



Venice of America

CITY OF FORT LAUDERDALE

AVIATION ADVISORY BOARD FORT LAUDERDALE EXECUTIVE AIRPORT ADMINISTRATIVE OFFICE - MULTIPURPOSE ROOM 6000 NW 21 AVENUE, FORT LAUDERDALE, FL THURSDAY, JUNE 30, 2011 - 1:30 P.M.

Board Members	Attendance	Cumulative Attendance 7/10 through 6/11	
		Present	Absent
Bunney Brenneman, Chair	P	8	0
Bruce Larkin, Vice Chair	P	5	3
Gloria Brown	A	4	4
Avery Dial	A	3	1
Linda Iversen	P	6	2
Jackie Kaht	P	7	1
Patrick Kerney	P	6	2
Stephen Stella	P	6	1
Mark Volchek	P	1	0
Pamela Bushnell, Mayor, City of Tamarac [non-voting]	P	8	0
Jeff Helyer, City of Oakland Park [non-voting]	P	8	0

Airport/City Staff

Clara Bennett, Airport Manager
 Mark J. Cervasio, Assistant Airport Manager
 Florence Straugh, Noise Abatement Officer
 Rufus A. James, Airport Operations Supervisor
 Vicki Minard, Assistant City Attorney
 Leslie Carhart, Administrative Aide
 Bonnie Schultz, Manager, FXE FAA Air Traffic Control Tower
 Fernando Blanco, Airport Engineer
 J. Opperlee, Recording Secretary, Prototype Services

Communications to the City Commission

None

Call to Order

Chair Brenneman called the meeting to order at 1:30 p.m.



Chair Brenneman welcomed new member Mark Volchek. Mr. Volchek stated he ran a software payment processing company and was an avid pilot, with a plane based at Sheltair. Mr. Volchek stated he was on the New Haven Connecticut Airport Board as well.

1. Approve Minutes of May 2011 Meeting

Motion made by Ms. Iversen, seconded by Mr. Stella, to approve the minutes of the Board's May 2011 meeting. In a voice vote, motion passed unanimously.

Ms. Bennett thanked the Board for agreeing to delay the meeting, which had allowed staff time to prepare items for the City Commission meeting the following week.

2. FHP Manufacturing Company Lease for a Portion of Executive Airport Industrial Airpark Parcel 12

Ms. Bennett referred to an aerial photo and explained that parcel 12 was difficult to develop due to its shape and to the existence of easements and encumbrances on the property. She stated FHP Manufacturing, owned by Robert Bosch, LLC, had an interest in leasing approximately two acres of the six-acre usable area of the property for expansion of its parking. Ms. Bennett said this project had been proposed and approved 14 years ago with another entity but the property had never been developed for that use. She said this would fulfill the company's need, provide some revenue for the Airport and address dumping and homeless camping issues on the property.

Mr. Jerry Haas, representative for Robert Bosch, LLC, stated they currently employed 350 people and had been very successful over the past few years. He said they were working with the City's Economic Development Department to bring more jobs to the City. They now leased parking to support their overflow needs. Mr. Haas asked the Board to support this so they could continue to grow their business.

Mr. Haas explained to Mayor Bushnell that the company produced a water source heat pump: an air conditioner that ran off a ground loop water source or a cooling tower. He stated they sold products internationally, exporting to Europe and China.

Staff Recommendation

Staff recommends execution of a lease for 85,179 square feet or 1.96 acres of Parcel 12 in the Executive Airport Industrial Airpark with FHP Manufacturing Company for a term of ten years with four (4) five (5) year options.

Motion made by Mr. Kerney, seconded by Ms. Iversen, to approve the staff recommendation. In a voice vote, motion passed unanimously.

3. Amendment to Zeley Aviation, Inc. Lease Agreement for Executive Airport Parcel 2

Ms. Bennett reminded the Board that at the January 27, 2011 AAB meeting, staff had presented a proposal by Zeley Aviation, Inc. to enter into an amended and restated lease for redevelopment of Parcel 2. Ms. Bennett referred to an aerial photo and pointed out the area to be redeveloped. Construction would include three new aircraft storage hangars and associated office space that would net approximately 3,558 square feet of new hangar development at a cost of approximately \$7.5 million.

Ms. Bennett said they had originally tried to structure this as a new lease, but this was not possible due to some unique circumstances regarding this parcel, i.e., Zeley Aviation was the prime tenant, with two sub-lessees: Banyan Air Service and Sheltair Aviation. Construction would be done by Sheltair Aviation. Usually, Ms. Bennett explained, the Airport worked directly with the lessee doing the construction and making the investment, but in this case, Sheltair, the sub-lessee, would be responsible for the compliance aspect in the lease. They had therefore agreed to structure an amendment to the lease that would take effect upon completion of the improvements within 36 months. If the improvements were not constructed, they would revert to the original lease as if the new deal had never taken place.

Ms. Bennett stated the new commencement date would be 10/1/11 and the rent would remain the same for 18 months. After that, the rent would be increased to \$ 0.30 per square foot on 4/1/13. Thereafter, the lease would be adjusted annually by CPI and market adjustments at years 10 and 20. There would also be an adjustment at the end of the existing lease period on 7/31/23 to account for the reversion of the existing improvement that would not be torn down, via either 5% of the gross rental receipts to the sub-lessee(s) or 10% of the appraised value of those existing improvements.

Staff Recommendation

Staff recommends the City Commission authorize the proper city officials to execute an Amendment to Lease for Parcel 2 allowing for a new 30-year term and subject to the following terms:

1. An increase in the rent to \$172,275.44 per year effective April 1, 2013.
2. Annual rent adjustments based upon the Consumer Price Index (CPI) beginning April 1, 2013 and to become effective April 1, 2014.
3. Rent adjustments on the 10th and 20th anniversary date of the Commencement Date adjustments at years 10 and 20 with a cap of 50%.
4. A rent adjustment commencing on July 31, 2023 to include ten percent (10%) of the appraised value or an assessment of 5% of the gross rental receipts of Improvements constructed prior to Commencement Date.

Mr. Bob Lettman, representative of Zeley Aviation, described how construction would

address vehicular parking on the site, which was now lacking.

Motion made by Mr. Larkin, seconded by Mr. Stella, to approve the staff recommendation. In a voice vote, motion passed unanimously.

4. Federal Aviation Administration - Air Traffic Control Tower Reimbursable Agreement

Ms. Bennett stated they were victims of the edict pronounced in April by the Administrator of the Federal Aviation Administration (FAA) and the Department of Transportation Secretary that any Tower staffed overnight must have two people on duty.

Ms. Bennett said since 1990, the City had a Reimbursable Agreements with FAA for the Air Traffic Control Tower at Executive Airport to operate 24 hours per day. Without this agreement, the Tower would close at midnight and reopen at 6:00 a.m. because traffic levels would fall below the threshold at which the FAA would pay on its own to staff it. Ms. Bennett said the Airport's 24-hour-per-day operation of the Tower allowed them to implement several noise abatement measures aimed at reducing noise during the most sensitive hours of the night.

Ms. Bennett stated since the overnight shift was at the request of the Airport, the FAA was requiring that the cost of the second controller be borne by the Airport. The reimbursable amount for the current year was \$202,741,16. With the additional controller, the cost for next year would increase to \$426,307.

Ms. Bennett reported staff had tried to speak with the regional office of the Air Traffic Organization to express their desire to be exempt from the rule, since this was not an air carrier airport. She said the safeguards they had in place provided reasonable assurance that the controller was busy and working during the overnight hours. Unfortunately, they were not able to access a high enough level of policymakers to be able to obtain relief from this requirement.

Ms. Bennett said staff recommended moving forward with the agreement because the existing agreement expired 9/30/11 and they must have something in place by 10/1/11 to continue the 24-hour Tower. She said there were places in the budget they could find funds to make up the difference, and in the meantime they wanted to work with people from the Air Traffic Organization, perhaps with support from representatives in Washington to achieve relief from this requirement.

Staff Recommendation

The staff recommends execution of the Reimbursable Agreement with the FAA for 24-hour FAA Air Traffic Control Service at Fort Lauderdale Executive Airport at an estimated cost of \$426,307 for fiscal year 2012.

Mr. Larkin felt the agreement was vital, but was concerned that if they approved it, it would reduce their leverage to be exempted at a later time. He asked how long this could be delayed. Ms. Minard stated the process to execute the agreement with the FAA could take months. Ms. Schultz said the Tower needed to know as well because preparation was required to go to a closed Tower at night. Ms. Bennett said there was a pre-pay requirement; they must pay for the first quarter by 10/1.

Ms. Bennett stated staff could work with Congressman West and Congressman Hastings' offices and bring the item back to the Board in July and to the Commission in August.

Ms. Iversen calculated that the controllers made over \$100,000 per year. Ms. Bennett explained that the cost included the 26.5% overhead costs. Ms. Schultz said the overhead was \$89,000. She added that when there were two people working at once, one person was paid an additional 10% "Controller in Charge" pay.

Ms. Bennett said they averaged 15 –20 flights per night. If the Tower were closed, the Airport would still be open overnight. Ms. Iversen suggested they could take a stand and vote not to approve the agreement to see if this would help to change the requirement for airports like FXE. Mr. Kerney noted the FAA did not care about noise abatement. If the Tower were closed, he said Commissioners would get phone calls regarding noise and safety, and when residents discovered this was due to not spending the extra money, this would "really open up a can of worms." Mr. Kerney doubted they would get anywhere in their efforts to be exempted from the requirement. He therefore recommended approval of the agreement.

Motion made by Mr. Kerney to approve the staff recommendation. Motion died for lack of a second.

Ms. Schultz described the pay rates for the Tower controllers to the Board.

Mr. Helyer stated Oakland Park was very concerned about late night noise and offered to have a representative speak to someone on the Airport's behalf.

Motion made by Ms. Iversen, seconded by Ms. Kaht to postpone this item to the Board's July 28, 2011 meeting. In a voice vote, motion passed 6 – 1 with Mr. Kerney opposed.

Ms. Brenneman asked Congressman West and Congressman Hastings' representatives to request their help on this matter.

5. John Fuhrer Downtown Helistop – Replace Western Staircase Project 11723 - Fund Balance Transfer

Mr. Blanco reported that the John Fuhrer Downtown Helistop had been fully operational since 2002 and served the local business community. He said the Helistop was located east of the Broward County Library and consisted of an elevated flight deck, lobby, elevator, and two sets of stairs: one on the east side and one on the west side.

Mr. Blanco reminded the Board that due to areas of corrosion on the eastern stair assembly that created a concern over the safety of the stairs, the stairs had been replaced with new stainless steel stairs in 2007. It had come to staff's attention that the western staircase was also in need of replacement due to the same rust and corrosion that affected the east stairs.

Mr. Blanco informed the Board that Staff had negotiated a task order in the amount of \$24,265 with their General Aviation Consultant, Kimley-Horn and Associates, Inc., to provide design services to replace the existing stairs. These services would include site visits, developing plans and construction specifications, construction costs estimate, and bid phase services. Mr. Blanco said funds for this task order were available by transferring \$24,265 from P10555 Helistop Infrastructure Recapitalization, to P11723 Downtown Helistop Replace West Staircase.

Staff Recommendation

Staff recommends approval to transfer \$24,265 from P10555 Helistop Infrastructure Recapitalization to P11723 Downtown Helistop Replace West Staircase for design services.

Mr. Blanco stated replacement of the eastern staircase with stainless steel had cost approximately \$600,000. Mr. Cervasio said the original materials for the stairs had been on site since the mid-1990s, years before the Helistop had been completed in 2002.

Mr. Larkin asked if the western staircase was still open; Mr. James stated it was currently being used for an emergency exit only.

Mr. Blanco remarked that this design cost was actually lower than it had been for the eastern staircase.

Mr. James referred to a photo of the stairs and pointed out the corrosion issues.

Ms. Iversen asked if it would make financial sense to have permanent design employees on Airport staff. Mr. Blanco said this was a more specialized element than staff was capable of designing. Ms. Bennett said staff was doing a lot of other design work now.

Motion made by Ms. Iversen, seconded by Mr. Kerney, to approve the staff recommendation. In a voice vote, motion passed unanimously.

6. Application to the Foreign-Trade Zones Board for Approval of Foreign-Trade Zone #241 Alternative Site Framework

Ms. Bennett explained that the Foreign Trade Zone had been granted to the City in 2000 under a Grant of Authority from the Foreign-Trade Zones Board of the United States Department of Commerce (FTZ Board). This was a tool to attract business and enhance the City's overall economic development. Ms. Bennett said most of the Airport's property since then had been developed for office uses, so there was not a lot of opportunity now for users of the program on Airport property, but there were still two users: Wartsilla North America and Fairn & Swanson, Inc.

Ms. Bennett continued that there were a total of five designated sites, Site 1 was the Airport hub site of approximately 915 acres. Site 2 was the warehouse complex in Pompano Beach of approximately 11 acres; Site 3 was the Bergeron Park of Commerce in Pembroke Pines of approximately 278 acres; Site 4 was the Meridian Business Park in Weston of approximately 8 acres and Site 5 was the Wartsilla site of approximately 7 acres. Total acreage was approximately 1,219. Operation within the zone offered benefits for companies involved in import/export. These included duty deferral, reduction, inversion and/or elimination. These benefits helped put domestic companies on a more equal footing with their offshore competitors.

Ms. Bennett stated part of their practice was to interact with companies within the zone to ensure the sites were still eligible and remove some properties that were no longer eligible. They were also seeking a new framework for administering the program. Under this alternative framework, the designation process could be decreased from four months to 30 days, removing a significant disincentive. Companies would still be required to go through the activation step with Customs. The alternative framework also allowed sites to be designated as magnet sites, wherein buildings could be designated but not activated in order to attract tenants to the property.

Ms. Bennett said the Bergeron site representatives indicated they did not have any activated users, and were opting to remove their designation. Ms. Bennett said this would show the Foreign Trade Zone Board that they were taking site management seriously and were not just land banking acreage. They were therefore recommending that in addition to adopting the alternative site framework, they would be reducing the number of acres included in the zone.

The new site listing and designated acreage will be as follows: The Airport hub site would be reduced to 847 acres; the warehouse complex in Pompano Beach would still be 11 acres; Bergeron Park of Commerce in Pembroke Pines would be removed, the

Meridian Business Park would be a magnet site and would be increased to 44.46 acres and the Wartsilla site would still be 7 acres. Total acreage would be approximately 909.

Staff Recommendation

Staff recommends that the City Commission authorize the proper City officials to submit an application to the Foreign-Trade Zones Board of the United States Department of Commerce removing 68 acres from Site #1, removing Site #3 Bergeron Park of Commerce in Pembroke Pines in its entirety and expanding Site 4 from 8 acres to 44.46 in the City's Foreign-Trade Zone and reorganizing the Grant of Authority under the Alternative Site Framework.

Mr. Volchek asked if there was a downside to the alternative site framework. Ms. Bennett explained there would be a sunset provision of five years associated with it. She noted that FXE managed the Zone this way already; with the alternative framework, there would be a requirement for an owner to make a compelling case to the Foreign Trade Zone's Board to retain designation for land not utilized as an FTZ after five years.

Mayor Bushnell said she had spoken to the owner of City Furniture regarding the FTZ program, and Ms. Bennett said staff would follow up with him to determine what the possible advantages would be. Ms. Bennett stated usually, higher volume or higher dollar value importers experienced greater benefits.

Motion made by Ms. Iversen, seconded by Mr. Volchek, to approve the staff recommendation. In a voice vote, motion passed unanimously.

Chair Brenneman requested a moment of silence in honor of Dr. Alexander, who had passed away recently.

Chair Brenneman stated several Board members, FXE and City staff had attended Dr. Alexander's memorial.

UPDATE ITEMS

A. Noise Compatibility Program

Noise Monitoring Terminal (NMT) Maintenance Agreement

Ms. Straugh reported the City decided to discontinue moving forward with the Noise Monitoring Terminal Maintenance Agreement as a proprietary agreement. The City had discovered that there might be more than one vendor capable of providing the service, so staff had conducted an open, competitive bid, which would be opened the following day. Ms. Straugh said only one bid had been received. Staff would advise the Board of the bid results.

Nighttime and I-95 Turn

Ms. Straugh stated for May 2011, there were no jets over 80 dB at night between at night between 10:00 p.m. and 7:00 a.m.

For May 2011, thirty-five (35) jets flew the I-95 Turn at night, between 11:00 p.m. and 7:00 a.m., and only one (1) was a stage-two aircraft.

Noise Cooperative Effort

The Monthly Noise and Operations statistics for May were included in the Board's packet.

B. Development and Construction Airport Projects In Development

Master Drainage Study & Plan/Storm Water Pollution Prevention Plan (SWPPP) #11583

Mr. James stated Camp Dresser & McKee Inc. (CDM) had been contracted to prepare a Master Drainage Study and Plan for FXE. CDM had provided a schedule to begin Airport tenant site visits between Thursday, July 7, 2011 and Friday, July 15, 2011. The site visits would identify activities that might affect storm water quality and review current measures being taken by Airport tenants to prevent storm water pollution. Once completed, the results would be shared and plans would be implemented to assist in maintaining compliance with the National Pollutant Discharge Elimination System requirements.

Operations statistic for May were included in the Board's packet.

C. Arrearages

Ms. Bennett reported there were no arrearages for May.

D. Communications to the City Commission

None.

E. FLL Update

Ms. Straugh informed the Board that construction on the North Runway had been completed early. She said the runway designation for both parallel runways would be resigned after the South Runway extension was completed.

F. Aviation Equipment & Service Facility LEED Gold Certification

Chair Brenneman thanked staff for the tour they had provided, and said the LEED certification would add to the prestige of the Airport.

Mr. Cervasio reported they had completed construction of the Aviation Equipment Service Facility next door to the Airport Administration Building. The new building was designed and built to satisfy Leadership in Energy and Environmental Design (LEED) standards.

Mr. Cervasio explained that LEED was developed by the U.S. Green Building Council (USGBC) and was an internationally recognized building certification system for building projects that had a less detrimental effect on the environment and possessed sustainable features.

Mr. Cervasio stated LEED certification was based on a point system to rank buildings. Depending on the number of points a project earned, it could achieve a rating of:

- Certified (26-32 points)
- Silver (33-38 points)
- Gold (39-51 points)
- Platinum (52-69 points)

The Aviation Equipment Service Facility had been awarded 40 points and was Gold rated.

Mr. Cervasio outlined the major areas in which they had been able to earn points:

- 8 points for **Sustainable Sites** that includes items like Alternative Transportation: Public Transportation Access, Alternative Transportation: Low-Emitting and Fuel Efficient Vehicles
- 5 points for **Water Efficiency** that includes items like Water Efficient Landscaping, Innovative Wastewater Technologies and Water Use Reduction
- 6 points for **Energy and Atmosphere** including Optimizing Energy Performance
- 13 points for **Indoor Environmental Quality** including Outdoor Air Delivery Monitoring, Increased Ventilation, Low-Emitting Materials used during construction and several other items

Mr. Cervasio said several Board members had recently toured this facility. Anyone else wishing to view it should let staff know.

Other Items and Information

None.

There being no further business before the Board, the meeting adjourned at 3:05 p.m.

- Next scheduled meeting date: Thursday – July 28, 2011 – 1:30 PM



Bunney Brønneeman, Chair

PLEASE NOTE:

If any persons decide to appeal any decision made with respect to any matter considered at this public meeting or hearing, he/she will need a record of the proceedings and, for such purpose, he/she 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.