

GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY
Thursday, June 23, 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 5:03 p.m.

Invocation: Dr. Brashear delivered the invocation.

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

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

Ex-officio member Brent Christensen arrived at 5:12 p.m.

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

Approval of Meeting Highlights for May 19, 2005

Mr. Dunlap moved to approve the meeting highlights of May 19, 2005. Mr. Daniel seconded the motion. Motion passed.

Adoption of the Agenda

Mrs. Tubb moved approval of the agenda. Mr. Daniel seconded the motion. Motion passed.

Citizens' Input

Mr. John Barber, citizen, stated that an Airbus engineering contractor located in Mobile, Alabama, has created engineering internship opportunities for undergraduate and graduate students. He suggested that this information be given to the Dean of Aeronautical Science and Engineering at the University of Florida.

Mr. Dashwood Hicks, citizen, stated that the closure of the Gulf Atlantic Airways building has resulted in an inconvenience to general aviation patrons in search of a restroom. The nearest public restrooms are located in the University Air Center building, which is a long walk from the T-Hangars and Port-a-Ports.

Airport Authority Input – Non-Agenda Items - None

Consent Agenda:

An in-kind exchange of advertising with the University of Florida Phillips Center for the Performing Arts was approved with the adoption of the agenda. The PCPA will install a 4' x 6' framed poster depicting their 2005-2006 season in the front entrance of the airport terminal. In exchange, the airport will receive a

full-page color ad in the PCPA 2005-2006 season program book which will have a minimum circulation of 50,000 and will be provided to patrons at all 2005-2006 season performances. The value of this exchange is \$2,500 and the exposure will be over a nine (9) month period, August 2005 through April 2006.

Airport Business:

Arthur J. Gallagher – Airport Liability Insurance Renewal

Mr. Crocker, Business Manager/CFO, introduced John Liston and Erica Connick to the Board. Representing Arthur J. Gallagher & Co., Mr. Liston is an Area President and Ms. Connick is a Service Manager.

The airport’s current Liquor Liability Insurance expires on 7/1/05. Ms. Erica Connick, a Service Manager with Arthur J. Gallagher & Co., presented her company’s recommendation for insurance renewal for the period 7/2/05 – 7/1/06. The premium for the current coverage expiring on 7/1/05 is \$1,666.00; the proposed renewal premium, with the incumbent carrier, is \$1,666.00 for the period 7/2/05 – 7/1/06. Ms. Connick recommended renewing the policy with the incumbent carrier. *(Note- details are contained in the Arthur J. Gallagher & Company presentation handout dated June 15, 2005.)*

Mr. Dunlap moved the recommendation to renew Liquor Liability Insurance coverage as presented with the incumbent carrier. Mrs. Tubb seconded the motion. Motion passed.

The airport’s current Airport Owners and Operators General Liability Insurance policy expires on 7/1/05. Ms. Erica Connick presented her company’s recommendation for insurance renewal for the period 7/2/05 – 7/1/06. The premium for the current coverage expiring on 7/1/05 is \$57,372.00; the proposed renewal premium, with the incumbent carrier, is \$55,282.00 for the period 7/2/05 – 7/1/06. This is a decrease of \$2,090.00 (3.6%). Ms. Connick recommended renewing the policy with the incumbent carrier. Two (2) insurance carriers were asked to quote: *(Note- details are contained in the Arthur J. Gallagher & Company presentation handout dated June 15, 2005.)*

CARRIER	A.M. BEST'S RATING	SURPLUS LINES	COMMENTS
<p>OPTION 1</p> <p>ACE P&C / LLOYD'S OF LONDON</p>	<p>A XV / A XV</p>	<p>Admitted/ Non-Admitted</p>	<p>INCUMBENT</p> <ul style="list-style-type: none"> - Annual Renewal Premium \$55,282 - Expiring Premium \$57,372 - Renewal decrease 3.6% - Air show exclusion will be deleted for scheduled airshow on 9/24 – 9/25 if the airport is named as additional insured under the event sponsor’s policy within 60 days - Includes off premises automobile excess liability coverage to \$25,000,000. - Includes volunteers
<p>OPTION 2</p> <p>NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURGH, PA</p>	<p>A+ XV</p>	<p>Admitted</p>	<ul style="list-style-type: none"> - Annual Premium \$49,526 - Airshow exclusion applies; will consider providing excess coverage if notified of airshow details 30 days prior to the event; an additional premium may apply. - Excludes off premises automobile excess liability. - Excludes volunteers

Ms. Connick stated that a separate war and terrorism endorsement is available for \$37,500.

Mr. Dunlap moved to renew with the incumbent carrier, ACE P&C / LLOYD'S, with an annual premium of \$ 55,282 and to not purchase the separate war and terrorism endorsement. Mrs. Tubb seconded the motion. Motion passed.

Information Items

Mr. Crider reported that the City of Gainesville closed on the sale of Airport Industrial Park Lot 3 to Quartz Solutions on June 21, 2005. The airport expects to receive the proceeds of the sale in a few weeks. He noted that the ground-breaking will take place shortly.

Mr. Crider reported that Jet Fuel Coffee Company began operations on June 13, 2005 in the passenger terminal and appears to be doing well.

Mr. Crider reported that the Airfield Guidance Signs and Visual Aid Improvements Project is underway. This project includes the installation of new signs, lighted windsocks, and PAPIs.

Mr. Crider stated that he and Mr. Daniel have participated in the Alachua County Fairgrounds Workgroup and that the majority of participants believe that the fairgrounds should not be relocated to a new site to make way for a business park.

Mrs. Tubb noted that the Economic Development Advisory Committee (EDAC) has determined that the Alachua County Fairgrounds would be a good site for a business park and that the EDAC plans to make a presentation of its study to the Alachua County Board of Commissioners in July.

Mr. Crider reported that Terminal Renovation Phase I should be completed by the end of July. Remaining work includes landscaping, and tile and carpeting installation. He stated that tours of the passenger boarding bridges were offered to Chamber After Hours attendees on June 16.

Mrs. Tubb stated that airport and airline staff did a great job of organizing the Chamber After Hours event and that she has received positive feedback from attendees.

Mr. Crider reported that the Request for Proposals for a Consolidated Communications Antennae has been advertised and that proposals are due on July 27.

Mr. Crider reported that May 2005 scheduled passenger traffic was 36.6% higher than May 2004. Current fiscal year-to-date (October – May) scheduled passenger traffic was 40.99% higher than FY2004. He reported that cargo activity is flat compared to last year. Tower operations for FY2005 are 15.35% higher than FY2004. Mr. Crider reported that fuel sales are very strong. FY2005 fuel flowage was 48.62% higher than the same period in FY2004.

Mr. Crider reported that all airlines are doing well in terms of load factors:

Airline	FY2005 Load Factor
Atlantic Southeast Airlines (Delta Connection)	70.1%
Mesa Airlines (US Airways)	72.1%
Pinnacle Airlines (Northwest Airlink)	67.1%
Gulfstream Int'l Airlines (Continental Connection)	45.5%
Total All Airlines	67.8%

Finance Report

Mr. Crocker presented the fiscal year results through May 31, 2005. He stated that the format of the reports has been revised to better align revenue sources and expense cost centers.

Mr. Crocker reported the following results:

Operating Revenue	May Year-to-Date Actual (8 mos.)	May Year-to-Date Budget (8 mos.)	Variance Over / (Under)	Comment
Airline Related Revenue	\$666,192.90	\$627,128.00	\$39,064.90	Landing Fees and Fuel Storage Fees higher than budget due to increased traffic
General Aviation Related Revenue	\$318,864.88	\$325,858.08	(\$6,993.20)	Fairly consistent with budget.
Concession Related Revenue	\$1,256,833.82	\$1,053,430.64	\$203,403.18	Parking Lot and Rental Car revenues exceed budget due to increased traffic.
Other & Non-Recurring Revenue	\$129,108.15	\$104,217.28	\$24,890.87	
Total Operating Revenue	\$2,370,999.75	\$2,110,634.00	\$260,365.75	

Operating Expenses	May Year-to-Date Actual (8 mos.)	May Year-to-Date Budget (8 mos.)	Variance Over / (Under)	Comment
Administration - Dept Expense	\$688,924.48	\$742,435.44	(\$53,510.96)	
Operations - Dept Expense	\$535,103.24	\$567,382.64	(\$32,279.40)	
Lounge - Dept Expense	\$36,119.99	\$19,514.48	\$16,605.51	
Parking Lot - Dept Expense	\$123,641.26	\$111,636.16	\$12,005.10	
Facilities & Maint. - Dept. Exp.	\$488,329.15	\$524,218.80	(\$35,889.65)	
FAA Facilities - Dept. Expense	\$61,235.50	\$65,594.48	(\$4,358.98)	
Gen. Aviation - Dept. Expense	\$25,488.54	\$47,242.64	(\$21,754.10)	
Fuel Farm - Dept. Expense	\$17,414.41	\$26,445.44	(\$9,031.03)	
Total Operating Expenses	\$1,976,256.57	\$2,104,470.08	(\$128,213.51)	
Income (Loss) Before Deprec.	\$394,743.18	\$6,163.92	\$388,579.26	

Non-Operating Revenue	May Actual	May Budget	Variance Over / (Under)
Grant Revenue	\$3,640,666.27	\$0.00	\$3,640,666.27
Passenger Facility Charges	<u>\$454,058.67</u>	<u>\$0.00</u>	<u>\$454,058.67</u>
Total:	<u>\$4,094,724.94</u>	<u>\$0.00</u>	<u>\$4,094,724.94</u>

Non-Operating Expenses	May Actual	May Budget	Variance Over / (Under)
Construction in Progress	\$4,387,835.65	\$0.00	\$4,387,835.65
Fixed Asset Purchases	\$7,540.11	\$0.00	\$7,540.11
Note Principle Repayment	<u>\$31,894.34</u>	<u>\$0.00</u>	<u>\$31,894.34</u>
Total:	<u>\$4,427,270.10</u>	<u>\$0.00</u>	<u>\$4,427,270.10</u>

Mr. Dunlap moved to accept the Finance Report. Mr. Thomas seconded the motion. Motion passed.

Business Development & Marketing Committee Report

Mrs. Tubb reported that the Business Development & Marketing Committee met on June 8, 2005. She reported that an intern, Ashley Specht, has been hired to help with administrative and marketing activities for the summer.

Mrs. Tubb reported that a public relations event will be scheduled to celebrate the opening of the Passenger Boarding Bridges.

Mrs. Tubb reported that Maj. Gen. John R. Alison, USAF (Ret.) has agreed to serve as honorary chair of the "Heart of Florida" Air Show in September.

Ad Hoc Personnel Committee Report

Mr. Daniel reported that the Ad Hoc Personnel Committee met several times in recent months and that among the items discussed was the Suggested GACRAA Board Member Self-Assessment presented in the agenda packet on pages 32 through 35. Mr. Daniel stated that the committee recommends conducting the self-assessment survey and he invited input to the proposed self-assessment survey form.

Mrs. Tubb moved to approve the Suggested GACRAA Board Member Self-Assessment form and recommended that it be distributed to Board Members for completion. Mr. Thomas seconded the motion.

Mr. Crider stated that the survey should be completed anonymously and returned to Purvis Gray & Company for tabulation.

Mr. Stanley, Attorney for the Authority, reminded the Board that the completed surveys are public records even through the Board members will return their completed surveys to Purvis Gray & Company. He added that Board members should maintain anonymity by not putting their names on the survey.

Finance & Operations Committee Report

Mr. Crider reported that the Finance & Operations Committee met earlier in the day and considered the Schedule of Rates and Charges included in the agenda packet beginning on page 37. The updated Schedule of Rates and Charges includes charges for the use of the Passenger Boarding Bridges (PBB), which should be operational in July. He stated that staff had contacted other airports to develop a fee schedule for the use of the PBBs.

Mr. Dunlap moved to approve the Schedule of Rates and Charges dated 6/23/05 as presented. Mrs. Tubb seconded the motion. Motion passed.

Passenger Boarding Bridges – Agreements with Airlines – Resolution 05-024

Mr. Crider reported that three (3) Passenger Boarding Bridge Amendments to the Airline Agreements with Atlantic Southeast Airlines, Inc., Northwest Airlines, Inc., and Piedmont Airlines, Inc. have been drafted. He stated that the airlines have been provided with copies of the amendments and that they are in agreement with the terms and conditions of the amendments.

Mr. Thomas moved to adopt Resolution 05-024 authorizing execution of Passenger Boarding Bridge Amendments to Airline Agreements at Gainesville Regional Airport. Mrs. Tubb seconded the motion. A roll call vote followed: Mrs. Tubb – aye, Dr. Brashear – aye, Mr. Daniel – aye, Mr. Dunlap – aye, Mr. Johnson – aye, Mr. Thomas – aye, and Mr. Stringfellow – aye. Motion passed 7-0.

Customer Facility Charge (CFC) Adoption – Resolution 05-025

Mr. Crocker provided a presentation of the results of the rental car concession business at Gainesville Regional Airport for the past two (2) contract-year periods, June 2004-May 2005 and June 2003-May 2004.

Contract Year	Total Rental Car Gross Revenue	Total Airport Revenue - Min. Guar. Or Percentage*
June 2004 - May 2005	\$6,781,277.43	\$679,551.87
June 2003 - May 2004	\$5,096,175.08	\$592,722.39
1 Year Increase	\$1,685,102.35	\$86,829.48

**Does not include rent.*

Mr. Crocker recommended performing audits of the rental car concessionaires to insure that the airport is collecting the correct revenue amounts.

Mr. Crider recalled that at its last meeting, the Board approved a Task Order with Leibowitz and Horton to implement the Customer Facility Charge (CFC). He recommended adoption of Resolution 05-025 authorizing the establishment of a \$3.00 Customer Facility Charge at Gainesville Regional Airport.

Mr. Thomas moved to adopt Resolution 05-025 authorizing the implementation of a \$3.00 Customer Facility Charge at Gainesville Regional Airport. Mr. Daniel seconded the motion. A roll call vote followed: Dr. Brashear – nay, Mr. Daniel – aye, Mr. Dunlap – aye, Mr. Johnson – aye, Mr. Thomas – aye, Mrs. Tubb – aye, and Mr. Stringfellow – aye. Motion passed 6-1.

FDOT Supplement # 2 to Joint Participation Agreement # 21675919401 – Resolution 05-026

Mr. Crider reported that a request to the State of Florida Department of Transportation amending the project description of the JPA to add the design, purchase and installation of Precision Approach Path Indicators (PAPI) for Runways 6 and 24 has been approved. The State has amended JPA # 21675919401 to include this project. He recommended adoption of Resolution 05-026 approving and authorizing the execution of the amended JPA.

Mrs. Tubb moved to adopt Resolution 05-026 approving FDOT Supplement #2 to JPA 21675919401 and authorizing execution by the Chief Executive Officer. Mr. Thomas seconded the motion. A roll call vote followed: Mr. Daniel – aye, Mr. Dunlap – aye, Mr. Johnson – aye, Mr. Thomas – aye, Mrs. Tubb – aye, Dr. Brashear – aye, and Mr. Stringfellow – aye. Motion passed 7-0.

Airport Land Transfer

Mr. Crider reported that he and Chair Stringfellow have met with all seven (7) members of the City Commission, the City Attorney, the Interim City Manager, and Representative Ed Jennings, Jr. regarding the transfer of ownership of airport lands from the City of Gainesville to GACRAA. Mr. Crider recommended that the Board endorse the proposed transfer of ownership.

Mr. Thomas moved to endorse the proposed transfer of ownership of airport land from the City of Gainesville to the Gainesville-Alachua County Regional Airport Authority, and to direct staff to pursue City of Gainesville concurrence to work out a land transfer agreement for both the City Commission and GACRAA Board to consider. Mr. Johnson seconded the motion. Motion passed 7-0.

T-Hangar Rows L and K

Mr. Jeff Kyser, R.W. Armstrong & Associates, presented a description of the site plan for T-Hangar Rows L and K. He reported that the project consists of two T-Hangar buildings, apron, parking facilities, wash-rack facility, restrooms and a multi-purpose room to be located within T-Hangar K. He reported that the base bid would consist of T-Hangar row K and the aforementioned support facilities. T-Hangar row L will be a bid alternate item. He reported that a site plan permit application has been submitted to the City of Gainesville for review. He stated that the site plan permit application includes a wellfield exemption request, a sidewalk exemption request, and a landscape exemption request. He stated that a public hearing has been scheduled by the City’s Development Review Board on July 14, and that if approved by the City Commission, the project will be bid in mid to late-August with construction beginning in the Fall. T-Hangar row K will consist of 11 T-Hangars (the space that normally would be the 12th T-Hangar will be converted to a multi-purpose room) and row L will consist of 14 T-Hangars.

Following a series of questions from the Board members regarding the details of the proposed buildings and supporting facilities, Chair Stringfellow recessed the Board meeting and called the Public Hearing to order at 6:35 p.m.

PUBLIC HEARING – Petition No. 103SPA-05DB – T-Hangar Rows L and K

Chair Stringfellow invited the public to comment on the described site plan for T-Hangar Rows L and K.

In response to a question from Mac McEachern, Mr. Kyser reported that the site plan includes nine parking spaces for vehicles. Mr. Kyser stated that the City code requires one parking space for every three hangars.

Mr. McEachern supported the proposed site plan and encouraged staff to pursue the use of stack doors for the hangar.

In response to a question from John Barber, Mr. Kyser clarified the floorplan for the multi-purpose room and adjacent restrooms.

As there were no additional comments offered by citizens, Chair Stringfellow closed the Public Hearing and reconvened the Board meeting at 6:40 p.m.

Mrs. Tubb moved approval of the application and site plan for T-Hangar Rows L and K described in Petition No. 103SPA-05DB. Mr. Thomas seconded the motion. A roll call vote followed: Mr. Dunlap – aye, Mr. Johnson – aye, Mr. Thomas –aye, Mrs. Tubb – aye, Dr. Brashear – aye, Mr. Daniel – aye, and Mr. Stringfellow – aye. Motion passed 7-0.

Tenant Reports - None

Airport Authority Attendance

No issues to report at this time.

Presentation – Retirement of Elaine C. Funk

Mr. Crider presented Mrs. Funk with a congratulatory plaque commemorating her retirement on June 30.

Mr. Crider invited the Board, staff and guests to a reception hosted by GACRAA in honor of Mrs. Funk’s retirement.

Adjournment

There being no further business, the meeting was adjourned by the Chair at 6:47 p.m.

GACRAA Monthly Meeting

James L. Stringfellow, Sr., Chair

Date

T. James Gallagher, Secretary/Treasurer

Date