

Zephyrhills Municipal Airport Authority **Regular Meeting**

A Regular Airport Authority Meeting was held on **Thursday January 19th**, at **5:30 p.m.** in the Robert H. Johnson Council Chambers of the Municipal Building.

Secretary, Rachel Nash, called the meeting to order at 5:41 p.m. Roll call was taken. Present were members Rachel Nash, Larry Lynch, Juan Vega and James Spears. Chair Person Dan Evans was absent.

Staff present were Interim Airport Manager Nathan Coleman, City Manager James Drumm, Planning Director Todd VandeBerg and Airport Administrative Assistant Lucy Huber.

Council President Jodi Wilkeson was present at the meeting.

AVCON representative Jim Kriss also attended the meeting.

The Pledge of Allegiance followed roll call.

Approval/Correction of Minutes

Juan Vega moved to approve the minutes of the December 19th Regular meeting as presented. James Spears seconded and all were in favor. Motion passed unanimously. Mr. Drumm did note that under "Business Items" Todd VandeBerg was referenced as representing Mr. Marcus Price. In fact Mr. Price attended the meeting and spoke for himself and Mr. VandeBerg represented the City.

Business Items

1. Consider request by Planning Director, Todd Vandeberg and business owner Marcus Price, to purchase the old Zephyr Development building, (now Zhills Airport, LLC). AA recommendation before making request to FAA for release of property.

City Manager James Drumm addressed the board. The City of Zephyrhills is working on economic development which includes drawing new businesses into the City, but also working to retain and possibly expand current businesses. One such current local business is Goin Postal. Mr. Drumm advised the Authority that Goin Postal owner Marcus Price is interested in purchasing a piece of Airport industrial park property rather than leasing it. Historically the City has released property to businesses at the Airport. He advised that the Authority would have to weigh out the pros and cons of such a purchase as they make their recommendation.

Planning Director Todd VandeBerg addressed the Airport Authority regarding the possible purchase of the Airport property currently leased by Zhills Airport, LLC. This piece of property would best suit the current and future business needs of Mr. Price. Although this property is owned by the City it would require the approval of the FAA before it

Page 2

January 19th, 2012

Regular Airport Authority Meeting

could be sold. There has been discussion with the FAA regarding this potential sale. There were photos of the subject property provided for the Authorities review. At this time Zhills LLC. lease rate is \$1,433.33 per month for the land only. The lease is good until 2041. If the City is to consider this sale, a professional appraisal would have to be done to establish fair market value. Assistant City Planner, RJ Keech provided a potential financial analysis of the property and building for the Authorities review. The official value of the building has not been determined as of yet, but in the current condition the value would be minimal at the time of the lease expiration. The total Approximate Value of the land and lease is estimated to be \$139,484.33. The official Market Value is yet to be determined.

With this sale there would be indirect financial impacts to the city as well, such as the possibility of 20 plus new jobs with multiplier effects on the local economy. Also, private property will increase ad valorem to the City. Other positive impacts could include the potential to improve the property and cleanup the gateway to the airport area. New signage and landscaping was mentioned. The City would gain a signature Zephyrhills company in the airport area but lose control of the land and cash flow, and land for potential airport expansion.

The subject of future runway expansion or airport expansion was brought up at this time. Juan Vega asked about the Master Plan for the Airport. The subject property and land surrounding it has been designated for light industrial purposes. There are several properties surrounding the subject property, including the City Yard, which are used for this purpose and characterize the Northwest side of the airfield.

Mr. Marcus Price addressed the Airport Authority informing them of his desire to keep his business in Zephyrhills. As his business is expanding the purchase of the subject property would be the best option available in the City. He explained to the Board why purchasing the property, rather than leasing long term, would better suit his business needs. Mr. Price did agree that appropriate deed restrictions could be implemented at the time of the sale.

AVCON representative Jim Kriss addressed the Board. He confirmed the subject property is destined to be industrial. The Airport should have the option to make sure the purchaser agrees to retain the industrial character of the area. Jim Spears asked if the sale of the subject property would cause a land lock. Mr. Kriss assured the Board that it would not. Mr. Larry Lynch asked who owns the "old load and un-load" area located near the railroad tracks. Mr. Kriss replied that the specifics of that property would be in the upcoming Airport Layout Plan (ALP)

PAGE 3
JANUARY 19TH, 2012
REGULAR AIRPORT AUTHORITY MEETING

Council President Jodi Wilkeson of 5816 18th St. Zephyrhills addressed the Authority. In Mrs. Wilkeson's opinion as a citizen, the proposal by Mr. Price to purchase the subject property would not be inconsistent with the pattern of development established in this area.

Jim Spears asked if the selling off of pieces of Airport property in any way may affect the future receiving of grant money, either State or Federal funds. Jim Kriss replied that this piece of land is not intrical to the future development of the Airport.

Juan Vega moved to recommend the sale of the property subject to use restrictions, an Agreeable 1st Right of Refusal and subject to FAA approval. Seconded by Larry Lynch. Rachel Nash abstained from the vote (Form 8B was filed) stating a conflict of interest as she works for Bill Nye, owner of the Real-estate company handling the potential sale of subject property. Vote was taken on the motion and passed 3-0.

Rachel Nash asked where the allocated funds from the sale would be going. Mr. Drumm stated that the funds would go in to the Airport fund for allocation. The Authority Board would like to look at the professional appraisal done on the subject property when they become available.

At this point Board member Juan Vega recommended highly that the Airport does not continue to sell parcels of Airport properties without having an updated Master Plan with which to base their decisions as to the future development of the Airport. Mr. Kriss did note that there is a current Airport Layout Plan available for review and that AVCON is currently working on an updated A.L.P.

2. Consider accepting supplemental JPA # 40486719401, contract # A0J69, for \$350,000.00 from the FDOT. This is in reference to the continuing security fencing project. This project is funded 100%.

Larry Lynch moved to accept the supplemental JPA. James Spears seconded. Motion passed unanimously.

INFORMATIONAL ITEMS:

1. The resignation of Arjay Morgan from the Airport Authority was noted. Arjay will be missed as a member of the Board. He begins a new job with the Tampa Tribune.

Page 4

January 19th, 2012

Regular Airport Authority Meeting

2. Fuel sales were reviewed and no action was taken.

OTHER BUSINESS:

Board member Rachel Nash requested that Airport Authority meeting minutes be sent out to the Airport Authority prior to the meeting for the boards review.

City Council President Jodi Wilkeson asked for a follow-up on the status of the AeroCenter discussion from the December 19th Airport Authority Meeting. Nathan Coleman said that the business that wanted to lease space in the AeroCenter moved their business to Michigan because we were unable to accommodate them in the time frame they had available. Nathan said a copy of the Minimum Standards will be sent out to each member of the Airport Authority for their review. A future meeting will be held to discuss suggestions to draw in more businesses and make possible changes to the minimum standards.

MEETING ADJOURNED:

Rachel Nash adjourned the meeting at 6:57p.m.