

MEETING MINUTES

PANAMA CITY – BAY COUNTY AIRPORT AND INDUSTRIAL DISTRICT

Opening:

The Board Meeting of the Panama City-Bay County Airport and Industrial District was called to order at 9:00 a.m., April 24, 2024 by Chair Holly Melzer.

The Invocation was given by Vice Chair Mark Sheldon.

The Pledge of Allegiance was led by Mr. Les McFatter.

Roll was called. In attendance were: Mrs. Victoria Williams, Mr. Matt Algarin, Mr. Les McFatter, Mr. Glen McDonald, Vice Chair Mark Sheldon, and Chair Holly Melzer.

Chair Melzer asked if there were any Public Comments. There were no Public Comments.

Chair Melzer asked if there were any items on the Agenda that any Board Member would like to move to further discussion and, if not, that a Board Member make a motion to accept the Agenda.

Vice Chair Sheldon made a motion to accept the Agenda, and Mr. McFatter seconded the motion. The vote was taken and the motion passed unanimously.

Reports:

Mr. McClellan presented the Activity Reports. There was a 22% increase in monthly passengers over March 2023 and a 19% increase year over year. Mr. McClellan said that load factors are down slightly. The market share remains steady in the 20%-25% range at 24%.

Ms. Darlene Gordon presented the Financial Reports for the first 6 months of the Fiscal Year ending March 31, 2024. In the month of March, total cash increased \$624,000 from February. Compared to last year, cash increased \$4 million for a total cash balance of \$43.5 million. Of that number, unrestricted cash is \$29.1 million and restricted cash is \$14.4 million. In March of 2024, total liabilities increased just under \$100,000 from February. Excess revenues over expenses year-to-date are \$9.9 million. Operating Revenues account for \$3.9 million with Non-Operating Revenues making up the remaining \$6 million. Operating Revenues are \$9.7 million year-to-date and are 106% of budget.

Consent Agenda:

a. Approve Board Meeting Minutes – March 27, 2024

This item provides for Board approval of the March 27, 2024 Board Meeting Minutes.

b. Approval of Update to Administrative Policy 3.3 Drug-Free Workplace

This item updates the Policy #3.3 - Drug-Free Workplace.

c. Approval to Dispose of Surplus Passenger Boarding Bridges and Tunnels

This item requests Board approval to dispose of the surplus passenger boarding bridges and tunnels.

d. Approve Airfield Lighting Control System Equipment Repair/Battery Replacement – Eaton Corporation

This item provides for the Board approval of the purchase of airport airfield lighting control and monitoring system 1-second transfer switch replacement battery and repair.

Mr. McDonald made a motion to accept the Consent Agenda. Mr. Algarin seconded the motion. The vote was taken and passed unanimously.

Business Items:

a. Reallocation of Funds within FY24 Operating and Capital Budget.

Mr. McClellan presented the information for the reallocation, which is not a Budget amendment, but merely a reallocation of funds within the Budget. The CARES grant expires in June, and funds allocated for economic development will not be spent prior to grant expiration; therefore, these funds will be reallocated to pay for operating expenses in order to spend all the grant money prior to its expiration.

Mr. McClellan also explained that a vehicle in the FY24 Budget has seen an increase in price since the Budget was approved, and that funds will be reallocated for the increased price in order to facilitate the purchase.

Mr. McDonald made the motion to approve the Reallocation of Funds, and Mrs. Williams Seconded. The vote was taken and the motion passed unanimously.

Construction Update (information only)

a. Terminal Buildout

Mr. Richard McConnell discussed the status of the Terminal Buildout, and stated it is moving forward. The contractor has run into a couple of structural items in the Exit Lane, but the items have recently resolved. Steel erection is set to begin in the Exit Lane and construction will begin on the second level flooring when steel work is complete. Sheetrock is being completed on the

high-level ceiling, after which the final layout of the ductwork, HVAC, electrical, lighting, ceiling grid, and the fire suppression system will be done.

The floor level on the second floor in the old FIS area is complete. Final designs and color picks are being made for the terrazzo, and restroom fixtures and wall mountings are going in, as well as final design decisions being made for the counters in the concession areas and restrooms.

b. Bag Makeup Expansion

Mr. McConnell presented that the Baggage Makeup Expansion is progressing. The roofers are on site to complete the roof and to ensure the multiple layers of the roof system are in. The baggage handling equipment is being installed now. Stucco is going on the front wall later this week and fireproofing is ongoing in the existing building area. The baggage carousel is laid out and all fixtures and electrical panels are installed. This project is moving smoothly and relatively quickly now with subcontractors here on a regular basis.

Mr. McConnell also discussed the installation of three new passenger boarding bridges.

c. Sheltair

Mr. McConnell presented that progress on the new hangar is continuing. The parking lot is ready for asphalt to be poured this week. This hangar project is phase four of Sheltair's expansion. Mr. Keith Rogers of Sheltair added that lights poles for the new ramp area will be installed and contractors will start paving the new parking area on Monday.

Discussion ensued regarding the acquisition of concrete and asphalt.

Mr. McConnell also reported that the Southern Sky Aviation facility is now complete and the ribbon cutting will take place today at 11:00 a.m.

d. Tie-ins, Slip Road and Admin Lot

Mr. Nick Harwell presented that the tie-ins and slip road were completed in advance of Southern Sky's soft opening on April 1st. The Administration Parking Lot has the site prepped, and elevations for the stormwater drain structure are going in place. The curb path will begin shortly and then it will be ready for asphalt.

Planning Updates (information only)

a. North Terminal Expansion

Mr. Parker McClellan reports there is a call tomorrow with the design team to go through page by page of the design documents.

b. Project InSpire

Mr. McClellan presented an update on Project InSpire. He recently met with Mr. George Gonzales of the St. Joe Company in regard to the proposed site road options. Mr. Gonzales and the St. Joe Company are very supportive of Project Inspire and the development of the site three proposed construction area. Mr. Gonzales has sent his team out to look at what would be a good road alignment for the area, after which an effort into site work can begin. Based on discussions from last month's meeting, all parties appear to agree that site three is the preferred site. Updates on Project InSpire will continue to be made to the Board.

[Subject Change] Mr. McDonald asked Mr. McClellan to explain how many additional gates will be added with the construction on the Terminal. He stated that several people have asked him questions about the projects. Mr. McClellan stated when the buildout is complete, there will be two/three additional ramp loading positions available, and when the expansion is complete there will be three additional gates.

Bay EDA Update (information only)

Mrs. Becca Hardin with Bay EDA reported there was delegation that went to Chicago to attend the MRO Americas show. She thanked Chair Melzer and Mr. McClellan for participating, and stated that the group had seventeen meetings in two days, including high level meetings with companies that the EDA has been trying to meet with for years. She also stated that the Premier Aviation announcement of locating to ECP was the buzz of the show.

There were at least four solid leads generated from this show, one of which is a company that is in town today as a follow-up from the show. The company will have regional site-seeing this morning, then look at the Airport and explore existing buildings for warehousing opportunities. This new opportunity is "Project Joe," an MRO company that is already located in the southeast and looking to grow, and it is a substantial project.

In regards to Premier Aviation, the delegation met with the company at the show as well. Premier signed a Memorandum of Understanding with Embraer at the show, and their facility here will be the U.S. Aviation MRO Center of Excellence.

The EDA is also starting to work with some companies on Project InSpire as part of its marketing efforts, and companies are reaching out to get more information on the project.

Moore Agency

Ms. Katie Spillman discussed the campaign report snapshot, which included that the paid ad campaign officially launched last month across our online broadcast, including digital display page search and Facebook and Instagram. The "Let's Go" television spot ad ran for two weeks in March with over 400 spots. There is another print ad run coming in Bay Biz and in The Circuit, and we will be running paid support on NPR, with live and recorded reads from on-air

talent. In addition to managing and optimizing our paid campaign moving forward, Moore is also gearing up for ECP's 14th year of operations, as May 23rd is 14th year "birthday". Fun social media engagements will be prepared, and Moore is working with Mr. McClellan on some other media opportunities as we get closer to that date.

Chair Melzer had a question regarding the marketing account being under budget. Discussion ensued.

Mr. McDonald stated that he is interested in keeping Project InSpire in the news and continue its momentum. Mr. McClellan stated he agreed and will continue to have it as a priority.

Executive Director Report

Mr. McClellan discussed the Gulf Coast Salute Air Show, which is May 3rd, 4th and 5th. All civilian acts will be based at this airport, with minimal impact on operations thanks to Sheltair and Southern Sky.

Mr. McClellan announced the summer activity is really beginning to kick off. One of the things that will be different this year is that Southwest is renting a gate from Delta. Southwest will have 26-28 turns per day on Saturdays in the summer.

Flymyairport will be on the website this week, which is another way to track web activity. It will provide the ability to track purchased tickets and will provide users of our website the opportunity to see bundle deals for airline tickets, car rentals and hotels.

Next meeting scheduled: May 29, 2024 – Board Meeting 9:00 a.m.

The meeting was adjourned at approximately 9:35 a.m.

Parker W. McClellan, Jr., AAE
Executive Director

Holly Melzer, Chair