

**E.2.c. (1) – Minutes of the February 17, 2016 Commission Meeting**

**MINUTES OF A REGULAR COMMISSION MEETING OF THE CANAVERAL PORT AUTHORITY HELD IN THE COMMISSIONERS' MEETING ROOM OF THE CANAVERAL PORT AUTHORITY OFFICE, 445 CHALLENGER ROAD, PORT CANAVERAL, FLORIDA, FEBRUARY 17, 2016.**

The meeting was called to order by Chairman Jerry Allender at 9:00 a.m. Jim Dubea led the Pledge of Allegiance.

Those present were Commissioners John H. Evans, Wayne Justice, Bruce Deardoff, Tom Weinberg and Chairman Jerry Allender; Chief Executive Officer John Murray, CFO Rodger Rees, Senior Director Finance Pat Poston, Attorney Harold Bistline and Special Assistant Melanie Bradford. The Ambassadors and Ambassadors Emeritus present were asked to stand and be recognized.

Chairman Allender introduced and welcomed Captain John W. Murray as the new CEO of Canaveral Port Authority.

**APPROVAL OF AGENDA:** CFO Rodger Rees pulled items 6, 7 and 15. **Motion was made by Commissioner Weinberg and seconded by Commissioner Deardoff to approve the agenda as corrected. Motion passed 5/0.**

**PERSONAL APPEARANCES AND PRESENTATIONS:**

1. State and Federal Legislative Update (Dubea)

The FDOT 2016 Priority Transportation Package has made it through both the House and the Senate and looks like it is going to fully fund the work program. We are monitoring this. The FSTED account that includes the raising from \$15 million to \$25 million grant program that all the Florida Seaports share for transportation programs. It was passed by the House and the Senate will hear the bill on the 22<sup>nd</sup> of February. It looks like it will pass. The Governor's Economic Development proposals has a million dollar tax cut package for elimination of tax for manufacturing machinery equipment and reduction of some business rent taxes. It affects the seaports as it looks to bring manufacturing into the State. On the Federal side, the TIGER program was funded. It has \$500 million in competitive grants. The Army Corp work plan had \$4.3 million appropriated for us. \$1.3 million for operational dredging mainly for the Barge Canal. \$3 million for maintenance dredging. The time schedule for this is this year. There is a Cyber Security Information Sharing and Coordination Ports Act putting the Captain of the Port over Port Security and Cyber Security. We have a new transportation act called the FAST Act. This works well for ports and the multi modal connectivity that we have. There is going to be another grant that is going to be intermodal and freight projects at a \$500 million threshold every year.

**TEFRA HEARING – Time Certain (Rees)**

I will now call to order the TEFRA hearing. It is 9:25 a.m. on Wednesday, February 17, 2016. We are here present at the Canaveral Port Authority Commissioners Meeting Room located at 445 Challenger Rd., Cape Canaveral, Florida.

Cruise Lines and Regent Seven Seas Cruises; CT8 –Disney Cruise Lines and CT10-Norwegian Cruise Lines, Royal Caribbean, Carnival Cruise Lines and various other cruise lines.

All affected taxpayers, property owners and citizens and all other interested persons are invited to attend said hearing and, either personally or through their representatives, present comments and discussion, oral or written, concerning the proposed plan of financing and the nature and location of the 2016 Project and 1996A Project. Should any person decide to appeal any decision, he will need a record of the proceedings, and he 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. Any persons with disabilities requiring accommodations in order to participate in the hearing should contact 321/783-7831 at least 24 hours in advance to request such accommodation.

The public hearing is required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"). Subsequent to the public hearing, the Port Authority will consider whether to approve the issuance of the New Money Series 2016 Bonds and the Refunding Series 2016 Bonds as required by Section 147(f) of the Code. Any person interested in the proposed plan of financing or the location or nature of the New Money Series 2016 Project, the Refunding Series 2016 Project or 1996A Project may appear and be heard.

The Chairman opened the floor for public comment. Hearing no comments, the hearing is hereby adjourned at 9:40 a.m.

Thank you.

**Motion was made by Commissioner Weinberg to approve the TEFRA hearing and was seconded by Commissioner Justice. Motion passed 5/0.**

**PERSONAL APPEARANCES AND PRESENTATIONS: Continued.**

2. CCAFS Rail Update (Dubea)

We are still working with the 45<sup>th</sup> Space Wing. We are going back and forth with some legal questions and answers. We anticipate that we should have access within the next several weeks to get on board Cape Canaveral Air Force Station to conduct a feasibility study.

3. Cove Commercial District Parking Study Results and Update (Shepard/LittleJohn Associates)

A Cove Commercial District Parking Study was done to validate the initial findings and input from some of the existing Port tenants. The objective was to have a third party consultant provide an analysis of the current and future parking demands as a result of the projected future growth. LittleJohn Engineering provided an update of the initial findings. The near term recommendations were safety and visibility, adequate lighting in lots south of Glen Cheek Drive, better delineate parking in Lot G14 or pave, and valet parking to increase utilization of P9 and G14. Recommendations for Phase 1 staying ahead of the curve, parking structure on G14 or nearby, utilize parking at Canaveral Port Authority. Recommendations for Phase 2 & 3 were need for structured parking and

cement to CPA. The Vehicle Staging Area 7 (VSA7)-cargo backup and potential auto staging area work underway.

GT USA Contract Issues: Drayage issues surrounding responsibility for costs in excess of normal Florida Port averages. Lighting issues resolved – waiting installation of new fixtures and lights. Crane repair responsibility is now clear. Reefer plugs and conduit installation still outstanding. Temporary reefer plugs installed using generator power. GT USA rent not commenced as previously reported, proposal to pay 50% rent until above items completed.

Cruise Projects:

CT5: Terminal and Pier are both progressing. Garage completed and roadway work beginning. Design did not include basic civil work- additional change order expected. Cost of Customs and Border Patrol facilities are close to being priced – additional change order expected. Current costs - \$47.6 excluding above costs

CT8 (Disney): Contractor is mobilized and receiving submittals. Kalwall window replacement, new roof and interior painting needs to be done. Work is done at night and no ship days. Current costs - \$2.4M

CT10: Contractor short listed to 3 in January with selection and approval at March Commission meeting. Both sides of terminal, pier work, boarding bridge and Gangways will be done. Current estimated costs at \$33.1M.

Real Estate:

Titusville Logistics Center progressing with purchase deferred until December 1, 2016 and lease payments commence upon substantial completion. Leasing inquiries and onsite tours continue to increase as the building moves to completion. Parking study completed showing potential parking at 2,970 parking spots. Enterprise/Alamo/National is operational. Additional car rental company is looking at Port location. GT USA's and AutoPort building needs new roof and road work. LOI executed for purchase of 130 acres at Cocoa Logistics Park. Parking Study (Phase I) is complete. This will be followed by Phase II that will address the EVENTS and possible Aquarium.

Recreation: Scott Shepard is now Director of Recreation and supervising Recreation (Jetty Park/Exploration Tower/Events). The Recreation Department will be coming before the Commission next month with a presentation. Jetty Park is performing well, however, Scott and his team will be reviewing opportunities to expand the camp sites and identify capital upgrades that will be supported by parking fees. The Exploration Tower continues to be a challenge, however, the Recreation team is pushing to increase revenue through additional Tower events and Port events. Port Events are going well with staff engaging input from the local tenants. County land parcel (9 acres) is in Harold's hands and gates/entry realignment may be needed depending on the outcome.

Port Canaveral Parking, Cruise Operations & Ground Transportation Update: Brian Blanchard Parking/Cruise Operations Responsibilities include Customer Service, Cruise Line Handling, Gangway Hook-up & Operation, Victory Gangways, Guest Traffic & Parking, Pedestrian Safety,

**Chairman Allender disclosed that while he is on the Parrish Medical Foundation Board of Directors which is indirectly involved with Parrish. It is a not for profit and different corporation and therefore not a voting conflict. Attorney Bistline concurred.**

**Commissioner Deardoff moved approval of consent agenda item #9. Commissioner Weinberg seconded the motion. Motion passed 4/0 with 1 abstention.**

Item #16: Consideration of approving a Change Order to purchase order P16444 to Ivey's Construction under their Auto Terminal contract for the replacement of the existing roof system, additional fencing, and minor utility work at 9001 Marlin Street in an amount not to exceed \$548,926. (Crowe)

Commissioner Evans asked staff to look at an alternative to spending this kind of money on a tenant that has a one year lease. Is there a way to temporarily patch it or do it over time? How can we buy a building this big and this expensive and not have a roof inspection? Bill Crowe said that the replacement of the roof was not considered in the original proposals. It is metal which makes it more expensive. The repair has a 20 year guarantee from the roofing contractor. Rocky Johnson, Vice President of Ivey's Construction, spoke regarding the roof. There is an allowance in the original contract with Volkswagen for the auto processing facility. When that did not take place the Commission authorized a significantly lesser value for improvements which did not include the expenditures to renovate the building until the Port secured a tenant which they now have. Pat Poston confirmed that this repair is in the capital budget. Bill Crowe will come back with an updated design and permits for the road that experiences flooding.

**Motion was made by Commissioner Weinberg and seconded by Commissioner Justice. Motion passed 5/0.**

**STAFF DISCUSSION ITEMS:** None

**PUBLIC COMMENTS:**

Ted Lund spoke regarding the Rail EIS.

Sue Ford spoke regarding the Rail EIS.

Alex Gorichky spoke regarding port rail.

**COMMISSIONER REPORTS:**

Commissioner Evans: none

Commissioner Justice: Commended Rodger Rees for doing a good job this last month.

Commissioner Weinberg: Welcome to John Murray.

Chairman Allender: Welcome to John Murray.

**ADJOURNMENT:** The meeting was adjourned at 11:35 p.m. until March 2<sup>nd</sup> for the joint Canaveral Port Authority and Greater Orlando Aviation Authority meeting to be held at Cruise Terminal 10 at 2pm. After that the next regularly scheduled meeting will be on March 24, 2016 at 9:00 am.

**CANAVERAL PORT AUTHORITY**