

GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY
Thursday, March 17, 2005– 5:00 p.m.
Gainesville Regional Airport
Passenger Terminal - Restaurant
Monthly Meeting
Highlights

Call to Order by the Chair

Chair Jim Stringfellow called the meeting to order at 5:05 p.m.

Invocation: Mr. Mac McEachern delivered the invocation.

Pledge of Allegiance: Chair Stringfellow led the Pledge of Allegiance.

Authority Members Present at Roll Call: Billy Brashear, Joe Dunlap, Jim Gallagher, Peter Johnson, Jim Stringfellow, and Kinnon Thomas were present. Marilyn Tubb arrived at 5:34 p.m. Jon Morris and C.B. Daniel were excused.

Ex-officio member Brent Christensen, Gainesville Area Chamber of Commerce, was present.

Determination of a Quorum: It was determined that a quorum was present.

Approval of Meeting Highlights for February 17, 2005

Mr. Dunlap moved to approve the meeting highlights of February 17, 2005. Mr. Thomas seconded the motion. Motion passed.

Adoption of the Agenda

Mr. Thomas moved approval of the agenda. Mr. Dunlap seconded the motion. Motion passed.

Citizens' Input - None

Airport Authority Input – Non-Agenda Items - None

Consent Agenda - None

Airport Business:

Information Items:

Mr. Stringfellow introduced Ms. Ester Tibbs and Ms. Evan Web, members of Altrusa International of Gainesville, to the Board. Mr. Stringfellow read aloud his letter to the organization thanking it for sponsoring the “Welcome Home Troops” sign that was unveiled at the airport on February 3.

Ms. Tibbs thanked airport staff for their cooperation with the installation of the sign.

Mr. Crider reported that a ceremonial check for \$300,000 for the intermodal project was presented to the airport by Congressman Stearns on March 5, 2005. The check represents a USDOT Federal Transit Administration grant.

Mr. Crider reported that staff will continue to pursue Lockheed and ask them to reconsider their plan to close the Automated Flight Service Station located at Gainesville Regional Airport.

Mr. Crider stated that Ms. Carolyn Bomberger has withdrawn her request to accelerate an RFP process for the site occupied by her company, Gator Aviation Services, LLP. He reported that staff will initiate an RFP process for the site in January 2006; the current lease for the site expires May 31, 2006.

Mr. Crider reported that the U.S. House of Representatives passed the Transportation Equity Act: A Legacy for Users (TEA-LU) bill, in early March. It is hoped that TEA-LU will provide grant funding for the Airport Access Road from Waldo Road to the airline passenger terminal. The proposed amount to be appropriated for the Airport Access Road is currently \$2 million.

Mr. Crider reported that Gulf Atlantic vacated its leased facility on March 15. Staff is working to quantify the cost of repairing the items for which Gulf Atlantic was responsible under the terms of the lease agreement. He reported that there is renewed interest in the site and that a new RFP process will be initiated shortly.

Mr. Crider reported that the grooving of Runway 10-28 has been completed and the final painting is underway.

Mr. Skillman, R.W. Armstrong & Associates, Inc, stated that the Airfield Guidance Sign project was awarded to TCA Electrical Contractors, Inc., Omega, GA by the Board at its last meeting. He reported that a letter of award has been provided to TCA Electrical Contractors, Inc. and they will begin work in May of 2005.

Mr. Skillman introduced his R.W. Armstrong & Associates, Inc. colleagues to the Board: Jim Wade, CEO, Todd Schultheis, Director, and Jeff Kyser, Sr. Project Manager. Mr. Skillman reported that his company will execute a lease agreement for office space in the new University Air Center hangar.

Mr. Skillman reported that the Runway 10-28 Ditch Enclosure project is complete and a final inspection will take place shortly. He stated that the project ended with a small deduct change order and a short punch list.

Mr. Crider recommended inviting the contractor to a future Board meeting to commend Commercial Industrial Corporation for a job well done.

Mr. Crider reported that the next meetings of the Airport Master Plan Technical Advisory and Policy Advisory Committees will be scheduled for Thursday, April 21. He stated that a rough draft of Working Paper # 3 will be circulated in the next few weeks.

Mr. Crider directed everyone's attention to the construction work in progress outside the window of the meeting room adjacent to the terminal. Phase 1 of the Airline Terminal Renovation, construction of the passenger boarding bridge vestibules, is well underway. He stated that the passenger boarding bridges will be shipped from Utah to the airport in coming weeks.

Mr. Crider reported that a new party is interested in operating a food and beverage concession in the terminal and that they will make a proposal to the Business Development & Marketing Committee on March 24.

Mr. Crider reported that February 2005 passenger traffic was 58.5% higher than February 2004. He stated that tower operations for February 2005 were 14.7% higher than February 2004. He reported that load factors for the airlines remained strong in February:

ASA/Delta	72.03%
US Airways	72.57%
Northwest	75.1%
Continental	49%

Mr. Crider reported that Continental Connection is pleased with the Miami load factor which is over 70%. He stated that future air traffic volume reports would be based on the fiscal year, October – September, rather than the calendar year.

Dr. Gallagher moved that staff submit the proposed RFP for the Gulf Atlantic site to the Facilities & Planning Committee and the Board for approval prior to advertising the RFP. Dr. Brashear seconded the motion. Motion passed.

Finance Report

Mr. Crider introduced a new employee who began working for GACRAA on March 14, 2005. Mr. Garrick Crocker joins the staff as Business Manager / CFO and reports to Mr. Crider.

Mr. Crider noted that the January 2005 financial report was provided in the agenda packet, and that copies of the February 2005 report were distributed at the beginning of the meeting. Mr. Crider stated that the format of the February report follows the format of the budget with commercial and general aviation revenue activity no longer reported separately.

Mr. Crider stated that the term “Personal Services” will be changed to “Salaries & Benefits” on future reports.

Mr. Crider reviewed the following items:

Revenue	February Year-to-Date Actual (5 mos.)	February Year-to-Date Budget (5 mos.)	Variance Over / (Under)	Comment
Terminal Parking	\$434,405.56	\$362,842.08	\$71,563.48	Parking revenue exceeds budget due to increased passenger traffic.
Airport Security Fee	\$105,686.02	\$112,916.67	(\$7,230.65)	Difference between GPD forecast and actual amount billed.
Fuel Flowage Fees	\$12,281.30	\$17,083.33	(\$4,802.03)	Reflects a delay in posting fees in the accounting system. Anticipated sales were allocated over 12 months in the budget.
Industrial Park Land Sales	\$38,594.34	\$15,562.50	\$23,031.84	
Rental Car Excess Rents	\$62,726.00	\$30,823.33	\$31,902.67	Rental Car Excess Rents needs to be reconciled.
Other misc. revenue	\$7,762.27	\$1,260.42	\$6,501.85	Badge fees collected from contractors.
Small Comm. Air Service Grant	\$17,749.85	\$0.00	\$17,749.85	Revenue will be allocated to a different account.
FBO Gross Receipts Percentage	\$3,350.24	\$8,220.83	(\$4,870.59)	Adjustments to be made; 2% fee is not collected on UAC maintenance.

Expenses	February Year-to-Date Actual (5 mos.)	February Year-to-Date Budget (5 mos.)	Variance Under / (Over)	Comment
Arpt. Administration - Operating	\$240,612.66	\$224,654.17	(\$15,958.49)	Accounting Consultant services were not budgeted.
Arpt. Operations - Operating	\$358,402.74	\$321,316.67	(\$37,086.07)	GPD and GFR expenses exceeding budget.
Facilities & Maint. Personal Serv.	\$132,430.60	\$205,232.47	\$72,801.87	Summer help expense was allocated over 12 months.
Facilities & Maint. Operating	\$101,745.39	\$125,133.33	\$23,387.94	Air Conditioning expense was allocated over 12 months.
FAA Facilities - Operating	\$8,135.29	\$29,331.25	\$21,195.96	AFSS flight service expenses need to be posted.
Fuel Farm - Operating	\$7,505.68	\$35,430.00	\$27,924.32	An adjusting entry needs to be made.

Revenue	February Year-to-Date Actual (5 mos.)	February Year-to-Date Budget (5 mos.)	Variance Over / (Under)
Total Revenue	\$1,473,818.82	\$1,319,146.25	\$154,672.57

Expenses	February Year-to-Date Actual	February Year-to-Date Budget	Variance Under / (Over)
Total Expenses	\$1,223,673.44	\$1,319,146.01	\$95,472.57

Income (Loss) Before Depreciation	\$250,145.38	\$0.24	\$250,145.14
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Mr. Crider stated that year-to-date income should be approximately \$200,000 after all the adjusting entries are accomplished. He indicated that work to improve the accuracy of the finance reports is underway.

Mr. Dunlap recommended segregating unusual items, i.e. airport industrial land sales, on the P&L statement instead of combining them with routine revenue and expense categories. He also suggested budgeting seasonal items in the months that the expenses are likely to occur, i.e. budgeting temporary summer help in June, July and August, instead of spreading the expense over twelve months.

Mr. Crocker reported that he has been employed now for four (4) days and indicated that he would work to improve internal controls and systems improvements, and look for ways to increase revenue and reduce costs.

Mr. Stringfellow recommended establishing an Audit Committee to work with Purvis Gray and Company.

Mr. Crider reviewed the bank balances.

Finance & Operations Committee Report

Dr. Gallagher reported that the committee met on February 24. He reported that the FY03 Audit is not complete but that work by the auditors will resume at the end of March. He stated that the FY04 Audit has not been completed.

Dr. Gallagher stated that the committee considered staff's proposal to initiate a Customer Facility Charge (CFC) to fund the construction of an on-airport consolidated service facility for the rental car operators. He reported that the Finance & Operations Committee voted against supporting the proposed CFC program.

Mr. Stringfellow noted that the CFC proposal will also be considered by the Facilities & Planning Committee.

Dr. Gallagher reported that the committee endorsed the line of credit draw, Resolution 05-014, on the agenda for this meeting.

Dr. Gallagher reported that it was the consensus of the committee members to retain the current requirements for signatures on checks over \$10,000.

Business Development & Marketing Committee Report

Mrs. Tubb reported that the Business Development & Marketing Committee met on February 25.

Mrs. Tubb stated that one purpose of the meeting was to review the Speakers Bureau presentation and to learn how to operate the airport's computer and projector.

Mrs. Tubb reported that the committee is developing ideas to improve customer service.

Mrs. Tubb stated that the next meeting of the committee will include the following items:

- ➔ Interspace Airport Advertising Update
- ➔ Airshow Update by the Gainesville Regional Airshow Consortium
- ➔ Market Analysis / Leakage Study Update by Sabre Airline Solutions

Ad Hoc Personnel Committee Report

Mrs. Tubb reported that the Ad Hoc Personnel Committee met on March 14.

Mrs. Tubb reported that the committee is developing tools for assessing the performance of the Chief Executive Officer and the Board. She stated that the committee will also propose 2005 Goals and Objectives for the Board to consider.

RFP 05-003 Placement & Operation of Automated Teller Machine (ATM) – Contract Award – Resolution 05-012

Mr. Crider reported that the existing contract for the ATM at the airport expires at the end of March. He stated that two companies responded to a Request for Proposals for the placement and operation of an ATM. Mr. Crider stated that Universal Money Centers, Inc. submitted a proposal which provided a higher financial return to the airport and he recommended executing an agreement with Universal Money Centers, Inc.

Mr. Thomas moved to adopt Resolution 05-012 authorizing the execution of a contract with Universal Money Centers, Inc. for the installation of an automated teller machine in the airline passenger terminal. Dr. Brashear seconded the motion.

A discussion followed regarding the proposal tabulations and the financial strength of Universal Money Centers, Inc.

Dr. Gallagher asked staff to provide a list of locations of other Universal Money Centers, Inc. clients in the Gainesville area.

A roll call vote followed: Mr. Thomas – aye, Mrs. Tubb – aye, Dr. Brashear – aye, Mr. Dunlap – aye, Dr. Gallagher – aye, Mr. Johnson – aye, and Mr. Stringfellow – aye. Motion passed 7-0.

R.W. Armstrong Task Order Amendment for T-Hangar Development – Resolution 05-013

Mr. Crider reported that Amendment # 1 to R.W. Armstrong Task Order #9 for T-Hangar Site Development will revise the scope of the previously approved project. Amendment # 1 will revise the project to add an aircraft wash facility, the rehabilitation of asphalt pavement in the area east of T-Hangar Row F (previously occupied by Port-A-Port hangars, and flood control vents in existing Port-A-Port hangars. Mr. Crider stated that R.W. Armstrong will not change their fee for providing the additional professional design services.

Mr. Thomas moved to adopt Resolution 05-013 authorizing the execution of Amendment # 1 to Task Order # 9 for T-Hangar Site Development. Mrs. Tubb seconded the motion.

Responding to questions from Dr. Gallagher, Mr. Crider reported that one row of T-Hangars will include 10 hangar units and a meeting space for aviation organizations such as the Civil Air Patrol. A second row of T-Hangars will consist of 10 – 12 hangar units and bid as an alternate. He mentioned that University Air Center is required to provide \$12,500 toward the construction of the aircraft wash rack. Mr. Crider estimated the aircraft wash rack construction cost to be approximately \$50,000 - \$60,000.

Mr. Crider noted that the existing T-Hangars are 100% occupied, with a few names on the waiting list.

Staff was asked to determine if neighboring airports charge any fees for usage of aircraft wash racks.

A roll call vote followed: Mrs. Tubb – aye, Dr. Brashear – aye, Mr. Dunlap – aye, Dr. Gallagher – aye, Mr. Johnson – aye, Mr. Thomas – aye, and Mr. Stringfellow – aye. Motion passed 7-0.

Compass Bank Draw Against Line of Credit – Resolution 05-014

Mr. Crider reported that draws of up to \$550,000 against the line of credit with Compass Bank will be needed to pay for construction costs associated with the airline passenger terminal renovations currently underway.

Mr. Dunlap moved to adopt Resolution 05-014 authorizing line of credit draws from Compass Bank for airline passenger terminal renovation – phase 1 work. Mr. Thomas seconded the motion. A roll call vote followed: Dr. Brashear – aye, Mr. Dunlap – aye, Dr. Gallagher – aye, Mr. Johnson – aye, Mr. Thomas – aye, Mrs. Tubb – aye, and Mr. Stringfellow – aye. Motion passed 7-0.

Tenant Reports

Mr. Mac McEachern complimented the Board and staff on the reports received at tonight’s meeting.

Mr. McEachern stated that Board member Peter Johnson attended a recent meeting of the Gator Exchange Club and he reported that Mr. Johnson did a great job of providing an update on airport activities.

Mr. McEachern encouraged the Board and staff to continue its efforts to keep the AFSS station at Gainesville Regional Airport.

On behalf of the Gainesville Pilots Association, Mr. McEachern complimented Mr. Stringfellow’s leadership at Board meetings and stated that he and others appreciated the sound-proofing panels installed to reduce the noise emanating from the Lounge.

Airport Authority Attendance

No issues to report at this time.

Adjournment

There being no further business, the meeting was adjourned by the Chair at 6:16 p.m.

GACRAA Monthly Meeting

James L. Stringfellow, Sr., Chair

Date

T. James Gallagher, Secretary/Treasurer

Date