

Saint Johns County Airport Authority

Board Workshop
Northeast Florida Regional Airport (UST/KSGJ)

Airport Conference Center, Monday, April 22, 2024, 4:00 pm

Authority Board Members:

Board Chair: Reba Ludlow, Members: Michelle Cash-Chapman; Dennis Clarke; Jennifer Liotta; Robert Olson

Agency staff and Legal Counsel:

Jaime Topp, Courtney Pittman, Chad Roberts

Members of the Public, including:

Andrew Passero & Matt Singletary of Passero Associates, Jack Gorman, Jason Bird, James Coutts, John Joyce

Ms. Ludlow called the meeting to order at 4:00 pm.

Following the Pledge of Allegiance, Ms. Ludlow noted that members of the public were invited to ask questions and offer comments throughout the workshop.

Gun Club land purchase. Mr. Roberts discussed the status of the negotiations with the Gun Club concerning the parcel the Authority is intent on purchasing. Mr. Roberts said he expects the Club to present a counteroffer to the Authority. Mr. Roberts expressed his opinion that the parties were close to an agreement, however, the Authority might have to include a contractual obligation to the Gun Club to not develop the peninsula across the water from the gun club range, however unlikely and impractical that might be.

Wetland mitigation credits. Mr. Roberts then reported on the status of the wetland mitigation credits the Authority must acquire to proceed with the development of the northeast quadrant of the airport, including the land to be acquired from the Gun Club. Mr. Olson asked whether the recently performed appraisal included a provision for the mitigation credits. Mr. Roberts answered the appraisal only considered the non-wetland acreage. Furthermore, the Authority cannot purchase only non-wetland acreage if it is interspersed with wetlands.

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Solano land lease proposal. Mr. Roberts then discussed Mr. Solano's proposal to lease land adjacent to this conference center and construct a multi-aircraft hangar. Although the parties are close to an agreement, Mr. Roberts reminded the board that our objective was to avoid a patchwork of corporate and commercial lease agreements by standardizing them as much as possible.

Compass Point proposal. Mr. Roberts then discussed the Joyce Development proposal to construct a hotel, office building and two restaurants in the Southwest corner of the Authority's property fronting on U.S. Route 1. Owing in part to a recent appraisal of the parcel estimating a weighted average rate per square foot of \$1.95, the parties have concluded that the complexity of the structure of the original proposal introduces too many unmanageable factors, and would be difficult to implement, let alone manage. Instead of proceeding under the Letter of Understanding, Joyce Development group has elected to simply bring discrete development opportunities directly to the Authority, with the prospective tenant/developer contracting directly with the Authority, and Joyce Development receiving compensation for its services from the prospective tenant/developer.

Volato land lease proposal. Mr. Roberts then discussed the status of the Volato land lease proposal for 21.1 acres on the east side of Runway 13-31. Mr. Roberts stated that, not only Volato, but any private developer would have a difficult time in acquiring the wetland mitigation credits given the high demand and limited availability of the credits in the drainage basin occupied by the airport.

Mr. Clarke commented that it makes sense for the Authority to acquire all the necessary mitigation credits, develop the land and adjust the land lease rate per square foot accordingly. Mr. Roberts stated that although that would require greater financial outlays and financial risk, it would also bring a greater income stream to the Airport Authority in the future. Mr. Olson asked whether, under the terms of the current Lease Agreement with Volato, the Authority could recover from Volato the cost of the purchase of mitigation credits associated with the Volato

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parcel in advance, to which Mr. Roberts responded “no.” Mr. Roberts explained that such a transaction would require a separate and supplemental agreement with Volato, and to date, Volato has not agreed to any contractual arrangement whereby Volato would reimburse the Authority for the purchase of mitigation credits to be used on the Volato parcel. Ms. Cash-Chapman stated that she saw the value in the Authority buying all of the credits necessary to develop the land.

T-Hangar project. Matt Singletary of Passero Associates discussed the progress of the t-hangar project. Mr. Singletary noted that one of the buildings could be completed this calendar year. He further noted that it might be prudent to defer the extensions to K, L, and M buildings given the amount of work, the cost and the marginal benefit of only adding six units to the Airport’s inventory of t-hangars.

Audit completion. A brief discussion was held about the completion of the Audit. Ms. Liotta asked whether the audit period covered was in fact two years. The answer was “yes.”

Executive Director search. A brief discussion as held about continuing the search for a permanent executive director. Three of the five directors are of the opinion that the search should continue with Ms. Ludlow and Mr. Clarke preferring to postpone the effort.

ILS update. Mr. Pittman reported that the Authority had received quotes for the repair of the Instrument Landing System for Runway 13-31 and that he would be presenting the documents to the FAA. The FAA is expected to fund the entire cost of about \$93,000.

Historic Building Plan Progress. There were no updates on this issue.

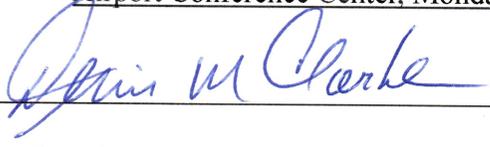
Continuing work on HR Policy and Procedures. There were no updates on this issue.

Adjournment. There being no further business to discuss, Ms. Ludlow adjourned the meeting at 5:30 pm.

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Signed:  Date: MAY 20, 2024

Dennis M Clarke, Secretary/Treasurer