

## MEETING MINUTES

### PANAMA CITY – BAY COUNTY AIRPORT AND INDUSTRIAL DISTRICT

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#### **Opening:**

The Board Meeting of the Panama City-Bay County Airport and Industrial District was called to order at 9:00 a.m., May 29, 2024 by Chair Holly Melzer.

The Invocation was given by Mr. Les McFatter.

The Pledge of Allegiance was led by Mr. Will Cramer.

Roll was called. In attendance were: Ms. Victoria Williams, Mr. Les McFatter, Mr. Will Cramer, 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, 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 Agenda.

Mr. Parker McClellan requested to add to the agenda a special recognition of retirement. Chair Melzer approved the presentation to be added to the agenda in front of the reports.

The Board and Mr. McClellan recognized Ms. Denise Beach by awarding her a plaque honor of her years of service at the airport.

**Chair Meltzer moved the meeting directly into the Activity Report without a roll call vote.**

#### **Reports:**

Mr. McClellan reported the Activity Report is up 15% total passengers with a 7.5% month over month increase. Load factors are anticipated to change due to the change of airplane sizes. Additionally, May market shares were met at 22%; Mr. McClellan anticipates the market shares will fluctuate because that is when Allegiant will begin operation in Destin-Ft. Walton. Mr. McClellan also mentioned that growth has been similar throughout all Panhandle airports.

Ms. Darlene Gordon presented the Financial Reports for seven months ending April 30<sup>th</sup>. At the end of April, the total cash reflects \$1.5 million; compared to this time 2023, cash has increased \$4.8 million with a total balance of \$45 million. Ms. Gordon also reported that unrestricted cash is \$30 million and restricted cash is \$15 million. In April 2024 total liabilities increased \$2.7 million from March due to construction costs. There was an increase of invoices near the end of the month including \$1.6 million payment for the bridges, as well as \$1.1 million in invoices for the baggage makeup project. Ms. Gordon moved on to excess revenues over expenses year to date total \$14.9, which is an increase of \$5 million dollars in the month of April; operating revenue make up \$5 million, while the non-operating revenues make up \$9.9 million. The

income statement reflected a year to date (YTD) operating budget of \$11.8 million dollar at the end of April, which exceeds budget by \$777,000 and equates to 107% of budget. Airline landing fees are 113% of budget, and airline terminal complex revenues are at 116%. Additionally, airline terminal rents are under budget this month, which was budgeted for due the baggage makeup project to be completed at the end of March. Ms. Gordon explained that due to unforeseen circumstances, the project completion date was pushed out, and each month the project is not completed, there will be a deficit in airline rental fees. However, when the facility opens, there will be \$50,000 of estimated increased revenue per month in common use fees. Personal expenses are 89% of budget YTD, general operating expense are 90% of budget YTD. Parking revenue YTD is \$403,000 over budget. Non-operating revenues have been using the FAA grant funds, which recognized an additional \$3.2 million revenues in April.

Mr. Cramer asked about employee vacancies, to which Ms. Gordon informed the board that she will include those numbers in her reports from now on, but there have been several recent hires.

Chair Melzer called for additional questions. There were no other questions concerning the reports.

**Consent Agenda:**

**a. Approve Board Meeting Minutes – May 29, 2024**

This item provides for Board approval of the May 29, 2024 Board Meeting Minutes.

**b. Approve Policy Change for Purchasing Policy**

This item provides for the Board approval of a change regarding the Airport Purchasing Policy #3.8.

**c. Approval of Purchase of Motorized Passenger Stairway from Aero Specialties Ground Support Equipment**

This item provides for Board approval for the purchase of Mobile Passenger Stairs to be used in support of the Airport's ground support operations.

**d. Approval of Purchase of Fuel Dispenser Units from A. Phelps Petroleum**

This item provides for the acceptance of a bid for the purchase and installation of nine (9) replacement fuel dispensing units located at the Airport.

**e. Approval of Modified Board Meeting Schedule**

This item provides for Board approval to modify the 2024 Board Schedule.

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

**Business Items:**

**a. Approval of Parking Management Contract**

Mr. McClellan requested the Board to approve the Parking Management Contract ranking, which was proposed by the Evaluation Committee, as well as authorize the Chair of the Evaluation Committee to execute a contract to LAZ Parking, LLC. with the intended start date of September 2024.

Chair Melzer asked if anyone from LAZ Parking was in attendance in the meeting.

Mr. McClellan introduced Don Barrett, Vice President of Airport Services from LAZ Parking. Mr. Barrett gave a brief overview of LAZ Parking.

**Mr. Cramer made the motion to approve the Parking Management Contract. Mr. McFatter seconded the motion. The vote was taken and passed unanimously.**

**b. Approve Single Source Procurement for Entrance Road Sign Repair**

Mr. McClellan requested Board approval to move forward with the repair of the signage within the roundabout at the entrance of the Airport on State Road 388, which will be performed in compliance within the Airport's approved Procurement Policy for Single Source Procurement.

Discussion ensued with the concerning insurance deductibles and Florida insurance laws. The Airport's deductible and cost for the repair would be \$1,000.

**Mr. McFatter motioned to approve the Single Source Procurement for Entrance Road Sign Repair. Ms. Williams seconded the motion. The vote was taken and passed unanimously**

**c. Approve ZHA Task Order #55-A4 Additional Services, unforeseen underground obstructions**

Mr. McClellan requested the Board to approve \$7,770.00 for Task Order #55-A4 in additional design services for the North Terminal Concourse Buildout.

**Ms. Williams motioned to approve the ZHA Task Order #55-A4 Additional Services, unforeseen underground obstructions. Mr. McFatter seconded the motion. Upon roll call, Chair Melzer asked if the fee was a lump sum fee and does not exceed. Mr. McClellan confirmed. The vote continued and was taken and passed unanimously.**

**d. Approve ZHA Task Order – #55-A5 North Terminal Concourse – Extended Construction Administration Services**

Mr. McClellan explained the delays for the North Terminal Buildout project are a result of Dominquez Design Build's staffing support. The cost of the task order is \$68,204.

Chair Melzer asked for more explanation on the delays.

Mr. McClellan, Mr. Cole, and Mr. Jim Tatum, from DAG Architects, clarified delays, schedules, liquidated damages, and revenue expenses surrounding the North Terminal Buildout project.

**Mr. Cramer made the motion to approve the ZHA Task Order – #55-A5 North Terminal Concourse – Extended Construction Administration Services. Mr. McFatter seconded the motion. The vote was taken and passed unanimously.**

**e. Approve ZHA Task Order – #49-F Terminal Bag Make-Up Expansion – Extended Construction Administration Services**

Mr. McClellan introduced the item by letting the Board know that there would be call with Whitesell-Green on May 30, 2024 in hopes to accelerate their construction schedule for the Terminal Bag Make-Up Expansion project. The cost of the task order modification is \$26,930.

Discussion ensued concerning the liquidated damages surrounding Whitesell-Green’s contract.

**Ms. Williams motioned to approve ZHA Task Order – #49-F Terminal Bag Make-Up Expansion – Extended Construction Administration Services. Mr. Cramer seconded the motion. The vote was taken and passed unanimously.**

**f. Discussion of Parking Plan for Peak Travel**

Mr. McClellan introduced the Parking Lot Plan for Peak Travel and welcomed Mr. Richard McConnell, who presented the plan in more detail. Overflow parking lot will initially include 300-400 spaces, but can hold up to 800 spaces. The plan is to include lighting coverage, signage, and driving gravel.

Discussion followed concerning premium parking options, passenger experience, shuttle drivetimes to airport, cost of paving in lieu of gravel, and options of placement.

The business item was put on hold at the request of the Board until calculation of 4-acres of gravel was prepared.

**Construction Updates (information only)**

**a. Terminal Buildout**

Mr. McClellan and Mr. Nick Harwell presented pictures to describe the Terminal Buildout construction updates.

**b. Bag Make-Up Expansion**

Mr. Harwell presented pictures to describe the Bag Make-Up Expansion construction updates.

**c. Admin Lot**

Mr. Harwell presented pictures to describe the Admin Lot construction updates. June 12<sup>th</sup> will be the next date the construction team will be on site to pour and stripe the parking lot.

Mr. McConnell rejoined the Board Meeting with the calculations for the Parking Lot Plan for Peak Travel cost recalculations as requested by the Board. The cost for an increase of 230 tons to 700 tons is approximately \$60,000 for gravel. The original budget for this plan was \$50,000.

**Mr. Cramer made the motion to approve the Parking Plan for Peak Travel. Mrs. Williams seconded the motion. The vote was taken and passed unanimously.**

Mr. Cramer requested a sheet of current events at the Airport to be made accessible at the Board Meetings.

### **Planning Update (information only)**

#### **a. North Terminal Expansion**

Mr. McClellan introduced Lori Barnes, Donald Gray, and Erika Hagan with the Fitzgerald Collaborative Group, who presented virtual plans and showcased materials for the North Terminal Expansion which included TSA relocation, a terminal buildout, new baggage claim area, observation deck, family room, sensory room, and a service animal relief area.

Discussion ensued concerning use of space, Florida building codes, and weather sustainability.

#### **b. Project InSPIRE**

Mr. McClellan recently met with St. Joe to discuss the relocation of Project InSpire, which will now go on Johnny Reaver Road and West Bay Parkway. The next steps will be to complete environmental reviews and get the FAA to buy off on the site.

### **Bay EDA Update (Information Only):**

Ms. Becca Hardin with Bay EDA reported five (5) prospects that are looking at to work with the Airport or Venture Crossings: Project Goose, Project, Opal, Project Super Bowl, Project Joe, and Project Derby.

Amongst these targeted prospects are several maintenance, repair, and overhaul (MRO) companies that are looking to build hangers, provide 100-500 jobs, as well as invest \$10-800 million in capital investments.

### **The Moore Agency Update (Information Only):**

Mr. McFatter excused himself from the Board Meeting leaving only three (3) Board members in attendance.

Ms. Katie Spillman presented recent events from the 14<sup>th</sup> Year Milestone activity including: The News Herald exclusive op-ed piece, ECP social media trivia graphics, email blast custom graphics, and the in-terminal passenger engagement activity.

Ms. Spillman also presented the “FlyMyAirport” search-to-book tool, which is now available to

book flights, rental cars, and hotels directly on the Airport's website.

The Moore Agency is looking for creative ways to develop ways to communicate the overflow parking lot and will be working with the team to help aid in this area. The inaugural Boston Arrival/Departure will be featured on June 8<sup>th</sup>. The Moore Agency will also promote music in the terminal every Saturday in July.

**Executive Director Report:**

Mr. McClellan shared that he attended the JumpStart Conference on May 20-22, 2024, where he met with airlines for the future.

Mr. McClellan also shared that he met with the Port Authority Director, who informed him about the Reimbursable Services Program Agreement. This would enable a partnership between Customs and Border Patrol (CBP) and the Airport, thus allowing CBP to provide additional inspection services upon the request of stakeholders.

**Public Comments:**

Mr. McConnell recognized the maintenance department and their efforts to reduce the budget and energy costs by replacing all florescent lights to LED bulbs.

Chair Melzer will be absent from the June meeting.

**Adjournment:**

Next meetings scheduled: June 26, 2024 - Board Meeting 9:00 a.m.

The meeting was adjourned at approximately 10:34am.

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Parker W. McClellan, Jr., AAE  
Executive Director

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Holly Melzer, Chair