

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., August 28, 2024 by Chair, Mark Sheldon.

The Invocation was given by Ms. Holly Melzer.

The Pledge of Allegiance was led by Vice Chair Will Cramer.

Roll was called. In attendance were: Ms. Victoria Williams, Ms. Holly Melzer, Mr. Les McFatter, Mr. Glen McDonald, Vice Chair Will Cramer, and Chair Mark Sheldon.

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

Chair Sheldon asked if there were any items on the Agenda, including the Consent Agenda, that any Board Member would like to move to a Business Item for further discussion, and if not, to make a motion to accept the Amended Agenda.

Vice Chair Cramer made a motion to accept the Agenda, and Ms. Melzer seconded the motion. The vote was taken and the motion passed unanimously.

Reports:

Mr. McClellan updated the Board on the July's Activity Reports. The month of July showed an overall increase of 9.5%, despite the effects of the CrowdStrike event that took place during the month of July. The Airport was up 17% in total passengers year to date. The Market Share was maintained at 24% for the month. Regional Comparison also showed the Airport and the Region had substantial growth throughout the year.

Mr. Mark Adams presented the Financial Reports for the ten (10) months ending July 31st, 2024. At the end of July, the total cash reflected an increase of \$2 million from June, with a total balance of \$49.4 million. Mr. Adams also reported that unrestricted cash is \$32.7 million and restricted cash is \$16.7 million.

Continuing, Mr. Adams informed the Board there will be an upcoming debt payment in the month of September for \$2.6 million, which will reach \$1.4 million, approximately half, of the PFCs and \$1.2 million will come out of COVID-19 Funding.

In July 2024, total liabilities decreased \$200,000 from June. Mr. Adams moved on to excess revenues over expenses, which reflected \$25.6 million year to date total, showing an increase of \$2 million dollars from the month of June. Operating revenue over expenses is \$18.9 million

year to date of the excess; the non-operating revenues make up \$16.7 million, which equates to 107.83% of budget. The Airport is under budget by \$1.4 million. Mr. Adams also noted, all revenue categories came in this month at 100% or more of budget, which met or exceeded expectations. Mr. Adams noted despite the CloudStrike incident that occurred, the airline revenue was up \$560,000 for the month of July over the month of July of 2023.

Personal expenses and Operating expenses are 91.77% of budget YTD. The Airport currently has eight (8) vacant positions out of the 81 full-time budget-approved positions.

Consent Agenda:

a. Approve Board Meeting Minutes – July 24, 2024

This item provides for Board approval of the July 24, 2024 Board Meeting Minutes.

b. Approve Addendum No. 2 for AeroCloud Agreement

This item provides information for the Board's consideration to merge two AeroCloud agreements into one master contract.

c. Approve Contract with Capitol Hill Consulting Group (CHCG)

This item provides for the Board's approval of a contract with Capitol Hill Consulting Group for governmental consulting services.

d. Approve Audit Engagement – Tipton, Marler, Garner & Chastain

This item requests approval by the Board for the acceptance of a Letter of Engagement with Tipton, Marler, Garner & Chastain ("TMGC") to perform the FY24 financial audit.

e. Approve REEF Parking Annual Bonus

This item provides for Board approval of an incentive bonus for Reef Parking for the period from June 2023 through August 2024.

f. Approve Land Lease – DC Aviation

This item provides for Board approval of a Land Lease between the District and DC Aviation, LLC.

g. Approve ZHA Task Order #49-G

This item provides for the Board's approval of a modification to Task Order #49-F to ZHA, Fitzgerald Collaborative Group (FCG), NOVA and MySmartPlans as the Airport's continuing engineering consultants to perform extended construction administrative services for the Terminal Bag Make-up Expansion project.

h. Approve Agreement Amendment - 01 to Ardurra Group, Inc. (Agreement No. 2023-02A)

This item provides for the Board's approval to amend the contract with the Ardurra Group, Inc.

i. Approve Lease Assignment – Becker Hangar A-3 ECP, LLC

This item provides for Board approval of the assignment of the Hangar A-3 ECP LLC Land Lease Agreement for Hangar A-3 between Hangar A-3 ECP, LLC and the Panama City-Bay County Airport and Industrial District (District) to Becker Hangar A-3 ECP, LLC.

Ms. Williams made a motion to Accept the Consent Agenda, and Mr. McDonald seconded the motion. The vote was taken and the motion passed unanimously.

Business Items:

a. Award Bid for North Terminal Apron Expansion Construction Project – Phoenix Construction Services, Inc

Ms. Tonya Nation, representative from Avcon, Inc, shared the Airport will be awarded an FAA Grant on September 18, 2024 for the North Terminal Apron Expansion Construction Project. To move forward with the project, Ms. Nation, requested the Board to approve the contract with Phoenix Construction Services, Inc., pending legal review, as well as approve a two-part notice to proceed. The expected completion date of this project will be June 2025.

Discussion ensued.

Ms. Williams made a motion to Award Bid for North Terminal Apron Expansion Construction Project – Phoenix Construction Services, Inc, and Mr. McFatter seconded the motion. The vote was taken, and all members voted “Yes” except Vice Chair Cramer, who voted “No.”

b. Award Construction Manager-at-Risk (CMAR) for Escalator Addition and Stair Construction – Cardella Construction Company

Mr. McClellan updated the Board concerning the Construction Manager-at-Risk (CMAR) for Escalator Addition and Stair Construction Project, which has gone through many phases over the last several years. Mr. McClellan requested the Board's approval to award the sole respondent for the bid, Cardella Construction Company, pending legal review.

Mr. McDonald made a motion to Award Construction Manager-at-Risk (CMAR) for Escalator Addition and Stair Construction – Cardella Construction Company, and Ms. Melzer seconded the motion. The vote was taken and the motion passed unanimously.

c. Rental Car Facility Relocation Project (No Action Required)

Mr. McClellan presented a phased approach to the Rental Car Facility Relocation Project, which plans to include a new building, additional parking spaces, and, in time, a secondary structure on top of the building.

Following Board discussion, no action was taken regarding this item.

Construction Updates (Information Only)

a. Terminal Buildout

Mr. Richard McConnell presented updates on the Terminal Buildout, which includes the completion of the power in the terminal, installation of the ceiling, completion of painting, and tiling of restrooms. The anticipated date of completion for the Terminal Buildout is October 29, 2024.

b. Bag Makeup Expansion

Mr. McConnell continued his Construction Update presentation with updates on the Outbound Baggage Claim. Interior construction of the project showed substantial completion a couple of weeks ago, with above 99% accurate reads of baggage going through the system. Exterior construction of the project still includes speaker installation, fire protection, and application of stucco with a potential substantial completion date of September 11, 2024.

Planning Update (Information Only)

a. North Terminal Update

Mr. McClellan shared that the Airport, with the aid of Ardurra, has submitted a Bi-Partisan Infrastructure Law application for \$25 million of funding, which will allow for the start of the shell and first floor of the North Terminal. Additionally, Mr. Steve Southerland is working to schedule meetings in Washington for the Airport to be represented to the Federal Government.

b. Project Inspire

Mr. McClellan continued the Planning Update by informing the Airport has submitted the Updated Airport Layout Plan (ALP) for the FAA to approve the land for Project InSPIRE. The Airport is working on submitting the requirements needed under the updated Section 743 of the FAA Reauthorization Act of 2024, which revised Section 163. Discussion ensued.

Bay EDA Update (Information Only)

Ms. Becca Hardin updated the Board on Bay EDA's recent trip to Europe where her team met with over 25 organizations in London at Farnborough International Airshow 2024 and in Rome.

One of which is Project Spinner, formerly Project Joe, who is looking into purchasing a location in Lynn Haven, Florida for parts, warehousing, and distribution, as well opening a facility and engine-test cell center in the infield of the Airport. Ms. Hardin also gave an update on the recent Triumph Gulf Coast meeting.

Discussion ensued.

The Moore Agency Update (Information Only)

Ms. Katie Spillman shared her July report from the Moore Agency, which included updates from the *Wheels Up Summer Music Series*, social media engagement passenger incentives, a positive passenger experience post, upcoming plans for promotions, and a creative development for the shuttles to enhance the passenger experience.

Executive Director Report:

Mr. McClellan reported the Airport has made it through another Summer; to appreciate all the hard work of the Staff and tenants, the Airport will provide a luncheon in September. Mr. McClellan also updated the Board about the plans for a fourth (4th), permanent security checkpoint lane, as well as the updates for the installation of the new Board Room audio video system.

There were no additional public comments.

Next meeting scheduled: Board Budget Workshop: September 12, 2024 – 9:00 a.m.
Board Meeting: September 25, 2024 – 9:00 a.m.

The meeting was adjourned at approximately 9:55 a.m.



Parker W. McClellan, Jr., AAE
Executive Director



Mark Sheldon, Chair