

**SPECIAL CALL AIRPORT COMMISSION MINUTES**  
**Thursday, April 30, 2020 – 9:30 a.m.**  
**City Hall, Council Chambers, Vero Beach, Florida**

**PRESENT:** Vice Chairman, Louis Vocelle (attending via website) Members: Arthur Hodge, Melvin Wood, Carole Jean Jordan, John Calcagno, Alternate Member #1, Mary Wood and Alternate Member #2, Carlos Halcomb **Also Present:** City Manager, Monte Falls; City Clerk, Tammy Bursick; City Attorney, John Turner and Deputy City Clerk, Sherri Philo

**1. CALL TO ORDER**

**DISCUSSION OF THE ATTACHED DRAFT RESOLUTION** – (The Resolution is subject to appropriate wording changes as developed at the meeting. A final Resolution will be recommended for adoption by the City Council at their May 5, 2020 meeting.)

Mr. Hodge called today's meeting to order at 9:30 a.m.

Mr. Hodge explained that the Commission will need to elect an Interim Chairman for today's meeting in that the Vice Chairman is unable to attend by "Zoom" due to technical difficulties, however he is watching the meeting.

**Mrs. Jordan nominated Mr. Arthur Hodge for Chairman Pro-tem. Mr. Wood seconded the nomination. There were no other nominations.**

**Mr. Arthur Hodge was elected Chairman Pro-tem 5-0 with Mrs. Wood voting yes, Mr. Calcagno yes, Mr. Wood yes, Mrs. Jordan yes and Mr. Hodge yes.**

**A) A Resolution of the City of Vero Beach, Florida, Establishing Rates and Charges for the Use of the Vero Beach Regional Airport by Airlines**

Mr. Hodge read the Resolution by title only.

Mr. Monte Falls, City Manager, explained that the purpose of today's meeting is to discuss the rates and resolutions going forward. The reason for this Resolution is because after the City terminated their agreement with the previous air carrier for breach of the agreement, staff wanted to ensure that they develop non-discriminatory policies for using the terminal facilities so that they are not jeopardizing any future grant funding to the Airport. Therefore, the City engaged the services of Mr. Peter Kirsch and Mr. Steven Osit of the law firm, Kaplan Kirsch Rockwell to assist staff in developing these rates and charges for the Airport and they have guided staff in the development of this Resolution. Mr. Falls reported that Mr. Osit is joining today's meeting by telephone and will walk the Commission through the Resolution.

Mr. John Turner, City Attorney, thanked the Commission members for their understanding and cooperation in taking time out of their schedule to appear for today's meeting with such a short notice because this is an important matter for the City and for the Airport. He reported that the

law firm the City retained is one (1) of the most preeminent firms in the field of airport law and have offices throughout the United States.

Mr. Wood asked with the Coronavirus affecting everyone, especially the Airport and their tenants, why do they have the urgency to hold this Special Call meeting.

Mr. Falls explained that staff has to have this Resolution, with the Commission's guidance, before the City Council at their May 5<sup>th</sup> meeting because there might be a scheduled commercial airline land at the Airport on Friday, May 8<sup>th</sup> so they have to have some rates and charges in place so they can set out what is required of the airline, what is required of the City, and how that will be handled when that flight arrives and then departs.

Mr. Wood asked can they reveal who that flight is.

Mr. Falls explained that it really doesn't matter because this is a non-discriminatory Resolution so all the rates and fees would apply to anyone who uses the facility. He reported that the airline scheduled to fly into the Airport on Friday, May 8<sup>th</sup> is Elite Airways and they also have some other flights scheduled on the following Saturday and Monday.

Mr. Wood asked is it their understanding that Elite Airways is going to maintain their schedule.

Mr. Falls said it is his understanding that they are going to use the Airport on some schedule. May 8<sup>th</sup> would be the earliest that they would use the facility so the City needs to have these rules, regulations, and charges in place prior to Elite Airways or any other airline that might want to use the facility.

Mr. Turner welcomed Mr. Osit to today's meeting.

Mr. Steve Osit, Attorney, said the draft Resolution would impose fundamental provisions on airlines that begins service and allows and licenses the use of what they are calling airline public use facilities, which are the sections of the terminal that are used by scheduled airlines, such as baggage claim and processing areas, as well as imposes a charge for the use of those facilities. He said that he is not going to walk through every aspect of the Resolution, but thinks fundamentally it creates two (2) categories of scheduled operators. The first category is a permitted carrier, which is a carrier that has fulfilled the prerequisites listed in Section 2.1, which is essentially ensuring that they don't have any past due debts and are not in default under any existing lease or contract with the City, and that they have satisfied the insurance requirements. They are also to post a drawing account, which is equal to approximately three (3) months of their anticipated rates and charges under this Resolution. He explained that if a carrier satisfies all of those prerequisites they will be issued a Letter of Authorization (LOA), which may be revoked for non-payment or if they are in violation of any other provisions of this Resolution. This gives the City some comfort about enforcing the insurance requirements, etc. It also gives the City the benefit of having that drawing account so that it is ensured of at least three (3) months of timely rates and charge payments. He briefly explained the way the rates and charges would be captured.

Mr. Turner asked Mr. Osit to highlight the importance of a carrier obtaining a LOA, as well as what happens to a carrier if the letter is revoked and they become a non-signatory carrier. Also, what the Airport can do with a non-signatory carrier in comparison with an airline that has a LOA. He asked that he also go over what protections the Airport would have.

Mr. Osit explained that the LOA is basically a contractual commitment from the airline to comply with all the terms of the Resolution and in exchange for receiving that contractual commitment, the City is getting, among other things, the drawing account, which is three (3) months of rent, rates, and charges due and the carrier is getting the benefit of reduced rates and charges because they would not be subject to the 30% premium and their monthly expenses would be capped at 35% of the City's incremental costs in providing airline services. In practical terms, the City would get that security of three (3) month's rent, rates, and charges so if there is an issue with the carrier, the City would deduct from the drawing account the rent, rates, and charges due each month and the City would send an accounting invoice to the airline and the airline would have the responsibility of replenishing the drawing account back to its original balance so the running balance would always have three (3) months of rent, rates, and charges. If a carrier should fail to replenish that amount within 30-days they would be in violation of the LOA, as well as the Resolution and their LOA may be revoked. If that occurs, then the carrier becomes a non-signatory carrier and will no longer have the benefit of the 35% cap and their rates and charges become subject to an additional 30% premium. If a non-signatory carrier does not pay those invoice amounts, then under Section 22 of the Resolution, the City would have the right to eject them from the airline common use facilities. That does not mean the City could prevent a non-signatory carrier from operating at the Airport. However, the City could prevent the airline from using the terminal facilities. In other words, a non-signatory carrier would be permitted to land, but the City would have the right to deny access to the terminal facilities.

Mr. Wood asked what is the liability of the City if they don't have a LOA.

Mr. Osit said it is clear to have the LOA in place, but the Resolution requires non-signatory carriers to carry proper insurance as well, even though the insurance requirements are also required by the Florida Department of Transportation (FDOT), which gives some protection. He explained that the Resolution is drafted in a way that by serving the Airport, the airline is committing to the indemnity and insurance requirements as specified in the Resolution.

Mr. Turner said then the LOA primarily gives the City protections and allows the City a means in which to make sure the use charges are covered and the City's expenses and costs are paid for on an ongoing basis.

Mr. Osit said that is correct.

Mr. Calcagno said the document appears very fair and equitable in a general business sense. He said in his opinion, what it is going to do financially is that those carriers who are financially stable will be allowed to come into Vero Beach and be able to afford it, which in this industry is a very small number of carriers, especially now in a post Covid-19 environment. He said it is going to be very difficult for the non brand name carriers because the smaller carriers are very

desperate for cash. He felt that this does match fairly as far as the cost with the service, which will force the airlines that want to come in here to raise prices substantially.

Mr. Halcomb asked will this Resolution replace previous lease and/or license agreements with airlines at the Airport.

Mr. Falls answered yes. He said the City had a specific agreement with Elite Airlines that has been terminated. This Resolution will establish rates, fees, and charges for any airline that comes into the Airport.

Mr. Halcomb said then any airline that meets the requirements of Section 2 can get an LOA from the Airport Director without going before the City Council for approval to operate.

Mr. Hodge thought that would have to be presented to the Finance Department before any agreement is reached.

Mr. Halcomb asked who would manage the drawing accounts for the Airport. He asked would it be the Airport or the Finance Department.

Mr. Falls said the way the Resolution is drafted, the Airport Director has the authority to issue the LOA. He said there is nothing that states that they couldn't change that to require endorsement by the City Council. Regarding the question regarding the drawing account, it would be the Finance Department who will monitor it and will be issuing the follow-up monthly invoices. He explained that the Finance Department would make the necessary withdrawal from the account, then they would notify and invoice the airline the amount and the airline will have 30-days to replenish the drawing account by the amount of the invoice and if not, they can be held in breach of the agreement.

Mrs. Jordan asked did Elite Airways ever pay the bills owed to the City.

Mr. Falls said to date the City has not received a payment. They have had discussions with Elite Airways in that if they are going to receive a LOA they would have to pay their past due debts. If they come in without a LOA they would be a non-signatory carrier and those rates would then be not only 30% higher, but they wouldn't be limited by the 35% of the common use charges.

Mrs. Jordan said it was stated that Elite Airways would be coming in within a few weeks. She asked is this in lieu of not paying the monies they owe the City.

Mr. Falls said staff has had discussions with Elite Airways and they have indicated that they would be seeking a LOA and making sure all the conditions were met.

Mrs. Wood said they would not have that LOA when they come in on Friday.

Mr. Falls explained that if Elite Airways satisfies all the conditions, which they have indicated they would prior to Friday, May 8<sup>th</sup>, then they would have the LOA. This means that they would

have to take care of any past due amounts owed and place three (3) months of operating expenses in the drawing account.

Mr. Turner asked the Commission members to direct their attention more to the proposal in front of them, rather than any particular airline. He said staff and counsel have focused on this point and he believes that is well covered and addressed in the rules and regulations.

Mrs. Jordan said that she feels very uncomfortable with this. She said the Commission members just received this information over the past 48 hours and she does have a lot of questions. She asked why are they not able to bring Elite Airways to the table to pay the bills that they owe the City.

Mr. Falls said Elite Airways stated that they intend to get a LOA before May 8<sup>th</sup>. If they don't then they would be a non-signatory carrier and the City would have the opportunity after the first invoice is sent and not paid, to use the remedies under Section 22, which the City currently does not have. So, if that happens the City would be able to eject that carrier from using the facilities at the terminal. They could still land, but the City would not have to make the terminal facilities available.

Mrs. Jordan asked didn't they have anything in the lease that would have allowed the City to collect these monies owed.

Mr. Turner said legally they can always pursue collection actions against anyone who owes the City money, but it takes time and is not always as successful as if they can establish a relationship based upon a drawing account in that if it doesn't occur, they do have options that they didn't have before.

Mrs. Jordan asked why haven't they been able to collect the money from Elite Airways that is owed to the City. She could not imagine doing business with someone who has not made them whole in the first place.

Mr. Hodge asked Mr. Turner when this Resolution was drafted, was outside counsel aware of the situation with Elite Airways.

Mr. Turner said Elite Airways has been an issue that the City has had to deal with. The whole point of the Resolution is to proceed with future dealings with any air carrier and make sure that the City has a method to protect its interest. He asked Mr. Osit to give a brief explanation as to where the authority or basis of why the City should proceed in this direction rather than pursuing any actions separately outside of the Airport itself.

Mr. Osit felt it was straight forward. He said there are three (3) methods for the Airport to charge airlines for the use of facilities, which are by an agreement, by an Ordinance or by a Resolution. If you have a carrier that does not have an active agreement with the City, then that needs an Ordinance or Resolution in order to impose charges on the airline facilities at the Airport. When the prior agreement with Elite Airways was terminated, it was determined that the City did not have rates and charges imposed by Resolution or Ordinance on carriers so

developing this Resolution protects the City and allows the City the ability to charge airlines for the use of the facilities and it provides incentives for carriers to enter into a short form agreement through the LOA. As far as proceeding in this fashion as opposed to taking other remedies, Mr. Turner said it best in that taking other action is a lengthy process and could be an expensive process. The way this Resolution is set up is that there is substantial incentive for carriers to cover any arrears that they have accumulated in order to be issued a LOA and have the cap on their rates and charges going forward. If they did not, then they would be a non-signatory carrier and would accumulate rates and charges at a faster rate and ultimately be subject to an ejection of the use of the facilities if they did not fulfil their obligations under the Resolution.

Mr. Falls said if a non-signatory carrier has any previous debts, there is no way to address that other than the LOA. If they had a non-signatory carrier that came into the Airport and had debts in arrears, the City would then go to collections on those debts since they didn't have any other way to do that. This Resolution is giving the City protection going forward in that the only way for that protection to be remedied is for them to become a permitted carrier and enjoy the lower rates and capped common use charges.

Mr. Wood said that he supports Mrs. Jordan and her comments. The Commission is being asked to perform a rushed judgement. They have not had adequate time to look at this and if he understands it correctly, this is prompted primarily because Elite Airways is going to land here in a few days. He asked why. He asked are they going to carry passengers to come in or are they just going to land their aircraft here.

Mr. Falls said Elite Airways indicated to staff that they have scheduled service that would be out of Vero Beach on May 8<sup>th</sup> and other scheduled service in and out on May 9<sup>th</sup> and on that following Monday.

Mrs. Jordan asked wasn't their contract cancelled by the City Council.

Mr. Turner said the use agreement that was in existence that was signed and agreed to in January of this year has been terminated and no longer exists. If Elite Airways or any other carrier is going to use Airport facilities, in order to protect the City, they need something in place to make sure all costs and expenses will be addressed, whether it is one air carrier or another air carrier. When they apply and get a LOA, they agree to these terms. He said as far as costs, the City did not have any type of a draw account or a deposit requirement that they do have in this Resolution, which allows for protection of the City's interest that they didn't have before.

Mr. Falls said that he made those same comments when they first started working on this and the risk they run by not having this type of an agreement is if they have any commercial carrier that has scheduled service that they deny use of the Airport facilities, they could jeopardize future Federal grant funding going forward. This is being proposed to protect the City going forward and to protect the City of what has happened in the past.

Mr. Wood asked are they under threat of litigation from Elite Airlines.

Mr. Turner answered no. They have not served any notice to the City, although they have had discussions about the process.

Mr. Wood asked isn't it the responsibility of the Airport Director to vet any airline coming in without this Resolution.

Mr. Turner explained that there are limitations on what an airport can do in that regard. However even though it is for use for the general public, the issue is to protect the City's property, its assets, etc. But, as far as the runways and taxiways so they are subject to Federal regulation. They are going to regulate what the City can regulate, not what the Federal government will do. It is important that they keep that distinction in mind. This Resolution is to protect the property that the City controls, not the Federal government.

Mr. Hodge said they are here today to discuss this Resolution. He felt it was well written and long overdue. However, the Commission does have reservations. He asked has Elite Airways sold seats for their flight on May 8<sup>th</sup>.

Mr. Turner said they can only go by what Elite Airways has said.

Mrs. Jordan said there are facilities that have to be available for an air carrier to come here. She asked is Transportation Security Clearance (TSA) available.

Mr. Turner said TSA is a different issue.

Mrs. Jordan asked doesn't the Airport pay the fees for TSA.

Mr. Turner said they do have costs involved with TSA.

Mr. Falls said TSA is a separate issue. They make their own decisions and right now they still have facilities available at the Airport. If TSA were to choose not to have their facilities here, the air carrier could not have passengers board or deplane.

Mr. Hodge asked will this Resolution be presented to the City Council on May 5<sup>th</sup> no matter what the Commission does.

Mr. Falls said if they don't have an agreement by the next time a scheduled service comes in, they have no way to charge anyone for using the facility.

Mrs. Wood said that she has a number of questions.

Mr. Falls apologized for the short notice. He explained that staff was given a date on when they could expect scheduled service to come in so they have been working feverously to try to have an agreement that protects the City in the eventuality that happens. He suggested that if the Commission members have specific questions, that they ask them now while they have Mr. Osit on the telephone.

Mrs. Wood referred to page one (1), of the proposed Resolution where it states, “*Whereas, the City incurs certain incremental costs in order to ensure the availability of the Airport and Terminal for use by Airlines for Scheduled Operations.*” She asked that they add to the end of the sentence, “*as well as ensuring other operations approved by the City.*”

Mr. Osit felt that the “whereas” clause was intended to reflect the fact that this Resolution is to pass on the City’s costs of providing services to airlines providing scheduled operations to those airlines. It does not address activities by other operators.

Mrs. Wood referred to the next sentence where it states, “*Whereas, the City desires to implement, by resolution, reasonable and not unjustly discriminatory rates and charges for use of the terminal by Airlines conducting Scheduled Operations, in order to recover the aforementioned incremental costs.*” She suggested that they add after “terminal,” “*as well as airline airside areas and airline common use facilities.*” She explained that this will make it so that it encompasses the entire area, such as ramp space, common use facility areas, etc.

Mr. Osit said they have “terminal” defined as a commercial terminal building at the Airport. He felt that was a good concern and suggested that they state that the terminal specifically includes aircraft parking, the apron, and the airline common use facilities. He said Mrs. Wood also mentioned airfield in her comments. He noted that this Resolution does not impose rates and charges on the use of the airfield.

Mr. Turner said they would amend the definition of “terminal” to include ramp spaces and other facilities.

Mrs. Wood referred to page three (3), Section 1.26 – Revenue Aircraft Arrival. She said the way this is written is that it is implying this definition to a non-scheduled carrier and permitted carrier. She felt the title should be, “Permitted Carrier Revenue Aircraft Arrival” and that they should change the word “aircraft” within this section to “*permitted carrier aircraft.*”

Ms. Osit explained that the revenue aircraft arrival applies to all airlines, both primitive carriers and non-signatory carriers because that is the basis on which the common use charge is calculated.

Mrs. Wood said then they don’t need that change.

Mrs. Wood referred to page four (4), Section 2 – Letters of Authorization. She said that she would like to add four (4) more sections to the list (2.1.1 through 2.1.5). She would like to add *Section 2.1.6, Airline to provide documentation that they are not delinquent at other airport facilities.*

Mr. Osit said a carrier might have legitimate reasons for being delinquent at another airport so they would have to consider how they phrase that requirement.

Mrs. Wood asked that they at least put the City on notice that they are delinquent.

Mr. Turner suggested the wording, “*disclosure of other amounts due to other airport facilities.*”

Mrs. Wood agreed.

Mr. Osit said the notice requirement is reasonable.

Mrs. Wood said that she would like to add *Section 2.1.7, provide a current financial statement prepared by an independent certified accountant with a non-refundable \$500 application submission fee.* She explained that this would be an application fee for a LOA.

At this time, Ms. Cindy Lawson, Finance Director, entered the meeting. She explained that regarding the last change, if you have someone disclose their financial statements to you and they are privately held companies, there could be issues with them either not wanting to do it or there are public record problems because once they give her the information there is limited basis by which she could not disclose it to others. She said if they look further in the agreement, they will see an entire section stating that the City has the right to audit their books and records depending on how the City feels about the information provided.

Mrs. Wood withdrew that part of the request, but questioned the suggested application fee.

Mr. Falls felt they should look at this as a general agreement. If they want a carrier to come to the Airport and they are going to have a three (3) month drawing account, the administrative cost of reviewing a LOA is minimal compared to what they are talking about. He said that he is not opposed to a fee, he is just bringing up this point for discussion.

Mr. Osit said a reasonable application fee is acceptable, but it should be a reasonable fee in light of the burden to the City.

Mr. Halcomb asked is it common at other airports to have a fee associated with an application.

Mr. Osit answered no.

Mr. Turner suggested that staff address this after the meeting to determine what might be a reasonable fee.

Mr. Osit stated that the best course for both the airline and the City is for a carrier interested in service the Airport to become a permitted carrier. He would recommend that the City Council not adopt any barriers in receiving a LOA that would make it less attractive for a carrier.

Mrs. Wood said that she would like to add *Section 2.1.8 – Provide a current list of key personnel and contact information sheet.*

Mr. Osit thought that was fine. He noted that Section 2.1 is intended as a bunch of formal prerequisites and thinks there is some discretion for the Airport Director. He said they could add a requirement that a formal contact needs to be submitted.

Mrs. Wood said the last item she would like to add is *Section 2.1.9 – Provide a list of assets owned, leased or being purchased by the Airline which will be utilized at the Airport. This is to include, but not limited to aircraft, auxiliary and ground support equipment.*

Mr. Osit said similar to the financial statement, he thinks it is okay to ask for that information if they have something they are going to do with it. They will not be able to approve or deny use of the Airport by a particular aircraft or the status.

Mrs. Wood said when an airline comes in and wants a LOA, if the City has this information prior to their arrival, at least they know what is coming in.

Mr. Osit did not know if the LOA is the place to do this. He said it does make sense to add somewhere in the Resolution a requirement that an airline submit some of that scheduled data in advance, if for no other reason than because they need to let TSA know to ensure sufficient staffing.

Mrs. Wood referred to page eight (8), Section 4.5. She suggested that they add to the end of this item, *the airline is required to maintain its upkeep with no interference to other airport operations. The City can require an Airline to renovate or remove if not properly maintained.*

Mr. Osit said he thought that was addressed in another provision in the Resolution, but they will review it and if is not addressed then they will add it to Section 4.5.

Mr. Wood said it seems like everything they are talking about today has been driven by the airline coming in on May 8<sup>th</sup>. He asked why can't we ask them to delay their arrival here until after their normal Airport Commission meeting and City Council meeting.

Mr. Osit said ultimately the airline is entitled to resume service when they want to resume service. He did not know what is driving Elite Airways decision. He said a possibility could be that they received Federal funds under the CARES Act, which would require them to resume service.

Mrs. Jordan said they currently have Fixed Base Operators (FBOs) at the Airport who she is sure are struggling. She asked does this in any way adversely affect their operations.

Mr. Falls explained that this agreement is only for scheduled air service and does not affect any FBOs and the way they conduct their business.

Mr. Wood asked will the fact that this Resolution allows the airline to come in on May 8<sup>th</sup>, affect the 80/20 versus 50/50 in grant funding.

Mr. Falls answered yes. He explained that if they are having scheduled commercial service and are deemed a commercial service airport with those enplanement limits, they would have to pursue legislative relief.

Mr. Hodge said the Commission is faced with two (2) main questions, which is Elite Airways and the other is the timing. He asked what are the consequences of the Commission not making a decision today or deciding not to accept this Resolution as written.

Mr. Falls said if they don't have an agreement in place, a scheduled commercial service could still land if they give notice and TSA is notified.

Mr. Osit said that is correct. He explained that an airline would still be permitted to land and use the facilities. He said the City wouldn't have any basis to charge for the use of the facilities until a Resolution was adopted. The City also would not have an agreement or Resolution in place requiring that a carrier provide sufficient insurance or indemnification of the City if there were to be an incident.

At 10:55 a.m., the Commission took a 10-minute recess and reconvened at 11:07 a.m.

Mr. Hodge reported that Mr. Vocelle is not physically present for today's meeting, but is watching the meeting on-line and has emailed the City Clerk a few comments, which the Deputy City Clerk will read into the record.

Mr. Falls reported that the City is still limited on the number of people allowed in the Council Chambers by the Governor's Stay Safe at Home Order so the Airport Director and the Assistant Airport Director are in the building watching the meeting and are available to join the meeting to answer any questions of the Commission members.

At this time, Ms. Sherri Philo, Deputy City Clerk, read into the record Mr. Vocelle's comments (attached to the original minutes).

Mrs. Jordan said because of this short time frame that she has been able to work on this, she is going to put all her confidence in Mr. Osit. She said the Commission appreciates all the work he has done on this. He is obviously a professional in this field and the Commission is going to have to put their faith in him, Mr. Falls, and Mr. Turner. It was stated that they have to have this Resolution to protect the City and she believes that. She is confident that they will look out for the Airport's best interest.

Mr. Osit said that he is comfortable that this is a good solid Resolution that protects the City's interest.

Mr. Wood asked will this Resolution enhance the City in any way to recover any of the loses they have incurred in the past.

Mr. Falls said to the extent that the previous carrier, Elite Airways, becomes a permitted carrier then that obligation would have to be satisfied. Should Elite Airways choose not to be in the permitted carrier status and operate under the non-signatory carrier, it would not enhance the collection, but if they chose that the City would then go to collection proceedings. He felt the distinction between those two (2) categories of carriers has such an onerous difference that

anyone serious about being a carrier would be a permitted carrier. It would behoove them to be a permitted carrier with the LOA.

Mr. Hodge explained that this is a Special Call meeting on the Resolution and would take public comments regarding the Resolution only.

Mr. Don Loucks asked Mr. Osit to explain Section 9.1 of the Resolution. He felt there was a lot of reporting requirements that would require an extensive amount of time from the air carrier and he did not see the necessity of all of it. He asked is there some reason to have all this information, such as, the total number of enplaning and deplaning passengers, the total weight of freight, mail, and other cargo, etc.

Mr. Turner said that Mr. Loucks had a previous version of the Resolution because that has been addressed.

The Airport Commission noted that they have the same version of the Resolution.

Mr. Osit said this Section now states, *“The monthly report shall include airline’s and in the case of a permitted carrier its affiliate’s total number of revenue aircraft arrivals at the Airport and any other information deemed appropriate by the Director to carry out this Resolution or as necessary to calculate or collect any fees or charges.”*

Mr. Loucks asked how the passenger facility charges operate (referring to the total number on enplaning and deplaning passengers). He asked would there be a way to include requiring a permitted carrier to apply for, with Florida Aviation Administration (FAA) and to participate in ticketing for the Passenger Facility Charge (PFC).

Mr. Osit explained that the PFC program is an exception to a general rule that prohibits the City from imposing a per head charge on the traveling public. What the program allows the City to do is to make an application to the FAA to impose a PFC, which is collected by the airline and remitted to the City. He explained that PFC’s can only be used for certain projects that need to be approved by the FAA, but once that application process is complete then all airlines selling tickets to passengers enplaning at the Airport would collect the PFC and remit it to the City on a monthly basis. If the City were to apply for and obtain a PFC then all carriers would be required to pay it, whether they were a permitted carrier or a non-signatory carrier.

Mr. Loucks said then the City is the one who has to make the application. He said it seems to him that in the past four (4) years the City has had air carrier service, according to the number of enplanements that the FAA reports, the City would have benefited by \$154,000 over that four (4) year period that would go into an FAA account, which would be distributed back to the Airport for infrastructure improvements, etc.

Mr. Turner felt they were going outside the purpose of today’s meeting. He said that is something they could discuss at a different time.

Mr. Loucks did not agree. He said the Airport is under considerable stress for revenue and the grant situation has caused some great difficulties. He said the PFC is a way to get funds back into the Airport. He said this is really significant and important because everyone wants to have air service at the Airport.

Mr. Osit explained that the Resolution does not impact the City's ability to impose a PFC.

Mr. Loucks asked could the City require that the participating air carrier pay for the application.

Mr. Osit said that he would look into it and follow up with Mr. Turner and Mr. Falls concerning that.

Mr. Falls handed out to the Commission members the latest version of the Resolution (attached to the original minutes).

Mr. Osit briefly went over the changes with the Commission members.

Mr. Hodge closed public comments at 11:32 a.m., with no one else wishing to be heard.

Mr. Hodge asked that the Assistant Airport Director join today's meeting.

Mr. Hodge said it is mind boggling the work that went into preparing this Resolution. He said this was long overdue and it should have been addressed many years ago. He asked the Commission members for the purpose of the vote today that they separate the idea of this Resolution from what appears to be on the horizon.

At 11:34 a.m., Mr. Todd Scher, Assistant Airport Director, entered the meeting.

Mr. Hodge asked what part did Airport staff have in preparing this Resolution.

Mr. Scher reported that they were provided drafts of the Resolution as they were made available. Any comments they had during the process had already been addressed by the attorneys. They didn't have a lot of "hands on," but they could see that any questions they had were being addressed by the attorneys.

Mrs. Wood asked since their last review of the Resolution, has either he or Mr. Menger had any thoughts of any other changes that should be made.

Mr. Scher said that he could not speak for Mr. Menger, but in their conversations he felt they were both on the same page where they think this document was well done, that it accomplishes what it needs to accomplish, it is something that is definitely needed, and everything that needs to be addressed is addressed.

At this time, Mr. Scher excused himself from today's meeting and Mr. Eric Menger, Airport Director, entered.

Mr. Menger said that he agrees with Mr. Scher's statements. He felt the Airport Commission should move to approve the Resolution so it can be moved forward to the City Council for adoption because he thinks it will protect the City.

Mr. Turner asked the Commission members to approve the Resolution to be moved forward to the City Council.

Mr. Hodge said the motion would be to approve this Resolution with the changes just given to them and the changes suggested to the outside counsel.

**Mrs. Jordan made a motion to approve the Resolution as amended and corrected and with all the changes made during today's meeting. Mr. Wood seconded the motion and it passed 5-0 with Mrs. Wood voting yes, Mr. Calcagno yes, Mr. Wood yes, Mrs. Jordan yes and Mr. Hodge yes.**

Mrs. Wood referred to the comments made regarding the PFC. She said if they go ahead with a PFC, it might change the way FAA funding occurs due to the number of enplanements registered with the FAA.

Mr. Falls suggested they put the PFC issue as an item for discussion on their next Airport Commission agenda. The Commission members agreed.

## **2. PUBLIC COMMENT**

None

## **3. ADJOURNMENT**

Today's meeting adjourned at 11:46 a.m.

The meeting reconvened at 11:49 a.m., for the purpose of presenting Mr. Eric Menger a Proclamation for his service to the City and wishing him a happy retirement.

Mrs. Jordan read and presented Mr. Menger with the Proclamation wishing him a happy retirement.

Today's meeting adjourned at 11:52 a.m.

/sp