

**Airport Advisory Board Minutes**  
**May 9, 2019 5:30pm**  
**Airport Administration Building**  
**8807 Airport Boulevard Leesburg, Florida**

Attendance:           Mark Crawford  
                          Byron Oldham  
                          Alan Reisman  
                          Bo Wroten

**8807 Call to Order**

Chairman Alan Reisman called the meeting to order at 5:30pm. Bo Wroten gave the invocation and led the Pledge of Allegiance.

**Approval of Minutes from March 14, 2019 Meeting**

Byron Oldham made a motion to approve the minutes from the March 14, 2019 meeting. Bo Wroten seconded the motion and it was approved unanimously.

**Lease Agreement with BHI Properties of Central Florida, LLC for hangar at 32720 Echo Drive**

Chairman Reisman advised he must abstain from voting on this item as he has a conflict of interest. He will be happy to answer any questions the Board members may have.

Airport Manager (AM) Dean said this agreement is for the hangar that is located closest to the air traffic control tower that was previously leased by C-Wings. The hangar was appraised and a Request for Offers (RFO) was advertised.

Offers were received from the following:

- BHI Properties of Central Florida. LLC
- Bridges Aviation, LLC
- First Class Aerospace
- County Materials

AM Dean advised that she and City Manager Al Minner reviewed the offers and determined that the submittal from BHI was the highest and best use.

The proposed lease agreement is nearly identical to the last agreement with BHI. It has a 20-year term with two 5-year renewal options. The land is leased at \$.16 per square foot and the building will be purchased outright for \$60,000. The land lease is subject to CPI increases.

Byron Oldham asked for confirmation that this is the hangar that is in really rough shape. AM Dean said this is correct. She spoke to the Board several months ago about possibly demolishing the building but the Board suggested she find out if there was any demand for the building before that was done.

Mark Crawford asked what improvements BHI plans to make to the building. Chairman Reisman said they will repair the roof and skylights, close off or remove the illegal mezzanine and do other repairs similar to what they did with the hangar they bought last year. It is spelled out in the lease.

Byron Oldham asked what the market value would be if the hangar was demo'd. AM Dean said the tenant would only pay the land lease and they would have to build a new structure at their own expense. The last several appraisals have said that \$.16 per square foot is a fair rate for the land. That rate is not negotiable and is all someone would pay if there was not a building on the site.

Byron Oldham asked AM Dean for the pros and cons of the offers received. AM Dean said if considering money alone, BHI offered \$5,000 more than the next highest offer. With regards to use, everyone is familiar with BHI. First Class Aerospace does aircraft interiors. They are currently on the field in a shared space with Flying Colors. They must go to the customer's location now because they do not have room in their space to bring an aircraft in. In the short term they need more room for their interior business. In the long term they want more room to set up an EPA approved paint booth so they can accommodate jets. Bridges Aviation wants to use it for aircraft storage with the hope of eventually opening a part 135 charter operation. Their timeframe is uncertain – perhaps two to three years. County Materials offered \$40,000 but did not provide any additional information. She met them about a year ago. The business is located in Astatula. They would use the hangar to store their corporate jet.

Bo Wroten asked for the term of the offer provided by First Class Aerospace. AM Dean said a sample lease was included in the RFO. The term is basically set based on the past guidance provided by the City Commission, which is 20 years. That is really not negotiable. Most of the offers provided the same ideas for improvements. The EPA paint booth would probably be the biggest investment that was not in the other offers.

Byron Oldham said BHI offered to pay the most and do a higher value of improvements. AM Dean noted it is hard to evaluate and compare the improvements. As long as the improvements are done correctly and meet code requirements, they are acceptable to the airport. There is not really a number that the tenant is held to; it is the standard of the quality of the work meeting code requirements.

Bo Wroten said the value of the offer from First Class Aerospace is \$474,000. AM Dean said she believes they filled in the dollar amount from page 2 of the appraisal, but that number also includes the rent for the land – it is not just the hangar. The appraisal reports states the remaining life of the hangar is only seven years so that amount seems to be more than someone would want to pay if it is based on 20 year term. They were included in the

comparisons with an offer of \$53,000 to purchase the building which is one of the exceptions they requested in their RFO.

Bo Wroten asked if the purchase price is in addition to the lease. AM Dean said the land lease amount is the same for everyone. Bo Wroten said he does not understand how the lease rate they offered (\$1,556 p/month) relates to the \$53,000. AM Dean said the amount of \$18,675 is based on the value left in the building. In their offer they have an exception requesting that the City allow them to purchase the building outright for the appraised value of \$53,000.

Bo Wroten said these are two totally different numbers. The monthly lease rate is much more than the purchase price. If they are offering the lease rate for 20 years this is a better offer. If they are only offering it for seven years, it is not. AM Dean said she spoke to the Purchasing Manager about this. She cannot fairly communicate and/or negotiate with a company about their offer. She noted their offer included many exceptions that made it less desirable than the BHI offer. One of the exceptions was to purchase the building for \$53,000. The City's answer to that exception would have been yes, but there were another offers to purchase it for more money.

Bo Wroten said the offer is presented at \$18K+ per year and he would assume at the same term length as the others, plus the improvements and the land lease. Byron Oldham said the amount depends on the term they were basing it on. He asked if there is any way to know that. Bo Wroten said you can't compare the offers if you don't know that information. He said they should be asked for clarification. It plainly says \$18K per year, paid monthly. He does not want to assume the term.

Byron Oldham says the term is for 20 years. It does not make sense for them to pay the lease amount for 20 years if they can buy it for \$53,000. This offer is structured differently than the rest. He said the rider in their exceptions gives them an advantage. It should be structured one way or the other.

Bo Wroten said the \$18,000 annual lease term is better for the airport. Byron Oldham said if you use the cash value, the offer from BHI is better. Bo Wroten said if you remove the option to purchase, the lease offer is a better deal. Byron Oldham said he would use the cash value of \$53,000 in their purchase offer option. He does not think there is any reason to think we may get more than that over time. On an even playing field, BHI seems the better choice. They have been on the airport a long time. Bo Wroten asked how long the interior business has been on the airport. AM Dean said she is not exactly sure. They are a tenant in the Angel Flight hangar. Chairman Reisman said he thinks they have been here for about 3-4 years.

AM Dean said the offer from First Class Aerospace includes a lot of exceptions in addition to their offer to purchase for \$53,000. There is no way to measure them equally. The purchase exception is acceptable to the City, but several of the other exceptions requested are not.

Bo Wroten said you can't pick and choose which ones to use. It is not fair. There needs to be clarification on this matter. If they actually mean less than \$18,675 per year, that needs to be known. He can't make a call without that.

Byron Oldham said he can make a decision with the information presented. The clarification is in the exceptions with the offer to buy it for \$53,000. That levels the playing field. That terminology makes it the purchase price.

AM Dean said she can take the Board's comments and speak to the Purchasing Manager about them to see if they can get further information. It is possible the Commission may have the same questions.

Byron Oldham asked if this was a closed bidding process. AM Dean said yes, it was. Byron Oldham said he is not sure that it is fair to go back to them at this point and ask for clarification after all of the bids have been opened and the information is available. The process will lose some integrity if you go back to the tenant at this point. AM Dean said all four companies were made aware of each other's offers. Bo Wroten said he can live with using the \$53,000 offer in their exceptions.

Byron Oldham made a motion to recommend approval of the agreement with BHI. Bo Wroten seconded the motion and it was approved by a vote of 3-0, with Chairman Reisman abstaining.

### **Airport Project Update**

Runway 13/31 Rehab: AM Dean said the City is still negotiating the contract with the highest ranked firm. She hopes to have it on the May 28<sup>th</sup> City Commission agenda for approval. There is no additional information that can be provided at this time.

Master Plan Update: Mary Soderstrum of AvCon said the Airport Layout Plan (ALP) has been submitted to the FAA Airport District Office (ADO) in Orlando. Their initial review should take 4-6 weeks. They will send their comments to the airport. After the issues identified by the ADO are corrected, it will be resubmitted to FAA who will then disperse it to all their appropriate internal divisions for review. That should take 4-6 months. When the airport receives the responses from FAA, they will answer any questions and finalize the process.

In the interim, AvCon is working on the implementation plan. They are determining cost estimates for each specific project and developing a project schedule for the entire Master Plan. That schedule will show the projects planned for each year and it should be completed in the next couple months. Once that is done they are basically in a holding pattern until FAA finishes their reviews.

Hangar Construction Design/Spec: Jack Thompson from GAI said they have submitted plans at 60% complete to AM Dean. They have submitted the application letter to St Johns River Water Management District application. The Obstruction Evaluation/Airport

Airspace Analysis (OEAAA) study was sent to the FAA earlier this week. He doesn't anticipate any problems with that since the hangars are located away from the runways.

The plans call for two 5-unit buildings that are identical. They can be bid together and then built separately or at the same time depending on construction costs and available funding. He is currently working with the City on site plan approval. Bo Wroten asked how long it takes for the City to give their approval. Jack Thompson said site plans are usually no problem. With regards to the building permit, the buildings are pre-engineered metal buildings and will be submitted by the manufacturer. He does not believe there will be a problem getting approval on either of these steps.

### **Airport Manager Update**

AM Dean said she has no issues/information other than what has already been discussed.

### **New Business**

Mark Crawford noted the Board is still one person short. He asked if anything is happening with that. With summer coming up and people traveling it may be hard to get a quorum for some meetings. Chairman Reisman said Mayor Christian asked at a recent City Commission meeting for anyone who is interested in serving on this Board to reach out to him. Bo Wroten said perhaps the Board members could ask around and encourage people to contact Mayor Christian. Secretary Pam Hester said she will be happy to provide his contact information to anyone who needs it.

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### **Adjournment**

Chairman Reisman moved to adjourn. The motion was seconded by Bo Wroten and approved unanimously. The meeting adjourned at 6:06pm.

X

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Chairman

X

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Recorder

## FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME <i>Keoman Alan Ray</i>	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE <i>Airport Advisory Board</i>
MAILING ADDRESS <i>8850 Airport Blvd.</i>	THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: <input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY
CITY <i>Leesburg</i>	COUNTY <i>Lake</i>
DATE ON WHICH VOTE OCCURRED <i>5-9-19</i>	MY POSITION IS: <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTEE

### WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

### INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which inures to his or her special private gain or loss. Each elected or appointed local officer also is prohibited from knowingly voting on a measure which inures to the special gain or loss of a principal (other than a government agency) by whom he or she is retained (including the parent organization or subsidiary of a corporate principal by which he or she is retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. Commissioners of community redevelopment agencies under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

#### ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

**PRIOR TO THE VOTE BEING TAKEN** by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

**WITHIN 15 DAYS AFTER THE VOTE OCCURS** by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

#### APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you otherwise may participate in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

**IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:**

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes. (Continued on other side)

**APPOINTED OFFICERS (continued)**

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

**IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:**

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

**DISCLOSURE OF LOCAL OFFICER'S INTEREST**

I, Alan Reisman, hereby disclose that on May 9, 20 19.

(a) A measure came or will come before my agency which (check one)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, \_\_\_\_\_;
- inured to the special gain or loss of my relative, \_\_\_\_\_;
- inured to the special gain or loss of BHI Properties of Central Florida, Brainerd/Firehawk, by whom I am retained; or
- inured to the special gain or loss of \_\_\_\_\_, which is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

May 9, 2019  
Date Filed

[Signature]  
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.