much tell them the outcome before it
14 ever happens.

15 But, anyway, it's my understanding that that
16 will come before the -- the Commission possibly on
17 the 19th and possibly even a 5:30 meeting. And
18 we'll have to see what's said and how it goes.

19 My -- my feeling right now is I will not
20 support that. There's probably some other ones on

21 there I will not support. I think we have enough
22 to worry about at our own level at the County
23 Commission without getting involved in a bunch of
24 other stuff.
25 Unless anyone has got any questions about

1 anything...

2 UNKNOWN SPEAKER: Do you think this will end
3 up as a straw vote?

4 COMMISSIONER SANCHEZ: I have no idea. I
5 just understand the subject is going to be brought
6 up.

7 UNKNOWN SPEAKER: All right.

8 COMMISSIONER SANCHEZ: I -- I understand
9 one's going to be brought up about the Mosquito
10 Control and about some other situations going on.
11 That's pretty much done by -- you know, everyone
12 knows Commissioner Manuel's talked about it
13 publicly. So, you know, I have the right to say
14 that I have heard that.

15 I don't know how it will go. I will
16 certainly make my pitch to -- that if I think any
17 of them are just kind of ridiculous and -- and
18 costing us money and -- and taking up space on the
19 ballot that will already be crowded, I will
20 probably not support any of them for those

21 reasons.

22 A straw ballot is simply an attitude. If the
23 people say yes, okay, what do you do? The people
24 still have to vote totally and ask the legislators
25 to do it. It has to go to Tallahassee, if I'm not

1 wrong about that, you know, I believe.

2 And, you know, so it's a long, drawn-out
3 process. And I just -- I don't know that a straw
4 ballot is worth it. But, anyway, we'll cross that
5 bridge when we get to it.

6 CHAIRPERSON GORMAN: I have one question for
7 you, just as a board member. I'll be really
8 brief. How best could the airport pursue looking
9 into the insurance or the possibility of
10 self-insurance to save plenty of money? In other
11 words, is the County going anywhere with
12 self-insurance, or is it --

13 COMMISSIONER SANCHEZ: We are --

14 CHAIRPERSON GORMAN: -- hurricane?

15 COMMISSIONER SANCHEZ: We are self-insured.

16 We -- we looked --

17 CHAIRPERSON GORMAN: Right.

18 COMMISSIONER SANCHEZ: -- into that, and I
19 brought a bunch of papers out here. It was all
20 looked into June 2006, I believe.

21 CHAIRPERSON GORMAN: Right.

22 COMMISSIONER SANCHEZ: And the way it works

23 out, I don't think it would work out for you, and

24 it certainly wouldn't work out for the County --

25 CHAIRPERSON GORMAN: Okay. In other words,

1 that's --

2 COMMISSIONER SANCHEZ: -- because of the cost
3 involved in it, the differences that we have in
4 our program compared to what you have.

5 CHAIRPERSON GORMAN: That would just --

6 COMMISSIONER SANCHEZ: But that would --

7 MR. WUELLNER: That's health insurance.

8 COMMISSIONER SANCHEZ: -- be a very big item.

9 MR. WUELLNER: He -- he's referring to health
10 insurance.

11 CHAIRPERSON GORMAN: Yeah. Was referring --

12 MR. WUELLNER: You're referring to --

13 CHAIRPERSON GORMAN: Yeah --

14 MR. WUELLNER: -- something else. That's
15 not --

16 CHAIRPERSON GORMAN: Okay. Thank you for the
17 clarification, Mr. Wuellner.

18 COMMISSIONER SANCHEZ: Yeah, that's --

19 CHAIRPERSON GORMAN: I was referring to
20 actually business stuff.

21 COMMISSIONER SANCHEZ: -- mainly what I'm
22 talking about. The -- the other insurance, I
23 think, was almost in the same boat. The insurance
24 company said they sent out information to every
25 taxing district, and when they sent that out in

1 June 2006, no one ever even answered them.

2 CHAIRPERSON GORMAN: As far as the physical
3 structure.

4 COMMISSIONER SANCHEZ: As far as trying to
5 switch over to another insurance thing.

6 Now, I understand there's some activity going
7 on to try to see if -- if we can combine insurance
8 on a regional basis and make it any -- anymore
9 cost effective. I don't know how that's coming
10 out. I'm not involved directly with that. I'll
11 just wait on the outcome and -- and see what it
12 is.

13 I don't know really how that would work.
14 Might work for -- for small organizations that are
15 spread out, but I don't know if you could get five
16 or six counties to all go under the same thing and
17 come out cheaper or not. I just don't know if you
18 can do that.

19 CHAIRPERSON GORMAN: Just if you could keep
20 us advised.

21 COMMISSIONER SANCHEZ: I will do that.

22 CHAIRPERSON GORMAN: Thank you.

23 COMMISSIONER SANCHEZ: Okay.

24 CHAIRPERSON GORMAN: That's -- that's fine.

25 I'll keep it short.

1 COMMISSIONER SANCHEZ: All right. And I'm
2 going to stick around a little while and then
3 probably take on off. Is there anymore questions
4 or --

5 MR. BRUNSON: Thank you, Ron.

6 COMMISSIONER SANCHEZ: Thank you.

7 7. - PUBLIC COMMENTS

8 CHAIRPERSON GORMAN: Who have we got? All
9 right. In keeping with -- I like change. I think
10 change is sometimes good. In keeping with
11 Mr. Brunson's idea, which is good, but let's
12 modify it a little bit. If I can call up public
13 comment, I would like the public to come up one by
14 one and state what you -- what your interests are.
15 But don't go on too long.

16 And then, if you could, then if the point of
17 discussion comes up further during these agenda
18 items, then I -- you can ask to be called on again
19 when I ask for public -- public comment, in other
20 words, so that we will then be clear about what

21 the public wants to discuss. But we'll come back
22 at length, in other words, at probably points you
23 want to make, but let's not try to make every
24 point right now so we can kind of fly through a
25 number of people we've got, because I've got a

1 whole pack of these. Yes, sir. Mr. Sanchez.

2 COMMISSIONER SANCHEZ: If this will help you,
3 what we do at the County Commission, public
4 comment is designed for someone that is not going
5 to stay to the meeting or they want to talk on a
6 subject.

7 CHAIRPERSON GORMAN: All right.

8 COMMISSIONER SANCHEZ: Or it's for anything
9 that is not on the agenda. And then if they have
10 something to talk about, an agenda item, they need
11 to wait until that time. That's how we work it,
12 and it works out real well.

13 CHAIRPERSON GORMAN: So you --

14 COMMISSIONER SANCHEZ: That way, you're not
15 listening to the same thing twice under public
16 comment and then again under the agenda item.
17 So --

18 CHAIRPERSON GORMAN: So, I can call on each
19 one of these, and if they want to wait for the
20 agenda item to come up, then they can defer to

21 that?

22 COMMISSIONER SANCHEZ: Yeah, yeah. That's

23 fine. It's just a different way of handling it --

24 CHAIRPERSON GORMAN: That's fine.

25 COMMISSIONER SANCHEZ: -- without

1 duplication.

2 MR. BRUNSON: And that's what we meant.

3 CHAIRPERSON GORMAN: That's fine. Well,
4 let's continue on with public comment, then. And
5 we'll go through this quickly.

6 Mr. Joe Jones. I'm just calling these out
7 as --

8 MR. JONES: I'm a winner. Joe Jones, 4672
9 5th Avenue. My first question was, I read in the
10 paper the other day you spoke of three additional
11 3,000 square foot hangars in the south development
12 area? You talk about -- because you said for
13 additional revenue coming up, you said they was
14 going to generate an extra \$90,000 -- I wasn't
15 really worried about the dollar amount. I'm just
16 worried about what you're going to put in the
17 hangar.

18 MR. WUELLNER: Actually --

19 MR. JONES: Because you've been -- because,
20 you know, you were talking about relocating

21 everything, jets over here, and the small planes.

22 I was just wanting to know how that has affected

23 that plan.

24 MR. WUELLNER: Actually, they're not new

25 hangars. They're -- the way the question was

1 asked, they were segregating T-hangars from the 50
2 by 60s we're building. And all I was doing was
3 describing the difference in the two and the
4 revenue associated with each of the two types.

5 So, it's nothing new.

6 MR. JONES: Okay. So, the 50 by 60s are
7 still going to be for the -- the small planes --

8 MR. WUELLNER: Yes, for small --

9 MR. JONES: -- or it would be for the jets?

10 MR. WUELLNER: Yeah, they're -- they're still
11 small planes.

12 MR. JONES: So, your planes --

13 MR. WUELLNER: It's the same six we've been
14 talking about for --

15 MR. JONES: Okay. So, I mean, your planes --
16 you're still going to try to stick with the same
17 plan about separating them and everything?

18 MR. WUELLNER: Yeah, yeah, yeah.

19 MR. JONES: That's all -- that was my
20 question.

21 MR. WUELLNER: Yeah, there's nothing --

22 nothing new along that line.

23 CHAIRPERSON GORMAN: Well, thank you, Mr.

24 Jones. Good, we got that resolved. And, again,

25 the short is good. So, Reba Ludlow, please.

1 MS. LUDLOW: No comment at this time.

2 CHAIRPERSON GORMAN: No comment at this time.

3 And you would then defer, if you'd like to come
4 back up later?

5 MS. LUDLOW: I definitely would love to come
6 back up later.

7 CHAIRPERSON GORMAN: Thank you. All right.

8 MR. BRUNSON: On an agenda item?

9 MS. LUDLOW: Probably.

10 CHAIRPERSON GORMAN: Yes. All right. I
11 understand. Mr. Slingsluff.

12 MR. SLINGLUFF: Nothing at this time.

13 CHAIRPERSON GORMAN: Nothing at this time.
14 Again, we'll defer.

15 Bruce? And let's -- I don't know -- want to
16 make a mess of your name. Could you pronounce
17 your last name for me, please?

18 MR. KENDEIGH: Kendeigh. Kendeigh.

19 CHAIRPERSON GORMAN: Kendeigh. Yes, sir.
20 Again, if you could be brief, then if you need to

21 come back, that would be good.

22 MR. KENDEIGH: Forty-five seconds, Mr.

23 Chairman.

24 CHAIRPERSON GORMAN: Oh, I see. Fine.

25 MR. KENDEIGH: I talk fast. Very quickly, I

1 have a couple of questions. Obviously, Skybus
2 went bankrupt. Unfortunately, 40, 50 people lost
3 their jobs. I understand that's -- that's pretty
4 catastrophic.

5 But on the other hand, I'm -- I'm questioning
6 which way the airport is going. And I've probably
7 read 5500, maybe, pages of -- of Authority
8 e-mails. And I picked up a bunch of things.

9 We moved here about ten years ago, been in
10 Florida about 40. And this was an excellent
11 general aviation airport. Enjoyed coming down
12 with the kids and watching the air shows and
13 whatever.

14 And -- but one of the meetings I think
15 Mr. Slingluff -- I haven't met him yet -- but made
16 a comment that for -- I think almost quoting it --
17 for four years they've been asking for hangars.
18 They could use 48,000 square feet and now they
19 could use a hundred thousand square feet. And it
20 could have filled by this last January.

21 And afterwards, I think he was thanked for
22 his comment, and it just -- nothing happened.

23 Well -- but the question I'm thinking is, if we
24 have a spare 110,000 square foot hangar --

25 UNKNOWN SPEAKER: We can put it to use.

1 MR. KENDEIGH: Well, we could put it to use
2 and generate revenue. I don't think anybody will
3 disagree the financial situation of the country
4 right now is pretty squeezed. And I don't think
5 anybody is putting out a lot of money.

6 CHAIRPERSON GORMAN: Can -- can I answer your
7 question for you?

8 MR. KENDEIGH: Sure.

9 CHAIRPERSON GORMAN: Probably -- and I'll
10 defer to Mr. Wuellner, but I'll probably be, you
11 know, faster than he would be. Right now we've
12 got a plan in place, and if in fact we do not get
13 a Part 121, which would be commercial air service
14 in there, even on a more bridge basis than we had
15 before, it will convert to and be rented to a
16 private enterprise, because the market's there.

17 In other words, it's not going to go to
18 waste. But it's -- there's a number of different
19 factors and -- to keep going with the Part 121 as
20 service, you know, for the community.

21 And there are people looking now. It just
22 takes a bit of time to put them in place. Not
23 going to go on forever. If in fact this doesn't
24 work, we're going to go to plan B.

25 MR. WUELLNER: And to clarify, there is no

1 spare hangar space anywhere on the airport.

2 Everything that's on airport is -- is leased and
3 has been.

4 MR. KENDEIGH: Correct, but I was referring
5 to Mr. Slingluff's comment. Appropriately, he's
6 been asking for 48- to a hundred thousand square
7 feet for four years. And --

8 MR. WUELLNER: Well, to be fair, Mr.
9 Slingluff can come before this board anytime he
10 wants and with an offer to build 110,000 square
11 feet of hangar someplace. He hasn't done that
12 either. It's not our job necessarily to
13 capitalize his infrastructure.

14 MR. KENDEIGH: Okay. I misunderstood. Thank
15 you.

16 CHAIRPERSON GORMAN: All right. Well, thank
17 you. That's fine. We have good discussions here.
18 Mr. Martinelli, Victor Martinelli.

19 MR. MARTINELLI: I will defer.

20 CHAIRPERSON GORMAN: You're going to defer to

21 later. All right. Thank you, sir. Herb? Would

22 you state your --

23 MR. RIPPE: Yeah. Herb Rippe, 324 Village

24 Drive. I just want to make a few comments on this

25 ad valorem tax situation which I had thought we

1 were going to discuss today.

2 You may or may not agree with Commissioner
3 Manuel's politics, but I do believe he has
4 accurately captured the mood of the public. And,
5 you know, we are cutting back today in our
6 schools, in our libraries, and across really all
7 state and county functions.

8 This airport, as best I can tell -- and
9 I've -- I've gone through the financials in
10 depth -- is in fact profitable on an operating
11 basis today. Last year it was. And we -- we
12 generate a few -- a couple to a few hundred
13 thousand dollars in profits now. And I think the
14 press has got that wrong. And we have new forms
15 of revenue getting ready to come on stream, new
16 hangars.

17 And I guess my point is that we ought to
18 seriously look at getting off the tax rolls now,
19 sooner rather than later, and start exploring some
20 different opportunities to raise revenue for our

21 capital expansion budget.

22 Frankly, that's what we use our -- our tax

23 rolls for right now, is capital improvement. And

24 we have -- we have lots of land that belongs to

25 the airport that could be traded, leased,

1 potentially sold.

2 We could change our business model at the
3 airport from one of building buildings to leasing
4 land for second FBOs, whatever -- whatever the
5 cost.

6 But I -- my point here is just this: I -- I
7 would like to encourage this board to look very
8 hard at how we could get off the tax rolls sooner
9 rather than later. Thanks.

10 CHAIRPERSON GORMAN: Well, thank you, Mr.
11 Rippe. I appreciate that. I, myself, as
12 treasurer, believe that we need to keep it -- it
13 on the agenda item, a discussion, an ongoing
14 discussion of that particular exact subject. So,
15 thank you.

16 MR. GEORGE: I have a comment to make.

17 CHAIRPERSON GORMAN: Absolutely.
18 Mr. George.

19 MR. GEORGE: Herb, you -- you started off by
20 saying that in this economy of cutting back. I'd

21 like to point out to you that we cut back
22 percentagewise of ours more than the County did of
23 theirs, okay? So, it's not that we're not cutting
24 back. We are cutting back.
25 You also mention we're making a profit now, a

1 few hundred thousand. And then you talked about
2 better use of our capital expansion. Well, how
3 much capital is a hundred thousand going to give
4 you for doing any capital expansion?

5 If you were here when I started, you know,
6 and got into the financial plan, which is seven
7 years ago --

8 MR. RIPPE: Right.

9 MR. GEORGE: -- the whole point of it was the
10 accountant said that an organization of this size
11 needs to have a reserve for unforeseen things.

12 We looked at it as a business approach, the
13 same way you would run your business, that if I
14 can build the capital and have them free and
15 clear, my capital expansion program would then be
16 done for loans against what we already have
17 revenue streams on to build things and then to go
18 from there, hence, off the tax rolls in 2010.

19 The -- the reason for the 2010 is that the
20 accountants recommended that we shoot for a

21 \$6 million reserve. They were saying other
22 businesses our size did that. That's what's the
23 basis of the entire plan is all about.

24 When we first came out with the plan, there
25 were some people that said, oh, we can get off the

1 tax rolls in seven years, that's one-seventh per
2 year.

3 No, that's not what it said. It said to
4 build up our revenue, our capital to build hangars
5 likes going in right now that's going to generate
6 \$300,000 a year in revenue, we need those taxes
7 coming in for another seven years. Let me have
8 the capital to build the hangars for the next
9 seven years to bring the revenue in, and then at
10 the end, I'll have the \$6 million, and bingo,
11 we're off all of it.

12 That was the plan. And I welcome discussing
13 that plan and getting an update to it, because
14 this board kind of took a shot in the dark with
15 Skybus. We got a company coming in that's telling
16 us what they can do. They're -- they're touting
17 models of what they're doing in -- in Europe. And
18 they're making money there.

19 And we sat and looked at it and said, I can
20 get three, maybe four times the revenue coming

21 into this airport than me just building a hangar
22 with that one and a half million, or whatever it
23 was at that time.

24 So, that's the reason the decision was done.

25 But the decision was also done that if they do go

1 belly up, we don't want to be like Daytona and
2 Melbourne and wind up with a \$25 million terminal
3 sitting out there and not being used.

4 So, that has -- that terminal is set, if the
5 decision is made by this board we can't find
6 anybody that's going to bring in the revenue, that
7 that gets converted to a hangar. You know, a
8 hundred thousand feet of space that Mr. Slingluff
9 wants -- and I think there's a waiting list for
10 that stuff too, so...

11 CHAIRPERSON GORMAN: Thank you. Those are
12 good comments. As I think that my own -- I have
13 just some reservations about the amount of
14 reserve. And that's, I think, discussable. And
15 certainly his -- Mr. George's comments about the
16 plan and about using the capital now rather than
17 borrowing capital, you know, they're valid, but
18 all this needs to continually be discussed
19 because -- that's my contention, because -- and
20 Mr. Rippe's, because we need to -- I agree with

21 him, because we need to see if there again --

22 there is a path -- a very quick path to it, if

23 that's all possible.

24 So, that's -- that's the exact kind of

25 discussion I'd like to invite.

1 Let's move on and let's --

2 MR. BRUNSON: Mr. Chairman, if I could just
3 add to his comment.

4 CHAIRPERSON GORMAN: Mr. Brunson?

5 MR. BRUNSON: The -- the Skybus situation,
6 when we gave our presentation to the business
7 community, we included this of the increased
8 income, but it -- we also say that we're on the
9 same path that we've been on, but that was just
10 going to be additional income that would help us
11 get off the tax rolls sooner if it -- but there's
12 not a meeting that has gone on here, the people
13 that come here every month, every other week with
14 the workshops and different things we do, that we
15 don't preach we can't put all of our emphasis on
16 Skybus. And I think we've done that.

17 And I think we're still on the financial
18 path. Sure, 80 percent of our budget is capital
19 improvements. We need to look at that real hard.
20 But you're exactly right; when you're out there on

21 the streets and talking to the public every day,
22 they frankly don't understand how much economic
23 value this airport has. And they think of it as a
24 general aviation with the -- with the Pilot's
25 Association.

1 But -- but we've been -- we preach. And
2 Wayne's been on this for how many years now,
3 Wayne? Every day he preaches about the economic
4 strengths and how many people use this airport.
5 And we're going to continue to do that.

6 And -- but you are so right; we need to get
7 off the tax rolls quick. And we have a plan.

8 CHAIRPERSON GORMAN: Well, thank you,
9 Mr. Brunson. We have -- we have -- I'm -- I'm
10 breaking rank here with Robert's Rules of Orders,
11 but Mr. Martinelli has a comment.

12 MR. MARTINELLI: Thank you. I -- I want to
13 just rescind my previous pass, because -- Victor
14 Martinelli, 24 Carriage Lane in Ponte Vedra Beach.

15 Mr. Rippe, I -- I really applaud what you
16 said, because you're right on target. And the
17 financials do show that the operating profit on a
18 cash basis for this airport is \$220-some-odd
19 thousand for this past year. So, operations are
20 profitable.

21 The other side of that coin is, as you
22 mentioned, the ad valorem taxes are used for
23 investment. Now, those investments or those
24 dollars that come from the ad valorem taxes are
25 matched by federal grant monies and state grant

1 monies. And the ratio is about 25 percent to 75
2 percent.

3 So, for every \$25 of ad valorem taxes that
4 are invested in this airport, a hundred dollars
5 worth of assets show on the books. And those
6 hundred dollars worth of assets earn revenue.

7 And so I don't know any other investment
8 anywhere where you can get a hundred dollars for
9 \$25. And so to summarily say we should be off the
10 tax rolls because we make an operating profit and
11 we should go borrow money and pay interest for the
12 matching funds for grants doesn't make economic
13 sense.

14 And so as a taxpayer, I want you to keep
15 using my money, my 25 bucks to get me a hundred
16 bucks back. Thank you.

17 CHAIRPERSON GORMAN: Thank you for your
18 comments. I might interject one comment, though,
19 and then we'll move right along, is that federal
20 tax money is tax money, too.

21 Then let's move along, although your points
22 are well-taken, Mr. Martinelli.

23 What -- let's move on. And, again, if you
24 can be brief, and -- and if you then need to
25 expound later on the -- on an agenda item, let's

1 do that. Mr. Sesona, Al Sesona?

2 MR. SESONA: Al Sesona, 394 North Boulevard.

3 I want to thank the board for placing public
4 comment front and center. Some of us, like
5 Commissioner Sanchez, has other business to take
6 care of, and that would be a nice thing for that.

7 If possible, would it be possible to kick the
8 amplification to this system up a little bit for
9 dumbheads like this guy to hear a little better?

10 I'd appreciate it very much.

11 CHAIRPERSON GORMAN: I can hear you fine, Mr.
12 Sesona, honestly.

13 MR. SESONA: Well, y'all speak away from that
14 mic, and it's not as sensitive as it might be
15 sometimes. And Mr. Gorman's got kind of a gravel
16 voice over there, so it's kind of hard to hear
17 with guys like me.

18 MR. BRUNSON: And I'm hard of hearing.

19 MR. SESONA: My position has been clear for a
20 long time. I'm not at all pleased with the

21 Airport Authority. And I make my views known. I
22 spoke at the County Commission. I made my views
23 known. You all can take me and hit me with
24 anything you've got anytime you want. I'm an old
25 campaigner.

1 I'd like to see the Airport run on a
2 money-in, money-out basis, just like I have to run
3 my business and just like anybody has to run their
4 business in the private sector.

5 I'd also like to see -- I would enjoy having
6 one person or one entity in charge of this
7 airport. And if -- if that person or entity is
8 doing a good job, hey, we keep him. If he's not,
9 give him the ax. You guys are unpaid and you come
10 and go. I think there's a lot of slippage, and I
11 don't think that's good for the taxpayer.

12 Other than that, my position remains the
13 same. As a property owner adjacent to the
14 airport, I don't feel like I own my property.

15 Y'all can come and get me anytime you want. I
16 don't think that's the true meaning of real
17 estate.

18 If someone wants to come and wanted to buy my
19 property, then they knew that the cloud was
20 hanging over my head, namely Airport Authority.

21 They could move in by imminent domain and take
22 that property. They'd be hell bent to part with a
23 bunch of money buying my property or any other
24 property in that vicinity.

25 So -- and that's about all I have to say.

1 Thank you.

2 CHAIRPERSON GORMAN: All right. Thank you,
3 Mr. Sesona. Again, we're doing a good job of
4 being summary and -- but brief summaries, so
5 that's great. Let's keep up the great work.

6 Here's a Mr. Theodore -- and I'm going to
7 spell your last name. G-l-a-d-u?

8 MR. GLADU: Gladu.

9 CHAIRPERSON GORMAN: Gladu. Yes, sir. If
10 you'd tell where you are living and --

11 MR. GLADU: My name is Theodore Gladu, and I
12 live on 701 Palm Hammock Circle just up the road a
13 piece. And my concerns here are, I know we have
14 all of this financial wherewithal about the
15 airport survival and post-Skybus and so forth and
16 on, and how we get free money; if we give \$25, we
17 get \$75. I certainly respect that view.

18 But the quality of life is my concern. No
19 board member lives within two miles -- a two-mile
20 radius of the airport, as I do. What -- what you

21 folks do in the quiet of your home is not invaded
22 by screaming commercial jets or zooming stunt
23 planes. When friends come over for dinner in the
24 garden, they don't have to explain the noise they
25 aren't enduring is for the good of the county.

1 The value of their homes is not threatened by
2 a reputation of being in a noisy neighborhood.
3 Only our airport executive director over here must
4 put up with the noise, in his freely provided
5 home, I might add.

6 So, I guess this is more dollars and cents
7 talk that we're -- I'm unfortunately forced to
8 come to.

9 We citizens of St. Augustine, St. Johns
10 County, and Vilano are raising our voices to put
11 an end to this madness.

12 Let us cut our losses on these airport pipe
13 dreams and raise our voices over the line of the
14 ever increasing air travel and demand input such
15 as -- on such issues as nighttime curfew
16 restrictions on flights, very important and done,
17 many areas all around the country. Four-fifteen
18 Sunday morning, woke up three of my friends at
19 Eagle Creek, I might add.

20 A removal of the stunt box area over a now

21 much more densely populated area than when it was
22 initially designed and put into this airport. And
23 let's eliminate the fly-by-night guys, the beating
24 of the bush, to get the proverbial fill-in for the
25 failed Skybus. Because twice the airport has

1 failed in this attempt to have commercial service
2 in here. And, you know, let's try and refocus on
3 the good of the community and the quality of life
4 in St. Augustine.

5 CHAIRPERSON GORMAN: Well, thank you for your
6 comments. And let's see. We have Pappas?

7 I cannot read. Is first name Lindley?

8 MS. PAPPAS: Yes, it is, Lynn, and I really
9 just have a question. At the last meeting I
10 attended, which I think was the meeting before
11 this -- I represent Cordova Palms. And there was
12 a discussion about correspondence that the airport
13 intended to undertake with DOT concerning that
14 proposed project. And I've been talking with Doug
15 Burnett, your attorney, trying to determine
16 whether or not that correspondence has been sent
17 or if it's ongoing, and I haven't had any --
18 Doug's been responsive, but I -- but I just
19 haven't been able to determine whether or not
20 that's still in the works. And so I'm here to ask

21 that question --

22 MR. WUELLNER: It's in the works.

23 MS. PAPPAS: -- which is very

24 straightforward.

25 MR. WUELLNER: It's in the works.

1 MS. PAPPAS: Okay. Thank you.

2 CHAIRPERSON GORMAN: Would -- oh, well,

3 Mr. Wuellner, just -- let's clarify it for her.

4 In other words, will there be -- need to be an

5 agenda item for any type of board action

6 concerning her concerns?

7 MR. WUELLNER: No, sir.

8 CHAIRPERSON GORMAN: All right. All right.

9 Thank you.

10 And again, we have -- unfortunately, I'm --

11 it's my eyesight. Ken, and last name is

12 L-e-t-t-e-r (sic)?

13 MR. YETTER: Yeah, Ken -- Ken Yetter, and I

14 waive my --

15 CHAIRPERSON GORMAN: You're going to defer

16 it. All right, then, sir. Thank you. We'll put

17 you in this pile over here. And Mr. Hickox.

18 MR. HICKOX: Wayne Hickox, 881 Queen Road,

19 St. Augustine. Very briefly, in the wake of the

20 problems that Skybus found itself facing and

21 having to suspend services, the subject topics, it
22 came up on the air. Somebody mentioned press.
23 Don't include us with the local press coverage of
24 the thing, because I felt we had the most accurate
25 information available, thanks to your executive

1 director, Ed Wuellner, who on very short notice
2 appeared on the air in an hour-long discussion,
3 along with Mr. Sesona and Mr. Ciriello. It was
4 setting the record straight, if you will, that it
5 was not disaster, that the failure was not that of
6 the airport but of the company that was operating,
7 and that there would be other plans in place.

8 Now, I'll admit, I raised some of these
9 questions on the air previously myself.

10 Mr. Wuellner did a beautiful job of bringing us up
11 to date providing background. And I might say
12 that in the 24 hours after that, the station's web
13 site ended up with 1100 positive response versus
14 only 30 negative ones regarding the situation at
15 the airport.

16 So, not everybody's against you guys. And
17 the fact of the matter is you can thank Ed
18 Wuellner for a lot of that. Thank you.

19 CHAIRPERSON GORMAN: Well, good. Thanks for
20 your comments.

21 All right. That concludes the slips I have
22 for public comment, and it's -- I think that's
23 good. I really thought the comment -- the public
24 did a good job of quick summary. So, let's move
25 on to committee reports, if we would, please.

1 MR. BRUNSON: Committee reports.

2 CHAIRPERSON GORMAN: It would be -- the first
3 one is MPO.

4 8. - COMMITTEE REPORTS

5 MR. BRUNSON: Mr. Chairman, would you like to
6 comment on the MPO?

7 CHAIRPERSON GORMAN: Pardon?

8 MR. MANUEL: The MPO -- Tom Manuel, 129
9 Ocean's Edge Drive, Ponte Vedra Beach.

10 MR. WUELLNER: Is that showing up?

11 MR. MANUEL: The MPO has, through trip
12 funding, funded the improvements for 210 and I-95.

13 Thank you. At the next County Commission
14 meeting on April 29th, the County will discuss the
15 acquisition of the necessary real estate to start
16 those improvements, and that it's my hope that we
17 would break ground at the end of July or the first
18 part of August for the p.m. fix on I-95 and -- and
19 210.

20 The MPOs also advanced trip funding to the

21 County for right-of-way acquisition for 9B, which
22 is a critical alternative route to alleviate the
23 a.m. traffic issues at 95 and 210.

24 I serve with Mr. Brunson on that board and,
25 you know, I think we as a group have done a good

1 job in -- in raising the awareness of some of the
2 traffic issues in St. Johns County. So, thank you
3 very much.

4 MR. BRUNSON: Tom, thank you for attending
5 and sharing. Since you're an officer on the MPO,
6 I thought it would be good that you would share
7 that. They've been hearing me say the same things
8 over and over. That's it.

9 CHAIRPERSON GORMAN: Thank you very much.
10 We'll move on to the EDC.

11 MR. BRUNSON: Do you have anything on EDC?

12 MR. GEORGE : No, I do not.

13 MR. BRUNSON: We don't have -- I don't have
14 anything on EDC.

15 CHAIRPERSON GORMAN: Nothing on the EDC now,
16 and the Intergovernmental will be coming up very
17 shortly. We're going to have a report on that
18 shortly.

19 MR. BRUNSON: And congratulations on your
20 excellent agenda that you're going to have at the

21 Intergovernmental.

22 CHAIRPERSON GORMAN: That'll be an

23 interesting Intergovernmental meeting. And the

24 SJC --

25 MR. GEORGE: When is the meeting? May 7th?

1 Wednesday, the 7th?

2 CHAIRPERSON GORMAN: Yes. And the SJC
3 Aerospace Academy? Have we got any reports on
4 that?

5 MR. WUELLNER: Nothing knew to report.

6 CHAIRPERSON GORMAN: Nothing to report.
7 Let's see. We'll move on to project updates. Do
8 we have reports? See, this is a bit out of order,
9 Mr. Wuellner. If you could help me here, we've
10 got reports here?

11 MR. WUELLNER: Yep.

12 8. - REPORTS (Cont'd.)

13 MR. BRUNSON: Ron's done here.

14 MR. WUELLNER: Mr. Slingluff looks -- Pick it
15 up up there.

16 MR. SLINGLUFF: Nothing -- nothing new to
17 report that y'all haven't already heard.

18 MR. GEORGE: How much are you willing to pay
19 for that hundred thousand square foot hangar?

20 MR. SLINGLUFF: That's -- that's to be

21 negotiated.

22 MR. WUELLNER: I'm sorry. Get behind you

23 here.

24 CHAIRPERSON GORMAN: I'm actually out of

25 order, so if we have -- the next report is Galaxy.

1 All right. And I don't have that in order.

2 MR. BRUNSON: Northrop Grumman.

3 MR. WUELLNER: It's on your slide list there.

4 CHAIRPERSON GORMAN: That's fine. All the
5 help we can get would be helpful here.

6 MR. WUELLNER: Grumman, Northrop Grumman.

7 CHAIRPERSON GORMAN: Northrop Grumman. Do we
8 have any report from Northrop Grumman?

9 MR. WUELLNER: I don't see anybody.

10 CHAIRPERSON GORMAN: All right. Moving on.
11 Reba Ludlow, SAAPA.

12 MR. BRUNSON: We've got a dinner coming up.
13 Talk about that.

14 MR. GEORGE: Somebody lower the mic.

15 MS. LUDLOW: SAAPA is alive and well, and
16 thanks to our president, she's keeping everybody
17 in line. We have an auction set up for May
18 10th -- or 20 -- 24th, moved to the 24th now.

19 We have a quarterly dinner at the Rod and Gun
20 Club, 10th? May 10th? What's the date for the

21 Rod and Gun Club?

22 UNKNOWN SPEAKER: Twenty-sixth.

23 MS. LUDLOW: Oh, that's the 26th. Okay. At
24 the Rod and Gun Club, the 26th. And then we have
25 an auction.

1 We continue to build our attend -- to build
2 our attendance. We have like another half dozen
3 new members, so we're breaking 200 now.

4 Let's see. And I had my mind on all the
5 agenda items, so I wasn't ready for SAAPA, so I'll
6 speak again. Thanks.

7 CHAIRPERSON GORMAN: All right. Thank you
8 for your report.

9 MR. WUELLNER: Bjorn?

10 CHAIRPERSON GORMAN: And Bjorn Ottesen?
11 FACT? Mr. Ottesen's not here. We'll move on to
12 Mr. Doug Burnett.

13 MR. ATWOOD: Nothing from him.

14 CHAIRPERSON GORMAN: Nothing from Doug
15 Burnett. All right. Mr. David Knight, who is
16 our --

17 MR. WUELLNER: I don't think David's here,
18 but I have the slide. Let's see. 10,090
19 operations for the month of March as compared to
20 2007 and 2006. They're also displayed there. So,

21 it's looking like a fairly strong year in 2008.

22 We'll see how the summer goes when it

23 traditionally drops off.

24 These are take-offs and landing numbers, for

25 clarification.

1 CHAIRPERSON GORMAN: Is there just a simple
2 percentage as to how far down we are from our
3 percentage?

4 MR. WUELLNER: I'm sure.

5 CHAIRPERSON GORMAN: Just -- just a good
6 guess. I suppose it's -- the graphic guess is as
7 good as any. And let's move on to outstanding
8 projects.

9 MR. WUELLNER: Looks to be about three
10 percent.

11 CHAIRPERSON GORMAN: That's fine.

12 Moving onto out --

13 9. - PROJECT UPDATES

14 MR. WUELLNER: Outstanding projects, got
15 T-hangar development; rental car facility; U.S.
16 Customs facility; terminal operations report; park
17 development; as well as marketing and public
18 relations and airport leasing.

19 South area hangers construction is ongoing.
20 If you've driven down that way you'll see

21 there's -- third building is going up now. Fourth
22 building's on site, if my memory's correct. Doors
23 are there for the first three buildings, fourth
24 building? Four buildings now?
25 Slabs poured for fourth and fifth -- half of

1 fifth. The other half will be, I believe tomorrow
2 still -- Wednesday now.

3 With the balance of materials and all that,
4 we would expect the slabs and buildings to be here
5 on property within the next two weeks. It's
6 targeting a -- a mid-June opening for at least
7 several of the buildings, if not the whole north
8 end of the project. So, they're also beginning to
9 do the site work, get the taxiway cut in -- or
10 taxiways cut in at this point. And hanging the
11 first doors on the first building. So those --
12 those are all in place already. Occupancy, about
13 mid-June at this point, looking like, the first
14 occupancies.

15 Next, rental car facility. We were at the
16 point of having contracts signed with the
17 contractors. You know it was bid, designed and
18 bid at that point. Project is now -- we had
19 gotten DRC comments, and we're responding to
20 those. At this point, based on the Skybus news,

21 the project is now on hold. At this point, very
22 little financial risk to the Airport Authority.
23 It's sitting, waiting on the outcome of whether we
24 continue to look for service, and then what the
25 results of that would be, rather than completely

1 kill the project at this moment. We've got it
2 kind of tabled and we'll -- we'll see if it would
3 be in a position to come back later, if necessary.

4 MR. BRUNSON: Excuse me, Ed. Mr. Chairman.

5 Do we have any liability on the contract signing
6 other than maybe performance bonds or --

7 MR. WUELLNER: Only -- only related to bonds.

8 MR. BRUNSON: Okay.

9 MR. WUELLNER: Because those were purchased
10 for the project. So, if we do end up cancelling
11 it that would be, yes, a few thousand dollars
12 related to it.

13 MR. BRUNSON: Okay.

14 MR. WUELLNER: That would be the extent of
15 our -- our risk at this point.

16 MR. BRUNSON: Okay.

17 MR. WUELLNER: A couple of days earlier, we
18 wouldn't have had them signed and it would have --
19 you know, that's the way it goes.

20 U.S. Customs facility design is near final at

21 this point. We would expect that this will be out
22 to bid through most of the month of May at this
23 point. We have received final comments from U.S.
24 Customs related to the facility.
25 Completion date is on track for the end of

1 the calendar year for December '08. As you
2 recall, that's also the expiration date of the
3 grant funds with Florida DOT related to this
4 project.

5 Any -- I don't know if there's any questions
6 on U.S. Customs, but they -- that one's moving --
7 moving along pretty good. So...

8 Final numbers related to Skybus on terminal
9 operations. For the month of March this year, we
10 had inbound passengers accounted for 13,871
11 passengers into St. Augustine Airport. Outbound
12 was 12,281. Represented a final load factor of 73
13 percent for the month of March. So, they
14 continued to post strong numbers into this
15 community right up to the end.

16 And park development. At this point, the
17 committee is meeting frequency -- frequently, most
18 of the time by phone. However, they did meet
19 in -- in -- as a group I believe a week ago,
20 developing details of design and development plan

21 at this point and awaiting integration of the park
22 plan to the general aviation development plan,
23 which is a little bit behind the development. So,
24 as -- you're probably looking at another month or
25 so until the GA plans are to a point where we can

1 make sure that all of those pieces fit -- fit
2 together nicely. Shouldn't be too long now.

3 CHAIRPERSON GORMAN: I might like to say that
4 this park, we're talking about a very, very low
5 cost, and yet it will allow an observation area
6 for the public. So, we're not talking about a
7 capital project of any size at all. We're talking
8 about just keeping green areas green, applying a
9 path, and letting the public have access to the
10 view of the aircraft. So, it's -- hopefully, that
11 will continue that way without a lot of
12 complications. Thank you.

13 MR. WUELLNER: And I -- anybody with
14 questions on that, I would encourage you to get
15 with Bryan and get the -- get the latest updates
16 on it.

17 Public relations and marketing. PR committee
18 report, somebody going to make that? Yeah, no?

19 MR. COOPER: I will make the report on that.
20 The public relations committee had been working on

21 preparing a series of presentations, one of which
22 was used by Mr. Wuellner for the aerobic box.
23 And that -- that was very successful. It brought
24 the facts out, why and how that worked.
25 The second presentation that they were

1 working on was the ad valorem tax issue, which
2 after hearing some of the comments tonight, I
3 think is needed as much as we felt in our
4 discussions when we -- we met on that. We met
5 twice on that -- three times, I'm sorry.

6 However, when Skybus went down, we put that
7 presentation on hold, started working on some
8 presentations related to commercial service at the
9 airport, which we've -- we're close to being
10 finished on that.

11 The PR committee has been meeting two or
12 three times a month, or the subcommittees, if you
13 add all that, probably four or five times a month.
14 So, it's quite active right now.

15 But some of those things take two or three
16 meetings to come out with the -- with the final
17 product.

18 If there's any questions about the public
19 relations committee, you can meet me after the
20 meeting and I'll explain to you in detail more of

21 what those -- what occurred in those meetings.

22 MR. WUELLNER: I would call your attention to

23 Business Expo is April 30th at World Golf Village.

24 The Airport Authority will have a booth at that.

25 It's part of our Chamber membership.

1 We will receive a recognition award on May
2 1st by the school district for our participation
3 and -- and assistance in the career academy
4 developments at, in this particular case, the
5 aerospace academy at -- at St. Johns County High
6 School -- or, excuse me, at St. Augustine High
7 School.

8 The aerospace academy will be here. We will
9 be hosting them the morning of the 31st, with
10 parents and the like, to facilitate, again, just
11 kind of enhancing the interest in the aerospace
12 program at the -- at the high school.

13 And we have -- we're on the docket, as I
14 understand, for May 7th with EDC to talk about the
15 airport at the -- at their meeting on the 7th.

16 The last time (sic) I have is air -- airport
17 leasing, and there's nothing to report under
18 leasing this month. Yes, sir.

19 CHAIRPERSON GORMAN: Can I ask who's going to
20 do the report as far as for the EDC? Who's going

21 to be there?

22 MR. WUELLNER: Either be myself or Chairman

23 Green. We -- we haven't really had a chance to

24 talk about it yet.

25 MR. BRUNSON: So -- so, we're doing a

1 modified --

2 MR. WUELLNER: Modified version of probably
3 the one that was most recently done, yes.

4 CHAIRPERSON GORMAN: Yeah, I was interested
5 in the content of that.

6 MR. WUELLNER: Yeah. Well, I'll be happy to
7 review it with you if you want to see it.

8 CHAIRPERSON GORMAN: All right. Thank you.

9 MR. WUELLNER: Brings you to your first
10 agenda item.

11 CHAIRPERSON GORMAN: That's fine.

12 COMMISSIONER SANCHEZ: Thank you so much.
13 I'm going to depart.

14 CHAIRPERSON GORMAN: Thank you, sir. Okay.

15 Moving on to our first agenda item, we have a
16 public records policy 2008-01.

17 MR. WUELLNER: Uh-huh.

18 10.A. - PUBLIC RECORDS POLICY 2008-01

19 CHAIRPERSON GORMAN: This -- this is a --
20 basically a codification or an update of the

21 Authority's public records policy to assure that
22 it's completely compliant with Florida Statutes,
23 which it -- it was, but it picks up the most
24 recent references in Florida Statutes.

25 This is basically the -- mirrors the state's

1 policy for making public records available to the
2 public.

3 And it's, just again, an update of the policy
4 the Airport Authority already had. It's policy
5 2008-01, provides for charges for making copies,
6 staff time, making those records available, the
7 time lines related to it, what are -- what are
8 appropriate records, those kind of things, what's
9 protected under Florida Statute. Former records.
10 We provide those kinds of things.

11 And again, it mirrors Florida Statutes. And
12 it would be Staff's recommendation you adopt
13 2008-01. You have been provided a copy of that in
14 advance of the meeting.

15 MR. BRUNSON: We haven't -- we've never
16 adopted this?

17 MR. WUELLNER: You have -- you have one in
18 place. This would simply replace it. It just
19 brings it more current with its statute
20 references, primarily.

21 MR. BRUNSON: Let me -- let me ask a

22 question.

23 CHAIRPERSON GORMAN: All right, Mr. Brunson.

24 MR. BRUNSON: I was e-mailed some e-mails

25 back and forth about this. And my understanding

1 is that Mr. Kendeigh would like to view my e-mails
2 and my personal -- well, my computer.

3 MR. KENDEIGH: The airport function --

4 MR. BRUNSON: Okay.

5 MR. KENDEIGH: -- of your account. I think

6 each member, I believe, has a -- an e-mail

7 address. And some go into personal computers.

8 That's just of interest to me.

9 MR. BRUNSON: Okay. So, as mine goes to

10 BrunsonRandy at AOL. So, how -- and I don't mind

11 you looking, to tell you the truth. But what

12 would we do, sit down at -- at my breakfast room

13 table and -- and look at my e-mail?

14 MR. WUELLNER: Well, we can go over that with

15 you as to how you do that.

16 MR. BRUNSON: Okay. Okay. So, how will --

17 how would I do that?

18 MR. WUELLNER: How will you do it? You

19 provide paper copies to Mr. Kendeigh for him to

20 review.

21 MR. KENDEIGH: Why is it required --

22 MR. WUELLNER: That's --

23 MR. KENDEIGH: -- for paper copies? I think

24 the statute says review.

25 MR. WUELLNER: You're not -- you're not

1 obligated to purchase them. You're welcome -- it
2 will be printed for you and you may review those.
3 And if you choose to take them with you, you would
4 pay for them.

5 MR. KENDEIGH: Okay. I do have a question
6 while we're on it. In the past, I got --

7 CHAIRPERSON GORMAN: Yes, Mr. Kendeigh, we're
8 going to have you -- we're going to -- public
9 comment.

10 MR. KENDEIGH: In the past, I had requested
11 information on -- because the Airport Authority,
12 and I requested information with the DEP in the
13 past. And my understanding was that the --
14 Tallahassee said they're normally stored on the
15 server for three years, and any citizen who has
16 information or would like to know, depending on
17 whatever state you're in, is allowed to review
18 these. And that way, instead of someone wasting
19 their time at the Airport Authority level, it'd be
20 much easier to review the -- the documents and

21 the -- the e-mails in the files and then print off
22 or access what I wanted to read, rather than
23 somebody wasting paper and printing off \$180 worth
24 of copies.
25 I just wanted to review them. And I think

1 that's allowed under Florida law. And I think
2 under security, the last time I reviewed Mr.
3 Wuellner's computer, I sat and had an employee at
4 my elbow.

5 And I promise I'm not going to put any
6 viruses in the system. I just wanted to read the
7 information to the Airport Authority.

8 MR. GEORGE: All right.

9 MR. KENDEIGH: I have been allowed this with
10 the state in Tallahassee. I have been allowed
11 this at DEP in Jacksonville. I spent almost a
12 week at the -- at the director of the DEP in
13 Jacksonville's terminal when he was on vacation
14 reviewing 5100 e-mails. And at no time was there
15 any difficulties or question if it was legal for
16 me to do so.

17 MR. ATWOOD: Mr. Chairman, if I could...

18 CHAIRPERSON GORMAN: Yes.

19 MR. ATWOOD: The -- the public records
20 request on e-mail would be, again, at your

21 election on whether you produce it in the
22 electronic format or on -- or on the printed
23 format. It's not at the election of the person
24 asking.
25 I would suggest, particularly with personal

1 computers, that it'd be much more beneficial just
2 to do a printed copy. If -- if the public at that
3 point or the requestee is looking for additional
4 information, that would be something we would have
5 to review legally for you before you would be
6 bound to provide it one way or the other.

7 There is certain information that appears in
8 native format with e-mails that is protected
9 information. There's certain information that you
10 would have to share with the public, and we'd have
11 to address that on a case-by-case basis.

12 CHAIRPERSON GORMAN: In other words, you're
13 saying there certain -- certainly in shade
14 meetings, that those -- there's no e-mails
15 involved. But, I mean, you're talking about in
16 that instance?

17 MR. ATWOOD: I'm talk -- yes, exactly.

18 MR. KENDEIGH: So, the documentation that
19 would be here would be -- the information, if it
20 were confidential in nature, not public

21 information, if that's what you're saying?

22 MR. ATWOOD: All right. The -- the e-mail

23 that you see on the computer also has other text

24 that's involved with it.

25 MR. KENDEIGH: Correct.

1 MR. ATWOOD: And those portions, some of that
2 are -- are portions that would even show drafts
3 that may have occurred to an e-mail, and that
4 information isn't necessarily available.

5 The information that would be printed off in
6 the e-mail, of course, is.

7 MR. KENDEIGH: So, the documents and
8 folders --

9 MR. ATWOOD: So, I would have to -- I would
10 have to see what your request is.

11 MR. KENDEIGH: I don't know what I'm
12 requesting because I haven't seen it.

13 MR. ATWOOD: Because you haven't seen the
14 e-mails.

15 MR. KENDEIGH: You're right. How would I
16 know?

17 MR. ATWOOD: So, my advice to the board is
18 still to start off with a printed e-mail, see if
19 that satisfies your request. If you're looking
20 for something beyond that, then we'd have to take

21 a look at what it is.

22 MR. KENDEIGH: So, we'll be able to get total

23 documents and files and folders at -- as we're

24 requesting?

25 MR. ATWOOD: I don't know what you mean by

1 files and folders.

2 MR. KENDEIGH: That's Tallahassee. An
3 attorney suggested asking for that.

4 MR. ATWOOD: Again, if you -- if you will
5 make your request, we can review it to see what it
6 is you're requesting.

7 From what I understand, you're looking to see
8 the e-mails. Obviously, that would be made
9 available to the public.

10 MR. KENDEIGH: Correct.

11 MR. ATWOOD: If -- I'm not quite sure I
12 understand what you mean by files and folders.
13 We'd have to review that to see what you're
14 looking for.

15 MR. KENDEIGH: Associated with the Airport
16 Authority board members and the director. If I
17 send you an e-mail, I've got an attachment, that,
18 to me, is part of an e-mail.

19 MR. ATWOOD: That would be part of the
20 e-mail. If you're talking about the attachments

21 to the e-mail, that would be available just as
22 well as the text.

23 MR. KENDEIGH: And if I put it in a file for
24 reference later, that would be part of that
25 e-mail, I assume, also. Again, I'm not an

1 attorney. I'm just asking you.

2 MR. ATWOOD: That's correct.

3 MR. KENDEIGH: Okay.

4 MR. ATWOOD: Anything that's the attachment
5 to an e-mail that's public would also be available
6 to you.

7 MR. KENDEIGH: Okay. I just didn't want to
8 kill 37 trees for me to sit here and drink a bunch
9 of coffee and -- and read the stuff and say,
10 "Thank you; I only want ten of them." I just
11 didn't want to do that.

12 CHAIRPERSON GORMAN: All right. Thank you.

13 MR. GEORGE: Well, the problem that I see
14 goes back to security. While your intentions are
15 fine, if you set a policy that anybody can come
16 in, maybe the next person down the street will
17 bring a virus with him. So, I would think that
18 from a security standpoint, we would not make a
19 terminal available to you for you to just scope,
20 running off.

21 Now, to have a staff member sit with you,
22 well, that staff member has a payroll and a pay
23 rate also, and so you could be back to cutting
24 trees.

25 MR. KENDEIGH: Right. With -- well, the

1 concern is the -- in Tallahassee, during this --
2 this 26 months I worked with the state, I was told
3 that the employees there for the 40 hours, and I'm
4 part of the reason they get a paycheck, or we're
5 all a part of it. So, as far as putting a virus
6 in, I don't think you can get a virus unless you
7 bring a disk in and access it.

8 I mean, I think Mr. Sanchez just left. He
9 had a virus. I'm not going to bring something
10 like that in here.

11 CHAIRPERSON GORMAN: Good. Any -- any
12 further public comment?

13 (No further public comment.)

14 CHAIRPERSON GORMAN: Any further board
15 comment about the public records policy 2008-01?

16 MR. BRUNSON: You need a motion on this?

17 MR. WUELLNER: Yes, sir.

18 MR. BRUNSON: I'll make the motion that we
19 adopt Resolution '08-01 as printed in the material
20 provided.

21 CHAIRPERSON GORMAN: You'll second it?

22 MR. GEORGE: Yeah, I'll second it and add

23 some more discussion to it.

24 CHAIRPERSON GORMAN: That's fine.

25 Mr. George?

1 MR. GEORGE: I read the -- the policy, and --
2 and as you two guys stated, it gets it more in
3 line with, you know, what -- with what the
4 legality is. It would be nice if we had a policy
5 that was so clear-cut that we didn't have to call
6 an attorney in, you know, every time there was a
7 request that was made to see if it was valid.
8 But --

9 MR. ATWOOD: I would second that. There's
10 nothing I enjoy less than reviewing these types of
11 requests. However, your legislature's the one
12 that passes the -- the statute. And Section
13 119.011 referenced here is a very complex statute.
14 It's complex because information on the state
15 level takes so many different forms. In trying to
16 ferret out what that might be, the legislature is
17 trying to give guidelines to attorneys in very
18 unique situations, as well as the situations we're
19 talking about here.

20 MR. GEORGE: Okay.

21 MR. ATWOOD: And so it is a difficult area,
22 and it can be a very gray area at times.

23 MR. GEORGE: Is this the same policy that
24 would be -- or mandated by the state that would be
25 for other government agencies, i.e. the County?

1 MR. ATWOOD: Yes, sir.

2 MR. GEORGE: You know, if somebody came over
3 and wanted to take a look at a terminal at the
4 County and go back and look at all e-mails to --
5 to Bruce, you know, they would still have to go
6 through this, right?

7 MR. ATWOOD: The same principles would apply.

8 MR. GEORGE: All right.

9 CHAIRPERSON GORMAN: We have a motion on the
10 floor and a --

11 MR. GEORGE: And a second.

12 CHAIRPERSON GORMAN: -- second. All in favor
13 of passing it as Staff's recommendation?

14 MR. GEORGE: Aye.

15 CHAIRPERSON GORMAN: Aye.

16 MR. BRUNSON: Aye.

17 CHAIRPERSON GORMAN: And it passes. We can
18 move on to resolution 2008-01, election
19 delegation.

20 10.B. - RESOLUTION 2008-01 - ELECTION DELEGATION

21 MR. WUELLNER: Yes. Approximately ten years
22 ago, the Airport Authority, as required by Florida
23 Statutes, issued a previous resolution to --
24 essentially, it authorizes the Supervisor of
25 Election to conduct elections for this special

1 district on your behalf. As it is a 10-year-old
2 resolution, the clerk -- or, excuse me, the
3 Supervisor of Elections has requested an updated
4 version of the resolution authorizing her to do
5 that and referencing the Florida Statutes related
6 to that.

7 So, it basically abdicates -- you -- under
8 your special district legislation you could have
9 your -- you could have your election independent
10 of general election, if you wish, but that cost of
11 having that election is born by the special
12 district. So, we would have to pay to have a
13 standalone election, if that were your decision.

14 By combining with the general election, we
15 essentially have no -- there's no cost to us
16 because they're already conducting an election
17 during that time.

18 By authorizing her to do that, she does that
19 during the general election. It's essentially
20 what's covered by this. And again, it replaces

21 our previous -- our previous policy saying

22 essentially the same thing.

23 CHAIRPERSON GORMAN: That's -- that's fine.

24 Is there any public input?

25 (No public comment.)

1 CHAIRPERSON GORMAN: Any board comment
2 concerning the resolution?

3 MR. GEORGE: I make a motion we accept the
4 staff's recommendation on the resolution the way
5 it reads.

6 MR. BRUNSON: I second.

7 CHAIRPERSON GORMAN: All in favor?

8 MR. GEORGE: Aye.

9 CHAIRPERSON GORMAN: Aye. And the resolution
10 passes.

11 We next have T-hangar rate discussion.

12 10.C. - T-HANGAR RATE DISCUSSION

13 MR. WUELLNER: Yes. As I mentioned at the
14 last -- the last couple of Airport Authority
15 meetings, one of the things that the Airport
16 Authority needs to have policy discussion is
17 related to pricing of new T-hangars. And while
18 there are -- there are several ways to go -- there
19 are probably essentially unlimited number of ways
20 to go -- I took the liberty of developing the --

21 developing some examples or some iterations of
22 different pricing methodology.

23 But the core question is here, you're --
24 you're bringing some T-hangar on line here in
25 June, and you need to deal with what the rental

1 structure will be of those new hangars.

2 We -- we made representations to you based on
3 our ally on the actual costs of those buildings.
4 And you can certainly charge that rent for those
5 new buildings. That's option number one, when it
6 comes down to it. I'm sorry these numbers aren't
7 as -- they look better on a small screen. Sorry.

8 The white lines are essentially a recap of
9 existing T-hangars on the property to date.

10 Port-a-port -- port-a-port hangars are about 847
11 square foot. I don't think we all need to argue
12 over the fact they're in relatively poor condition
13 in the scheme of things. There are 22 of those
14 units.

15 When you aggregate it out, you see that
16 there's about \$2.62 a square foot, is the current
17 rate for those structures. Standard Ts a little
18 bit bigger, 1181 square foot. They are better
19 shaped. This would be buildings B and C out
20 there, for those of you trying to follow which

21 units we're talking about. Again 22 units, \$210 a
22 month, which works out to about \$2.13 a square
23 foot.

24 Large Ts, this is really only building A,
25 which is a -- more of a twin -- light twin kind of

1 a hangar. Has additional wing box depth for twin
2 engine aircraft. Again, fair condition. There
3 are 10 of those units. Rents currently for \$260,
4 which is \$2.31 a square foot.

5 K, L, and M, the newest of the ones on
6 property, a little over a thousand square foot,
7 good condition. Thirty-six of those units, about
8 \$235 a month, which aggregates -- nets out to
9 \$2.79 a square foot.

10 New T-hangars -- excuse me, the H & I row
11 buildings, there are only a couple of units in
12 there that are leased more consistent with the new
13 ones being built. They're in good condition, have
14 the like HydroSwing door now. And end up about
15 \$3.16 a square foot as currently leased.

16 And you can see that the pink lines here
17 represent what we -- what we did as the ROI, if
18 you will, for the project when the Authority made
19 the decision to go ahead and build. These rents
20 were used in the modeling, as it was explained at

21 that time also. Works out to \$325 and \$375 a
22 month, which ends up \$3.68 and \$3.66 a square foot
23 when you -- when you work it out.

24 And the 50 by 60s echo what we get for light
25 corporate use aircraft hangar space, which is in

1 the vicinity of about \$6.00 a square foot, which
2 is a monthly rent of about \$1500 for 3,000 square
3 foot.

4 The first iteration here is using the average
5 hangar rental rate for the existing units, which
6 is \$2.90 a square foot. When you -- when you work
7 that back out, you -- you can see that some of our
8 hanger units would go up significantly when you
9 apply -- it effectively averages the product
10 across the board based on the square footage of
11 the individual unit you're leasing.

12 It does not do anything to account for the
13 relative condition or differences in types of
14 space. While they all store a hangar -- as we
15 said, we've got conditions that range from poor to
16 brand new coming forward.

17 That would get you hangar rental rates that
18 begin with port-a-ports at about \$204, escalate up
19 based on square footage to the newest T-hangars
20 which would end up at, what, \$256 a month if you

21 were to aggregate the rate across everybody's

22 hangar.

23 That ends up with the same amount of money,

24 essentially, as we would -- we would get now

25 creating pricing based on different types of units

1 out there.

2 The next iteration of this takes the new
3 units and -- and essentially puts the new rate
4 into effect for everyone based on what it costs on
5 the -- to build new ones. And when you -- when
6 you apply that to the old ones, you can see that
7 the hangar space jumps dramatically, \$258 being
8 the least expensive hangar out there, if that were
9 applied, and you would see that we'd still have
10 that \$325 and \$375 number for the newest units.

11 Now, the only -- the upside to this method
12 which, you know, is certainly going to be met with
13 resistance by our tenants, is that it does
14 generate about \$110,000 more a year by bringing it
15 up to what it costs to build hangars today in
16 terms of the costs that we would have to recover
17 per square foot.

18 Keep in mind our newest buildings, when
19 projecting at \$325 and the \$350 structure, gets
20 your 7 percent ROI on your investment. So,

21 it's -- that's -- that's kind of the minimum
22 baseline rent expectation for the new buildings.
23 We did the same -- yes.
24 MR. GEORGE: Say that again.
25 MR. WUELLNER: When you use the --

1 MR. GEORGE: New T-hangar --

2 CHAIRPERSON GORMAN: \$325 and \$375 rates.

3 MR. GEORGE: That represents a --

4 MR. WUELLNER: Seven percent ROI on the new
5 buildings.

6 MR. GEORGE: Okay.

7 MR. WUELLNER: It's -- it's impossible for me
8 to go backwards and look at the ROIs on the old
9 buildings, because we don't have that data.

10 MR. GEORGE: I understand. I understand.

11 MR. WUELLNER: In fact, some of them are
12 20-some years old, too.

13 Same methodology when you look at 50 by 60s.

14 You add some new and some good. You can see

15 there's sort of a variety of the older units

16 averaged about \$3.51 a square foot. The new ones

17 would be at \$6. Now, that -- if you blended the

18 rate again, you'd come down to about \$5.17 a

19 square foot, which would significantly jump the

20 existing units, however, would provide some relief

21 for the newest units as they were brought on
22 property, which would get you a new monthly rent
23 of \$1292, call it \$1300, instead of \$1500. But at
24 the end of the day, you have the same amount of
25 money as you would have pricing them distinctly

1 different. They are essentially the same product.

2 MR. BRUNSON: Ed.

3 MR. WUELLNER: Yes, Mr. Brunson.

4 MR. BRUNSON: Do we have a waiting list for
5 these type hangars?

6 MR. WUELLNER: Yes, yes. We have waiting
7 lists for pretty much everything.

8 The last does the -- adopts -- in a sense
9 uses the \$6 a square foot number, which is what it
10 costs to build hangars today, and you get 7
11 percent ROI. And when you -- when you plug that
12 back in, you can see you'd pick up another \$30- --
13 not quite \$30,000 in new revenue if that were
14 adopted.

15 There's -- I would point out there's no
16 urgency for a decision today. I did have access
17 to some survey information that Daytona Beach
18 airport did back in January of this year, so it's
19 relatively fresh data. And you could see what
20 rental rates are going for, at about a thousand

21 square foot and 1300 square foot level at a number
22 of airports that they had surveyed. So, rather
23 than duplicate that again, you can see that those
24 range, you know, anywhere from \$175 all the way up
25 to what, \$250 a month for a thousand square foot

1 hangar, and likewise is dramatically different,
2 anywhere from what, \$260 all the way up through,
3 what, \$450 a month for the same 1300 square foot
4 unit.

5 Now, not all of those airports are, you know,
6 immediately comparable to St. Augustine, but it
7 gives you a good cross section of what other --
8 other airports are doing, just to help you in your
9 decision.

10 As I said, you don't have to make a decision
11 today, but really, we will need a decision at your
12 May meeting. You can make a decision today; it's
13 up to you. But the urgency is not until June
14 on -- on making a rate decision.

15 CHAIRPERSON GORMAN: You're saying that we
16 will need to make a rate decision by June.

17 MR. WUELLNER: Yeah. The direction you want
18 to go, whether you want to essentially blend the
19 rate into everybody's rent structure, as we add
20 hangars, which will require us to review that

21 every time we add new hangars. Or, we can do kind
22 of like we did when we added K, L, and M, which
23 was simply create a new -- a new rate structure if
24 you occupy a K, L, and M hangar. Which you can do
25 this time, too. You can simply say the newer

1 units are the \$2 -- or, excuse me -- the \$325 and

2 \$375 numbers and the -- the market will bear it.

3 And you'll leave the other hangar rates on the

4 more normal adjustment pattern.

5 CHAIRPERSON GORMAN: I must -- I must say

6 analysis is really thorough. I mean --

7 MR. WUELLNER: It's an interesting iteration.

8 CHAIRPERSON GORMAN: That's a very thorough

9 way to do it. Is there any public comment?

10 MR. WUELLNER: I can't imagine we don't have

11 T-hangar tenants that have something to say.

12 MR. MARTINELLI: They are all checked there.

13 CHAIRPERSON GORMAN: We have public --

14 pardon?

15 MR. MARTINELLI: They're all checked on the

16 agenda item.

17 CHAIRPERSON GORMAN: All right. T-hangar

18 rate, we have -- yeah, let's put some glasses on.

19 Ken?

20 MR. KENDEIGH: I'm too irritated to speak at

21 the moment, so I'll defer.

22 CHAIRPERSON GORMAN: All right. We --

23 we'll -- we'll defer. And sorry. Again, the

24 pronunciation of your last name? I can't read --

25 MR. WUELLNER: Yetter.

1 MR. YETTER: It's Y-e-t-t-e-r. Like Better,
2 only the "B" is a "Y."

3 CHAIRPERSON GORMAN: All right. Thank you.
4 Yetter. Sorry for the delay. Who else in the
5 public would like to speak about the -- the hangar
6 rents?

7 MR. JONES: I would. I think I marked it
8 out.

9 CHAIRPERSON GORMAN: All right. You probably
10 marked it out and I haven't got to it. Go ahead,
11 Mr. Jones. We have plenty of cards there.

12 MR. JONES: Joe Jones, 4672 5th Avenue. One
13 question is, the 7 percent you speak of, is that
14 basing off the -- the hanger cost, or is that all
15 the infrastructure and everything all together out
16 there?

17 MR. WUELLNER: The infrastructure's included
18 in this project. The infrastructure supporting
19 the hangars.

20 MR. JONES: Right, not -- not the -- not the

21 main --

22 MR. WUELLNER: Right.

23 MR. JONES: Not the four -- first four and a

24 half million dollars.

25 MR. WUELLNER: Apron project.

1 MR. JONES: This four and a half million
2 dollars you're working on now.

3 MR. WUELLNER: Right. Correct.

4 MR. JONES: Okay. When you did that other
5 rent analysis you did one time before, was it last
6 year you had someone come in and they said that
7 you should make at least 10 percent return on your
8 money, whether you have grant money or not. How
9 come you don't try to shoot for that?

10 MR. WUELLNER: The current policy of the
11 Authority is minimum ROI expectation is 7, so I'm
12 using that as the example. They can choose
13 whatever number they'd like.

14 MR. JONES: I mean, because I know y'all paid
15 for that guy to come in there and do all these
16 analysis, and he -- that was his recommendation.
17 Any new hangars that come on line, you know, he
18 said to go for 10 percent return.

19 Now, the 8, 9, and 10 you just built, those
20 are 7500 square foot hangars, and how much do

21 those rent for, compared to these 1500 --

22 MR. WUELLNER: They're at \$6 -- \$6 or --

23 excuse me, \$6.50 a square foot, is my recollection

24 of all -- each of those units, so it's --

25 MR. JONES: That's like a corporate hangar?

1 That's a --

2 MR. WUELLNER: Yes.

3 MR. JONES: That's more top of the line?

4 MR. WUELLNER: Well, it's -- it's -- the
5 physical dimensions are different than this kind
6 of a hangar. It has a 20-foot door height. And
7 trying to remember the width. It's like 85 by --

8 MR. JONES: Well, that's why I was curious to
9 go back. Either you're getting a lower rent -- a
10 lower-type hangar now for basically the same rent
11 as the top of the Cadillac. You know, you just
12 wonder how people is going to adjust to that, you
13 know? It's the same thing with, you know, you
14 said in the paper the other day something like
15 \$300,000 you was going to generate off these new
16 hangars. There was 42 hangars. I can see now if
17 you spread it all out, you know, I got to really
18 look through that, which, you know, you were
19 talking about close to \$600 a month, you know,
20 just -- just in new hangers alone.

21 MR. WUELLNER: Yeah.

22 MR. JONES: So, are you going to have this --

23 this, what you got up here available to look at?

24 Yours is kind of --

25 MR. WUELLNER: Sure.

1 MR. JONES: And then the only other question,
2 like these airports you have here, you know,
3 you're comparing to, are all of those like
4 county-run airports that get tax dollars or are
5 any of those private airports to say what the --
6 you know, what private people charge?

7 MR. WUELLNER: I --

8 MR. JONES: You know what I mean? I mean,
9 like are those all county airports that, you know,
10 get tax money to build air -- you know, hangars,
11 and you're to subsidize rent? Are any of those
12 like private -- you know, like -- like Craig Field
13 or something like that, that just say, well, this
14 is mine; I want to make as much as I can off it,
15 either of those numbers?

16 MR. WUELLNER: These are all public airports.
17 I can't speak -- it wasn't my survey, so I can't
18 speak --

19 MR. JONES: Well, I was just curious.

20 MR. WUELLNER: -- to whether they are --

21 MR. JONES: Never seen --

22 MR. WUELLNER: -- through an FBO or airport.

23 MR. JONES: Rent, do you know what I mean?

24 MR. WUELLNER: We can try to find out for

25 you, but I do not know.

1 MR. JONES: Thanks.

2 CHAIRPERSON GORMAN: All right. Thank you,
3 Mr. Jones.

4 MR. WUELLNER: And I've got a bigger -- or
5 more expansive copy of this survey that I'd be
6 happy to give you, too.

7 CHAIRPERSON GORMAN: We have another public
8 comment, is Reba Ludlow, you have checked on
9 T-hangar rate discussion?

10 MS. LUDLOW: I'm going to defer to
11 Mr. Tucker.

12 CHAIRPERSON GORMAN: Then we have Mr. Tuck --
13 Mr. Tucker here. He has also got something
14 that -- concerning T-hangar rate discussion.

15 MR. TUCKER: Len Tucker. I would like to --
16 I got caught a little off guard, so bear with me.

17 I would like to at least put in what I feel
18 would be the comments that everybody that's a
19 current tenant out there would be feeling, and
20 that is that a lot of those hangars are in pretty

21 poor condition, and I think the concept of trying
22 to bring them up to the same rental rate as the
23 newer hangars that have a lot more sophistication
24 and a lot easier to operate is not what I would
25 feel a good business sense to do.

1 I know there's several hangars that the doors
2 are stuck on, they're hard to open. My hangar, in
3 particular, until the doors were changed, was
4 almost -- you almost got a hernia trying to get
5 the door open; where the new hangars are going to
6 all have those HydroSwing doors which are much
7 more convenient.

8 And I just don't think that the bulk of the
9 tenants there are going to say, "If I'm going to
10 pay the same rate, I'm going to be in a dumpy
11 hangar." All of a sudden, everybody's going to
12 move out of those hangers and nobody's going to
13 want to be in them at those rates.

14 So, I think you need to take that into
15 consideration when you start to come up with that
16 policy. Thank you.

17 CHAIRPERSON GORMAN: All right. Thank you,
18 Mr. Tucker. And Mr. Martinelli, you have one on
19 T-hangar rate discussion.

20 MR. MARTINELLI: I'm checked off there.

21 CHAIRPERSON GORMAN: Yes, you are checked
22 off. Come on up.

23 MR. WUELLNER: And before everybody hands me
24 my head, these are -- I don't -- I don't have an
25 opinion. This is something, a policy matter that

1 you guys do. I'm not advocating any one of these
2 directions.

3 CHAIRPERSON GORMAN: I might interject that
4 your analysis is really well done.

5 MR. WUELLNER: My -- I think if you are
6 moving forward seriously looking at bringing
7 the -- the rate per square foot into align with
8 the balance of the hangars, then I think you need
9 to look at some sort of a -- don't want to use the
10 word "discount." I don't mean it quite the same,
11 but I think you need to really discount the rate
12 based on the condition of the hangar.

13 You know, it may be the first flush is the
14 right number, but the second -- you know, when
15 you -- when you look at the relative value of a
16 port-a-port per square foot to a brand new hangar,
17 that is a completely different product.

18 MR. BRUNSON: I think we can figure that out.

19 CHAIRPERSON GORMAN: Mr. Martinelli?

20 MR. MARTINELLI: Return on investment, the

21 investment is on the balance sheet. For most of
22 the existing hangars, the net investment on the
23 balance sheet is zero. They're fully depreciated.
24 And so if you take a return on investment and you
25 calculate it on that basis, the return on

1 investment that you're getting from the existing
2 hangars is infinite. So, it's -- it's really
3 found money.

4 Now, to turn around and say the new hangars
5 based upon today's market need to have some kind
6 of a leveling factor or a meldting factor which
7 will ameliorate the high rent that you're going to
8 have to pay in order to get a retired -- desired
9 return on investment I think is inequity. It's
10 not just the age of the hangars financially; it's
11 an inequity.

12 And so the present policy for pricing those
13 hangars, all the existing hangars, is to look at
14 what hangar prices are in the neighborhood and
15 base your prices on that.

16 And so, you know, if the folks want to come
17 here and they want new hangars, and you've got a
18 waiting list for that, then either two things have
19 to happen: Either you're going to have to adjust
20 your return on investment expectation by extending

21 the period of time that you want to get that
22 investment recovered, or charge the appropriate
23 amount for the new hangar to the new tenant and
24 leave the existing structure alone.

25 That's my take on it.

1 CHAIRPERSON GORMAN: All right. Thank you,
2 Mr. Martinelli. Is there any -- any more public
3 comment? I don't have anymore slips.

4 Well, we'll move on to board comment.

5 MR. WUELLNER: So, the other -- other point
6 to make is that the -- the ROI calculation, as
7 your policy does it, is over a 20-year period.
8 So, you certainly could look at extending the ROI
9 to a longer period if you wish to, because the
10 asset has, I'm sure, longer than 20 years of
11 life --

12 MR. GEORGE: I think that that would --

13 MR. WUELLNER: -- which would affect
14 dramatically.

15 CHAIRPERSON GORMAN: Mr. George? Go ahead,
16 Mr. George.

17 MR. GEORGE: I think that that was one of the
18 considerations in our overall financial plan, that
19 we're trying to get that rate of return over a 20
20 year or sooner.

21 If I have a development, and that's basically
22 what we have here, and I have some product, a
23 1,000 square foot house that was built ten years
24 ago, and I built a new one, I think it's
25 ridiculous for us to consider that that

1 ten-year-old house is going to get the same rate
2 as the new house.

3 We took a lot of pains over the years that I
4 have been on this board to make sure that we were
5 in line with the other airports in the surrounding
6 area, what they were charging for hanger space.

7 And there is a detail report of the last one
8 that Mr. Wuellner has in his office, and I've had
9 an opportunity to see it, but if you start looking
10 at what we're charging for a thousand, 1100 square
11 foot hangar, and what the rest of them are
12 charging for it, we're up there pretty close to
13 the top. We're not the top. I think that there
14 were three in there at \$256, and we're at \$235,
15 something like that. So, we're up to the top.

16 Now, we have also had a policy that every
17 year we make an adjustment to the rent based on
18 these numbers that we find out from what other
19 airports are charging in the area. And the last
20 time we did that, Mr. Wuellner, was when?

21 MR. WUELLNER: March of last year.

22 MR. GEORGE: Okay. So, it's time to go

23 through with an adjustment there. How much was

24 the rough estimate of what we increased it last

25 year?

1 MR. WUELLNER: I'm going to have to defer. I
2 think it was -- it's equivalent --

3 MR. GEORGE: That one, it went from \$212 --

4 MR. WUELLNER: -- to CPI adjustment?

5 MR. GEORGE: -- to \$235?

6 MR. WUELLNER: Yeah. I'm pretty sure. Do
7 you remember what the adjustment was last time we
8 made it on hangers?

9 SECRETARY: I think \$10 a unit.

10 MR. GEORGE: How much?

11 MR. MARTINELLI: About five percent. About
12 five percent.

13 MR. GEORGE: Okay. Five percent. I don't
14 see why we don't, with the existing units that we
15 have now, we don't continue with -- with that line
16 of thinking, because it is equitable. What else
17 is available in our competition in the area? And
18 if that's a five percent increase on the existing
19 hangars or a 10 percent increase, you know, I
20 think that that would be reasonably to expect

21 that.

22 On the new hangars, however, we sit back here
23 and we make a decision on how much money we're
24 going to invest, and we do it based on the return
25 that we're going to get.

1 So, I think on the new hangers we need to
2 stick to that return and say that's what it is.

3 MR. WUELLNER: So, if I'm hearing you
4 correctly, make or -- you're -- you're -- you're
5 advocating keep -- making the rental structure --

6 MR. GEORGE: I, as one -- I as one member of
7 this board am making a recommendation that all of
8 the new hangers that come out, we do it on a
9 minimum rate of return of 7, or whatever we had --

10 MR. WUELLNER: Right.

11 MR. GEORGE: -- in the policy. But the other
12 units, you have to raise those the way we've done
13 in the past.

14 MR. WUELLNER: Right.

15 MR. GEORGE: And some indication of lights
16 that don't work? Where's Len? You know, need to
17 be taken to get those up to snuff.

18 MR. WUELLNER: Uh-huh. So, it's a \$325, \$375
19 rental structure, basically.

20 MR. GEORGE: Yeah.

21 MR. WUELLNER: I just want --

22 CHAIRPERSON GORMAN: Thank you, Mr. George.

23 Any further board comment?

24 MR. BRUNSON: No, I think -- I think we're

25 on -- right on track with being fair and making

1 sure we have returns.

2 CHAIRPERSON GORMAN: So, I would like to
3 actually say that we -- that the board should just
4 ask for Staff recommendation, in other words, on
5 this, because he's really got a good analysis
6 going here.

7 MR. BRUNSON: And then I think by -- we'll
8 have a decision.

9 MR. WUELLNER: I was going to say, at the end
10 of the day, no matter which of the methods you
11 apply, other than the raising it up to the new
12 square footage rate, which is more shown to
13 illustrate what -- if you were replacing those
14 units today, what the rental structure would have
15 to be probably to be able to replace them.

16 But the other methods essentially provide the
17 same net. So, the ROI is there; it's just you're
18 recovering it over all the hangar assets, not just
19 the new hangar asset.

20 So, it's really up -- you know, they both

21 work. They both get the same objective.

22 MR. GEORGE: But as we pointed out, some of

23 the hangars that are 20 years old --

24 MR. WUELLNER: Agreed.

25 MR. GEORGE: -- you know, it's -- the return

1 on those is up there, and that's what we planned
2 on.

3 MR. WUELLNER: Believe me, I understand. The
4 return is wonderful and the conditions not
5 necessarily.

6 MR. GEORGE: Exactly. Right.

7 CHAIRPERSON GORMAN: It's not exactly the
8 right time, but I would like to add as an agenda
9 item in the future, discussion of the replacement
10 of some of those very delapidated hangars.

11 MR. GEORGE: Say that again?

12 CHAIRPERSON GORMAN: I'd like to add sometime
13 in the future discussion of the replacement of
14 those very delapidated hangars because --

15 MR. GEORGE: As long as it's in the financial
16 plan and brings in the revenue, I have no problem
17 with that.

18 MR. BRUNSON: That's fine. We have the
19 money.

20 MR. WUELLNER: Well, I think the

21 recommendation -- there's a recommendation that
22 will likely come out of the GA committee relative
23 to where some of that --

24 MR. GEORGE: Yeah, okay.

25 MR. WUELLNER: -- stuff ought to go. And

1 it's up to you then --

2 CHAIRPERSON GORMAN: That's fine. That's why

3 I said when it's apropos to do so. That's fine.

4 MR. WUELLNER: Up to you.

5 CHAIRPERSON GORMAN: So, we have -- so, we're

6 just going to leave it to where we're going to let

7 the -- we're going to defer to Staff

8 recommendation?

9 MR. BRUNSON: I'm not prepared to make a

10 recommendation yet.

11 CHAIRPERSON GORMAN: So, we're --

12 Mr. Wuellner, we're just going to hear from you as

13 far as your recommendation at the next meeting as

14 to the --

15 MR. WUELLNER: Right.

16 MR. BRUNSON: I think he -- I think he's laid

17 out our homework to where we can --

18 CHAIRPERSON GORMAN: So do I.

19 MR. WUELLNER: Okay.

20 MR. GEORGE: Yeah. I make a motion that the

21 new hangers go in at the 7, 7 1/2 percent return,
22 the way we've always calculated it. And that's
23 what the rates fall out to be.

24 As far as the existing hangers, we look at
25 those. And in March we gave an increase on them,

1 and we just do it as we have always done it in --
2 every six months, you know, adjust it.

3 MR. MARTINELLI: A year.

4 MR. WUELLNER: Yearly. It's a year.

5 MR. GEORGE: Yeah.

6 MR. WUELLNER: We adjust it annually.

7 MR. GEORGE: Well, in Mr. Martinelli's case,
8 let's do it every six months.

9 MR. BRUNSON: It's according to whether you
10 had the Christmas party in them or not.

11 CHAIRPERSON GORMAN: Well, we have a motion.
12 Do we have a second or --

13 MR. BRUNSON: (Witness shaking head.)

14 CHAIRPERSON GORMAN: Well, the motion fails
15 from lack of a second; however, it's -- the
16 point's making -- is made.

17 So, let's see. No -- let's go on to the next
18 issue, then, since we have no --

19 MR. WUELLNER: It's just --

20 CHAIRPERSON GORMAN: What would you like to

21 do? If Mr. Wuellner wants to speak, let him.

22 MR. WUELLNER: So, if I'm hearing you, this

23 is essentially deferred to next month, when

24 everybody's here, when you will make some final

25 decision on what it is since the motion failed and

1 there's no -- no new motion.

2 CHAIRPERSON GORMAN: Yes, sir, that --
3 that's -- that's clear.

4 MR. GEORGE: I would like to request a new
5 chart that covers the parameters of what I just
6 said so we know how much revenue is to be expected
7 from all that.

8 MR. WUELLNER: It's already on there.

9 MR. GEORGE: Fine.

10 MR. WUELLNER: I'll just take it off there.

11 MR. GEORGE: Circle it for me.

12 MR. WUELLNER: I will do that.

13 CHAIRPERSON GORMAN: So, we are deferring
14 this to another discussion for the next board
15 meeting?

16 MR. WUELLNER: Correct.

17 CHAIRPERSON GORMAN: When we are going to
18 make a decision at that point.

19 MR. WUELLNER: Correct.

20 CHAIRPERSON GORMAN: That's fine. Let's move

21 on to the -- another action item, property and

22 liability insurance decision.

23 10.D. - PROPERTY AND LIABILITY INSURANCE DECISION

24 MR. WUELLNER: We have three firms proposing

25 to provide property and liability insurance this

1 year. The three firms are Lance Toland
2 Associates, Herbie Wiles, and Thompson Bailey
3 Baker (sic).

4 And I would invite John Tinseth of Lance
5 Toland up, if he'd like to come up and explain
6 coverage or -- related to his proposal.

7 MR. TINSETH: Sure.

8 MR. WUELLNER: That will work. Got the wrong
9 direction.

10 MR. TINSETH: First off, I -- I'd like to
11 thank you guys for allowing me to -- to make a
12 quote this year. There was a little bit of
13 miscommunication, and I think I kind of came in
14 last. To that degree, some communication wasn't
15 communicated to me, specifically the deadline, nor
16 presentation. I was told to come here and answer
17 some questions.

18 MR. WUELLNER: You don't have to.

19 MR. TINSETH: So, I'm here to answer some
20 questions, as well as just put forward the figures

21 that you have. I understand they've all been sent
22 to you from my firm.

23 We quoted a company called Allianz Aviation
24 Managers. We're, by the way, a aviation insurance
25 agency. It's -- it's what we do.

1 For the property, Allianz is an admitted
2 company. They came in with three quotes with
3 three deductible options; one a \$5,000 deductible
4 for \$69,010, a \$10,000 deductible at \$67,000, and
5 a \$25,000 deductible at \$62,980.

6 Those figures are indicated on the e-mail --
7 and as -- on the actual quote itself as an
8 indication.

9 I have been talking to the underwriter today,
10 and they indicated that -- that it's never going
11 to go higher, that it would go lower.

12 This quote excludes wind, hail, flood, and
13 earthquake.

14 MR. GEORGE: Not much left, is there?

15 CHAIRPERSON GORMAN: So, how do we get hurt?

16 MR. GEORGE: What's left?

17 MR. TINSETH: Fire.

18 MR. GEORGE: Other than you wrecking your
19 plane?

20 MR. TINSETH: Fire. You currently carry --

21 currently, I believe, the policy also excludes --

22 I'll check with Doug -- wind -- or, no. You --

23 you include wind but you exclude flood and quake.

24 MR. WILES: Right.

25 MR. TINSETH: So, apples-to-apples

1 comparison, we're not bringing you the quake,
2 which is why it's \$60,000 for a \$25,000
3 deductible.

4 The situation is if you want wind, which
5 we've done a number of FBOs and airports in the
6 state of Florida. We're finding some people take
7 wind and some people don't. If you want wind, we
8 can go out and we have priced on an indication
9 basis the difference in conditions policy. That
10 would provide you the wind. And that, we're
11 estimating at \$72- -- \$80,000 -- \$80,000.

12 Allianz is an admitted market. Allianz
13 Aviation Managers also write airports, and they
14 would be very interested in writing your airport
15 liability, your auto, your worker's comp.

16 Basically, that's what Allianz does, is they
17 write all of the aviation lines of coverage
18 connected to FBOs and to airports.

19 MR. WUELLNER: Is that in addition to?

20 MR. TINSETH: I'm sorry?

21 MR. WUELLNER: This \$70- to \$80,000 for --

22 MR. TINSETH: That's in addition to. So,

23 basically, we're roughly guessing, or estimating,

24 that you would be looking at \$130- to \$140,000 for

25 the same policy that you had last year.

1 You would also save a substantial -- well,
2 you would save some money because you wouldn't be
3 paying excess and surplus lines taxes on the
4 property that Allianz has because they're an
5 admitted company. So, that's -- that's a little
6 bit of a betterment.

7 CHAIRPERSON GORMAN: May I ask Mr. Wuellner
8 how that would compare to what we're paying now?

9 MR. WUELLNER: All of your quotes today are
10 dramatically below what they were last year for
11 equal or better coverage in every respect, so...

12 CHAIRPERSON GORMAN: That's what it looked
13 like to me.

14 MR. WUELLNER: The -- the round numbers for
15 last year are around \$230- plus the -- I want to
16 say it ended up about \$268-, something like that,
17 at the end of the day last year. So, this --
18 these are all -- and you're going to find they're
19 all down in a -- in a much better range this year.
20 So...

21 MR. GEORGE: Why is that?

22 MR. TINSETH: The market is soft, and it's

23 getting softer every day. There's been a

24 substantial lowering of premiums for wind coverage

25 in Florida. You're in St. Augustine, so -- you're

1 not in Fort Lauderdale, you're not in southern
2 Florida, where these are some very, very serious
3 issues, and people have seen their premiums go up
4 500 percent.

5 So, your location is helpful, the market's
6 helpful. And I think regardless of -- you know, I
7 think a lot of times people will go out in a
8 situation like this and they'll price it out and
9 they'll find out what markets could come in with
10 the best price.

11 Regardless of what you ever do, we're an
12 aviation insurance agency. This is what we do.
13 Some people have expressed an interest in us
14 coming in and even providing consultative services
15 on even how to bid, in which case we normally pull
16 ourselves out of a broker situation. We will not
17 broke or place insurance that we're consulting on.

18 But I -- I highly recommend that if you
19 haven't already, that sometime in the near future
20 you may want to look at hiring an aviation

21 insurance specialist who can not only review your
22 current program, but he'll do it with actually no
23 skin in the game. And that's important.

24 CHAIRPERSON GORMAN: Any -- any further
25 questions from the board or from the public?

1 MR. BRUNSON: No, that's good. Thank you.

2 MR. TINSETH: Thank you.

3 CHAIRPERSON GORMAN: Thank you very much.

4 MR. WUELLNER: And Ralph Klein?

5 MR. KLEIN: Good afternoon. I believe you

6 all probably have a copy of -- of our proposal.

7 And I think you've had time to review it.

8 I don't want to go through lengths of talking

9 about the values and so on because those are

10 things that -- that Mr. Wuellner has essentially

11 determined.

12 Our proposal also has three options. The

13 initial option does not include business income

14 coverage, which -- which was included in last

15 year's policy.

16 We also -- the first option does not

17 include -- there are several buildings, hangers,

18 particularly, that are noncombustible buildings,

19 that -- that are older, in poor condition, that we

20 did not insure in the past. And we -- we have

21 included that as a third option, including if you
22 wanted to cover those.

23 But essentially, ours breaks down where we
24 are providing wind and hail coverage with a five
25 percent deductible, which is a hundred thousand

1 minimum deductible per occurrence.

2 There is an all other wind deductible, which
3 is not named storms, and that coverage is \$50,000.

4 And any other peril would have a -- carry a
5 \$10,000 deductible. Flood and earthquake are not
6 covered.

7 The second option would be to add the
8 business income coverage, which would add an
9 additional \$6,000 of taxes and fees, for a million
10 dollars of business income.

11 And the last option is adding the coverage
12 for those older hangars, a million, four in value,
13 and roughly \$16,800 additional premium, plus taxes
14 and fees.

15 MR. WUELLNER: If you put all three together,
16 that ends up what, \$160,600.

17 UNKNOWN SPEAKER: I can tell you what that
18 number is.

19 MR. GEORGE: Ed, is this typical, in that you
20 get insurance for \$1.4 million to cover one, two,

21 three, four, five, six hangers that would probably
22 cost us \$6 million to build?

23 MR. WUELLNER: Actually, these are based on
24 the value of those buildings if you're -- they --
25 they are all old -- old buildings with -- with --

1 MR. GEORGE: But for us -- us to replace
2 them --

3 MR. WUELLNER: Replaced, yeah.

4 MR. GEORGE: -- at current value, it would
5 easily be \$6 million.

6 MR. WUELLNER: Yeah. To find replacement
7 value insurance, I don't -- I don't know that
8 anybody's doing that for --

9 MR. GEORGE: Okay.

10 MR. WUELLNER: -- those age.

11 MR. KLEIN: If you added all those up, if you
12 added options one, two, and three together, the
13 total premium is \$160,613.94.

14 MR. TINSETH: Mr. Wuellner, I'll put in that
15 our quote does add all the hangars, and that's why
16 our values, you'll notice our --

17 MR. WUELLNER: Okay.

18 MR. TINSETH: -- TIV is \$26- and not \$21- --

19 MR. WUELLNER: Right.

20 MR. TINSETH: -- because we did Marshall &

21 Swift evaluations on all of them.

22 MR. WUELLNER: Okay.

23 MR. TINSETH: If you lose one, you would get

24 the replacement cost value of a hangar that was

25 built in 19- -- I think you've got two that were

1 built in '69.

2 MR. WUELLNER: Yeah. There's some older ones
3 out there.

4 MR. GEORGE: Yeah.

5 CHAIRPERSON GORMAN: All right. Well, thank
6 you, sir. Is there any -- any questions of --
7 from the public or the board? We'll go to both.

8 (No further discussion.)

9 MR. WUELLNER: Okay.

10 CHAIRPERSON GORMAN: All right.

11 MR. WUELLNER: Then last is --

12 CHAIRPERSON GORMAN: We have one more
13 presentation?

14 MR. WUELLNER: -- Andy Norman.

15 MR. NORMAN: Good afternoon, everyone. My
16 name is Andy Norman, and I'm with Thompson Baker
17 Agency. I will thank Mr. Shimmer for passing
18 around our presentation. We're also going to do
19 it on a PowerPoint. The notes you have there are
20 just copies of the slides, if you want to follow

21 along.

22 Thompson Baker Agency, as some of you may be

23 familiar with, we're a local agency, been around

24 since 1925, and -- hit the button.

25 MR. WUELLNER: Yeah, I thought you had it.

1 She didn't give you the thing?

2 MR. NORMAN: I don't have a clicker.

3 MR. WUELLNER: It should be on already. The
4 left button.

5 MR. NORMAN: Again, my name is Andy Norman.

6 With me today is Kurt Heyman, and he is with

7 Public Risk Underwriters, and they're

8 administrator for the program we're presenting

9 today. He'll be available for any questions you

10 have about the program afterwards also.

11 The servicing team that we're presenting

12 today, I would be your agent. I'm an accredited

13 advisor in insurance and associate in risk

14 management. My responsibilities as your agent is

15 the first point of contact and present renewals,

16 come to board meetings, obviously, answer

17 questions, overseeing claim handling.

18 On my team also is Jessica Minch. Her

19 responsibility is to answer coverage questions.

20 She can add or endorse policies. Also, she is the

21 main point of contact in that if I'm out of the
22 office, which I am frequently, she is there on a
23 9:00-to-5:00 basis to answer any questions you
24 guys have.

25 Issuing certificates, Renee Love, that's her

1 full-time job, also. I understand your
2 certificate requests aren't that great, but she's
3 there if you need them.

4 The property schedule we have is the full
5 property schedule covering all the hangers,
6 including the noncombustible ones, the metal
7 buildings, at the full value that Ed had given to
8 me. And that's -- you know, we can change those
9 as -- as an appraisal comes through or anything
10 else you need.

11 Property -- you know, our TIV, our total
12 insured value, is \$23,642,999 on building, and on
13 the contents is \$910,000.

14 We also have an extensions of coverage.
15 These are comparable to any other extensions of
16 coverage you're going to get, accounts receivable,
17 new locations, personal property of employees,
18 fairly standard.

19 To sum it up, your values increased as of
20 last year 19 percent. What we have are -- and

21 what we're presenting is a named storm
22 deductible -- we are covering wind -- of a five
23 percent on all buildings subject to a minimum of
24 \$50,000.

25 And I believe last year, I think it was

1 subject to a \$250,000 deductible.

2 We are -- all other peril, which is your
3 fire, lightening perils, we have a deductible of
4 \$25,000. We also have a lower option available.

5 This is, again, what you had last year.

6 Equipment breakdown is included. And that's
7 machinery or anything you have in the buildings,
8 elevator, something like that.

9 We're also including business income in the
10 amount of \$1 million.

11 And all property is based on replacement
12 cost. What that means is you have it on the
13 schedule at \$100,000. It burns to the ground, we
14 write you a check for a hundred -- or burns or
15 blows to the ground, we write you a check for
16 \$100,000 to replace that building -- or up to a
17 hundred thousand.

18 Now, if you look with me here, the other
19 option is an actual cash value basis. Actual cash
20 value is replacement cost less depreciation. And

21 as we just touched on, some of your buildings are
22 older than maybe -- you know, they may be
23 depreciated almost to zero dollars. Sixty-four
24 percent of your buildings are metal buildings, and
25 according to last year's schedule, they were all

1 on that actual cash value, so essentially, almost
2 not covered. You have -- you have these buildings
3 that are built in -- you know, you have one that's
4 built in 1986, hangar B. At \$300,000, we're
5 covering it. If it burns down or blows down
6 today, \$300,000, less the deductible. As it
7 stands now, you would have less the depreciation.
8 What's the depreciation on a metal building built
9 in 1986? Probably about half. So, think about
10 that when you're considering this.

11 Crime coverage, you're also part of the
12 property coverage as per last year.

13 Though it's not coming up right now, and I'm
14 not even positive if you guys have it, public
15 officials liability coverage, highly recommend it.

16 This covers -- and you can read it there --
17 misfeasance or nonfeasance, something done
18 incorrectly, something done that wasn't done and
19 should have been done. And it covers you guys as
20 board members personally.

21 I'm also recommending employment practices
22 liability. This covers any sort of
23 employment-related claims, sexual harassment,
24 discrimination. And these are employees of the
25 board -- or, excuse me, of the Airport Authority.

1 Premium we're presenting today, again at full
2 replacement cost of the full schedule, with wind,
3 \$138,270. We have these optional coverages, if
4 you're interested, for pub -- public officials
5 liability and employment practices liability.

6 We also have another feature that we're
7 offering, and it's a 17-month policy. And the
8 advantage of this is it'll get you through two
9 hurricane seasons. So, you have a hurricane
10 season coming up, you lock in this rate at \$138-,
11 where we have a bad storm season, and you get your
12 rates tripled or doubled like happened last year,
13 you don't have that here. You're locking in this
14 lower rate at -- for 17 months.

15 Now, that would move your property expiration
16 date to the 10/1 through 10/1 continuing. But as
17 it stands now, it's 17 months, including two
18 hurricane seasons, for only \$200,000.

19 MR. GEORGE: One of the problems we tried --
20 one of the problems we tried to avoid by moving

21 our insurance away from our budget is because we
22 were going in the budget years and having just,
23 you know, wild guesses, as far as what the
24 insurance is going to be.

25 MR. NORMAN: The way that --

1 MR. GEORGE: So, how about 24 months?

2 MR. NORMAN: Can't do it 24 months, only

3 17 --

4 MR. GEORGE: Okay.

5 MR. NORMAN: -- at this time. However, to
6 answer your question, the way our company works, I
7 know you guys are on -- it's 9/30, start your
8 fiscal year; is that correct?

9 MR. GEORGE: Right.

10 MR. NORMAN: We will present in the month of
11 September, like we're doing now; however, your
12 first payment won't be due until after that 10/1
13 period.

14 MR. GEORGE: But in the month of September, I
15 have to put a budget together, so I'd have no
16 earthly idea how much I'm going to pay you
17 starting October 1.

18 MR. NORMAN: So, is it easier to keep it at
19 the 4/28?

20 MR. GEORGE: Yeah, if we can get 24 months.

21 MR. NORMAN: Twelve. That's all we can do at
22 the 4/28 period.

23 MR. GEORGE: Okay.

24 UNKNOWN SPEAKER: We can consider that 24
25 months, and the main reason, our program runs from

1 10/1 to 10/1. That's why we're offering you that
2 option. We could certainly probably, if you
3 wanted 24 months, because you're out of hurricane
4 season. You know, November to April is when our
5 (unintelligible).

6 MR. GEORGE: Yeah.

7 UNKNOWN SPEAKER: -- so we didn't really
8 consider that. We just kind of gave you, you
9 know, a date that will coincide with our 10/1
10 year. But -- but it's something that I can
11 certainly go back and check. But your exposure is
12 pretty much done by October.

13 MR. GEORGE: Well, I was just trying to let
14 you know why --

15 UNKNOWN SPEAKER: I understand.

16 MR. GEORGE: -- we're on this weird schedule.

17 UNKNOWN SPEAKER: And you would pay us after
18 10/1, so you wouldn't be paying us for 10/1 prior
19 to that date. The way it works, if one of our
20 members come due on October 1st, you would have 30

21 days into that -- that fiscal year to pay the

22 premium.

23 MR. GEORGE: Right.

24 UNKNOWN SPEAKER: So, you wouldn't be -- for

25 example, if you came with this option now, we

1 would bill you 4/28/08 to 9/30/08. You would pay
2 that now, and then we would bill you payable in
3 '08-'09 for that next year.

4 MR. GEORGE: Yeah.

5 MR. NORMAN: So, you wouldn't have to come up
6 with the full \$200,000 at this point in time.
7 There would be two fiscal years involved. But I
8 can check that 24 month, if you wanted to.

9 CHAIRPERSON GORMAN: Is there any further
10 questions?

11 MR. NORMAN: Yes, sir. Anymore questions?

12 MR. TINSETH: Just a quick question. I was
13 wondering, both with you and Doug, what are your
14 markets?

15 MR. NORMAN: My market is PGIT.

16 MR. TINSETH: Your -- your paper, your
17 carrier?

18 MR. NORMAN: PGIT.

19 MR. TINSETH: Can you spell that?

20 MR. NORMAN: P-G-I-T, PGIT. I'll show you in

21 just a moment. The PGIT Advantage.

22 MR. TINSETH: And that's the insurance

23 company?

24 MR. NORMAN: That's the insurance trust we're

25 with, yes, sir.

1 MR. TINSETH: That's a trust. Before we get

2 off -- before we get off any insurance carriers --

3 Okay. So, you have -- so you're a trust for

4 a bunch of carriers.

5 MR. NORMAN: And we're a trust and we have

6 A-rated carriers, so if there's any --

7 MR. TINSETH: Okay. And so this is all

8 excess and surplus paper.

9 MR. NORMAN: This is all excess and loss

10 (unintelligible) to the trust, correct.

11 MR. TINSETH: Yeah. Excess and surplus

12 markets. And, Doug, what's your market?

13 UNKNOWN SPEAKER: Ours is a combination of

14 Lloyds of London, Lantana, and National Fire.

15 UNKNOWN SPEAKER: You're still in

16 (unintelligible)?

17 UNKNOWN SPEAKER: Yeah.

18 MR. TINSETH: All right. Thank you very

19 much.

20 UNKNOWN SPEAKER: I have a question also.

21 What was your total insured value?

22 MR. NORMAN: It's \$24 million. What was it?

23 Back as last time.

24 MR. WUELLNER: Yeah.

25 CHAIRPERSON GORMAN: Mr. Wuellner, is there

1 any advantage to -- to -- is this an action item
2 we need to do right now? When is our drop-dead
3 deadline? Because quite honestly, this is as
4 confusing as it can be, at least for me. And I
5 don't know how the other board members feel.

6 MR. WUELLNER: My -- my recollection is our
7 policy expiration date is May 1; is that correct?
8 Is May 1. Except the secondary problem we have
9 with insurance all the time is you can't get --
10 you can't get the information until you get close
11 to the date.

12 CHAIRPERSON GORMAN: In other words, these
13 quotes couldn't have been provided to us any
14 earlier? And I'm not -- I'm not pointing a finger
15 at you.

16 MR. WUELLNER: I got --

17 CHAIRPERSON GORMAN: I'm just curious.

18 MR. WUELLNER: I got one Friday, I got one
19 today, and I got one maybe Thursday last week. I
20 mean, that -- that's -- the numbers -- was it last

21 Tuesday? I'm trying to remember.

22 UNKNOWN SPEAKER: Yes.

23 MR. WUELLNER: You're right.

24 UNKNOWN SPEAKER: I do want to point out

25 there is discrepancy also. There, they have a

1 total insured value of \$23,000,006. Ours is
2 \$25,8-, almost \$26,000,000. So, there -- there is
3 some valuation --

4 CHAIRPERSON GORMAN: I understand. Before we
5 get into the battle of the agents here, I mean, I
6 really -- I'm trying to figure out how the board
7 can deal with the most competitive quote in this
8 short a period of time, is what we're doing. And
9 I'm looking to Mr. Wuellner to --

10 MR. WUELLNER: I warned you this would be
11 fun.

12 CHAIRPERSON GORMAN: -- help us.

13 MR. GEORGE: You warned me what?

14 MR. WUELLNER: I warned you last month this
15 would be fun.

16 MR. GEORGE: Yep.

17 CHAIRPERSON GORMAN: I'd like to point out to
18 the board, too, it's my own thought that if you
19 have a catastrophic loss, you've got FEMA stepping
20 in, you really do. I mean, you're going to at a

21 certain point in time. And that is -- and their
22 activity is not -- oh, I wouldn't call it
23 perfectly predictable, but it's certainly
24 substantial. So, I don't know how -- is any of --
25 could we comment one agent at a time on that?

1 Yes, sir.

2 MR. TINSETH: I'm from St. Augustine. And I
3 left here in 1984 to --

4 MR. WUELLNER: The mic.

5 MR. TINSETH: -- to move back here. I spent
6 22 years in Chicago writing insurance. And I came
7 back here, and I've been here a year in the state
8 of Florida, traveling all over this state, writing
9 and quoting insurance.

10 The problem is wind. And there seems be a
11 general consensus amongst a lot of buyers in
12 Florida that they don't have to buy wind.

13 The point is, is that they've watched what
14 happened with Hurricane Katrina, they've watched
15 the federal government step in and bail them out.

16 So, a lot of people who are running FBOs, who are
17 running airports are violating mortgages,
18 violating contracts with public entities, and
19 they're going bare on wind.

20 Mr. Wiles knows this better than anybody and

21 can speak to it a lot more intelligently than I
22 can. But the point is you buy insurance for a
23 catastrophe, and I would highly recommend that you
24 don't depend upon the federal government to bail
25 you out. You buy the insurance to bail you out.

1 And however, whatever option you go with --

2 CHAIRPERSON GORMAN: I just know that there's
3 a lot of precedence set by doing just what you're
4 saying, by not buying wind because of FEMA.

5 MR. TINSETH: Right.

6 CHAIRPERSON GORMAN: And I'm just pointing
7 this out to the board.

8 MR. TINSETH: It's a -- it's a roll of the
9 dice.

10 MR. GEORGE: Well, you want a motion that
11 says, "Mr. Wuellner, pick the best one"?

12 CHAIRPERSON GORMAN: Honest to God,
13 Mr. George, I really don't know what to do with
14 this one, and I defer to the rest of you two to --
15 to -- what to do with this. Do we feel we should
16 go with the Staff's recommendation on this? Or --
17 again, there's a lot on the plate there.

18 MR. GEORGE: I don't know if there is a staff
19 recommendation, if they just got it. Ed, what are
20 our exposures if we don't resolve this issue until

21 May the 19th, which is the next meeting, I think?

22 CHAIRPERSON GORMAN: Exactly.

23 MR. GEORGE: I am not an insurance guy, okay?

24 I am more the bread and butter and what's going

25 on? And, "Hey, Ed, we need some insurance." You

1 know, I'm behind you, yeah.

2 But one of the things that -- that would help
3 me quite a bit, and I think it would help every
4 other board member, is let's start taking these
5 categories of what is covered and lets make a very
6 long matrix, which one's covered and which one's
7 not.

8 MR. WUELLNER: Well, maybe they could each
9 just take a second and then -- and -- and speak
10 to -- if we could get the actual cash value items
11 on the table, if they exist, within their quotes,
12 I think that's the -- the least tasteful thing
13 that we'd be dealing with on the insurance side,
14 is that we're by -- again, by the time you
15 depreciate the value, in many cases we're either
16 not insuring much, if anything, on some of our
17 older buildings.

18 And if we want to -- we're in a good position
19 marketwise right now to be able to take those two
20 replacement value kinds of numbers, which is

21 certainly a much better -- as you pointed out

22 earlier, a much better financial position.

23 So, maybe they could each speak to whether --

24 whether it's everything's at replacement value,

25 everything's at -- or pieces and parts are

1 excluded for actual cash value.

2 I know there are some nuance kind of
3 differences between the appraisal -- or the
4 proposals here -- related to -- I know that the
5 Herbie Wiles, for example, there's some exclusions
6 for older roofs on certain buildings and -- not
7 exclusions, but certainly different changes in the
8 policy terms.

9 Maybe they could just provide that quick
10 summary, each of them, on big picture, high level,
11 what's -- what's in -- what in the guts of each
12 proposal. Because I think until you -- until you
13 understand the apples-to-apples-to-apples part of
14 it --

15 MR. GEORGE: Right.

16 MR. WUELLNER: -- the money doesn't matter,
17 because you don't know what you're buying.

18 CHAIRPERSON GORMAN: Thank you. That's the
19 way I feel exactly. It's certainly a confusing
20 issue.

21 MR. WUELLNER: So, if y'all want to take
22 turns for a minute and just cover that part of it.
23 We all understand the -- what's your term here for
24 them? The extensions of coverage are essentially
25 the same across the board, don't really -- don't

1 really need to spend any time in that area.

2 There are some minor differences, too,
3 between policies. Some them include all of the
4 automobile insurance in this number. So -- and --
5 and others don't. So, that's another piece of
6 insurance that would have to be purchased
7 separately otherwise.

8 MR. NORMAN: Let me see if I can run with
9 this. But when I first gave it to you, we
10 increased it to include the auto --

11 MR. WUELLNER: Uh-huh.

12 MR. NORMAN: -- and then we figured it would
13 confuse everything.

14 MR. WUELLNER: So, the new numbers backed
15 with it out.

16 MR. NORMAN: These are all property.

17 MR. WUELLNER: Okay. Good enough. Thank
18 you.

19 UNKNOWN SPEAKER: Do you buy terrorism on
20 this property?

21 MR. WUELLNER: We have not up to this point;
22 however, that's an item they actually do need to
23 decide, whether they want to go ahead and
24 purchase. With -- with commercial service having
25 been a component recently, you know, you actually

1 have a risk that I don't believe you really had
2 meaningfully as a GA airport. So, you know, the
3 odds of somebody doing something stupid purposely
4 is more geared toward commercial aviation
5 historically than -- than general aviation. So,
6 it's something to -- to talk about.

7 MR. BRUNSON: Mr. Chairman?

8 MR. WUELLNER: But it would -- it could be
9 handled separately. It's wouldn't even need to be
10 a part of --

11 CHAIRPERSON GORMAN: Yes, Mr. Brunson?

12 MR. BRUNSON: I'm having a hard time. If I'm
13 going to buy something --

14 MR. WUELLNER: You want to know what you're
15 buying.

16 MR. BRUNSON: -- I want to know what I'm
17 buying. And I think it's up to the board to -- to
18 tell these people what we want. I'm hearing some
19 people saying wind, no wind, \$23 million, and only
20 those hangars are excluded. And so I -- it's

21 unbelievable to me how we can make a decision

22 until we outline exactly what we want the

23 Authority to vote on.

24 And I think -- and fortunately, we -- we --

25 we trust Ed to give us some guidelines on what he

1 thinks we need to insure. We -- he might say this
2 is -- this is this way we do it; do you want to
3 take the gamble on the wind or not?

4 Now, I can handle that. But this thing of
5 the discrepancies in the different policies, in
6 fairness to the people that are submitting, as to
7 who is really underwriting us and -- and who is
8 the main player in this industry, that -- but in
9 fairness to these three people, we need to -- we
10 need to tell them what we want and then get -- get
11 the quotes.

12 If I'm thinking about it wrong, and then --
13 legally, though, if I wanted to study this and get
14 some recommendations from Staff, and we've got
15 until May the 1st, and -- can we have a special
16 called meeting? Can we advertise to -- this --
17 this -- this should be one agenda type of item.

18 MR. WUELLNER: Workshop.

19 MR. BRUNSON: Yeah.

20 MR. WUELLNER: Well, do a special meeting on

21 it. That way, you can take action on it.

22 MR. BRUNSON: Yeah. And it'd be a special

23 meeting.

24 MR. WUELLNER: You know, you'd have to --

25 MR. BRUNSON: And we -- we have -- we have

1 two good board members that are not present,
2 and -- and a legal attorney and a young lady
3 that's been in the aviation industry, and us
4 business people, that we can all have some good
5 input. But when I'm -- when I'm trying to buy
6 insurance, I -- for my liability and my building
7 business and my home and -- you know --

8 MR. GEORGE: With our advertising time limits
9 for a meeting, what is the earliest we can have a
10 meeting?

11 MR. WUELLNER: Three days.

12 MR. BRUNSON: Okay.

13 MR. WUELLNER: Thereabouts.

14 MR. GEORGE: I thought you had to
15 advertise --

16 MR. ATWOOD: You can have an emergency
17 meeting.

18 MR. WUELLNER: This -- you know, I -- we've
19 got the latitude to get it done before May if we
20 wanted to have --

21 CHAIRPERSON GORMAN: Let -- why don't we
22 think about having another meeting after -- after
23 two things are standardized. One, the value of
24 these buildings. We need to standardize the value
25 of these buildings. Two, we need to standardize

1 what quote Mr. Wuellner is coming --

2 MR. BRUNSON: Too, the insurance company
3 should not be -- tell me that I'm insuring
4 \$23,642,000 --

5 MR. WUELLNER: Yeah.

6 MR. BRUNSON: -- and -- and the other one
7 saying I'm insuring \$21 million. And -- and
8 that's what I want to look at. We might miss it.
9 But I -- we might say that we only insure \$19
10 million.

11 MR. WUELLNER: We can -- we could very
12 quickly, with these guys, I mean like tomorrow
13 morning, come to some understanding of exactly
14 what the insured value is so that everybody's
15 talking the same number. This is nuance. And,
16 you know, you're not talking much difference in
17 any case relative to premium because of the values
18 we're talking about.

19 MR. BRUNSON: And the good thing about it is
20 we're dealing with people we know, and we -- we

21 trust what they're telling us. And I think if we
22 tell them what we want, we'll have some good
23 comparisons.

24 MR. WUELLNER: Yeah, I -- I agree. We can
25 standardize the value. We can -- I think a piece

1 of this we can just set aside because they're --
2 they're the same in all.

3 But then we get down to the -- the core of
4 what's -- how is it covered...

5 MR. BRUNSON: And everything in the world is
6 arithmetic. And --

7 MR. GEORGE: Why don't we do an emergency
8 meeting, then, if you will, for next Monday?

9 MR. WUELLNER: I'm fine with that if -- if
10 everybody --

11 CHAIRPERSON GORMAN: That sounds like a good
12 idea, because that's giving us enough time.

13 MR. GEORGE: I'd like to have out of you, by
14 say Friday, a matrix that shows what coverage we
15 presently have and then the three options for --

16 MR. WUELLNER: Well, we'll work with all
17 three and we'll get that standardized so you have
18 something relatively simple to look at and talk
19 about, and hopefully we can get these gentlemen or
20 representatives back to --

21 CHAIRPERSON GORMAN: Great.

22 MR. WUELLNER: -- answer specific questions

23 about their individual --

24 CHAIRPERSON GORMAN: I wouldn't -- right.

25 MR. GEORGE: But John's all over Florida.

1 CHAIRPERSON GORMAN: Right. And, again, I'd
2 like to -- and myself, my own thought is, I would
3 like to possibly get the deductibles as high as
4 possible on older buildings so that -- we're
5 insuring an older building for replacement value.

6 We're not insuring that building --

7 MR. GEORGE: Well, that's a discussion --

8 CHAIRPERSON GORMAN: -- for a tremendous
9 rate. In other words --

10 MR. WUELLNER: That's what you guys can talk
11 about.

12 CHAIRPERSON GORMAN: Set -- set that value
13 for that older building, and then apply those set
14 values to all three of these providers and then
15 come back by Friday so we can have the meeting
16 Monday and -- and get rid of -- and take care of
17 this problem so it's standardized.

18 MR. WUELLNER: Well, you know, the caution I
19 would have in what I think I just heard you say
20 would be that if you -- you're taking out the

- 21 replacement value, the even reason to have
- 22 replacement value on buildings if you're going to
- 23 adjust the -- the deductible on lower value
- 24 buildings to a point where it no longer makes
- 25 sense to have --

1 CHAIRPERSON GORMAN: There is certainly a
2 point to where it's nonsensical, yeah. So, yeah,
3 I understand. Well, I'll -- we'll -- in other
4 words, we'll have to actually defer that to
5 letting you make it an executive decision as to
6 whether or not these buildings are -- should be
7 insured or not be insured. I mean --

8 MR. WUELLNER: Yeah. To the -- to the best
9 of our ability, we can get you a as close to
10 apples-to-apples-to-apples kind of comparison for
11 you by the end of the week so you have something
12 to look at over the weekend. We'll put it up on
13 the scene and let them explain the nuances of
14 coverage --

15 MR. BRUNSON: Good recommendation.

16 MR. WUELLNER: -- and then let you go.

17 MR. GEORGE: If -- if we're going to be
18 asking for one that -- one person asking for stuff
19 or an option that one person has and the other two
20 don't, out of courtesy, we need to give them the

21 opportunity of getting apples to apples.

22 MR. WUELLNER: Well, they -- they can --

23 MR. GEORGE: That, to me, says we have a

24 workshop to discuss what we have and then an

25 emergency meeting after that.

1 MR. WUELLNER: I -- I think you just
2 characterize it as a special meeting and do -- you
3 know, it's a single purpose meeting and do both
4 things at --

5 MR. BRUNSON: What I would recommend is that
6 if you can make -- and just, Ed, 30 minutes
7 available one-on-one with each of us Friday, to
8 where we could look at the apples to apples and
9 then advertise immediately that we're going to
10 have a meeting at -- on Monday the 28th.

11 CHAIRPERSON GORMAN: That's fine. Would you
12 agree with that, Mr. George?

13 MR. WUELLNER: At four o'clock?

14 MR. GEORGE: I won't be here.

15 CHAIRPERSON GORMAN: Well, then -- then
16 it's --

17 MR. WUELLNER: Different time.

18 CHAIRPERSON GORMAN: Let's do that. We're
19 going to have -- each of our board members will
20 discuss the standardization of the value of the

21 buildings and the coverages with Mr. Wuellner, and
22 then we will have a meeting Monday at 4 o'clock
23 and make the decision.

24 MR. WUELLNER: The only other caution is that
25 why -- why don't you let us establish the value at

1 this point so that that information gets in their
2 hands tomorrow morning instead of --

3 CHAIRPERSON GORMAN: Certainly, that's fine.

4 MR. WUELLNER: And then you guys can kick
5 around the balance of it.

6 CHAIRPERSON GORMAN: That makes sense.

7 MR. WUELLNER: That way, everybody's got the
8 exact same insured value they're working off of.

9 MR. BRUNSON: And if you miss it a million,
10 we won't hold you to it.

11 CHAIRPERSON GORMAN: Okay. Then -- then
12 we --

13 MR. WUELLNER: He's going to be missed.

14 MR. BRUNSON: Just make sure -- make sure you
15 include the sexual harassment of this job.

16 CHAIRPERSON GORMAN: Okay. Do we have -- we
17 had a request. I know we're -- we're reaching the
18 normal rules, but let's go -- move on.

19 We have a public comment, please.

20 MR. WILES: Thank you. Doug Wiles, Herbie

21 Wiles Insurance. And let me, on behalf of all of
22 us in the industry apologize to you. Insurance is
23 not an easy topic anymore to discuss. I don't
24 think any of us intended to make this any more
25 difficult than trying to lay out what we've got.

1 The differences in coverage and companies,
2 deductibles are all a factor of where we happen to
3 be today in an insurance crisis that still
4 continues to go on.

5 Fortunately, because we've not had any
6 hurricanes or significant losses in Florida, for
7 that matter in the country, insurance companies
8 have a little more money to work with, and as a
9 result, you're seeing your premiums come down.

10 And I think that's the absolute good news for
11 you, is that regardless of who you choose in
12 another week or ten days, you're going to be
13 serving the public well because the cost is going
14 to be less.

15 And I'm absolutely confident that with a
16 little bit of time with -- with the director and
17 all of us working together, we're going to be able
18 to get you the information that you see, because
19 there's no intent here to -- to play a little
20 cat-and-mouse or a shell game. It's just

21 unfortunately the way it is and why we spend hours
22 with the green eyeshades.

23 But, Commissioner Brunson, I've been in your
24 place. I think it's a wise choice to do and I
25 think you should be commended for at least a

1 little bit of postponement to make sure you
2 understand what you're getting. Thank you.

3 CHAIRPERSON GORMAN: All right. Thank you,
4 Mr. Wiles. All right. Fine. So, we can move on
5 to the next item, then, because Staff has that
6 direction, correct?

7 MR. WUELLNER: Yes. Four o'clock. I just
8 want to confirm --

9 CHAIRPERSON GORMAN: Four o'clock on Monday.
10 We'll have emergency meeting and we'll decide.
11 And then we have -- moving on to the next item,
12 because we're -- is airline service discussion,
13 the action plan.

14 10.E. - AIRLINE SERVICE DISCUSSION - ACTION PLAN

15 MR. WUELLNER: Yeah, actually, on the
16 previous cover I gave you a draft --

17 MR. BRUNSON: Here you go.

18 MR. WUELLNER: Thanks. A draft version of a
19 white paper that I developed and got out to you
20 approximately April 11th, so a couple of weeks

21 ago. That goes over, you know, what we knew, when
22 we knew it, that kind of information, as well as a
23 bit of a summary to date of things that we did
24 with -- upon learning that Skybus went out of
25 business.

1 Just let me state publicly we had one hour,
2 approximately one hour of advance notice that this
3 was -- was -- was coming down the pike, and that
4 was at -- we learned about 8:30 on the night that
5 they announced at 9:30. So, we didn't know and
6 didn't have any expectations of this happening.

7 And as with all airlines, we understood they
8 were having, you know, a tightness, so to speak,
9 within their companies, as most airlines are right
10 now. It's -- every headline in the paper seems to
11 indicate some level of loss on a quarterly basis
12 for most airlines.

13 Upon learning that, Staff secured the
14 terminal building, as you might expect, and
15 proprietary items for Skybus have -- have since
16 been -- were secured. And I think as of today,
17 most items of -- of substance have been removed by
18 the airline now and are -- are now off property as
19 they -- those assets became a part of their
20 bankruptcy filing, as you might expect.

21 There weren't, surprisingly, many items, you
22 know, that -- that actually were owned by them.
23 It's primarily related to communication. There's
24 some limited telecommunication and equipment.
25 That's -- that's essentially what -- what they had

1 here, that that belonged to them.

2 At this point relative to the parking lot, I
3 can tell you it's empty, that everybody who had
4 left vehicles with us has now since claimed those
5 vehicles.

6 Our rental car contracts had become in full
7 force in terms of revenue production beginning in
8 February of this year, and we were enjoying a
9 couple of really wonderful months relative to
10 revenue, and we're -- we're disappointed to see
11 that opportunity going away, at least short term,
12 anyway.

13 We -- I summarize the financial position in
14 just a minute, but the -- those rental car
15 contracts remain in place and are as valid today
16 as they were when they were executed, so they --
17 the expectation is if the -- if the Authority
18 desires to move on with commercial service, they
19 immediately produce revenue to us at the -- at the
20 commission value of 15 percent per contract;

21 whereas, prior to that, we had the ramp-up time of
22 getting those agreements negotiated and getting
23 them in place.

24 So, we only had two months of the big number
25 revenues for rental cars that -- because that's

1 how long the agreements produced revenue at that
2 point. So, we -- we've made decent money prior to
3 that, but -- but it really enhanced in February
4 and March. And like I said, I can explain that
5 further in a minute.

6 Consolidated rental car project, as I
7 mentioned earlier, was placed on hold and -- and
8 continues to be in the hold position waiting
9 further action as -- I guess starting today, but,
10 you know, likely down the road a little bit.

11 Changed all this and didn't change the
12 computer back over.

13 TSA support at the time are offering this. A
14 couple of weeks ago, TSA had indicated that their
15 first read was that the federalization of the
16 facility could remain until we surrendered it.
17 They have since adjusted that position that in the
18 event we are not really engaged in either with
19 service or it's on the horizon, that they will
20 likely, in July, begin taking equipment out, as

21 they need to, and we'll begin the process of
22 defederalization if there's just no activity or no
23 interest.

24 As you know, we've contracted with the
25 Sheriff's Office for requirement for law

1 enforcement officer during airline operations.

2 That is suspended at this point, so it doesn't

3 cost us anything while -- while the facility is

4 not being used.

5 MR. BRUNSON: They can reassign those people?

6 MR. WUELLNER: Yes. And likewise, if service

7 resumes, we can in a sense reclaim that support

8 with them.

9 We had huge public relations committee

10 support immediately after, as well as to this date

11 in gathering data, helping us get a message out

12 there that was consistent. Your Airport Authority

13 members, for the most part, were very helpful

14 in -- in putting a positive message out there,

15 because there is really nothing negative about it

16 other than the service isn't here. There's -- in

17 terms of local investment, it's -- it's been

18 protected.

19 PFC, when -- again, when I wrote this, FAA

20 had indicated that we -- we should be able to

21 continue with the application process. As you
22 know, that was submitted for a PFC. We've since
23 learned they've told us if we don't have service
24 established by close of business April 30th, that
25 they will in a sense deny the application. We

1 would be welcome do resubmit the application upon
2 resumption of commercial service. But they can't
3 authorize it based on an airline that doesn't
4 exist in -- in your community.

5 And lastly, due to the nature of our
6 agreements with the airline, we had no irons in
7 the fire, so to speak, as an Airport Authority in
8 the Skybus bankruptcy. So, we -- we were not owed
9 money directly from the airline, and as a result,
10 we have not had to expend money in legal fees or
11 anything else to protect the Authority's interest
12 that might have been there in a contract value.

13 Had it been a lease agreement or some other
14 method, there may very well have been assets to
15 protect or rent to protect or -- or things of that
16 nature through bankruptcy. The nature of our
17 agreement didn't require that. So, it's actually
18 a positive in the direction of our agreements.

19 In terms of our financial position, the
20 Airport Authority expended approximately \$3.2

21 million overall in capital and equipment and
22 things of that nature related to the facility, of
23 which we recovered \$1.325 million directly from
24 Florida DOT related to those expenditures. That
25 grant participation was limited to the building,

1 not equipment purchases and the like, surrounding
2 it.

3 That leaves an -- an Authority investment in
4 total of about \$1.9 million. Of that
5 \$1.9 dollars, it's important to note that if you
6 secure or go after additional airline service,
7 about \$1.4 million of that, or nearly
8 three-quarters of the number, is eligible for
9 recovery under PFCs we believe to be eligible
10 still. So, just because you're -- you're not
11 collecting it right now doesn't mean you wouldn't
12 be able to collect it in the event you reestablish
13 commercial service. So, it -- it could easily be
14 recovered into that, leaving the total local
15 investment of about \$500,000 that would be offset
16 by revenues long term, or would have normally been
17 offset by revenues from a capital side.

18 Now, from an operating expenditure side,
19 I'm -- I'm pleased to say that the Airport
20 Authority made money. The Airport Authority made

21 approximately \$150,000 at the end of the day. We
22 did make one small adjustment, about a \$30,000
23 additional expenditure under operating that was
24 related to the last payment for law enforcement
25 officers for a quarter, for the first three months

1 of this calendar year. So, it was about a \$30,000
2 expenditure, bringing the total general
3 expenditures to about a hundred thousand dollars.

4 Rental car revenues, we only received
5 commissions for two months. Now, keep in mind
6 those two months generated \$130-, almost \$135,000
7 for two months. That would have been a wonderful
8 trend to have continued for the whole year and
9 indeed would have continued the whole year at that
10 rate; in fact, it should have been significantly
11 better than that.

12 My original estimates, had the service
13 continued, probably put us at a \$1.2 million
14 rental car commission number for the first year
15 had Skybus survived and been able to operate their
16 plan and announced intentions for St. Augustine.

17 Prior to that, we have recovered about
18 \$41,000 in rental car fees under the old
19 agreements, and that was strictly a per-vehicle
20 fixed fee that was being assessed.

21 We also recovered -- were able to collect for
22 the six months that paid parking was in place. We
23 collected, after taxes, about \$82,000 in revenue
24 for parking.

25 We, also, through our FBO agreement,

1 recovered \$40- -- almost \$43,000 in fuel flowage
2 fees from Skybus, and that's at 8 cents a gallon
3 over 530 -- it's almost 537,000 gallons of jet A
4 that was pumped while Skybus was here. When you
5 net that out, it's about \$150,000.

6 Now it's important to kind of note -- to put
7 that in order of magnitude, that's the equivalent
8 right now of about three years' worth of rent that
9 you would normally have recovered on a hangar if
10 you had built it of that size. So, in nine
11 months, ten months, you recovered the equivalent
12 of three years rent, netting it out. So, it -- it
13 was enormously profitable if it could have
14 sustained.

15 You haven't lost anything relative to what
16 you made on the operation of the same kind of an
17 investment. Hopefully if -- if it -- if the
18 decision is to go on with finding other carriers,
19 and indeed we find carriers, then these numbers,
20 the revenue side, anyway, begins to pick up

21 largely immediately.

22 Now, one other note to make is that because
23 of the number of enplanements the airport
24 received, that the enplanement numbers relative to
25 federal grants for commercial service airports are

1 based on a calendar year.

2 Since Skybus had about -- these are round
3 numbers -- about 30,000 passenger enplanements
4 last year, and in this current calendar year has
5 about 30,000 enplanements, we tripped the
6 threshold of 10,000 enplanements per year in both
7 years and will be eligible to receive commercial
8 service entitlement funds of approximately
9 \$1,000,000 for each of the two years that can be
10 used for additional capital. That's money that we
11 would absolutely never have gotten without Skybus
12 here. As compared to \$300,000, which would have
13 been the general aviation entitlement for the
14 two-year period.

15 So, it's obviously about a \$1.7 million
16 enhancement in grant funds that would be available
17 to the airport just by having service for the few
18 months we did. So, at the end of the day, it's --
19 it wasn't all bad.

20 Now, that brings us in a sense to where are

21 we today or where -- the Authority needs to either
22 validate direction as we're going or help us
23 understand what you're thinking as far as long
24 term in commercial service, as it goes. Are we --
25 is it something you continue -- would like us to

1 continue to market? I think you've got enough of
2 a track record here of -- of the revenue
3 generation side to see that if we are able to
4 connect with additional commercial service, that
5 there's significant revenue to be made to the
6 airport after operating expenses. And -- and that
7 could be significant over time.

8 In addition to that, as Mr. Hickox's actually
9 pointed out, I mean, you -- I think the community
10 as a whole really latched onto the idea of being
11 able to fly out of here. Sixty thousand
12 enplanements over the period of time we had an
13 airline is -- is a serious number of enplanements.
14 And I think people were very disappointed that
15 suddenly they're back to driving to Jacksonville
16 or back to driving to Daytona to -- to catch
17 service. Not that anything necessarily covers
18 everybody's bases, but the opportunity to -- to do
19 that locally was I think appreciated by most of
20 the -- most of St. Johns County citizens that used

21 it.

22 To that extent, we need some direction as to

23 whether you would like us to continue marketing.

24 We have had conversations already and indeed have

25 a meeting this week with at least one other

1 carrier. I have another carrier who is very close
2 to making a decision to begin some level of
3 service as early as June.

4 I -- I would hope that we would not abandon,
5 if the decision is to go forward commercial
6 service, that one of the really strong points I'm
7 hearing with these other carriers is the way we're
8 developing our relationships with the airline.
9 And that -- that zero-cost mentally that you've
10 taken some public hits over because it doesn't
11 mirror traditional airline agreements, is it is
12 absolutely what many of these newer carriers are
13 looking for and is the strongest argument we have.

14 That, and the number of passengers carried in the
15 short period of time, are the two strongest
16 arguments I'm hearing for the airlines for their
17 interest for -- in this airport and this
18 community, and indeed the several other airports
19 that had virtually identical models.

20 We would hope that you -- if your interest is

21 in continuing with commercial service that, you
22 know, a reasonable period of time could be
23 established, maybe 90 to 120 days to -- as I was
24 quoted a number of times as, you know, beating the
25 bush to see if we can't find some significant

1 interest in using the facility and -- and allow us
2 to get that coalesced a little bit and brought
3 back to you in the form of future agreements.

4 In the event we can't get there, there's --
5 there's just simply no one interested at this
6 time, it's not -- you know, it's not a direction
7 it's going to go, or you make the decision today
8 we're just not -- we're not interested in
9 commercial service, we're done with it, let's move
10 on, then -- then we can certainly go out and
11 get -- get moving on what it's going to take to
12 get the building converted over to hanger, get --
13 get the information on the door, that kind of
14 detail.

15 We've been doing that concurrently, anyway.
16 But the -- I think a 120-day period, something
17 like that, would be -- you haven't -- in fairness,
18 you haven't budgeted -- you didn't budget to put a
19 door on the end of it. So, it's -- it's a capital
20 item we'd have to either take out of reserves or

21 whatever if you want to move it through in this

22 current fiscal year.

23 If it's something you just want as a

24 contingency, we can budget into next year so that

25 it's, you know, in a sense funded and ready to go

1 October 1, which is not much further than 120 days
2 at this point, believe it or not.

3 I would think we could put best efforts
4 forward right now. I don't see any issues in
5 keeping, if we get some nibbles, keeping the TSA
6 federalization in place, which is a long lead
7 item. I don't see us having any issues with being
8 able to sustain our 139 certificate to the class I
9 level. If we can have some nibbles on board, I
10 think FAA will give us that latitude.

11 And as -- as I said, the back-up position
12 would be to -- to go back and hang a door on this
13 and -- and convert it, convert it back to a
14 hangar.

15 CHAIRPERSON GORMAN: Well, thank you,
16 Mr. Wuellner. It's -- I'm going to go to public
17 comment, and then we'll go to board.

18 Yes, Mr. Rippe.

19 MR. RIPPE: Yeah, Herb Rippe. I -- Ed,
20 thanks for that update. I -- the basic math

21 here -- and I think we need to get this out to the
22 public. If I heard you correctly, we spent \$3.2
23 million. You know, part of that, we had the state
24 grant, and the Airport Authority spent \$1.9, of
25 which you expect to get \$1.7 back, right, through

1 federal grants. And we have an operating profit
2 in excess of \$150,000.

3 I mean, a point here is it was a break-even
4 experience from an Airport Authority budget
5 perspective. And -- and I don't think that's the
6 public perception, that it's a break-even
7 experience. And if it -- if in fact that is
8 correct, then we ought to be out giving the
9 airport and this board and -- and -- and the staff
10 some positive press for being conservative in the
11 way that we've approached commercial service.

12 And -- and I -- I just think it's a good
13 message. It's a positive message for the public,
14 one that the public doesn't have right now and the
15 public should.

16 MR. HICKOX: I suggest the message has been
17 given chronically on the air.

18 MR. RIPPE: Well, I have not heard it other
19 than -- than right here, but in any case, we could
20 benefit from some positive PR.

21 As I have talked to the public, in my quest
22 for -- for a seat here at the table, commercial
23 service is perceived as being very positive for
24 St. Augustine. There are a lot of people that
25 really appreciated having Skybus serve this city.

1 And I personally certainly would like to see it
2 continue. Thanks.

3 CHAIRPERSON GORMAN: Thank you, Mr. Rippe.
4 Any other -- any further public comment?

5 MS. WILLIS: Yes.

6 CHAIRPERSON GORMAN: Mr. Sling -- oops.
7 Let's -- Mrs. Willis?

8 MR. SLINGLUFF: Let me bring you the mic.

9 CHAIRPERSON GORMAN: All right.

10 MR. WUELLNER: And -- and welcome back.

11 MS. WILLIS: Thank you. This time of day
12 nobody wants to hear another word, and we're all
13 tired. But they do have a very difficult job,
14 especially on insurance. There's no way you could
15 make a decision when you just received the
16 information.

17 I'm Mary Willis, and I live next door in
18 Araquay Park. And just quickly, to give you my
19 qualifications for the bottom line I'm going to
20 give you is that I've lived near the airport for

21 76 years, minus 31 in my beach house at Crescent
22 Beach. I now live in Araquay Park right next
23 door.

24 I also served 20 years as an elected
25 commissioner to another board, so I know how

1 difficult their job is. And we should appreciate
2 the unpaid job that they're doing.

3 My bottom line that I wanted to come here and
4 tell you today is I just one month ago completed
5 34,600 miles around the world, not including three
6 off flights that our Boeing 757 -- it was a
7 private jet -- could not fly to those smaller
8 airports.

9 And we were confined against our will for
10 almost an hour in China, in Chengdu. We had just
11 returned from Tibet before the killing and
12 murdering started on Monday. We just returned on
13 Saturday. And I appreciated the freedom even of a
14 small airport like this.

15 So, even though I am a next-door neighbor,
16 thank you for the -- for the job that you're
17 doing, boys, and the ladies, too, if they were
18 here.

19 MR. BRUNSON: Thanks, Mary.

20 CHAIRPERSON GORMAN: Thank you very much for

21 that comment.

22 Mr. Slingsluff?

23 MR. SLINGLUFF: I -- I just want to say that

24 the Skybus service really did serve as a bridge to

25 the community, and I think it's one that we need

1 to hold out for. It's a tough market out there,
2 though. You know, Skybus wasn't the only airline
3 that went down.

4 There's two ways of looking at it. It's, you
5 know, a glass full -- or a glass half empty, half
6 full. I'd like to look at it as it is half full
7 because we have so many resources here to be able
8 to attract an airline in here. If we use a
9 120-day period, a 180-day period, whatever the
10 board grants to go out there, we do have a good
11 fallback position. And I think you all know where
12 I stand on that one. We can -- we can put it to
13 work.

14 But we're -- we're so far down the road that
15 we might as well keep on going, keep the door
16 open, keep the chances alive for a little bit
17 longer. Thank you.

18 CHAIRPERSON GORMAN: Well, thank you,
19 Mr. Slingluff. Any further public? Yes, sir.

20 MR. GLADU: Just like to say that I think

21 that -- this mic?

22 MR. WUELLNER: Mic, thank you.

23 CHAIRPERSON GORMAN: Yes, please. And please

24 say again where you live and your name.

25 MR. GLADU: My name is Theodore Gladu. I

1 live at 701 Palm Hammock Circle. Seems to me that
2 a whole bunch of this money that this gentleman's
3 talking about that we did so well with was money
4 that the taxpayers gave to the Airport Authority.

5 Am I wrong in that?

6 MR. WUELLNER: Yep.

7 MR. GLADU: I'm wrong in that. Where did you
8 get the money from, sir?

9 MR. WUELLNER: Quite a bit of the money
10 you're talking about came from aviation fuel
11 taxes. So, if you didn't operate an aircraft and
12 burn fuel, you didn't pay it.

13 CHAIRPERSON GORMAN: Just to clarify it
14 for -- for the speaker, what percentage would you
15 say, just guessing, was ad valorem and what
16 percentage was --

17 MR. WUELLNER: The --

18 CHAIRPERSON GORMAN: Just guess, close.

19 MR. WUELLNER: The Airport Authority's share
20 is largely ad valorem. But any other matching

21 dollars are from aviation fuel-type taxes and

22 the --

23 MR. BRUNSON: That's where we got the money.

24 MR. WUELLNER: And the --

25 CHAIRPERSON GORMAN: I wanted to just clarify

1 that for the record.

2 MR. WUELLNER: Yeah. And the \$1.4 million we
3 refer to as PFC reimbursable is actually, again,
4 paid by outbound passengers from the airport, not
5 the general public. So, if you don't choose to
6 fly outbound, you make no contribution to that
7 number.

8 CHAIRPERSON GORMAN: All right. Let's move
9 on to board comment.

10 MR. BRUNSON: Real simply -- and I have been
11 talking to the community a lot. Number one on
12 their mind is quality of life. And I have been
13 flying into this airport for, gosh, 35 years. And
14 I've seen -- and grew up around the airport. And
15 I've seen -- I've landed at night with no UNICOM.
16 I've seen the tower come. And we -- we live in a
17 unique community.

18 And I've attended meetings with the North
19 Shores Development. I've attended meetings
20 talking about noise. And -- and sure, we keep

21 reminding ourselves how to do proper approaches to
22 hold down on the noise, and there might be some
23 legitimacy. And -- and people that know more
24 about it than me might think about a new aerobatic
25 box. I don't -- I don't know. But we do need to

1 think about quality of life.

2 But what I hear every day is wanting the
3 airport to be self-sufficient. And that's the --
4 that's number one in -- in my opinion, 90 percent
5 of the people. And -- and then when I talk to
6 them and try to educate them on the economic value
7 of the airport.

8 And -- and the son of a prominent person was
9 here today. And I said, "We would take your tax
10 money and we reinvest it."

11 And, Victor, we've been doing that. Is he
12 gone?

13 UNKNOWN SPEAKER: Yes.

14 MR. BRUNSON: And -- but he says, "I don't
15 want you to do that anymore. I want you to be
16 self-sufficient."

17 So, I think we've already made up our mind
18 we're going to do that. Having said that, quality
19 of life, being self-sufficient.

20 Wow. We've gone through Skybus, we see it

21 works, and I certainly would recommend we keep on
22 looking for a carrier that makes sense. And we
23 give it the 90 or 120 day, but make a decision, if
24 it's not going to work, to -- to -- to get that
25 hangar rented.

1 And I know for a fact that I've had the
2 occasion to be in the company of John Mica
3 socially and -- and some other things in the last
4 several days, and it's very much on his mind.

5 Quality of life and the noise and the
6 motorcycles -- and I live on Woodlawn Road next to
7 the Sheriff's training area, and I've never had a
8 meeting with the homeowners or -- complaining
9 about the sirens. Never had a meeting complaining
10 about the pistol shots that are just right over
11 here. And I look at that as they're helping my
12 quality of life.

13 But, boy, if we could -- the PR committee, if
14 they could educate what this airport does.

15 I went to forum in Ponte Vedra here the other
16 day, just after the Skybus, and the comments were,
17 "Well, the airport now is a country club for
18 pilots."

19 Nothing could be farther from the truth. So,
20 I think this -- the thing I feel bad about Skybus,

21 so many of the people were so excited about using
22 this airline. They were proud to have this
23 airline coming here and going to Richmond and
24 Columbus or Portsmouth. And -- and they were --
25 they're missing it. And I hope we can -- I hope

1 we can correct that shortly.

2 But those are my comments. I'd -- I'd
3 recommend you go -- go ahead and try to find
4 commercial flights that makes sense for this
5 community and keep in mind our quality of life and
6 keep in mind our commitment to being
7 self-sufficient.

8 And these are -- these are good numbers that
9 we -- we're talking about. And I'm excited that
10 we're -- that we have a good model.

11 That's all the comments I have.

12 CHAIRPERSON GORMAN: I'll -- sir, I see --

13 MR. GEORGE: This is board comment.

14 CHAIRPERSON GORMAN: Go ahead. Board
15 comment, and then we'll go back to public comment.

16 That's fine.

17 MR. GEORGE: Ed, what -- what rate do you
18 think we can get on this hangar if it were turned
19 back into the -- I heard you say \$60,000 a year.

20 Is that --

21 MR. WUELLNER: Well, it's a \$6 -- it's a

22 \$6.50 a square foot --

23 MR. GEORGE: Okay, Ed. And how many --

24 MR. WUELLNER: -- facility comparable to our

25 other --

1 MR. GEORGE: How many square feet are there?

2 MR. WUELLNER: It would depend on how we did

3 the -- if we use -- if you're able to get the

4 whole thing in there, it's about 11,000 square

5 foot.

6 MR. GEORGE: Okay. So, you're talking 60 --

7 MR. WUELLNER: Sixty-six thousand --

8 MR. GEORGE: -- 70 grand, something like

9 that. The \$1.4 million that Ed was talking

10 about -- and correct me if I'm wrong, and I hope I

11 am. The \$1.4 million would come from us -- to us

12 only if we get another airline in here. So, the

13 number, sir, that you were talking about, the

14 \$1.7 --

15 MR. RIPPE: No. No. That was with

16 federal --

17 MR. WUELLNER: He's referring to grants.

18 MR. RIPPE: -- grants, that we will get it.

19 MR. WUELLNER: The commercial service

20 entitlement grants that --

21 MR. BRUNSON: Be able to use it again.

22 MR. GEORGE: Okay. So, we can use that

23 regardless --

24 MR. WUELLNER: That's correct.

25 MR. GEORGE: -- of whether we -- regardless

1 of whether we have an airline in here using or
2 not.

3 MR. WUELLNER: Correct.

4 MR. RIPPE: And then if we -- and then if we
5 had commercial service, we could also collect the
6 PFCs, collect that.

7 MR. GEORGE: Okay. Good. That's a good
8 clarification.

9 CHAIRPERSON GORMAN: Right. That's -- that's
10 the key -- I'm sorry.

11 MR. GEORGE: When I look at numbers, you
12 know, from the rental car rents and fees, all
13 we've got to do is get the traffic in here, and
14 that picks up again. So, I think when you're
15 looking at those kind of numbers versus \$60-,
16 \$70,000 a year, I don't consider this like buying
17 a lotto ticket. But the return on the money that
18 you're going to get by sitting on your hands
19 for -- excuse me, by not renting it for 90 to 120
20 days to give time for this to go forward I think

21 is -- is a very worthwhile gamble to take.

22 I could support a 90-day and then let you
23 come back to the board based on what activity is
24 having. And I've been involved with the PR
25 committee that's pulling together the -- the

1 positive statistics to go out to these -- you
2 know, these airlines. So, I could supporting
3 going 90 days, yes.

4 CHAIRPERSON GORMAN: The -- it seems key to
5 the issue of making this investment work to get
6 some traffic so that we continue to have -- we
7 continue to break that \$10,000 threshold so we
8 continue to get that federal entitlement. And so
9 to be able to get -- keep this alive as an issue,
10 we've got to try to get some type of 121
11 operation.

12 Again, there is -- because we -- the \$70,000
13 that Mr. George talks about is not a tremendous
14 investment considering what we've spent versus
15 what we could have if we kept 121. So, that's
16 pretty obvious that the best of all worlds is to
17 get the -- the -- the public 121 operation going
18 again.

19 There is -- can we think out of the box at it
20 at all? In other words, let's say we -- we do

21 what you had asked myself for, what Mr. George was
22 just talking about, what Mr. Brunson thought was a
23 good idea, this 90 days, at least, maybe to a 120.
24 After that point, can we rent this thing short
25 term to somebody else without destroying the

1 infrastructure totally? In other words, we put a
2 door on it. Let's -- can this be discussed? You
3 put a door on it, you've got --

4 MR. WUELLNER: I --

5 CHAIRPERSON GORMAN: -- a failsafe operation?

6 MR. WUELLNER: I would say certainly we can
7 discuss it and see if --

8 CHAIRPERSON GORMAN: Okay.

9 MR. WUELLNER: -- there are some other uses
10 for the building before rushing to convert it.

11 CHAIRPERSON GORMAN: Right.

12 MR. WUELLNER: Now, I -- offhand, I don't
13 know what that would be, but --

14 CHAIRPERSON GORMAN: I'm just -- just talking
15 out loud now, I mean, just thinking, to clarify
16 the issue, that the investment is so much better
17 kept 121 --

18 MR. WUELLNER: Oh, absolutely.

19 CHAIRPERSON GORMAN: -- as an investment.

20 MR. WUELLNER: Oh, absolutely.

21 CHAIRPERSON GORMAN: Yeah. But having some
22 stopgap measure for some income should that be
23 impossible.

24 MR. WUELLNER: Yeah. And, you know, I make
25 the point a little -- I think a little better than

1 this, but there is -- you know, just the -- just
2 the rental car side of this, I mean, our counter
3 leases are what, \$1800 a year, something like
4 that, is what the -- the counter rentals are.
5 When you put it all together, it's about a \$9,000
6 normal rental car expectation as a GA airport.
7 That's -- that's about as good as we could do.

8 You know, when you look that since commercial
9 service, that was \$180,000 in revenue for less
10 than a year, and really only included a two-month
11 snapshot of what it should have been producing, or
12 I should say could have been producing had we
13 known commercial service was here --

14 CHAIRPERSON GORMAN: Right.

15 MR. WUELLNER: -- and could have made those
16 contract adjustments.

17 CHAIRPERSON GORMAN: Ed, but we're clear
18 that -- then do we need to make recommendation or
19 direction for Staff right now to continue --

20 MR. BRUNSON: I think you have our

21 recommendation.

22 MR. WUELLNER: Well, if you --

23 CHAIRPERSON GORMAN: The recommendation of 90
24 days at this point?

25 MR. GEORGE: Are you going to recognize some

1 of the public?

2 CHAIRPERSON GORMAN: We are.

3 MR. GEORGE: Oh, okay. I'm sorry.

4 CHAIRPERSON GORMAN: I'm -- I'll do that.

5 Just a moment, Mr. George.

6 MR. GEORGE: All right. I'm sorry.

7 MR. WUELLNER: For ease of -- ease of motion,

8 if you get -- if and when you get to that point,

9 90 days is fine. But if we can just reference the

10 staff recommendation part up here, that way, we've

11 got some general direction as to what the 90 --

12 what we can be talking to carriers about for next

13 90 days, so --

14 CHAIRPERSON GORMAN: All right. That's fine.

15 MR. WUELLNER: -- there's no surprises coming

16 back to you.

17 CHAIRPERSON GORMAN: We can revisit this in a

18 month.

19 MR. WUELLNER: Absolutely, yes.

20 CHAIRPERSON GORMAN: All right. Then we'll

21 do so.

22 MR. WUELLNER: And I would say, again, any

23 agreements would be coming back to the board no

24 matter what, so it's not like it's --

25 CHAIRPERSON GORMAN: That's fine. Then we

1 can be clear on that. Let's break rank and go
2 back to public comments, is that we're here for
3 the public. Mr. Kendeigh?

4 11. - PUBLIC COMMENT - GENERAL

5 MR. KENDEIGH: Yeah, just two seconds. As
6 Mr. Brunson was discussing, he lives close to the
7 Sheriff's Department, and the pistol shots and the
8 sirens, that's okay, but I think that's normally
9 done in the daytime. We that live close to the
10 airport, I think, have a little more -- I know
11 we've got some people from Eagle Creek, and there
12 seems to be a lot of general aviation, I think, or
13 perhaps golfing people or tennis people, I don't
14 know, with -- with private jets. But we get a lot
15 of middle-of-the-night things.

16 Over our particular home we've had big -- big
17 huge helicopters from 9:00, 9:30, 11 o'clock at
18 night, which is, again, when the tower is closed,
19 that -- that's fine. But they still occur, which,
20 it's a general aviation airport. I understand

21 that.

22 The Skybus wasn't that noisy. It was at a
23 very low decibel. I have no problem with that at
24 all.

25 What I question, when I first heard about the

1 Skybus coming in, okay, why do we need this? And
2 I sat out on the side of the road, and about 30
3 people stopped, and a couple reporters were there.
4 And they said, "Why do we need an airport here --
5 or a commercial?" We've got Jacksonville 30
6 minutes away, Daytona 30 minutes away, Gainesville
7 is about an hour. Even Skybus put us in
8 Jacksonville, Daytona. We -- they didn't give
9 us -- didn't give us St. Augustine.

10 But when they -- if we build this hangar, we
11 can just pop the door off (sic) of it and we've
12 got a -- we can rent it. Well, if that's a
13 relatively easy thing to do, rather than wait 120
14 days and lose 120 days' rental, why not just put
15 this door, anticipating?

16 CHAIRPERSON GORMAN: I can answer that for
17 you. Only because you've got a capital cost for a
18 door that wasn't very expensive. And so you
19 just -- you'd like to give him a little bit of
20 lead time, because if there really are some ripe

21 prospects --

22 MR. KENDEIGH: Right.

23 CHAIRPERSON GORMAN: -- and without doing

24 that capital expenditure for the door, let them

25 in.

1 If all those -- after his research and after
2 all those -- all those leads prove dead, well,
3 then, we're going to have to go to plan B and
4 probably discuss actively getting this thing
5 leased with -- with a door.

6 But there's a capital expenditure to the
7 door.

8 MR. KENDEIGH: Right.

9 CHAIRPERSON GORMAN: And -- and there are
10 people that have actively submitted an interest to
11 Mr. Wuellner to the airport here. So, we've got
12 to have a little bit of time to let this flesh
13 out. That's -- that's -- and I'm speaking for
14 Mr. Wuellner on that, but that's the answer,
15 really.

16 MR. KENDEIGH: The only question, 83 came and
17 nothing happened. I mean, six months, and then,
18 you know, this lasted --

19 CHAIRPERSON GORMAN: Well, we're not going to
20 let it go forever.

21 MR. KENDEIGH: Okay. Thank you.

22 CHAIRPERSON GORMAN: That's your answer.

23 Mr. Sesona. You know, I suppose we're not filling

24 out -- we do need to fill out these cards, because

25 that's something we were supposed to do. But you

1 have one up here so come on up, Mr. Sesona.

2 MR. SESONA: Al Sesona, 394 North Boulevard.

3 Trying to grow this airport into something other
4 than what it is, is a big, big job. And I commend
5 all of you for trying to do that.

6 I'm old Air Force, World War II. Noise
7 doesn't bother me. In fact, I enjoy living next
8 to the airport perhaps more than any one of you.
9 It's soothing to me, whether it be daytime flying,
10 nighttime flying.

11 My point is this: Y'all talking about, you
12 know, \$3.2 million or \$2.1 million or what it is,
13 my objection -- my principal objection is that you
14 keep dipping back into money that's going to come
15 out of a collection of federal money or state
16 money. This is my big beef. You're not
17 generating income from internally, okay? You're
18 selling gas. You're selling whatever. But it's
19 never enough to support what you want to do.
20 Consequently, to someone like me, it seems as

21 though, you know, your grasp is always beyond your
22 reach. You're always trying to get something out
23 there that's just kind of like out of reach.

24 And given, you know, the state of our
25 economy, where you've got, you know, three

1 airlines going belly up and Skybus really kicking
2 you in the gut, if -- if I was the board and if I
3 were Ed, I've got to tell you something; I'd want
4 to cry, as it was something that would fall in my
5 lap. But painful.

6 I hope y'all can find someone else that will
7 replace Skybus. You got your work cut out for
8 you. But I'll continue to be an adversary and
9 I'll continue to try to speak as a private citizen
10 and a taxpayer. And I'm sorry if what I say
11 doesn't hit you well at -- from time to time.

12 CHAIRPERSON GORMAN: Well, that's all right.

13 Thank you, sir. I appreciate that.

14 MR. BRUNSON: I need to be home by --

15 CHAIRPERSON GORMAN: We have -- any further?

16 We've got Mr. Jones. We've got another -- a
17 public -- you've got a card up here, please?

18 MR. JONES: Yes, I do.

19 CHAIRPERSON GORMAN: Yes. Come on up and
20 speak.

21 MR. JONES: Joe Jones, 4672 5th Avenue. I
22 just had a question for you. When you built the
23 hangar stuff with Grumman on your leasing stuff,
24 didn't you give up a parking lot to go with the
25 hangar for where you were placing -- where you're

1 making the money for the parked cars?

2 MR. WUELLNER: Did I give it up?

3 MR. JONES: Not give it up. I mean, they
4 didn't re-lease it because you needed it for your
5 parking -- for your car -- or for your airline and
6 stuff.

7 MR. WUELLNER: Actually --

8 MR. JONES: So, is it -- it's basically
9 you're really talking about a parking lot, too,
10 there, so you almost need to wait, because what
11 are you going to do with the parking lot without
12 airline to generate money?

13 MR. WUELLNER: Yeah. To -- to clarify, we
14 approached Grumman, and they re-leased back to us
15 property the Airport Authority owned.

16 MR. JONES: Right. But you wasn't making
17 rent --

18 MR. WUELLNER: That was in the --

19 MR. JONES: You wasn't making rent.

20 MR. WUELLNER: But there was no adjustment in

21 cost. They -- you know, we didn't pay them to get
22 it back or they didn't change their rent payments
23 to the Airport Authority as a result of that.

24 MR. JONES: I thought when y'all were doing
25 all that negotiation, that's how you got it back.

1 You know, something happened.

2 MR. WUELLNER: Well, obviously, we were doing
3 other lease negotiations with them, and they were
4 motivated to let us do that.

5 MR. JONES: Right. Well, I'm just saying if
6 you've got a parking lot there besides a hangar,
7 you almost need to wait so you can generate money
8 off the parking lot, too, because that's where a
9 bunch of your money was coming from, was parking.

10 So, it almost benefits to wait the 120 days,
11 because you're not talking about just a hangar.
12 You're talking about a parking lot.

13 MR. BRUNSON: Right. Good point.

14 CHAIRPERSON GORMAN: The whole thing
15 generates income as just as the structures.

16 We have one more public comment, and that is
17 Alice --

18 MR. BRUNSON: Sutherland.

19 CHAIRPERSON GORMAN: -- Sutherland. I'm
20 sorry. I just -- you wrote fast, but we got

21 through.

22 MS. SUTHERLAND: Hi, there. Alice

23 Sutherland. And some comments about the airline

24 service. I talk to the people around the tourism

25 industry in the city, in the county every day.

1 And I -- and just today, in fact, I talked to some
2 people who had booked their tickets back in
3 December for a trip to come this week to
4 St. Augustine. They still came. They found
5 another way to get here. And, you know, Skybus
6 made such an impact on St. Augustine, that we will
7 never be able to fully thank them enough for what
8 they did to us for marketing.

9 Some of the conversations that I've had with
10 people, they -- they always mention about not
11 billing us as St. Augustine, billing us as
12 Jacksonville, Daytona. Well, that, to me, was a
13 brilliant marketing move, because nobody has
14 really heard about St. Augustine. People have
15 heard about Jacksonville, Daytona. It only took a
16 short while before St. Augustine started to get
17 top billing.

18 As -- as far as the revenues that we made off
19 of that, I think it's phenomenal. I'm hearing
20 about other airlines going belly up, you know,

21 around the country. And they are -- they are
22 leaving the airports, leaving hundreds and
23 hundreds of thousands of dollars. And our
24 management team saw enough to make sure that kind
25 of thing didn't happen here. We prepared for the

1 worst. We've been through the worst possible case
2 scenario, and we came out ahead.

3 People have to stop looking at what we're
4 spending and see it as the asset that it is in
5 this airport, that once you do come off the tax
6 rolls, it's going to be generating revenue for
7 this county and citizens for years and years and
8 decades to come.

9 So, you know, it's easy to squawk about the
10 \$10 or \$20 you're paying on your tax bill every
11 year, but, you know, what are you getting back
12 from the county, you know, when you're paying all
13 those school board taxes and equestrian centers
14 and boat ramps and parks and everything else?
15 They're never going to have the chance to generate
16 the sort of revenue that this airport is.

17 And, again, you know, I'm always giving kudos
18 to the airport board because I watch what you do,
19 I'm looking at the numbers. And between the
20 airport board and the management team, you know,

21 alls I can say is well done, you know, we did it.

22 MR. GEORGE: Thank you.

23 MS. SUTHERLAND: Thanks.

24 CHAIRPERSON GORMAN: Thank you for your

25 comments.

1 MR. GEORGE: Mr. Chairman?

2 CHAIRPERSON GORMAN: Yes, Mr. George.

3 MR. GEORGE: I make a motion that we accept
4 Staff's recommendation to allow them to proceed in
5 finding someone else to come into St. Augustine
6 for a period of 90 days, with the option to
7 increase that, depending on what the activity is.

8 CHAIRPERSON GORMAN: Fine. That's a good
9 idea, because it clarifies the issue. All right.
10 Do we have a second?

11 MR. BRUNSON: (Indicating.)

12 CHAIRPERSON GORMAN: All right. We have a
13 second. All in favor?

14 MR. BRUNSON: Aye.

15 MR. GEORGE: Aye.

16 CHAIRPERSON GORMAN: Now that's clarified.
17 Thank you.

18 All right. We have been out of order a
19 little bit, but we have housekeeping issues?

20 MR. WUELLNER: Just a few.

21 CHAIRPERSON GORMAN: Just a few? Okay.

22 Because we're running along. That's fine.

23 13. - HOUSEKEEPING

24 MR. WUELLNER: We have a couple of members

25 attending AAAE. And last call for that. If you

1 still would like to try and do -- go to AAAE, I
2 need to know by the 25th, which is the end of the
3 week, in order to take advantage of the reduced
4 rate structure out there.

5 May 8th and 9th is our 139 inspection, so
6 that you know that.

7 We will have an exercise with TSA relative to
8 security in May. That's on the books with the
9 Sheriff's Office, FBI, and all those who need to
10 be involved in that.

11 I do want to point out that we've -- during
12 recent inspection of building T-hangar unit C,
13 that half of that roof is in need of replacement
14 immediately. It's about a \$30,000 expenditure
15 item in capital. We are going to get a -- get the
16 quotes and bids together on that and get that
17 accomplished. We'll get it back to you as an
18 award. But it's about a \$30,000 expenditure to do
19 the east half of the entire roof of that, what is
20 it, about a 50 by 300-and-some foot long building.

21 But that metal has had it on -- on that roof, and
22 if we don't do something, then it's going to
23 become untenable, which means you lose the revenue
24 also.

25 CHAIRPERSON GORMAN: Understand, is that --

1 MR. GEORGE: Make sure you add that cost into
2 the insurance valuation.

3 MR. WUELLNER: Yeah. Well, that half of the
4 roof would be covered.

5 MR. BRUNSON: In our return on the
6 investment.

7 MR. WUELLNER: Because it's newer than '86.

8 MR. BRUNSON: In our return on investment.

9 MR. WUELLNER: On the roof? Okay.

10 CHAIRPERSON GORMAN: Anything else for
11 housekeeping?

12 MR. WUELLNER: No, sir. That's it.

13 CHAIRPERSON GORMAN: Okay. We have --
14 Let's see.

15 MR. WUELLNER: You already did your public
16 comments unless you want to --

17 CHAIRPERSON GORMAN: We've done the public
18 comments. I believe we're done through that.

19 Clarify as to the next regular meeting.

20 14. - NEXT MEETING DATES

21 MR. WUELLNER: Next regular meeting, let me
22 look real quick here, is May 19th as it's
23 scheduled, at 4 o'clock. And you added, just
24 reminder, next --

25 CHAIRPERSON GORMAN: That's right.

1 MR. WUELLNER: -- Monday, the 29th, at
2 4 o'clock, is your -- we will advertise that as a
3 special meeting. That will be only relative to
4 insurance. And you will be permitted to take
5 action as a result.

6 CHAIRPERSON GORMAN: Monday the 2 -- say
7 again?

8 MR. WUELLNER: -- ninth.

9 CHAIRPERSON GORMAN: Twenty-ninth?

10 MR. WUELLNER: This is the 21st. I'm sorry.
11 I'm reading it wrong. It's the 28th.

12 CHAIRPERSON GORMAN: Twenty-eighth. Thank
13 you.

14 MR. WUELLNER: I'm used to Sunday being the
15 left-most column, so I'm reading --

16 CHAIRPERSON GORMAN: Right. That's fine.
17 Monday, the 28th.

18 MR. WUELLNER: It's a five-day calendar.

19 CHAIRPERSON GORMAN: I understand.

20 MR. WUELLNER: You don't see those often.

21 CHAIRPERSON GORMAN: We have a -- and one
22 last little housekeeping item. Mr. George has
23 pointed out we had an agenda item here for BB --
24 BCC letter, a suggestion --

25 MR. WUELLNER: We did in the original agenda

1 out. I had at least one board member approach me
2 about drafting a resolution or drafting a letter
3 or something to go to the Board of County
4 Commissioners, basically asking them to lighten
5 up, that, you know --

6 CHAIRPERSON GORMAN: Okay. Just wanted to
7 know what that was about.

8 MR. WUELLNER: -- it really wasn't their area
9 of purview and --

10 CHAIRPERSON GORMAN: It's not -- if it comes
11 up again --

12 MR. WUELLNER: That particular member was not
13 going to be here today to --

14 CHAIRPERSON GORMAN: I see.

15 MR. WUELLNER: -- to do it, so we pulled it
16 off before the meeting.

17 CHAIRPERSON GORMAN: I see. Because the
18 member wasn't here. I understand. That's --
19 that's clarification. All right. How about, do
20 we have -- so, we've had the public comment. And

21 then do we have board comment? Then we're done.

22 14. - AUTHORITY MEMBERS

23 MR. BRUNSON: I think we've pretty well

24 covered it. The only thing I would say, that my

25 personal opinion, property values are going to go

1 down next year, and we are going to lose revenue
2 for the county and our millage rate to -- and so I
3 would caution us to start early in our budgeting
4 and take -- take that into consideration to do the
5 pro forma to where we can be well prepared to --
6 to cut, cut, cut.

7 CHAIRPERSON GORMAN: All right.

8 MR. BRUNSON: That's all I have.

9 CHAIRPERSON GORMAN: I understand.

10 Mr. George, do you have a comment?

11 MR. GEORGE: No, I don't have any comments.

12 CHAIRPERSON GORMAN: No comments from
13 Mr. George.

14 I have just a couple quick ones. I've asked
15 the director for a breakout of our capital items
16 that we expended for Skybus. And then we're going
17 to look at that and look at our realtime assets
18 and then our realtime -- we've had some losses.
19 We're going to look at those losses versus our
20 assets that continue.

21 And again, myself, as the treasurer, I'd like
22 to add a continuing discussion of our ability for
23 our taxes -- taxing status necessity, in other
24 words, whether we can run lean enough to be able
25 to get off the rolls and what that date will be.

1 So, with that whole thought, we'll have to
2 reach for the gavel and adjourn this meeting until
3 the 19th. Thank you very much for your patience
4 with my ability for Roberts Rules of Order.

5 (Meeting adjourned at 6:56 p.m.)

6
7
8
9
10
11
12
13
14
15
16
17
18
19
20

21

22

23

24

25

1 CERTIFICATE OF REPORTER

2

3 STATE OF FLORIDA)

4 COUNTY OF ST. JOHNS)

5

6 I, SHERRIE W. SMITH, RPR-CP, do hereby

7 certify that the foregoing pages constitute a true

8 and complete transcript of the proceedings

9 transcribed by me to the best of my ability in the

10 aforementioned cause at the time and place herein

11 set forth.

12 I further certify that I am not a relative,

13 employee, attorney, or counsel of any of the

14 parties, nor am I a relative or employee of any of

15 the parties' attorneys or counsel connected with

16 the action, nor am I financially interested in the

17 action.

18 Dated this 8th day of May, 2008

19

20

SHERRIE W. SMITH, RPR-CP, FPR

21 Notary Public - State of Florida

My Commission No.: DD732803

22 Commission Expires: 2/29/12

23 (This signature is not valid unless
signed in blue ink.)

24

25