**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**

 **Thursday, September 30, 2021 at 4:00 p.m.**

**Airline Terminal Board Room**

**Monthly Meeting Highlights**

**Call To Order By the Chair** –Chair Grace Horvath called the meeting to order at 4:03 p.m.

**Invocation:** Mr. Thomas delivered the invocation.

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

**Roll Call**

Authority Members Present: Craig Carter, Gerry Dedenbach, Grace Horvath, David Norton, Bob Page, and Kinnon Thomas were present.

Jean Calderwood was absent.

Harriet Davis arrived after roll call.

Ex-officio member Eric Godet, Sr. was absent. City of Gainesville liaison, Erik Bredfeldt, was present at the meeting.

**Determination of a Quorum**: A quorum was present in the Board Room at roll call.

**Approval of Meeting Highlights of August 26, 2021**

***Mr. Thomas moved to approve the GACRAA meeting highlights of August 26, 2021. Mr. Dedenbach seconded the motion. Motion passed.***

**Citizens’ Input – Non-agenda Items:** None

**Airport Authority Input – Non-agenda Items:** None

**Adoption of Agenda**

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

**Information Items**

Mr. Penksa displayed photos of the projects that were discussed during the Information Items portion of the meeting.

*Terminal Expansion Project Phase II – Terminal Expansion and Improvements – Existing Terminal*

Mr. Penksa reported that rehabilitation of existing boarding bridges 3, 4 and 5 is underway. He indicated that work on bridge 4 is near completion.

Mr. Penksa reported that work in the east side gate area restroom expansion and renovation is progressing. He indicated that installation of new storefront is almost complete and that tile work is underway in both the men’s and women’s restrooms.

Mr. Penksa reported that work continues on punch list items in the terminal gate expansion. He stated that wainscoting will be applied to painted walls in areas subject to elevated levels of wear and tear.

*Terminal Expansion Project Phase IV – Construct Baggage Handling System and Airline Ticket Office Expansion / Renovations*

Mr. Penksa reported that staff anticipates soon receiving a design task order from the consultant for the Baggage Handling System Phase 1 Option approved by GACRAA at its meeting in August. He reported that staff met with representatives from Delta Air Lines to discuss proposed layouts and project phasing.

*Airport Industrial Park – Property Sale Opportunity*

City of Gainesville Economic Development and Innovation Director Erik Bredfeldt, brought to the Board’s attention a proposal to divide and sell Airport Industrial Park Unit II Lot # 2 to two parties interested in the site: Florida Food Service and UF Health. He stated that UF Health is interested in approximately 8.3 acres on the east side of the lot adjacent to FedEx property. Dr. Bredfeldt indicated that Florida Food Service is interested in approximately 6.3 acres on the west side of the lot adjacent to their property. He indicated that the property was appraised as follows on September 20, 2021:

|  |  |  |
| --- | --- | --- |
| **Interested Party** | **Acreage** | **Appraised Value** |
| Florida Food Service | 6.306 | Approximately $244K |
| UF Health | 8.330 | Approximately $317K |

Dr. Bredfeldt reported that the City has a contract with UF Health for sale of the 8.33 acres and the City Commission is scheduled to consider this item at its meeting on October 21, 2021. He indicated that GACRAA will receive the sales proceeds for airport operations and would need to consent to the sale at a future meeting. He also mentioned that there will be no ad valorem taxes on the UF Health portion of the lot. Dr. Bredfeldt reported that UF Health plans to add 60 jobs upon completion of construction of its facility.

*Air Traffic Volume Reports*

Mr. Penksa reviewed the Air Traffic Volume Reports, Fuel Flowage and Load Factors for the month of August, 2021. He stated that General Aviation operations and AVGAS sales were down primarily due to weather. He noted that airline operations have not yet fully recovered to the pre-COVID levels.

**Finance Report**

CFO Matthew Lyons provided the Finance Report for the month ending August 31, 2021 in the agenda packet. He briefly explained various revenue and expense items that varied from budget.

|  |  |  |  |
| --- | --- | --- | --- |
| **Revenue** | **Aug 2021 Actuals** | **Aug 2021 Budget** | **Variance Over / (Under)** |
| Total Operating Revenue | $606,887.72  | $497,142.90  | $109,744.82  |
|  |  |  |  |
|  |  |  |  |
| **Expenses** | **Aug 2021 Actuals** | **Aug 2021 Budget** | **Over / (Under)** |
| Total Expenses | $428,059.10 | $467,690.23 | ($39,631.13) |
|  |  |  |  |
|  |  |  |  |
| **Income (Loss) Before Depreciation and Interest** | **$178,828.62**  | **$29,452.67**  | **$149,375.95**  |
| Less: Interest Expense | $0.00 | $12,602.22 | ($12,602.22) |
| **Income (Loss) Before Depreciation** | **$178,828.62**  | **$16,850.45**  | **$161,978.17**  |
|  |  |  |  |
| **CARES Act Revenue** | $0.00 | $0.00 | $0.00  |
| **Income (Loss) After CARES Revenue** | **$178,828.62**  | **$16,850.45**  | **$161,978.17**  |
|  |  |  |  |

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

**Business Development & Marketing Committee Report**

Mr. Dedenbach reported that the committee met and reviewed the proposed FY2021-2022 marketing plan and budget of $120,780.

Mr. Penksa stated that in FY2020-2021, staff did not spend the entire marketing budget due to the COVID pandemic’s impact on airline traffic; of the $120,688 budgeted, he reported that actual expenditures were $56,266.76.

Mr. Penksa reviewed the proposed FY2021-2022 marketing plan which continues to include a digital billboard on State Route 200 in Ocala and static billboards along I-75. He reported that Visit Gainesville partnered with GACRAA on one of the billboards and provided funding toward the cost. He noted that the graphics and messaging on the digital billboard can be changed at any time.

Mr. Penksa presented a Terminal Expansion Ad TV that has been airing since August 2021 on WGFL and WNBW and has also started in September on WCJB, SEC Nation, The Huddle and College Gameday.

Mr. Penksa reported that the committee was in favor of continuing the RTS bus wrap which features DFW service on one side of the bus and MIA service on the opposite side.

Mr. Penksa reported that a new committed opportunity is a $5,000-year long package that includes a presence on the World Equestrian Center website, newsletter and an ad in at least four issues of the WEC magazine and our logo on the 65” digital displays in the lobbies of indoor areas 1-5 with a five second impression on each loop.

***Dr. Norton moved to approve the Business Development & Marketing Committee Report. Mr. Thomas seconded the motion. Motion passed.***

**Finance, Audit & Operations Committee Report**

Mr. Dedenbach reported that the committee met and he complimented staff on the details and research contained in the proposed FY2021-2022 budget.

Mr. Penksa provided a report on the revenue assumptions that drive this portion of the budget. He stated that the budget assumes that passenger traffic will reach 90% of the pre-COVID 2019 levels. He recalled that the current FY2020-2021 budget assumed that passenger traffic would reach 75% of 2019 levels.

Mr. Penksa stated that a 5% CPI increase has been applied to landing fees, aircraft storage fees and GA facilities rent. He reported that the budget also includes an increase of $1.00 per day for short-term and long-term automobile parking lot fees. He noted that the last increase in parking fees occurred in FY2009.

Mr. Penksa reported that airline terminal rent is not increased in this budget citing that the additional costs of operating the expanded terminal space have not been completely determined.

Chief Financial Officer Matthew Lyons provided a brief report on the expense assumptions associated with the proposed budget. He indicated that wages are increased by 5% for COLA and that employee health insurance premiums increased by 10.4%. He reported that the Facilities & Maintenance Dept. intends to add 2 custodians and 2 maintenance personnel offsetting a reduction in temporary labor.

Mr. Penksa distributed a spreadsheet that illustrated parking lot fees at other Florida airports; the proposed increase in daily parking at GNV is generally a favorable comparison. He noted that the budget eliminates the weekly discount in the long-term parking fee schedule.

***Dr. Norton moved to accept the Finance, Audit & Operations Committee Report. Mr. Thomas seconded the motion. Motion passed.***

At 5:02 p.m. Chair Horvath suspended the Regular Meeting and call to order a Public Hearing on the Proposed FY2021-2022 Budget

**Public Hearing: Proposed FY2021-2022 Budget**

Chair Horvath called for comments from the public. There being none, Chair Horvath adjourned the Public Hearing and called to order the Regular Meeting at 5:03 p.m.

**Adoption of FY2021-2022 Budget – Resolution 21-026**

***Mr. Thomas moved to approve Resolution 21-026 adopting the FY2021-2022 Budget. Mr. Carter seconded the motion. A roll-call vote followed: Dr. Norton – aye, Mr. Page – aye, Mr. Thomas – aye, Mr. Carter – aye, Ms. Davis – aye, Mr. Dedenbach – aye, and Ms. Horvath – aye.***

***Motion passed 7-0.***

**Tailwind Concession Agreement – Resolution 21-027**

Mr. Penksa recalled that the Board previously selected a proposal from Tailwind Concessions to operate three food, beverage, news and gift concession locations in the airline terminal. He stated that Tailwind Concessions took no exceptions to the agreement that was included in RFP # 21-003 for a Food, Beverage News & Gift Concession.

In response to a question from Dr. Norton, Mr. Penksa indicated that the agreement applies to all three concession areas in the airline terminal. Mr. Penksa stated that all three locations will be branded differently.

***Mr. Thomas moved to approve Resolution 21-028 authorizing execution of a Food, Beverage, News & Gift Concessionaire Agreement with Tailwind Concessions. Mr. Dedenbach seconded the motion. A roll-call vote followed: Mr. Page – aye, Mr. Thomas – aye, Mr. Carter – aye, Ms. Davis – aye, Mr. Dedenbach – aye, Dr. Norton – aye and Ms. Horvath – aye. Motion passed 7-0.***

**Request for Letters of Interest # 21-004 – Construction of an Aircraft Hangar Facility – Resolution 21-028**

Mr. Penksa recalled that GACRAA previously approved soliciting Letters of Interest for developing a box hangar located near the Air Methods hangar and the bi-fold door hangar. He stated that the site would be suitable for a hangar of 10,000 to 12,000 sq. ft. in size. Mr. Penksa reported that two parties, Ed Rennia and Nathan Collier, expressed interest in developing the site. He stated that Messrs. Rennia and Collier decided to work together to team with GACRAA to construct a hangar.

Mr. Penksa reported that GACRAA will be supporting this development by sponsoring the project and committing FDOT funding; he stated that final details of the sponsorship have yet to be finalized. A sample lease was provided in the RFI.

Mr. Rennia stated that his company, Rennia Aviation, desperately needs more storage space. (Rennia Aviation currently occupies hangar GA-03 at GNV.) He reported that six additional aircraft will be added to Rennia Aviation’s certificate this year. He indicated that hangar GA-03 will continue to be utilized for Rennia Aviation’s maintenance operations and that the proposed hangar will be used for aircraft storage.

***Mr. Thomas moved to adopt Resolution 21-029 authorizing negotiation of a Lease Agreement for Development of a Corporate Hangar Site by Ed and Nate Hangar, LLC. Mr. Page seconded the motion. A roll-call vote followed: Mr. Thomas – aye, Mr. Carter – aye, Ms. Davis – aye, Mr. Dedenbach – aye, Dr. Norton – aye, Mr. Page – aye and Ms. Horvath – aye. Motion passed 7-0.***

**Appraisal – Sale of 10 Acres of Airport Property – Project Mercury**

Mr. Penksa recalled that SiVance Milliken was originally interested in purchasing approximately six acres of airport property adjacent to their location in the Airport Industrial Park. He stated that the company is now interested in acquiring ten acres. Mr. Penksa reported that staff has been discussing the property sale with the FAA which would need to approve the sale. He indicated that SiVance is currently working on an environmental assessment of the site.

Mr. Penksa stated staff has obtained an appraisal in the amount of $285,000 from Emerson Appraisal Co. for the ten-acre site; he reported that the Finance, Audit & Operations Committee recommends acceptance of the appraisal. He stated that, at this point in the process, staff is seeking GACRAA’s consensus to accept the appraisal and to continue working with SiVance and FAA toward the sale of the property.

Mr. Penksa stated that an avigation easement will be required and that development plans will also be forwarded to FAA for review.

***Mr. Thomas moved to accept the appraisal from Emerson Appraisal Co. Mr. Carter seconded the motion. Motion passed 6-0 with Mr. Dedenbach abstaining. Mr. Dedenbach indicated that SiVance is a client of his employer, CHW Professional Consultants.***

**Election of Officers for FY2022**

Chair Horvath reported that the Governance & Nominating Committee met in August and reported that the committee nominates the follow slate of candidates for FY2022:

* ***David Norton – Chair***
* ***Gerry Dedenbach – Vice-Chair***
* ***Craig Carter – Secretary/Treasurer***

Chair Horvath opened the floor for nominations. There were no additional nominations.

***Mr. Thomas moved to close nominations from the floor. Mr. Page seconded the motion. Motion passed.***

***Mr. Thomas moved to adopt the slate of candidates nominated by the Governance & Nominating Committee. Mr. Page seconded the motion. Motion passed in a voice vote.***

**Banking Signatures – New Officers – Resolution 21-029**

***Mr. Thomas moved to adopt Resolution 21-029 authorizing the Chairman or Vice-Chair of GACRAA, the CEO, or his designee to act as signatories on the Authorities bank accounts. Mr. Dedenbach seconded the motion. A roll-call vote followed: Mr. Carter – aye, Ms. Davis – aye, Mr. Dedenbach – aye, Dr. Norton – aye, Mr. Page – aye, Mr. Thomas – aye and Ms. Horvath – aye. Motion passed 7-0.***

**Avigation and Clearance Easement and Release – 1639 NE 40th Place, North Point at Ironwood – Resolution 21-030**

Mr. Penksa recalled that the airport noise zones were updated following a Part 150 Noise Study. He reported that as a result of updating airport noise zones, in 2009 the City of Gainesville updated its land development code to require avigation easements on new residential construction within existing developments located in the 65-60 DNL noise zone.

***Dr. Norton moved to adopt Resolution 21-030 authorizing execution of a permanent avigation and clearance easement and release form from residential owners of property located at 1639 NE 45th Place, a platted lot within the North Point at Ironwood cluster subdivision in the City of Gainesville. Mr. Dedenbach seconded the motion.*** ***A roll-call vote followed: Ms. Davis – aye, Mr. Dedenbach – aye, Dr. Norton – aye, Mr. Page – aye, Mr. Thomas – aye, Mr. Carter – aye and Ms. Horvath – aye. Motion passed 7-0.***

**Tenant Reports:** None

**Recognition of Outgoing Chair Grace Horvath**

Dr. Norton presented a plaque to Grace Horvath in recognition of her service as GACRAA Chair from October 2019 through September 2021. He stated that the past two years were remarkably difficult due to the pandemic and that GACRAA and GNV never faltered under her leadership.

Ms. Horvath stated that working with GACRAA and staff has been a pleasure and that she was honored to serve on the Board. She also thanked Mr. Penksa and staff for their efforts in operating the airport.

**Airport Authority:**  None

**Adjournment**

At 5:25 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