

VERO BEACH AIRPORT COMMISSION MEETING
Friday, June 7, 2019 – 9:30 a.m.
City Hall, Council Chambers, Vero Beach, Florida

AGENDA

- 1. CALL TO ORDER**
- 2. APPROVAL OF MINUTES**
 - A) April 12, 2019**
- 3. NEW BUSINESS**
 - A) Status of New City Manager and City Attorney**
 - B) Airport FY 2020 Budget Review Schedule**
 - C) Development of Airport Property (Airport Layout Plan)**
- 4. OLD BUSINESS**
 - A) Proposal from American Aviation University (Update)**
 - B) Proposal from FPL/Girard Equipment (Update)**
 - C) Airport Capital Projects/Infrastructure Needs**
 - D) MRO Hanger (Midfield Development)**
- 5. CHAIRMAN’S MATTERS**
- 6. AIRPORT DIRECTOR’S MATTERS**
- 7. PUBLIC COMMENT**
- 8. COMMISSION MEETINGS**
 - A) Suggested quarterly meeting dates**
- 9. ADJOURNMENT**

This is a Public Meeting. Should any interested party seek to appeal any decision made by the Commission with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings, and that, for such purpose, they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. Anyone who needs a special accommodation for this meeting may contact the City’s Americans with Disabilities Act (ADA) Coordinator at 978-4922 at least 48 hours in advance of the meeting.

VERO BEACH AIRPORT COMMISSION MINUTES
Friday, April 12, 2019 – 9:30 a.m.
City Hall, Council Chambers, Vero Beach, Florida

PRESENT: Chairman, Barbara Drndak; Vice Chairman, Arthur Hodge; Members: Louis Vocelle, Jr., Carol Jean Jordan, Melvin Wood, Alternate Member #1, Mary Wood and Alternate Member #2, John Calcagno **Also Present:** Airport Director, Eric Menger; Interim City Attorney, Kira Honse and Deputy City Clerk, Sherri Philo

1. CALL TO ORDER

Today's meeting was called to order at 9:30 a.m. and the Deputy City Clerk performed the roll call.

2. CHAIRMAN'S RECOGNITION OF MR. JAMES STEWART

Mrs. Drndak reported that Dr. James Stewart served on the Airport Commission from 1997 through 2012 and recently passed away at the age of 92. In reading his obituary, he was quite the gentleman in that he graduated from college at the age of 16 and graduated from medical school at the age of 20. She reported that he served on the New Orleans Lake Front Airport Commission for a number of years. She said this Commission would like to recognize his service to the City of Vero Beach and are sorry that he has passed away.

Mr. Vocelle reported that Dr. Stewart was the last surviving person of the Chosin Reservoir Battle in Korea. He said that Dr Stewart also was an accomplished steel guitar player. He said that he still has a tape of Dr. Stewart playing the steel guitar in and around New Orleans that Dr. Stewart had given him.

Mr. Eric Menger, Airport Director, thought that Dr. Stewart was the only surgeon at the Chosin Reservoir Battle.

Mrs. Jordan said that he was an amazing accomplished gentleman. She said with regard to the Commission that he served on in New Orleans stating that he talked about being involved in the reservoirs there and after Hurricane Katrina he discussed at length things that should have been done that were voted on and the monies were never given. She said it was very near and dear to his heart that those kind of things happened. She said that he talked at length about why things should have been done and that deaths could have been avoided.

3. ELECTION OF OFFICERS

A) Chairman

Mr. Hodge nominated Mrs. Barbara Drndak for Chairman of the Airport Commission. There were no other nominations. Mrs. Barbara Drndak was unanimously appointed Chairman of the Airport Commission.

B) Vice Chairman

Mr. Wood nominated Mr. Arthur Hodge for Vice Chairman of the Airport Commission. There were no other nominations. Mr. Arthur Hodge was unanimously appointed Vice Chairman of the Airport Commission.

4. APPROVAL OF MINUTES

A) October 13, 2017

Mrs. Drndak said the Airport Commission's position is to look at leasing properties at the Airport and they don't really get involved with the day-to-day operations so to arbitrarily hold a meeting did not seem reasonable. However, any member can call a meeting if they want to discuss something.

Mr. Vocelle made a motion to approve the minutes of the October 13, 2017 Airport Commission meeting. Mrs. Jordan seconded the motion and it passed unanimously.

Mrs. Drndak asked for an update on the Aviation Boulevard project. She said they discussed the complete street concept or the widening of Aviation Boulevard, but they never really received any feedback on the potential cost difference.

Mr. Tim Zorc, Indian River County Commissioner, reported that the Aviation Boulevard Plan is about 90% complete. He said that he would be happy to have Mr. Phil Madsen, Director of the Metropolitan Planning Organization (MPO), attend a future Airport Commission meeting to discuss the cost difference.

5. NEW BUSINESS

A) Conceptual Proposal from American Aviation University

Mr. Hakan Senaltan, Chairman and CEO of Investcom Group, reported that about one (1) year ago they created the American Aviation University, which they would like to locate here. He said they are specializing in aviation technicians and engineers. He said most of their students might be from foreign countries. They plan to have the investment of about \$60 million, have up to 2,000 students, and 150 full-time employees. They will have education buildings, hangars, and dorms. They hope to be able to begin construction in the next eight (8) months to a year.

Mr. Wood asked if he understands it correctly that they are not going to have any aircraft; that it would be exclusively ground training.

Mr. Senaltan said they would have pilot school and will give the students all the infrastructure and needed licenses. He said they will not have their own airplanes, but a subcontractor company would come with their aircraft. They will concentrate on the technical engineering part of the business, but there will be a flight school by another company that already has their own aircraft.

Mr. Wood asked will they have aircraft stationed on the field that will be airborne.

Mr. Senaltan answered yes.

Mr. Wood asked how many aircraft would there be or how many cycles would they have. He noted that they already have two (2) flight schools already.

Mr. Sean Galagan, of American Aviation University, said the aircraft they would have for maintenance would be static aircraft on the field. He said they would send out a Request for Proposal (RFP) for the flight school, as part of their plan is to have a Part 141 Flight School, which will be for the smaller aircraft. They will not be doing any turbine training, but they might do some jet transition training. He said it is not a core part of the University. It is only about 10% of the program. He said they do have a lot of interest from other countries in flight training so they will not turn down the opportunity to do that training because it will bring in additional revenue for the college, as well as opportunities to hire local people. He then gave a Power Point presentation on American Aviation University (attached to the original minutes).

Mrs. Drndak said flight schools require a separate type of Visa to bring foreign students in the Country. She asked would they fall under that same type of umbrella and would they have time-out restrictions when they completed their training they would have to go back.

Mr. Galagan answered yes.

Mr. Calcagno said given this industry has fought with the boom and bust cycles. He asked do they have long-term financial backing with the patience to withstand any potential bust that may occur.

Mr. Galagan said he feels that they do. He said although there are boom and bust cycles in aviation, it never goes out of business.

Mrs. Drndak asked Mr. Menger, what is it that he would like the Commission to do.

Mr. Menger said today's presentation is a conceptual overview. The next step is to generate a lease agreement.

Mrs. Drndak asked Mr. Menger if he wants a motion to accept the conceptual plan.

Mr. Menger asked that the Commission make a motion to accept the conceptual plan with the recommendation that staff move forward with an effort to present it to the City Manager and to the City Council for approval. He noted that they would copy the Commission members with the actual lease agreement so if a member sees something that they don't like staff would remove it or would bring it back before the Commission for their review. He said the object is to get this done now so they will be able to move forward and not slow this down.

Mrs. Jordan made that motion. Mr. Vocelle seconded the motion.

Mr. Wood questioned the motion.

Ms. Sherri Philo, Deputy City Clerk, said the motion basically is to accept the conceptual plan and to move forward in preparing the lease agreement to bring before the City Council.

Mrs. Wood said that she would like to review the agreement prior to the Commission accepting it.

Mr. Menger said staff will submit the lease agreement to the Commission members and any member can call a meeting if they have questions or concerns as long as the Chairman agrees.

Mrs. Drndak agreed.

Mrs. Jordan said that she would like to have a meeting rather than just have the lease submitted to them.

The Commission members agreed.

Mr. Menger said they would schedule a meeting once staff has the agreement prepared.

The motion passed 5-0 with Mrs. Jordan voting yes, Mr. Vocelle yes, Mr. Wood yes, Mr. Hodge yes, and Mrs. Drndak yes.

Mr. Menger clarified that the motion is to approve this in concept and to bring back a lease agreement to the Commission for review prior to it going before the City Council.

B) Conceptual Proposal from Florida Power and Light (FPL) / Girard Equipment

Mr. Menger said with the sale of the utilities to Florida Power and Light (FPL), the Transmission and Distribution (T&D) warehouse was leased to FPL. He said this lease goes through the end of this year and FPL would like to transition out of this lease and Mr. Tim Girard would like move his business onto this site.

Mr. Tim Girard, owner of Girard Equipment, said his business is currently located in Gifford just off Old Dixie Highway. He said that he was looking to relocate out of the County until County Commissioner Zorc told him this building might be available. He said that he came to the County about 10 years ago with 20 employees and he now has close to 100 employees. He said that he does plan to bring 30 jobs here from St. Lucie County.

Mr. Vocelle asked is he going to consolidate the Old Dixie site and the St. Lucie County site into this building.

Mr. Girard answered yes.

Mr. Menger reported that they do have a Letter of Intent for a 10-year agreement.

At this time, a gentleman in the audience stated that he has a short presentation that he would like to present.

The Commission took a 10-minute break and the meeting reconvened at 10:54 a.m.

Mr. Mark Seagrave, Director of Strategy and Business Development for Florida City Gas, gave a Power Point presentation on the Vero Beach Regional Airport Natural Gas Extension Project (attached to the original minutes).

Mrs. Drndak said 41st Street is all vacant land and they have discussed that being industrial commercial and she could see if they run the natural gas to the jail that they could extend it and service other commercial venues that might want to locate there. She felt this was a real positive for the Airport property.

Mrs. Drndak asked Mr. Menger what he is asking of the Commission.

Mr. Menger said that staff would bring the lease agreement back before the Commission for approval along with the lease agreement with American Aviation University.

Mr. Vocelle said they don't want to hold this lease up if it is finalized a lot sooner than the University's lease. He didn't think they needed to hold a meeting to lease an existing facility.

Mrs. Drndak said the Commission members can review it and if anyone has any questions then they can call a meeting.

Mr. Menger said staff would send the lease agreement to the Commission members for their review and before the City Council for their approval.

The Commission members agreed to move this forward.

Mr. Menger asked Mr. Zorc if he would like to speak on this. He said the Airport is in Commissioner Zorc's district and he has been a tremendous supporter.

Mr. Tim Zorc, Indian River County Commissioner, said that he knew Mr. Gerard was looking to consolidate his business and he wanted him to consolidate here rather than in St. Lucie County. He said FPL didn't need the building on a long-term basis so he felt it would be a good building for Girard Equipment. With regard to natural gas, he would like to see a combination of natural gas fueling stations, one (1) that can do the buses and one (1) for fleet users, both public and private.

C) Economic Impact of the Vero Beach Regional Airport

D) Economic Impact of Airline Service / Airline Update

*Please note that items 5-C) and 5-D) were discussed together.

Mr. Menger gave a Power Point presentation on the Economic Impact of the Vero Beach Regional Airport and the Economic Impact of Airline Service (attached to the original minutes). He noted that they have a lot of things happening, but there are challenges

where they are getting to the point where they don't have the revenue to keep the infrastructure up. He said a huge change would be a major airline deciding to use the Airport as their next growth area. However, that would be a challenge because the Terminal could not support it.

Mrs. Drndak asked what is the status of Customs coming here.

Mr. Menger said in order to have a Customs facility they would have to be a User Fee Facility (UFF). He said they were able to get the former Governor to write a letter to the United States Customs requesting that they consider Vero Beach as one (1) of their next Customs UFF, which they said they will consider it. He said the next step would be a Feasibility Study or something to show how the Airport would pay for that because someone has to fund a facility for Customs, as well as pay the Custom Agent's salary and benefits.

Mr. Wood asked in the event they were able to facilitate Customs, could they advertise as an International Airport. He asked would they have a better opportunity to get more grants when they go from a Regional Airport to an International Airport.

Mr. Menger said they don't base it on a name change, but on the activity level.

Mr. Wood said as he understands it, there is no financial advantage to having Customs.

Mr. Menger said there could be a small advantage in that aircraft could come here to go through Customs and get fuel rather than going to Ft. Pierce. He said it also could be a possibility for a potential airline service that may want to fly to the Bahamas from Vero Beach.

6. OLD BUSINESS

A) Request for Proposals (RFP) – MRO Hangar (Midfield Development)

Mr. Menger reported that the Request for Proposal (RFP) for the MRO Hangar development would be going out in May. He said that he would be attending an Airline Conference at the end of this month and will be mentioning this opportunity to multiple airlines. He noted that Elite Airways knows about it and have indicated a willingness to submit.

B) Airport Security Project Update

Mr. Menger reported that they have a State grant that is helping with this project. He noted that they cannot operate aircraft larger than 60 seats without a complete security program. He said they are now operating and supporting a security program at midlevel, which allows Elite Airlines to use their 70 seater. To get the complete program completed they are going to have control at all access points.

C) Taxiway E / North Ramp Project Update

This item was discussed earlier in today's meeting.

7. CHAIRMAN'S MATTERS

None

8. AIRPORT DIRECTOR'S MATTERS

Mr. Menger gave a brief update on the Sun Aviation Lease, Paris Air, Corporate Air, JP Aviation, the Taxiway E, Reconstruct Center JPA Aviation, Reconstruct Center Apron, Rehabilitate GA Apron, Rehabilitate Runway 12R-30L, the Airport Master Plan, State and Federal Initiatives, local items, and the FY2020 Budget (attached to the original minutes).

Mrs. Drndak said there was not a lighting plan presented when Big Shots was developed and there was a problem when Pilots were trying to land. She said Airport staff should be involved in any development that is within five (5) miles of the Airport.

Mr. Menger said a development review with the FAA was done for the height, but the review did not include lighting. He reported that Big Shots did adjust the lighting down towards the driving range and he has not received any more complaints from the Pilots.

Mr. Menger reported that staff is working on changing the City's Ordinance to not just include noise and height, but to also include lighting.

Mr. Vocelle excused himself from today's meeting at 12:06 p.m.

9. PUBLIC COMMENT

Mr. Tim Zorc said the Airport Commission does not have a City Councilmember liaison and the Finance Commission and the Utilities Commission does. He felt this might be a way of raising awareness of the Airport. He said budget time is coming up and suggested that they look at the line items and if they don't agree with the numbers, they should voice their opinion. He said the project of JP Aviation went before the Planning and Zoning Board at a public hearing and he thought that they have to have a second public hearing, which adds additional time to their project. He felt that they could look at that rule in that if someone is building an aviation related facility that meets the height, etc., then why add the timeline to the process. He said having a public hearing built into the timeframe is just another hurdle that someone has to go through. With regard to Customs, the letter that was sent to the former Governor, then went to the Secretary of Homeland Security, and then to their jurisdiction in Palm Beach. He said that he had another meeting in Palm Beach and asked if he could stop in the Customs/Border Patrol office to meet them. He was surprised of their eagerness and willingness to help. He hoped that they would see some type of joint public/joint operation to move this forward. He said the City has 70 applicants for the City Manager position and suggested this as a current action item for the Chairman to consider in that he felt the Commission should insist that the new City Manager has to come from an area that has a very active airport and economic development presence. He said if the applicant is coming from a city that doesn't have an airport, this has nothing against the applicant, but they want someone who is going to recognize the benefit of the Airport, how important a role it plays in the

community. He felt this should be something for the Commission to let the City Council know is important as they go through the screening process. He said with regard to the badging for security at the Airport, and he doesn't know if this is an option, but he just went through the TSA pre-clear renewal and they had a contractor who does the screening, background, photo, badging, etc., for a number of different industries. He said instead of buying the equipment this might be a cheaper way to go. He said that when looking at development that they start to replace some of the water lines to make sure the capacity of the lines have the fire flow capacity with it. He then went back to the Customs issue and reported that when he met with Customs and the Border Patrol they asked who was behind the application because they had never seen a letter go from the Governor, to the Secretary of State to their office in less than eight (8) to 10 months and ours did it in less than two (2) weeks. They told him that one (1) thing they did internally was to move the line of clearance from the Bahamas, which currently it is Ft. Pierce, up one (1) notch to make Vero Beach the furthest northeast point for this jurisdiction. He said in looking forward and he has spoken with some of the City Councilmember about this is, the City does not have any lobbying efforts. He said when the County puts in a grant request they have someone walking the halls every day trying to move it forward. He thought it might be something for the Airport to look at.

Mrs. Drndak said every time there is someone new on the City Council she calls them and for the last couple of years she has not received a response. She said that she asks to come in and meet with them and offers them a tour of the Airport and the tower and the response is that the Airport is doing fine and they don't need to speak with her.

Mr. Zorc suggested having a workshop meeting with the City Council where they could give them an hour presentation on the Airport before one (1) of their regular Council meetings.

Mr. Zorc said he knows the Commission meet as needed, but even if they don't have a lot to talk about they should meet quarterly. He said when this meeting started he contacted the Press to let them know they need to watch what is going on because there were going to be some significant announcements. If he didn't contact them then the meeting probably would not have been covered.

10. NEXT MEETING DATE

Mrs. Drndak said at one point the Commission decided to meet quarterly, but that completely fell apart. She asked the Commission members when they want to meet. She said they are going to meet when the Aviation University lease is ready, but they don't have a timeframe yet.

Mrs. Wood felt the Commission does want to do a thorough review of the lease. She said that she is a little skeptical on some things and she doesn't know anything about them. She hoped they would have more information by the time they meet.

Mr. Wood felt it was essential that they ask to have more information by then.

Mrs. Drndak didn't think they would enter into a lease without essential background material.

Mr. Menger said the company is a new LLC that was formed at the end of last year so there will not be any history. He said that he will get the information to be sure that he is comfortable with it and if he needs to, he will also have the Finance Director look at it.

Mr. Hodge said that he remembers when they agreed to have quarterly meetings and they agreed that if at the time of the meeting they didn't have anything to discuss then they would cancel that meeting.

Mrs. Drndak asked Mr. Menger to supply the Commission members with a synopsis of the projects going on at the Airport so the Commission members can stay up to date and then meet quarterly.

Mr. Hodge made a motion that the Commission establish quarterly meetings. Mr. Wood seconded the motion.

Mrs. Drndak said that she would still like to receive the synopsis of projects each month.

The Commission members agreed.

Mr. Wood felt it was important that the Commission meet with the City Council.

Mr. Menger noted that any Commission member can call any City Councilmember prior to a Commission meeting and ask that they attend their meeting.

After discussion, the Commission members agreed to schedule their next meeting on Friday, June 7, 2019 at 9:30 a.m.

Ms. Philo said that she would bring back before the Commission suggested quarterly meeting dates for them to approve at their June 7th meeting.

The motion passed unanimously.

11. ADJOURNMENT

Today's meeting adjourned at 12:45 p.m.

/sp

8-A)

**AIRPORT COMMISSION QUARTERLY MEETING DATES
FIRST FRIDAY OF THE QUARTER AT 9:30 A.M.**

2019

June 7, 2019

September 6, 2019

December 6, 2019

2020

January 3, 2020

April 3, 2020

July 10, 2020 (2nd Friday)

October 2, 2020