

**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**  
**Thursday, June 24, 2004 – 5:00 p.m.**  
**Gainesville Regional Airport**  
**Passenger Terminal - Restaurant**  
**Monthly Meeting**  
**Highlights**

**Call To Order By the Chair**

Chair Jon Morris called the meeting to order at 5:07 p.m.

**Invocation:** Pat Bainter delivered the invocation.

**Pledge of Allegiance:** Chair Morris led the Pledge of Allegiance.

**Authority Members Present At Roll Call:** Pat Bainter, Billy Brashear, C.B. Daniel, Jim Gallagher, Jon Morris, Jim Stringfellow, and Marilyn Tubb were present. Robert Todd arrived at 5:15 p.m. Janice Honeyman-Buck was excused.

**Determination Of A Quorum:** It was determined that a quorum had been reached.

**Approval of Meeting Highlights for May 20, 2004**

*Mrs. Tubb moved to approve the meeting highlights of May 20, 2004. Dr. Brashear seconded the motion. Motion passed.*

**Approval of Special Meeting Highlights for June 9, 2004**

*Mrs. Tubb moved to approve the Special Meeting highlights of June 9, 2004. Dr. Brashear seconded the motion. Dr. Gallagher requested that Resolution 04-021 be added as an attachment to the meeting highlights document. Mrs. Tubb agreed to amend the motion to include Resolution 04-021. Motion passed.*

**Adoption of the Agenda**

*Dr. Gallagher moved to adopt the agenda. Mrs. Tubb seconded the motion. Motion passed.*

**Citizens Input – Non-Agenda Items**

Mr. Jay Curtis, University Air Center (UAC), reported that City of Gainesville Codes Enforcement recently inspected the UAC facilities. He stated that the Codes Enforcement personnel provided a list of items which should be corrected; also, the Codes Enforcement personnel indicated an interest in inspecting other facilities on the airfield.

Mr. Bainter noted that the Authority's insurance consultant recently addressed the Finance and Operations Committee regarding hangarkeeper's insurance, and recommended that the Board and staff move forward with finalizing rules and regulations for airport tenants.

Ed Walsh, representing the Small Aircraft Transportation System Consortium, (SATSLab) reminded the Board that although the SATSLab equipment was relocated to the Keystone Heights Airport, GACRAA is a member of the SATS Consortium and recommended that the Board support and participate in a state-wide SATS demonstration event to be held on October

28, 2004. Dr. Morris asked Dr. Gallagher, Board liaison to the SATSLab Consortium, to investigate this opportunity.

Capt. Tom Beukelman, Squadron Commander of the Gainesville Civil Air Patrol, reported that his organization needs to find a new mission base location to hold meetings. The organization was operating in the Gulf Atlantic Airways facility, but that location will no longer be available; he requested the use of the old firehouse adjacent to the Gator Air Building. Dr. Morris referred the issue to the Facilities and Planning Committee for consideration.

### **Airport Authority Input – Non-Agenda Items - None**

### **Consent Agenda: - None**

### **Airport Business:**

### **Information Items:**

### **Project Summary**

Mr. Crider reported that the Gator Aviation Services, LLC lease has been executed.

Mr. Penksa reported that a Notice of Award has been issued to APAC-Southeast for the Runway 10-28 Rehabilitation project. The FAA and FDOT have reviewed and approved the bid and the Attorney for the Authority has reviewed and approved the contract. Mr. Penksa expects to receive additional documentation which will result in a Notice to Proceed to be issued on June 28. Runway 10-28 will be shut down beginning August 13 until September 1; the shut down dates are being coordinated with the airlines. A pre-construction meeting will be held on July 8.

Mr. Penksa reported that he met with the FAA to determine if the installation of additional PAPI equipment on Runway 6 could be added to the funding for the project. He indicated that the FAA was amenable to approving and funding this work.

Mr. Crider reported that the bid package for the purchase and installation of three (3) passenger boarding bridges has been advertised and that a purchase contract should be presented to the Board for consideration at the July meeting.

Mr. Crider reported that the bid package for Phase I of the terminal renovation has been advertised and that a contract should be presented to the Board at the August meeting. A pre-bid meeting is scheduled for mid-July and the bids are due in early August.

Mr. Crider reported that he, Mr. Daniel, and Mrs. Tubb participated in a meeting with air service champions and representatives from Continental Connection Airlines on June 23.

Mrs. Tubb reported that Continental Connection was represented by the President and the Sr. Vice President, Customer Service. She indicated that they are interested in providing service to Miami and Tampa. Continental Connection is interested in receiving support via an incentive program and will make a decision shortly. If they decide to serve Gainesville, they anticipate initiating service in early October.

Mr. Crider reported that Continental Connection (Gulfstream) operates 23 aircraft, primarily

Beechcraft B1900D in Florida and the Bahamas as Continental Connection, and is a code-share partner with Northwest Airlines. Gulfstream is considering three (3) round trips to Miami and two (2) round trips to Tampa from Gainesville.

Dr. Morris reported that he attended the AAAE Conference in Las Vegas. He reported that as a small airport, Gainesville Regional Airport needs to aggressively pursue air service, revenue, and funding. He reported that TSA will initiate a Screening Partnership Program which would allow airports to “opt-out” of having federal passenger and baggage screeners, and choose private security service companies to conduct screening operations under TSA management after November 19, 2004. He reported that a special AAAE conference would be held in August in San Francisco for airport authority board members and he recommended approval for funding the conference costs for 1 - 2 GACRAA members.

***Dr. Brashear moved to approve funding the conference costs for 1 – 2 Board members to attend the AAAE Conference in San Francisco in August. Mrs. Tubb seconded the motion. Dr. Brashear withdrew the motion when Mr. Crider, Dr. Gallagher and Mr. Bainter confirmed that the FY04 Budget includes funding for Board member travel.***

Dr. Morris reported that he had the opportunity to visit with vendors of passenger boarding bridges while attending the AAAE Conference. Also, he stated that he observed new LCD and plasma screen flight information boards. He indicated that plasma screen video displays offer opportunities to provide flight information and to generate advertising revenue; he added that this potential revenue stream should be considered when evaluating the cost of a new flight information system.

Mr. Crider reported that passenger traffic continues to improve; some of this improvement is attributed to the increase in seat capacity with US Airways. He noted that tower operations are also on the rise. Mr. Crider reported that load factors are improving. Additionally, he reported that monthly fuel flowage is increasing.

Mr. Fisher reported that a recent customer service survey conducted by the air traffic control tower shows a high level of satisfaction with the contract tower operation. Dr. Gallagher and Dr. Morris agreed that the tower personnel enhance the perception of the airport due to their friendly, courteous, and professional performance.

Mr. Daniel recommended that staff publish a press release on the increased level of air traffic.

Mr. Crider reported that the fixed asset inventory is underway and that inventory software has been purchased; he anticipates having the inventory completed in July. He stated that staff is working on updating GACRAA's purchasing policy; the current policy in use is the City of Gainesville's policy which was adopted by GACRAA several years ago. Staff is updating this policy to be more consistent with the airport's needs and management structure.

Mr. Crider reported that ADS-B equipment is due to be installed this year at the Automated Flight Service Station. The ADS-B system will transmit information regarding air traffic and weather to aircraft in the air.

Mr. Crider reported that he and Allan Penksa were planning to visit Federal Express headquarters in Memphis to pursue their interest in utilizing the Gator Air building.

Mr. Crider stated that he is awaiting word from the U.S. Government on whether approval will be granted to add Gainesville Regional Airport as a location sharing U.S. Customs personnel with the airports in Ocala and Leesburg.

Mr. Stringfellow recommended holding a media event at the completion of the runway rehabilitation project.

### **Finance Report**

Dr. Gallagher, chair of the Finance & Operations Committee, reported that year-to-date operating revenue is \$126,000 over budget. Also, he stated that year-to-date operating expenses are approximately \$121,000 under budget.

He noted the following Operating Revenue categories that are significantly over / under budget:

→ Air Carrier / Exclusive Rent	\$20,445
→ Airport Security Fees	(\$15,416)
→ Industrial Park Land Sales	\$15,821
→ Passenger Facility Charge	\$92,112
→ Proceeds – Surplus Equipment	\$8,083
→ Fuel Flowage Fees	\$8,807

He reported that expenses for personal services are over budget and that the increased expense is due to higher health care insurance costs.

Mrs. Tubb recommended the addition of a long-term remote parking area as a way to increase revenue.

Dr. Gallagher reported that Rental Car Revenues are on target through the month of April.

### **Finance & Operations Committee Report**

Dr. Gallagher reported that the committee met on June 9. He reported that the committee considered two items, the renewal of airport liability insurance and a budget amendment for FY04.

The airport's current Airport Owners and Operators General Liability Insurance expires on 7/1/04. Ms. Erica Schuler, a Service Manager with Arthur J. Gallagher & Co., presented her company's recommendation for insurance renewal for the period 7/2/04 – 7/1/05. The premium for the current coverage expiring on 7/1/04 is \$53,872.00; the proposed renewal premium, with the incumbent carrier, is \$57,372.00 for the period 7/2/04 – 7/1/05. This is an increase of \$3,500 (6.5%). Ms. Schuler recommended renewing the policy with the incumbent carrier. Four (4) insurance carriers were asked to quote: *(Note- details are contained in the Arthur J. Gallagher & Company presentation handout.)*

CARRIER	A.M. BEST'S RATING	SURPLUS LINES	REASON
ACE P&C / LLOYD'S	A XII / A- XV	Admitted/ Non-Admitted	<b>INCUMBENT</b> - Annual Renewal Premium \$57,372 - Expiring Premium \$53,872 - Renewal increase 6.5%
PHOENIX AVIATION MANAGER (Phoenix Insurance Company)	A+ XV	Admitted	- Moratorium on New Business - Restructuring Aviation Program
AMERICAN INTERNATIONAL GROUP (AIG)	A+ + IX	Admitted	INDICATION - Requires 30 days for renewal quotation - Can match limits/program - Terrorism \$30,000 minimum - War \$20,000 minimum Indication Annual Premium \$65,000
GLOBAL AEROSPACE (various carriers) Consortium Approach	A or higher	Admitted	QUOTED - Annual Premium \$73,000 -\$100,000,000 Liability Limit -Pricing not competitive with current carrier

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

Dr. Gallagher stated that the committee recommends renewing with the incumbent carrier, ACE P&C / LLOYD'S, with an annual premium of \$ 57,372. He indicated that the committee does not recommend purchasing the war and terrorism endorsement.

***Dr. Gallagher moved the committee's recommendation. Mrs. Tubb seconded the motion. Motion passed.***

Dr. Gallagher reported that hangar tenants should be required to provide their own liability insurance.

Dr. Gallagher recapped the FY02 Budget Audit follow-up items listed in the highlights of the June 9, 2004 Finance & Operations Committee meeting.

Dr. Gallagher reported that the committee reviewed the proposed FY04 Budget Amendment # 1 and recommends approval.

***Mr. Stringfellow moved to approve Resolution 04-023 adopting FY04 Budget Amendment # 1. Mr. Daniel seconded the motion. A roll call vote followed: Dr. Gallagher – aye, Mr. Daniel – aye, Dr. Brashear – aye, Mr. Bainter – aye, Mrs. Tubb – aye, Mr. Todd – aye, Mr. Stringfellow – aye and Dr. Morris – aye. Motion passed 8-0.***

### **GACRAA Travel Policy**

Dr. Morris, referring to a recent business trip of over forty (40) local community leaders who chose not to utilize the Gainesville Regional Airport, recommended that GACRAA members always use Gainesville Regional Airport when traveling on authority business.

Dr. Gallagher suggested that a formal policy should be drafted by the CEO. All Board members acknowledged that it was important to set an example by utilizing the Gainesville Regional Airport.

Dr. Morris recommended the development of a “help desk” for facilitating large groups by working with the airlines to add capacity to accommodate the needs of local travelers.

**Food Service in Airline Passenger Terminal**

Dr. Morris reviewed recent attempts to provide food service in the airline passenger terminal. He reported that Flite Bites, the food service company awarded a concession earlier this year, was not interested in operating from a cart while the terminal renovation is in progress. The Business Center, which was originally the location designated for the Flite Bites operation, will be eliminated during the renovation. Dr. Morris referred the issue to the Facilities and Planning Committee and the Air Service, Business Development & Marketing Committee for consideration.

**University Air Center – Request to Waive 2% Fee on Gross Receipts**

In his letter of June 10, 2004, University Air Center General Manager Jay Curtis requested that GACRAA rescind the 2% fee on Gross Receipts. Dr. Morris referred the issue to the Finance & Operations Committee for consideration.

**Reynolds, Smith & Hills, Inc. Task Order # 11 for the Schematic Design Concept of the Maintenance Equipment Building - Resolution 04-024**

Mr. Crider reported that there is no airport maintenance building and that employees currently work out of a shed west of the airline terminal. RS&H, in the Master Plan Update, proposes building a maintenance building east of the terminal, near the air traffic control tower. He stated that the Florida Department of Transportation has awarded funds via a Joint Participation Agreement for the development of the building.

Dr. Gallagher and Mr. Todd objected to spending \$11,000 for the design of the building.

Mr. Crider noted that staff does not have the expertise to design the building and, since the building would be located near the air traffic control tower, would be visible to all airport patrons and should be aesthetically compatible with the terminal.

Mrs. Tubb and Mr. Stringfellow spoke in favor of approving the Task Order.

*Dr. Gallagher moved to direct staff to renegotiate the price of Task Order # 11 with RS&H. Mr. Daniel seconded the motion. A voice vote was inconclusive; a roll call vote followed: Mr. Daniel – nay, Dr. Brashear – aye, Mr. Bainter – nay, Mrs. Tubb – nay, Mr. Todd – aye, Mr. Stringfellow – nay, Dr. Gallagher – aye, and Dr. Morris – nay. Motion failed 3-5.*

*Mrs. Tubb moved to adopt Resolution 04-024 authorizing the execution by the CEO of Reynolds, Smith & Hills, Inc. Task Order # 11 for the Schematic Design Concept of the Maintenance Equipment Building. Mr. Daniel seconded the motion. A roll call vote followed: Dr. Brashear – aye, Mr. Bainter – aye, Mrs. Tubb – aye, Mr. Todd – aye, Mr. Stringfellow – aye, Dr. Gallagher – nay, Mr. Daniel – aye, and Dr. Morris – aye. Motion passed 7-1.*

**R.W. Armstrong & Associates, Inc. Task Order # 13 for Construction Observation and Testing Services for the Runway 10-28 Rehabilitation Project – Resolution 04-025**

Mr. Crider reported that the task order is for professional engineering services to inspect and to perform testing to ensure that the runway rehabilitation contractor’s work is in conformance with the design of the project and in compliance with the contract documents. The cost is \$285,000;

he noted that 95% of the costs would be funded by the FAA and the FDOT.

Mr. Marc Skillman, Regional Director, R.W. Armstrong & Associates Inc. reported that the number of inspection hours used in the task order estimate is based on using the full amount of time allotted to the contractor to complete the runway project. Mr. Skillman described the inspection and testing tasks that would be performed by R.W. Armstrong personnel.

Mr. Crider stated that construction observation, engineering inspection, and materials testing are critical components of the project. He stated that an independent fee estimate would be obtained to evaluate the estimated costs contained in the task order.

In response to a question from Dr. Gallagher, Mr. Skillman reviewed the number of hours and personnel involved in the various phases of the project.

*Mrs. Tubb moved to adopt Resolution 04-025 authorizing the execution by the CEO of R.W. Armstrong & Associates, Inc. Task Order # 13 for Construction Observation and Testing Services for the Runway 10-28 Rehabilitation Project. Mr. Daniel seconded the motion. A roll call vote followed: Mr. Bainter – aye, Mrs. Tubb – aye, Mr. Todd – aye, Mr. Stringfellow – aye, Mr. Daniel – aye, Dr. Brashear – aye, Dr. Gallagher – aye and Dr. Morris – aye. Motion passed 8-0.*

**TENANT REPORTS**

Jay Curtis reported that the self-service fuel tank is in place but is not operational. UAC is awaiting receipt of an above-ground tank permit from the City of Gainesville. He indicated that the permit should be approved within two weeks. He reported that an inspection by a petroleum engineer was required by the City of Gainesville; he claimed that no previous mention of this type of inspection had been indicated in prior discussions with City personnel. Mr. Curtis stated that the slab for the maintenance hangar was due to be poured during the week of June 28.

**AIRPORT AUTHORITY ATTENDANCE**

No issues to report at this time.

**ADJOURNMENT**

There being no further business, the meeting was adjourned by the Chair at 7:42 p.m.

**GACRAA Monthly Meeting**

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Jon Morris, Chair

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Date

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T. James Gallagher, Secretary/Treasurer

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Date