**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**

**Thursday, June 27, 2019 at 4:00 p.m.**

**Airline Passenger Terminal – Board Room**

**Monthly Meeting**

**Highlights**

**Call To Order By the Chair** –Chair Bob Page called the meeting to order at 4:00 p.m.

**Invocation** – Jean Calderwood delivered the invocation.

**Pledge of Allegiance** – Mr. Page led the Pledge of Allegiance.

**Roll Call**

Authority Members Present: Jean Calderwood, Bill Conrad, Gerry Dedenbach, Grace Horvath, David Norton, Bob Page and Randy Wright were present at roll call.

Peter Johnson was absent.

**Determination of a Quorum**: A quorum was present at roll call.

Ex-officio member Eric Godet, Sr., President of the Gainesville Area Chamber of Commerce, was present. City of Gainesville liaison Erik Bredfeldt was also present.

**Approval of Meeting Highlights of May 23, 2019**

***Dr. Norton moved to approve the GACRAA meeting highlights of May 23, 2019. Ms. Horvath seconded the motion. Motion passed.***

**Approval of Meeting Highlights of May 29, 2019**

***Mrs. Calderwood moved to approve the GACRAA meeting highlights of May 29, 2019. Mr. Conrad seconded the motion. Motion passed.***

**Citizens’ Input – Non-agenda Items:**

CPAmerica, Inc. President, Alan Deichler, a GNV frequent flyer, indicated that he utilizes GNV approximately 30 times a year. Mr. Deichler distributed copies of a photo of an Eastern Air Lines B-727 parked on the apron at the terminal that is now occupied by the FBO. He suggested that GACRAA consider building facilities, terminal and parking, that would serve travelers for the next 30-40 years.

Mr. Page thanked Mr. Deichler for his input.

**Airport Authority Input – Non-agenda Items:**

Mr. Page suggested that GACRAA’s Air Service Development & Marketing Committee consider increasing the marketing budget.

Mr. Conrad, having reviewed the recent Leakage Study, concurred with Mr. Page’s suggestion to increase the marketing budget.

Ms. Horvath recommended that staff develop a marketing plan for review by the Air Service Development & Marketing Committee.

Dr. Norton agreed with Ms. Horvath’s suggestion.

Mr. Penksa reported that prior to adopting a new fiscal year budget, a marketing plan and budget is typically reviewed with the committee. He indicated that staff would provide a marketing plan and budget for consideration in the coming months leading up to the FY2020 Budget.

Mr. Godet concurred that GACRAA needs to get the story out to area travelers to fly GNV. He noted that the Gainesville Area Chamber of Commerce promotes Gainesville area businesses with its recent Shop GNV, Eat GNV, Drink GNV, Create GNV and Fly GNV campaign.

**Adoption of Agenda**

***Mr. Dedenbach moved to approve adoption of the agenda. Mrs. Calderwood seconded the motion. Motion passed.***

**Consent Agenda**

**Airport Liability Insurance Renewal**

Mr. Penksa reported that the insurance broker, Arthur J. Gallagher & Company, recommends renewing coverage with ACE Aviation/Chubb with a premium of $41,273.00 for the period 7/2/19 – 7/1/20. He noted that although the aforementioned amount represents a 21.6% increase over the policy that expires 7/1/19, annual liability insurance premiums have remained relatively flat for the past eight years.

Mr. Conrad asked that this agenda item be pulled from the Consent Agenda. He stated that he was generally in favor of requesting bids for products and services. Recognizing that it is too late to request bids for a policy that expires 7/1/19, Mr. Conrad recommended requesting bids for next year’s renewal.

Arthur J. Gallagher & Company representative Jim McGaffic reported that the growth in take-offs and landings at GNV has been approximately 20% over the prior year. He indicated that liability insurance carriers that serve the aviation industry are anticipating high claims related to the recent B-737 MAX crashes and subsequent aircraft groundings. Mr. McGaffic explained that Gallagher solicits quotes from multiple insurance carriers for GACRAA’s $100,000,000 liability insurance. He indicated that procedurally, GACRAA would not necessarily request bids from individual carriers, but would probably issue a request for qualifications to select an insurance broker.

Mr. Penksa noted that enplanements have increased dramatically over the last several years and that this increase is also impacts the premium. He noted that Gallagher’s commission is small and the firm has provided very good service whenever a claim is submitted.

Mr. Conrad reiterated his recommendation that next year the liability insurance policy be put out to bid.

***Ms. Horvath moved to accept the proposed policy with coverage limit of $100,000,000 and premium, $41,273.00, offered by ACE Aviation/Chubb through Arthur J. Gallagher & Co. Dr. Norton seconded the motion. Motion passed.***

**Airport Business**

**Information Items:**

*Gum Root Park Property Management MOU*

Mr. Penksa reported that the tree management plan effort was temporarily suspended due to the departure of the Director of the City’s Department of Doing. He noted that he was invited to attend a Technical Advisory Committee meeting for the creation of the City’s Urban Forest Management Plan. The meeting will be held on July 11, 2019.

*Terminal Gate Area Expansion and Miscellaneous Improvements*

Mr. Penksa reported that Terminal Expansion Phase II bids were opened on June 18, 2019. He noted that the tentative contract award is on today’s agenda.

*GA Hangar Rehabilitation Project*

Mr. Penksa reported that a sufficient number of bids were not received from the trades and the project will be rebid.

*RFP for Air Service Development Consultant to Perform GNV True Market / Leakage Study*

Mr. Penksa reported that this task is complete. The study results will be utilized in future airline proposals, planning activities and public outreach and education efforts.

*Multi-modal Transportation Facility*

Mr. Penksa reported that staff is awaiting a scope of work and fee proposal from the selected consultant, TranSystems, Inc. He noted that the proposal will be provided to Mr. Dedenbach for review and a final proposal/recommendation will be presented to the Facilities and Planning Committee for consideration.

Mr. Penksa reported that staff is working with a consultant to develop a temporary parking area that will comply with City requirements. He noted that the City requires landscaping for the temporary parking area as well as a permit for storm water management. Mr. Penksa stated that he asked the consultant to prepare cost estimates for a temporary and permanent parking lot.

Mr. Bredfeldt suggested that the City will soon be considering Development Code revisions for parking and that this might be an opportunity to speak with City Commissioners to review the Airport’s temporary parking lot plan outside of the current Development Code

*Strategic Planning Session*

Mr. Penksa distributed notes from consultant Kimley-Horn. He noted that these notes as well as staff’s notes will be incorporated in a new draft Strategic Plan for consideration at a future Board meeting.

**Air Traffic Volume Reports**

Mr. Penksa reviewed the Air Traffic Volume Reports, Fuel Flowage and Load Factors for the month of May, 2019.

**Finance Report**

## CFO Matthew Lyons provided the Finance Report for the month ending May 31, 2019 in the agenda packet. He briefly explained various revenue and expense items that varied from budget.

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| --- | --- | --- | --- |
| **Revenue** | **May 2019 Actuals** | **May 2019 Budget** | **Variance Over / (Under)** |
| Total Operating Revenue | $601,333.23 | $539,685.73 | $61,647.50 |
|  |  |  |  |
|  |  |  |  |
| **Expenses** | **May 2019 Actuals** | **May 2019 Budget** | **Over / (Under)** |
| Total Expenses | $438,215.30 | $453,281.58 | ($15,066.28) |
|  |  |  |  |
|  |  |  |  |
| **Income (Loss) Before Depreciation and Interest** | **$163,117.93** | **$86,404.15** | **$76,713.78** |
| Interest (Capitalized and Expensed) | $16,509.58 | $17,509.58 | ($1,000.00) |
| **Income (Loss) Before Depreciation** | **$146,608.35** | **$68,894.57** | **$77,713.78** |

***Mr. Dedenbach moved to accept the Finance Report. Ms. Horvath seconded the motion. Motion passed.***

**RFB# 19-002 Commercial Terminal Expansion and Improvements Phase II Tentative Contract Award – Resolution 19-009**

Mr. Penksa stated that Resolution 19-009 is for the tentative award of a contract to the lowest responsible bidder, Scherer Construction, Gainesville, FL. He stated that the recommendation is to award the base bid and add alternates 1 and 3 in the amount of $14,484,488. He noted that this contract award is contingent on receiving approximately $7 million in FAA discretionary funding. Mr. Penksa indicated that staff is reviewing the project to determine which project items can be postponed or completed in an alternate manner and determine if there are cost-reducing items that should be considered.

***Mr. Dedenbach moved to adopt Resolution 19-009 authorizing tentative award of a contract for the Commercial Terminal Expansion and Improvements, Phase II Project in the amount of $14,484,488 to Scherer Construction, Gainesville, FL, contingent on FAA and FDOT concurrence and GACRAA approval of an acceptable grant offer by the USDOT Federal Aviation Administration. Dr. Norton seconded the motion. A roll-call vote followed: Mr. Conrad – aye, Mr. Dedenbach – aye, Ms. Horvath – aye, Dr. Norton – aye, Mr. Wright – aye, Mrs. Calderwood – aye and Mr. Page – aye. Motion passed 8-0.***

**FAA AIP Grant Application – Resolution 19-010**

Mr. Penksa stated that Resolution 19-010 is for approval to submit an FAA grant in the amount of $12,163,252 to fund 76.2% of the eligible costs of the Commercial Terminal Expansion and Improvements Phase II. He noted that if the FAA award amount is less than $12,163,252, staff will review with the Board the items to be redirected for completion at a future time.

***Mr. Dedenbach moved to adopt Resolution 19-010 approving submittal of a grant application to the USDOT Federal Aviation Administration in the amount of $12,163,252 to fund 76.2% of the eligible costs of the Commercial Terminal Expansion and Improvements Phase II Project. Ms. Horvath seconded the motion.*** ***A roll-call vote followed: Mr. Dedenbach – aye, Ms. Horvath – aye, Dr. Norton – aye, Mr. Wright – aye, Mrs. Calderwood – aye, Mr. Conrad – aye, and Mr. Page – aye. Motion passed 8-0.***

[**BBVA Compass Bank Letter of Credit Renewal – Resolution 19-011**](#_Toc12533113)

Mr. Penksa reported that Resolution 19-011 is for approval to renew a $1 million line of credit with BBVA Compass Bank.

***Ms. Horvath moved to adopt Resolution 19-011 authorizing an annual renewal of a $1,000,000 line of credit from BBVA Compass Bank. Mr. Conrad seconded the motion. A roll-call vote followed: Ms. Horvath – aye, Dr. Norton – aye, Mr. Wright – aye, Mrs. Calderwood – aye, Mr. Conrad – aye, and Mr. Page – aye. Motion passed 7-0. Mr. Dedenbach, a member of the local BBVA Compass Bank Board, abstained from voting.***

[**FDOT Supplemental Joint Participation Agreement # 43676119420 – Purchase of Airfield Maintenance Equipment – Resolution 19-012**](#_Toc12533114)

Mr. Penksa reported that Resolution 19-012 is an FDOT grant award of an additional $75,000 to a pre-existing grant for the purchase of airfield maintenance equipment. He stated that staff plans to purchase a heavy-duty backhoe and a mowing tractor. He noted that the backhoe replaces an old front-end loader that no longer functions correctly and is worn out.

***Dr. Norton moved to adopt Resolution 19-012 authorizing acceptance of a Joint Participation Agreement # 43676119420 Supplement No. 1 from Florida Department of Transportation to increase its share of funding the purchase of airfield maintenance equipment from $100,000 to $175,000. Mr. Wright seconded the motion. A roll-call vote followed: Dr. Norton – aye, Mr. Wright – aye, Mrs. Calderwood – aye, Mr. Conrad – aye, Mr. Dedenbach – aye, Ms. Horvath – aye and Mr. Page – aye. Motion passed 8-0.***

**FDOT Supplemental Joint Participation Agreement # 43492119420 – General Aviation Hangars Rehab Project – Resolution 19-013**

Mr. Penksa reported that Resolution 19-013 authorizes acceptance of a supplement to an existing grant; the previous grant was for $400,000 and the supplement will provide $500,000 in additional funding for the GA Hangars Rehab Project.

***Mrs. Calderwood moved to adopt Resolution 19-013*** ***authorizing acceptance of a Joint Participation Agreement # 43492119420 Supplement No. 1 from Florida Department of Transportation to increase its share of funding the General Aviation Hangars Rehabilitation Project from $400,000 to $900,000. Mr. Dedenbach seconded the motion. A roll-call vote followed: Mr. Wright – aye, Mrs. Calderwood – aye, Mr. Conrad – aye, Mr. Dedenbach – aye, Ms. Horvath – aye, Dr. Norton – aye and Mr. Page – aye. Motion passed 8-0.***

**Tenant Reports**

University Air Center (UAC) representative, Shanon Spears, reported that UAC recently rehabilitated a set of air stairs and self-fueler. He also reported that a big project involving the Life South aircraft is coming up soon.

**ACI-NA’s JumpStart®[[1]](#footnote-1) Air Service Development Conference**

Ms. Porter reported that she attended ACI-NA’s JumpStart Air Service Development Conference in Nashville. She stated that she had a good meeting with Delta Air Lines and discussed up-gauging aircraft and new service to Washington, DC (DCA). She reported that Delta Air Lines has no current plan to provide GNV-DCA service due to the lack of available slots at Reagan National Airport at this time but will keep the conversation in mind.

Ms. Porter reported that that she also met with Allegiant Air; this airline is not currently interested in providing service at GNV because GNV is not a leisure market.

Ms. Porter reported that she met with American Airlines and Republic Airlines and discussed up-gauging equipment for the GNV-DFW route. She stated that American Airlines has not experienced a negative impact on CLT or MIA traffic with the introduction of service to DFW. She stated that American Airlines indicated that advance bookings on GNV-DFW are strong and the AA planners would like to be apprised of business growth in the Gainesville area.

Mr. Penksa reported that staff has had conversations with American Airlines regarding GNV-ORD and GNV-DCA service however the airline intends to monitor the DFW service and not make a decision on additional destinations at this time.

**Airport Authority Input**

Mrs. Calderwood complimented staff on the work that was done to prepare today’s lengthy agenda.

**Adjournment**

At 5:15 p.m., there being no further business, the meeting was adjourned.

**GACRAA Monthly Meeting**

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Chair Date

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Secretary/Treasurer Date

1. JumpStart® is a registered trademark of Airports Council International-North America. [↑](#footnote-ref-1)