

AGENDA ITEM NO. 5

SARASOTA MANATEE AIRPORT AUTHORITY
MINUTES - SPECIAL MEETING
October 19, 2020 – 10:00 A.M.
DMA East, 1st floor terminal

Those Present:

John Stafford, Vice Chairman
Commissioner Carlos Beruff
Commissioner Bob Spencer
Commissioner Peter A. Wish
Fredrick J. Piccolo, President, Chief Executive Officer
C. Dan Bailey, Jr., Airport Counsel
Mark Stuckey, Exec. VP, Chief of Staff
Kent Bontrager, Sr. VP, Engineering & Facilities
Anita Eldridge, Sr VP, Finance & Administration
Kimberly Steele, Technical Support Specialist, IT
Karen Garofalo, Executive Assistant – SMAA

Those Absent:

Kristin Incrocci, Chairman
Doug Holder, Secretary

1. **Call to Order.**

Vice Chairman John Stafford called the Special Meeting to order at 10:00 a.m. Commissioner Beruff led the pledge of allegiance to the flag.

Mr. Bailey reviewed Ch. 2020-167 (HB 915) of the Florida Statutes that became effective October 1, 2020 that poses transparency obligations on the governing board of commercial service airports and effects Item No. 3 of today's agenda. Item No. 3, Approval of Construction contract award for the SRQ Hangar Project exceeds \$325,000. The new statute requires this type of item appear as a separate line item on the agenda, and additionally, the public must be given an opportunity to address that item as comments from the public. He will follow up with an email to all Commissioners advising of the new statute requirement. (See page 3 of Minutes, Chapter 2020-167 Discussion)

2. **Open to the Public: Time reserved for Comments on Item 3 of today's Agenda**
(See Item 3)

3. **Approval: BID-06-2020-SMH Construction of the SRQ Maintenance Hangars Project (Manatee Technical College Facilities)**

Mr. Piccolo requested approval of the construction contract award to Bades Construction for the SRQ Maintenance Hangar Project. The Airport, Cirrus Aviation and Manatee Technical College (MTC) each secured partial funding through a Development of Economic Opportunity (DEO) grant to design and construct a maintenance hangar and an airframe and powerplant (A&P) School. Due to COVID, Cirrus Aviation and MTC need additional time to secure additional funding. The airport secured a \$3 Million grant from the DEO, which must be expended by July 1, 2021. Therefore, we would like to move ahead with the construction to expend the funds and maintain another month of construction time by not waiting until the November meeting for approval. Fourteen bids were received on October 7 for the project, with the low, responsive bid submitted by Bades Construction for \$3,739,750.83 for the base bid and \$14,935,275.83 for the base bid plus additive alternate number one. MTC would like to continue to move forward and present before the Manatee School Board to receive full funding approval of \$9 Million within the next four months and commence construction under their own project.

The design is completed and fully paid through the DEO grant. The Airport will do sitework for both the SRQ Hangar and MTC hangar with DEO grant funds. Mr. Piccolo noted that if funding is not available for the hangars, we foresee no issues in leasing those hangars. The Airport has received a 50/50 grant from FDOT for the sitework. Mr. Piccolo answered questions on the time frame for MTC to move on with the project and advised we will continue to market the site to move forward if necessary. He stated MTC believes it will take four months to get their full approval and funding and commence construction in eight months. Our goal is to bring a lease already approved by Manatee County to the Board in January. Following questions, the Board reviewed an aerial map of the location of the project on airport property. Mr. Piccolo advised that there would be two hangars at 25,000 sq. ft., plus 20,000 sq. ft. of classroom facilities, with the design already completed.

MOTION: Commissioner Beruff moved to authorize the Chairman to execute a construction contract with Bandes Construction, pending receipt of grant from FDOT, for the project in the amount up to \$3,739,750.83 with a 10% contingency for a total budget of \$4,113,725.00. Commissioner Wish seconded. **MOTION PASSED UNANIMOUSLY (4-0).**

OPEN TO PUBLIC: Ms. Wendy Heath, E & L Construction Group, Inc. addressed Item No. 3, Construction of the SRQ Maintenance Hangars Project and stated that E & L Construction Group was the low bidder on the hangar plus alternative bid. She questioned if the discussion now is doing the base bid plus some of the alternate bid as it includes the sitework for the school. Mr. Piccolo stated that the sitework was already included in the base bid. It will be up to MTC to either rebid or do the alternate totally separate. Mr. Piccolo explained that E & L was low bidder for the entire project, with Bandes the low bidder for base bid only. As we decided to move ahead with the base bid only, the bid went to Bandes as low bidder. Mr. Piccolo thanked Ms. Heath for her comments.

4. **Miscellaneous Matters**

Approval: SMAA Resolution 2020-07 Policy for FY 2021-2022 Air Carrier Incentive Program

Mr. Piccolo requested approval of Resolution 2020-07 Policy for FY 2021-2022 Air Carrier Incentive Program (ACIP) to attract increased commercial flight activity at the airport. He advised that since approval of Resolution 2019-02 in January of 2019, multiple airlines have qualified for fee waivers and marketing funds by adding new nonstop service. Staff would like to extend the ACIP until October 18, 2022 and establish additional appropriation of \$750,000 to the \$820,150.10 remaining in the ACIP. Mr. Piccolo reviewed the state of SRQ and surrounding airports due to COVID 19 and stated that we are in a much better financial position than other airports, we have tremendous flexibility and far more strategic advantage, and have the ability to attract more service and bring back existing service. The airlines are looking closer at leisure markets because of COVID 19 restrictions and see long term stability, rate reduction and a great leisure market at SRQ. He noted that we budgeted FY21 at 50% revenue but if our numbers continue to increase as they have, we will be far ahead from that standpoint. Mr. Stuckey stated that July and August traffic numbers are up 43%, September 53%, and we expect October to be up 60% to 63%. We have taken advantage of the air carriers wanting to operate into a leisure destination as JetBlue adds Newark service, and United added two times daily to Dulles. Mr. Piccolo noted that last Saturday we had 90% in passengers from last year on the same date, which is phenomenal considering the effects of Covid 19. Mr. Stuckey

noted the marketing dollars in the ACIP are matched by both the Bradenton CVB and Visit Sarasota, which doubles the amount we can offer. Last year the airport added \$1.3 Million, Visit Sarasota \$600,000 and Bradenton CVB \$575,000 to market the airlines that qualified for the incentive program.

Mr. Piccolo advised that he is in discussions with the four signatory carriers regarding forgiveness of rents in return for extensions on their agreements and other options and hopes to have new agreements to bring to the Board at the January 2021 meeting. There were questions on contact with other air service carriers. Mr. Piccolo advised that we continue to be in contact with many carriers.

MOTION: Commissioner Beruff moved to approve Resolution 2020-07, Sarasota Manatee Airport Authority Air Carrier incentive Program, funded from unrestricted funds for \$750,000 dollars for promotion of additional domestic and international air service at SRQ; it is furthermore recommend that the Public Hearing requirement contained in the Authority by-laws is waived in this instance. Commissioner Spencer seconded. **MOTION PASSED UNANIMOUSLY (4-0).**

Chapter 2020-167 Discussion

Mr. Bailey advised that Ch. 2020-167 (HB 915) s. 332.0075, of the Florida Statutes, as discussed earlier in the meeting (see page 1 following Call to Order) was in response to the controversial award of a contract to a bridge contractor at Miami International Airport, after that contractor had earlier constructed a bridge that collapsed. The new law seeks greater transparency and accountability by airports in awarding contracts. It requires the posting of certain information on an airport's website and imposes obligations of the governing body to include all published notices of meetings and agendas, official minutes and the budget within seven days of adoption by the Board. Links to Airport Master Plans, financial statistical reports filed with the FAA, and any contract for procurement of services over \$65,000, with redaction of any confidential information. Additionally, posting on website all airport positions and salary information (positions only, no names of employees). Historically, as a Special District of the State, we have not been required to comply with Chapter 287 for the purchase of commodities and contractual services, but we have our own Purchasing Policy that basically mirrors Chapter 287. Although going forward we must comply with this particular statute. As we have done today, we must show any contract over \$65,000 as a separate item on the agenda and must include Public Comments. We will review our fairly extensive contracts to see how we can comply.

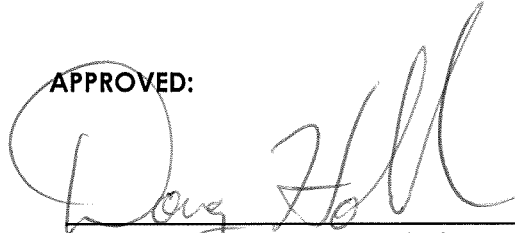
Additionally, beginning January 1, 2021, each member of the government body must complete four hours of ethics training each calendar year, which will include Code of Ethics and Sunshine Public Records requirements. We have one year to accomplish the program and Mr. Bailey will get back to the Board when we have established an adaptable program to ensure the Board's compliance.

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Adjournment

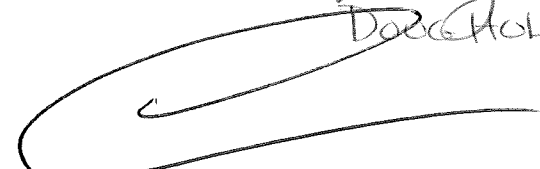
There was no further business to come before the Authority. The meeting adjourned at 10:31 a.m.

APPROVED:



DOUG HOLDER, Chairman

ATTEST:



CARLOS BERUFF, Secretary