

**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY
MONTHLY MEETING**

Highlights

Flightline - Conference Room

Thursday, February 20, 2003

Call to Order by the Chair

Chair Bainter called the meeting to order at 5:02 p.m.

Authority Members Present at Roll Call: Patrick Bainter, C. B. Daniel, Jim Gallagher, Janice Honeyman-Buck, Jon Morris, Jim Stringfellow, Bob Todd and Marilyn Tubb. Billy Brashear was excused.

Determination of a Quorum It was determined that a quorum had been reached.

Approval of Meeting Highlights of January 16, 2003

Mrs. Tubb moved to approve the meeting highlights of January 16, 2003. Mr. Daniel seconded the motion. Motion passed.

Adoption of the Agenda

Mrs. Tubb moved to adopt the agenda. Mr. Daniel seconded the motion. Motion passed.

Citizens Input – Non-Agenda Items

Mr. Dashwood Hicks, citizen, asked if enough Authority members would be present for a quorum for the duration of the entire meeting. Chair Bainter advised that he was not aware of any reason why a quorum would not be maintained for the entire meeting.

Airport Authority Input – Non-Agenda Items – None

Consent Agenda - None

Airport Business:

Information Items

Mr. Crider provided a report on the following Information Items which were included in the agenda packet:

- Fencing / Access Control Project: The project is complete and the close-out phase is in process. All key pads have been changed out and any problems should be reported to Airport Administration.
- Plan East Gainesville: MTPO staff has developed a plan and will be invited to present the plan at the next Authority meeting.
- Consolidated Communications Antenna RFP: No responses were received; another RFP will be generated in conjunction with the Master Plan Process currently underway.
- Air Traffic Control Tower: A customer satisfaction survey yielded positive feedback and praise of the air traffic tower personnel.

- Air Passenger Volume Report: Mr. Crider reported that January 2003 air travel volume was 14.7% higher than January 2002 volume.
- Overall Fuel Flowage is down slightly although military fueling remains strong and airline fueling seems to have recovered.

Runway 10-28 Rehabilitation Study

R.W. Armstrong, Inc. representatives Dexter Jones and Drew Genneken provided a status report on their firm’s analysis for the rehabilitation of runway 10-28. A pavement core analysis on the runway has been performed; the runway consists of 4” of asphalt over 9” crushed stone on top of 2 feet of compacted sub base. A Pavement Condition Index Study was performed to evaluate the severity of the cracks in the pavement; the pavement is rated on a scale of 0 to 100. Ratings are:

- 60 – 100: good condition,
- 40 – 60: needs maintenance,
- less than 40: poor and deteriorating rapidly

Overall runway 10-28 is rated at 56; however there are some areas, such as the center of the runway, which are rated 36. Based on these ratings, R.W. Armstrong recommends moving forward as soon as possible with rehabilitating runway 10-28. There are also dips in the runway holding water which is a factor in the deterioration of the pavement.

Three construction options were presented as remedies:

	Option	Description	Pros	Cons	Estimated Cost
1.	Concrete Overlay	8” Concrete overlay on existing surface.	Low maintenance; 30 year life	Cost; concrete “cure” time impact on operations	\$25 per sq. yd.
2.	2” Overlay with Leveling	4” Asphalt surface over 2” asphalt leveling course	Less impact on operations	Higher maintenance; may need work at 5 years and an overlay at 15 years.	\$22 - \$23 per sq. yd.
3.	Pulverization and Reconstruction	Pulverize existing pavement, reshape and cover with 4” asphalt surface	Lowest cost	Higher maintenance; may need work at 5 years and an overlay at 15 years	\$20 per sq. yd.

R.W. Armstrong recommends the Concrete Overlay option due to the low maintenance and lower cost over the 30 year life of the runway.

Having consulted with Atlantic Southeast Airlines (ASA) and US Airways, and with charter airlines which serve GNV, R.W. Armstrong recommends two options to minimize the impact on airline

operations. The first option is to extend and widen the existing parallel taxiway, T/W E and use it as a temporary runway. The second option is to close the runway during certain hours of the day while construction is underway. However, if the Concrete Overlay solution is selected, the only option available for maintaining airline operations is to use T/W E as a temporary runway due to the time needed for the concrete to “cure”. Runway 6-24 is not long enough to accommodate the Canadair Regional Jets utilized by ASA.

Discussion continued, with Authority members asking questions regarding other alternatives, consequences of delaying the work, funding availability, timeline for extending R/W 6-24 and the construction time for R/W 10-28.

Mr. Stringfellow moved to authorize R.W. Armstrong to continue the runway rehabilitation study and to report back to the Authority with recommendations regarding the three alternatives. Dr. Morris seconded the motion. Motion passed.

General Aviation Committee Report

Chair Bainter explained the process for ranking the proposals submitted by Flightline Group, Inc., Gulf Atlantic Airways, and Miami Executive Aviation. All three companies were invited to present additional information at tonight’s meeting. The General Aviation (GA) Committee met on February 14, 2003 to rank the proposals and to formulate a recommendation for the Authority.

Mr. Mac Langston, CEO of Flightline Group, Inc., stated that he felt that Flightline Group, Inc., was ranked number 1 by the GA Committee until the matter of rent to be paid to the airport was questioned. Mr. Langston clarified his company’s proposal regarding rent in light of the appraisal conducted by Airport Business Solutions for the site offered for the FBO operation in the RFP. Mr. Langston stated that Flightline Group, Inc. had managed the FBO operation successfully over the past five years; the company completed the projects it recommended five years ago: improved the GA terminal, built a new hanger, renovated the old WWII hangar, and improved the fuel storage facility. Flightline is now proposing to pay up to \$150,000 in matching funds for the construction of T-Hangars and \$45,000 toward the installation of a self-service Avgas fuel tank. Flightline also proposes to contribute to the cost of building a wash-rack.

Mr. Fabio Alexander Vasquez, CEO of Miami Executive Aviation, stated that his company proposes to invest \$200,000 in a fuel farm for an additional 10 year option to the 20 year lease. Mr. Vasquez also proposed to pay \$1.5 million to construct a 22,000 square foot hangar. Mr. Vasquez noted that his company has not been in business for as long a Flightline or Gulf Atlantic, but it has grown to become a successful company despite the challenges of a major hurricane, tornadoes and floods.

Mr. Jay Curtis, General Manager of Gulf Atlantic Airways, reported that all the requirements set forth in the RFP were included in his company’s proposal. Mr. Curtis stated that Gulf Atlantic Airways included in its proposal to pay the full rent established in the RFP. Gulf Atlantic Airways proposed to pay for the construction of a 12,000 square foot hangar and a self-service fueling unit. Mr. Curtis stated that the original proposal is complete and concise and addresses all the requirements of the RFP. Based on the business plan included in the proposal, Gulf Atlantic Airways has already secured the financing it needs to move forward with the aforementioned projects.

Chair Bainter opened the floor for questions from Authority members. A lengthy question and answer period took place whereby additional points were discussed and clarified in response to the Authority members' questions on issues such as hangar rent, hangar exclusivity, fuel prices, rent, and the funding and timelines for proposed capital improvements.

Dr. Morris moved that the Authority members should rank the proposals on paper and that the rankings be tabulated and accepted by the Authority, and to negotiate a lease with the number 1 ranked firm. Dr. Honeyman-Buck seconded the motion. Motion passed. 8-0

In providing a GA Committee report, Dr. Morris stated the committee discussed all of the elements included in the RFP: Experience, Financial Ability, Business Plan and Improvements. He reported that the committee discussed each element in detail and at the conclusion of their discussion ranked the proposals as follows:

1. Gulf Atlantic Airways d.b.a. University Air Center
2. Miami Executive Aviation d.b.a. Gainesville Executive Aviation

Dr. Morris stated that the committee did not have one motion that ranked all three proposals.

Dr. Gallagher noted that Flightline Group Inc., had not really agreed to the rent, so they were not responsive in a qualitative way. He stated that he ranked Gulf Atlantic Airways as number one because they met all of the criteria that GACRAA asked for, they agreed to pay the fees that GACRAA asked for, they provide a full service operation, not just fuel, such as flight school, charter, and maintenance operation, and they are a local business.

Mr. Daniel asked for Mr. Crider's rankings of the proposals; Mr. Crider stated that he ranked the proposals as follows:

1. Flightline Group, Inc.
2. Miami Executive Aviation d.b.a. Gainesville Executive Aviation
3. Gulf Atlantic Airways d.b.a. University Air Center

Mr. Crider reported that he evaluated the proposals and felt that there were three solid proposals. He stated that he tried to correlate each proposer's experience to serving General Aviation customers. Next, he stated that he evaluated the financial information supplied by each company for strength in light of the current conditions within the aviation industry. He felt that two companies had experience in selling aircraft and associated factory maintenance facilities; this could bring a new activity to the airport. He further stated that Gulf Atlantic Airways had consistently followed the rules set forth in the RFP. He stated that his number one ranked firm had all the attributes that he felt GACRAA wanted.

Mr. Mac Langston challenged the Authority on the wide gap between the revenue that has been proposed versus the revenue that is actually derived at the airport without fee increases. He stated that he did not feel that the Authority had done any analysis of the financial information contained in the proposals.

Mr. Jay Curtis stated that his business plan was based on the full amount of rent that was defined in the RFP, otherwise Gulf Atlantic Airways would have proposed better improvements.

Mr. Fabio Alexander Vasquez stated that the Authority has an opportunity to bring in more competition.

At this point, Chair Bainter directed Authority members to complete and submit their ballots ranking the proposals. After the ballots were collected, Chair Bainter called for a 5 minute recess so that the ballots could be tallied. Mr. C.B. Daniel left the meeting after submitting his ballot at 6:55 p.m.

On the advice of the Attorney, Chair Bainter read aloud the ballots by Authority member:

Voting Summary

	Ranked # 1	Ranked # 2	Ranked # 3
C.B. Daniel	Flightline Group	University Air Center	Gainesville Executive Aviation
Jim Stringfellow	Gulf Atlantic Airways d.b.a. University Air Center	Gainesville Executive Aviation	Flightline Group
Janice Honeyman-Buck	Gulf Atlantic Airways d.b.a. University Air Center	Flightline Group	Miami Executive Aviation d.b.a. Gainesville Executive Aviation
Robert Todd	Gainesville Executive Aviation	University Air Center	Flightline Group
Marilyn Tubb	Flightline Group	University Air Center	Gainesville Executive Aviation
Jon Morris	Flightline Group	Miami Executive Aviation d.b.a. Gainesville Executive Aviation	Gulf Atlantic Airways d.b.a. University Air Center
Jim Gallagher	Gulf Atlantic Airways d.b.a. University Air Center	Miami Executive Aviation d.b.a. Gainesville Executive Aviation	Flightline Group
Patrick Bainter	Gulf Atlantic Airways d.b.a. University Air Center	Miami Executive Aviation d.b.a. Gainesville Executive Aviation	Flightline Group

Mr. Crider reported the total points for each company: Flightline - 17, University Air Center - 13, and Gainesville Executive Aviation - 18. *(Lowest number of points is number one.)*

Therefore, the final rankings as voted on by the Authority, were:

- 1. Gulf Atlantic Airways d.b.a. University Air Center**
- 2. Flightline Group, Inc.**
- 3. Miami Executive Aviation, d.b.a. Gainesville Executive Aviation**

Chair Bainter opened the floor for lease negotiation conditions.

Mr. Stringfellow moved that the lease should include lease escalation, requirement of three (3) years of financials and personal guarantee of the successful proposal. Mrs. Tubb seconded the motion.

Chair Bainter requested to amend Mr. Stringfellow's motion to include compliance with the fair market value of the site. Mrs. Tubb agreed to the amendment.

Mr. Stringfellow's motion was restated: that the lease should include lease escalation; requirement of three (3) years of financials; a personal guarantee of the successful proposal or in lieu of a personal guarantee an LOC or equivalent; and compliance with the fair market value requirement. Mrs. Tubb seconded the amended motion. Motion passed. 7-0

Mr. Stringfellow moved that the Authority resolve in the lease the issue of T-Hangar management and Fuel Farm. No second; motion failed.

Dr. Gallagher suggested that this issue be referred to the General Aviation Committee and that Gulf Atlantic Airways could provide a proposal for handling the T-Hangar management and Fuel Farm. Chair Bainter, with the concurrence of Mr. Stringfellow, referred the issue to the GA committee.

Dr. Gallagher moved to include a clause to hold the successful bidder to the timelines proposed on the improvements contained in the proposal and to include penalties for non-compliance. Dr. Honeyman-Buck seconded the motion. Motion passed.

Chair Bainter directed staff to obtain a proposal from UAC regarding the issue of the Fuel Farm and the T-Hangars and take the proposal to the General Aviation Committee for further consideration and to submit a recommendation to the Board at the next monthly meeting.

Mrs. Tubb encouraged the winning bidder to become more active in the community as a local company, such as membership in the Chamber of Commerce or CEO.

Dr. Morris requested assistance with determining the specifications or measures of performance by which to evaluate the winning bidder and remedial actions. Chair Bainter directed staff to include such measures in the lease agreement.

Mr. Todd moved to have the Authority issue a Request for Proposals for the management of a self-service fuel farm to allow for competition. No second; motion failed.

Mr. Crider read aloud a note that was submitted by Mr. Roger Brower:

“Prior to the vote on the selection of an FBO or negotiations for an FBO contract, I would ask that the board attorney advise Authority members on conflict of interest guidelines. And furthermore, ask that any Board Member who has personal or financial interest (financial interest includes acceptance of goods or services of value, or special considerations) that the Authority Member declare a conflict and abstain from voting” signed Roger Brower.

Mr. Don Stanley, Attorney for the Authority, stated that he had not received any information with regard to anybody's conflict of interest. He noted that a conflict of interest in generic terms would be if a Board Member receives special treatment, financial benefit, or some pecuniary interest as a result of being a Board Member from someone that does business with the Authority.

Mr. Mac Langston asked for confirmation, since there was no response from any Authority member to Mr. Stanley's comment, that with the Attorney's interpretation and with everybody understanding it, that there was no conflict of interest.

Finance Report

Mr. Gordon Rowell, Finance Manager, reviewed the Fiscal Year 2002-2003 Budget versus Actual for Revenue and Expenses through December 2002. Mr. Rowell reported that the proceeds from the sale of Lot 7b in the Airport Industrial Park have not yet been received from the City of Gainesville, but were expected shortly. He also noted that Passenger Facility Charges were scheduled to begin in January 2003. Mr. Rowell reported that Rental Car revenue was flat with two of our four operators currently operating under Chapter 11. He stated that revenue from all four operators was flat and was forecasted to remain flat through the remainder of the fiscal year, due to cut backs in fleet inventories which occurred after 9/11.

Personnel Committee Report

Dr. Honeyman-Buck reported on behalf of Authority Chair Pat Bainter, who served as Chair of the Personnel Committee. The Personnel Committee met on January 30, 2003 to discuss the Performance Evaluation for the Director of Aviation and to consider salary increases for staff members Rick Crider, Tate Fisher, and Gordon Rowell. The Personnel Committee considered a 5.5% merit increase for Rick Crider, Director of Aviation. The Personnel Committee recommends increasing Tate Fisher's base salary by \$5,200 (9.2%) and increasing Gordon Rowell's base salary by \$8,200 (19.6%) as a means of adjusting their base salaries to bring their salaries in line with industry standards and to adjust for "salary compression" which tends to affect long time employees. In addition to the increases in base salary, the Personnel Committee recommends the following title changes:

- Tate Fisher: *Deputy Director of Operations* to *Director, Operations*
- Gordon Rowell: *Fiscal Coordinator* to *Finance Manager*
- Allan Penksa: (new employee effective 3/10/03) *Deputy Director of Facilities and Maintenance* to *Director, Facilities and Maintenance*.

Dr. Honeyman-Buck moved to have the Authority approve the base salary increases and title changes for Tate Fisher and Gordon Rowell as recommended by the Personnel Committee. Mrs. Tubb seconded the motion. Discussion followed.

Citing current economic conditions in the airline industry and the University of Florida, Dr. Morris stated that he did not agree that such high raises should be given at this time.

Dr. Morris moved to table Dr. Honeyman-Buck's motion until July and reconsider the raises at that time. Mr. Todd seconded the motion to table.

Mrs. Tubb stated the University of Florida salary policies should have no bearing, and recommended bringing the salaries up to market level.

Dr. Morris stated that he felt the individuals deserve raises; however he also believes that the Airport's cash flow situation cannot support this action at this time considering the projects that are being considered.

Dr. Gallagher stated that Mr. Rowell was seriously underpaid. He also noted that for the current fiscal year, the base salary increases had minimal impact considering that other positions have been unfilled since the beginning of the fiscal year.

Mr. Todd indicated that he would support Dr. Morris' motion to table.

Dr. Honeyman-Buck reported that the Personnel Committee had examined other Airports' job advertisements for similar positions and found that the increases were justified.

At this point in the discussion, the Authority voted first on Dr. Morris' motion to table and next on Dr. Honeyman-Buck's motion to approve the Personnel Committee recommendations.

Dr. Morris' motion to table failed 2-5

Dr. Honeyman-Buck motion passed 5-2.

Dr. Honeyman-Buck reported that the Personnel Committee considered a performance review of the Director of Aviation and considered a base salary increase of 5.5%.

Dr. Honeyman-Buck moved that the Authority approve a 5.5% salary increase for the Director of Aviation. Mrs. Tubb seconded the motion. Discussion followed.

Dr. Gallagher stated that he was pleased with Mr. Crider's performance but was concerned that the proposed salary increase would be in conflict with the performance incentives contained in the employment contract executed between GACRAA and Mr. Crider.

Mr. Bainter explained that the Personnel Committee considered the performance incentives contained in the employment contract and concluded that the Authority should not penalize Mr. Crider for moving forward with infrastructure projects which might reflect negatively on the Airport's year end results.

Mr. Todd stated that under the performance incentives in the contract, Mr. Crider could earn a sizable bonus based on the increase in enplanements.

Dr. Morris stated that although he felt Mr. Crider was doing a great job, he still believes that current economic conditions do not support a salary increase.

Dr. Honeyman-Buck's motion to increase the Director's base salary by 5.5% passed 5-2.

Dr. Honeyman-Buck moved to have the Authority approve a Civic Club Allowance of up to \$1,000

annually so that the Director could join local civic clubs to promote the Airport. Dr. Morris seconded the motion. Motion passed.

Chair Bainter reported that the Personnel Committee considered options for providing a higher vehicle allowance to Mr. Crider who uses his personal automobile when traveling on Airport business.

Dr. Honeyman-Buck moved to have the Authority purchase a vehicle that would be utilized for business travel. Mrs. Tubb seconded the motion. Motion passed.

Dr. Honeyman-Buck moved to have the Authority approve the title change for new employee Allan Penksa from Deputy Director of Facilities and Maintenance to Director, Facilities and Maintenance. Mrs. Tubb seconded the motion. Motion passed.

Budget Review Committee Report

Dr. Gallagher reported that the Budget Review Committee met on February 6, 2003. Dr. Gallagher reported that the committee reviewed the Capital Improvement Plan and the projects listed for FY2004 and FY2005 and recommends the following changes:

- Add to FY2004, a project to install ILS on R/W 10.
- Move from FY2005 to FY2004, a project to construct 15 T-Hangars
- Move from FY2004 to FY2005, a project to purchase an ARFF vehicle

Dr. Gallagher moved to approve the three aforementioned Capital Improvement Plan changes; add to FY2004, a project to install ILS on R/W 10; move from FY2005 to FY2004, a project to construct 15 T-Hangars; move from FY2004 to FY2005, a project to purchase an ARFF vehicle. Mrs. Tubb seconded the motion. Motion passed.

Dr. Gallagher reported that the Personnel Committee consulted with the Budget Review Committee prior to recommending the salary issues approved earlier at this meeting.

Dr. Gallagher reported that Florida Industrial Electric, the contractor working on the airfield lighting improvement project, has submitted Change Order # 1 in the amount of \$114,907.

Mr. Crider reported that this amount can be attributed to additional work completed outside the scope of the original contract. The original contract price is \$1,831,575. The revised contract price, including work that was outside the scope of the original contract, is \$1,946,481. The committee reviewed the details of the additions and deletions of the work performed. Mr. Crider reported that the authority's share of the change order amount is \$5745 which is 5% of \$114,907. The FAA (90%) and FDOT (5%) have agreed to fund the balance of the change order amount.

Dr. Gallagher moved approval of Change Order #1 in the amount of \$114,907 to the Authority. Dr. Morris seconded the motion. A roll call vote followed: Mrs. Tubb – aye, Mr. Todd – aye, Mr. Stringfellow – aye, Dr. Morris – aye, Dr. Honeyman-Buck – aye, Dr. Gallagher – aye, and Mr. Bainter – aye. Motion passed 7-0.

Dr. Gallagher reported that the Passenger Facility Charge of \$4.50 per passenger went into effect on January 1, 2003. Proceeds from the airlines should begin to be realized in February.

Dr. Gallagher called to the members attention the FY2002-2003 budget changes due to the approval of the salary increases approved earlier; the agenda packet contained the detailed information on pages 37 and 38.

Extension of Flightline Management Contract

Mr. Crider reported that Flightline Group, Inc. gave 60-day notice to terminate the management contract with GACRAA effective March 1, 2003. Flightline expressed its willingness to continue under a contractual relationship for a period of time to effectively transition to a privatized business. Mr. Crider asked the Authority for approval to enter into a month-to-month extension of the management contract until such time that a contract with University Air Center could be finalized.

Mrs. Tubb moved to direct the Director of Aviation to negotiate a month-to-month extension of the management contract with Flightline Group until such time as a transition to University Air Center can be accomplished. Dr. Morris seconded the motion. Motion passed.

DBE Plan for FY2003

Mr. Crider reported that a Disadvantaged Business Enterprise (DBE) Plan for FY2003 has been prepared by Ms. Suzanne Schiemann, Administrative Manager and DBE Liaison Officer. The proposed goal for FY2003 is 9% of all federally assisted contracted. This goal is slightly lower than the FY2002 goal of 9.83%. The types of projects coming up in FY2003 were correlated to the number of DBE firms available in the Airport's normal market area.

Dr. Honeyman-Buck moved to endorse the proposed FY2003 DBE Plan and to direct staff to proceed with a public meeting and submission of the plan to the FAA. Mrs. Tubb seconded the motion. Motion passed.

The floor was opened for public comment regarding the goal; there were no comments from members of the public.

March of Dimes Activities

Ms. Elaine Funk, Public Relations Specialist, reported that last year marked the Airport's first year as a participant in the March of Dimes Walk America event. Last year, the Airport was presented the "Battered Boot Award" for raising over \$2,000. This year, Airport employees, including tenants' employees, are planning to participate in the Walk America event in Gainesville on March 22, 2003. Employees are organizing a walking team and a spirit station. In addition, a Chili Cook-off will be held in the Airport Lounge on February 28, 2003. Ms. Funk stated that Chair Pat Bainter has graciously agreed to serve as a judge for the Chili Cook-off. Joining Mr. Bainter will be Mr. Bob Rose, WSKY radio personality, and Ms. Wende Blumberg, General Manager, University of Florida Hotel and Conference Center. Raffle tickets will also be sold for items donated by local businesses. Ms. Funk invited all GACRAA members to participate in these fund raising activities.

Tenant Reports - None

Airport Authority Attendance – No Issues

Adjournment

Dr. Morris moved to adjourn. Dr. Honeyman-Buck seconded the motion. The meeting was adjourned at 8:10 p.m.

GACRAA Monthly Meeting

Patrick Bainter
Chair

Date

Janice Honeyman-Buck
Secretary/Treasurer

Date