

**E.2.c. (1) – Minutes of the March 23, 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, MARCH 23, 2016.**

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

Those present were Commissioners John H. Evans, Wayne Justice, Bruce Deardoff, Tom Weinberg and Chairman Jerry Allender; CEO John Murray, CFO Rodger Rees, Senior Director Finance Pat Poston, Senior Director of Facilities Bill Crowe, Deputy Executive Director Jim Dubea, Attorney Harold Bistline and Special Assistant Melanie Bradford.

CEO Murray spoke regarding the Seafood and Music Festival offering appreciation to Sheriff Wayne Ivey for the work done by the staff of the Brevard County Sheriff's Office. He also commended Chief David Sargeant and the Canaveral Fire Rescue Staff during the Seafood and Music Festival.

Chairman Allender introduced and welcomed the Canaveral Port Authority Ambassadors that were present: Bill Bancroft, Jim Handley, Dennis Hepburn, Jay Honeycutt, Max King, Robi Roberts, Bob Socks and Susie Wasdin; Ambassador Emeritus Chuck Rowland and Captain Ed Lanni; and dignitaries Mac McLouth, Mike Miller and Brenda McMillan.

**APPROVAL OF AGENDA: Motion was made by Commissioner Weinberg to approve the agenda which was seconded by Commissioner Justice. Motion passed 5/0.**

**PERSONAL APPEARANCES AND PRESENTATIONS:**

1. Rail Station Location Study (Bob Kamm and Karl Passetti)  
Bob Kamm thanked the Port for their generous support of a rail planning study. Karl Passetti presented a Power Point presentation regarding a potential station location for the All Aboard Florida passenger rail service in Brevard County. Two sites were recommended; one in north Cocoa near SR 501, SR 528 and US1 and the other at the former Cocoa passenger rail station site on US1 at the Cocoa/Rockledge border.
2. Thunder on Cocoa Beach (Kerry Bartlett and Kevin Pruitt)  
A presentation was given regarding Thunder on Cocoa Beach 2016. An overview was given and a request was made for advertising support on Port Canaveral media, use of Port Canaveral logo and images on Thunder on Cocoa Beach Advertising, support of NBC or other national media with best available locations for filming the event, waiver of all Port fees associated with the event, and a five year commitment.
3. Major Capital Projects Update (Crowe)  
Senior Director of Facilities, Bill Crowe, introduced new staff and outlined his plans for the Facilities department. He also gave an update regarding on-going major capital

projects particularly CT 5, CT 8 and CT10 along with the harbor deepening dredge project.

4. Service Awards (Murray)

Lisa Botzenmayer - Senior Administrative Assistant, Gregory Fialkiewica – General Maintenance Tech IV, and Jerry Martinico – Landscape Technician IV were recognized for their five year anniversary with Port Canaveral. Also recognized for five years of service to Canaveral Port Authority were Commissioner Tom Weinberg and Chairman Jerry Allender.

**COMMISSIONER DISCUSSION ITEM:** None.

**ACCOUNTING AND FINANCE:** CFO Rodger Rees

Year-to-Date, October – January, financial statements show total Revenue to be \$26M, total expenses are \$25.4M. Addition to the net position for debt repayment/port development is \$605K. \$2.6 M lower than the prior year, \$373K over budget, \$369.1K in grant proceeds and 95% of net position occurred in January 2016. CFO Rees gave an update on the line of Credit and discussed a proposed new financing. CFO Rees gave information and his support regarding the \$1 parking increase (Consent Agenda Item #18).

**After discussion, Commissioner Weinberg motioned to approve the financial reports, statistical report, aging report, list of bills, list of disposals, attorney fees and Commissioner’s expenses. The motion was seconded by Commissioner Deardoff. Motion passed 5/0.**

**CHIEF EXECUTIVE OFFICER’S REPORT:**

**Cruise Update:**

- 239 home port calls YTD / 49 port of calls YTD
- Multi-day cruise passenger count down 4.84% YTD
  - 3 week DISNEY MAGIC regulatory drydock
  - 2 cancelled NCL calls due to adverse weather
  - Overall trend recovering to budget forecast
- Multi-day cruise revenue up 5.05%
  - RCCL impact
- Victory Cruise Line passenger count up 2.26%
  - Victory Cruise revenue up 2.46%
- CARNIVAL VICTORY replaced CARNIVAL SENSATION
- Cruise Terminal 5 renovations on target for May completion
- Cruise Terminal 10 CM bid awarded and on consent agenda

**Cargo Update:**

- 239 home port calls YTD / 49 port of calls YTD
- Multi-day cruise passenger count down 4.84% YTD
  - 3 week DISNEY MAGIC regulatory dry dock
  - 2 cancelled NCL calls due to adverse weather
  - Overall trend recovering to budget forecast
- Multi-day cruise revenue up 5.05%
  - RCCL impact

- Victory Cruise Line passenger count up 2.26%
  - Victory Cruise revenue up 2.46%
- CARNIVAL VICTORY replaced CARNIVAL SENSATION
- Cruise Terminal 5 renovations on target for May completion
- Cruise Terminal 10 CM bid awarded and on consent agenda

**Real Estate Update:**

- Orlando-Port Canaveral Logistics Park
  - Letter of Intent received from “Citizen Kane” to purchase 132 acres of 270
  - Target purchase located on the west side of the parcel
  - CPA staff working with the Army Corp of Engineers, FDOT, City of Cocoa, St. John’s River Water Management District, etc.
- Cove/Hotel
  - Four different hotel proposals under review
- Titusville Logistics Center
  - Still seeking tenants
  - Nothing firm at this time

**Recreation Update:**

The Seafood and Music Festival, February 26<sup>th</sup> – 28<sup>th</sup> had a total attendance of 26,476 people. Thanks to BCSO, Cape Canaveral Fire Department, Ameristar Parking and Port staff for support and professionalism during the event

**Seafood and Music Festival Highlights:**

We had 4 cruise ship customers in port Saturday and 3 cruise ship customers in port Sunday with no significant disruptions to core business activities.

**Additional Updates:**

- Industry Issues
  - PSGP Grant (IT focused grants)
    - Facility and Data Center Power Monitoring Resiliency Project
    - Data Center and Communications Redundancy Project
    - Cyber security Project Phase 2
  - FASTLANE
    - Port-Wide intermodal roadway improvements
    - North Cargo Berths Improvements
  - TIGER
    - Inland Port Logistics Center road and stormwater improvements
- Cruise parking initiatives
  - Reduce/eliminate cash pay and replace with credit card/pre-pay
- Master Plan process initiated
  - Development of master land use policy for CPA

**CPA Property Summary (Estimates):**

On Port

- Total Land area: 3,300 acres (200 on Barge Canal)

- Ground area: 1,050 acres (50 on Barge Canal)
- Submerged area: 2,250 acres

**Inland**

- Port Canaveral Logistics Center at Titusville
  - 12 acres/246,000 SF Building
- Orlando-Port Canaveral Logistics Park (I-95/SR 524)
  - 270 acres
- Barge Canal
  - 50 acres (17-20 acres without wetlands)

**CPA Property Overview (Estimates):**

▪ Cruise:	160 acres	(15.2%)
▪ Cargo:	300 acres	(28.6%)
▪ Commercial Fishing:	3 acres	( 0.3%)
▪ Marina / Recreation / Parks: (not incl. 9 acre County land)	120 acres	(11.4%)
▪ Commercial:	200 acres	(19.1%)
▪ Roads/Retention Ponds, etc.:	267 acres	(25.4%)
TOTAL:	1050 acres	(100.0%)

**Undeveloped Property**

▪ Cove Commercial District:	80 acres	( 7.6%)
▪ Open Commercial Land:	34 acres	( 3.2%)
▪ Open Northside Land:	35 acres	( 3.3%)

**PUBLIC COMMENT:**

Fred Garbotz: Spoke regarding the parking fee.

Dennis Thompson: Spoke regarding the parking change increase.

**CONSENT AGENDA:**

**Motion was made to modify Consent Agenda Item #4.c where the \$875,000 is to be removed and the new total is \$996,000 and Consent Agenda Item #15 to strike item #3 Urban Realty Solutions, NTE \$40,000. Motion was made by Commissioner Weinberg and seconded by Commissioner Deardoff. Motion passed 5/0.**

**Commissioner Evans announced he had a voting conflict on Item #14 and will not be voting on that Item. Items 15, 16 19 and 21 were pulled for discussion. Items 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 17, 18, 19 and 20 were approved by motion from Commissioner Weinberg and seconded by Commissioner Justice. Motion passed 5/0. Item #14 passed 4/0 with Commissioner Evans abstaining from vote.**

**#15.** Consideration approving the following Purchase Orders for a Port wide appraisal under their contract for Professional Real Estate Appraisal Services in an amount not to exceed a total of \$140,000. (Denig/Shepard).

1. Pomeroy Appraisal Associates of Florida, Inc NTE \$60,000

2. Tuttle Armfield Wagner Appraisal & Research, Inc. NTE \$40,000

The goal is to update the land evaluation, which has not been done since 2007, and to get an evaluation of what our property is worth in a market rate. **Commissioner Justice moved to approve this agenda item and Commissioner Weinberg seconded. Motion passed 5/0.**

**#16.** Consideration of authorizing staff to utilize the competitively bid State of Florida Department of Managed Services Information Technology Consulting Contract No. 973-561-10-1 awarded to OPTIV Security for cyber security professional and managed consulting services and further authorize staff to issue purchase orders pursuant to this contract for an amount not to exceed \$152,000. (Lorusso/Dubea)

Commissioner Justice wanted to call attention to the cyber security requirements that are going to be laid on the Port and associates of the Port. **Commission Justice moved to approve this item with Commission Weinberg seconding. Motion passed 5/0.**

**#19.** Consideration of approving the Selection Committee's recommendation of Fishlips Waterfront Bar & Grill, Inc. for the Jetty Park Parkside Concession Services revenue contract (PUR-RFP-14-7 Bid) and further authorize staff to negotiate and execute a contract. (Shepard)

**Commission Evans made a motion to reconsider item #19. Commissioner Justice seconded the motion. Motion passed 5/0.**

**After a presentation from staff, Commissioner Weinberg motioned that we approve a short term lease for a month, not to exceed two months, at \$2,000 a month. Staff will come back with a lease after legal review with a percentage in addition to the \$2,000 a month. We authorize Attorney Bistline and CEO Murray to agree to the lease. Commissioner Deardoff seconded the motion. Motion passed 5/0.**

**#21.** Consideration of approving an amendment to Advertising Concession Agreement dated January 31, 2012 with Clear Channel Outdoor, Inc., subject to final review and approval of the Amendment by General Counsel and the Port Attorney. (Dubea)

Jim Dubea stated that this agreement basically gives them the exclusive right to advertise in all of our terminals and port facilities. They will expand their presence in CT 1. The annual guarantees are the greater of 35% for gross revenue with an additional minimum annual guarantee of \$15,000 for the billboard and electronic venues within the Port. **Commissioner Weinberg made a motion to pass this item with Commissioner Deardoff seconding. Motion passed 5/0.**

**PUBLIC COMMENTS:**

Giles Malone with Brevard Production, Inc spoke regarding the Seafood and Music Festival.  
Fred Garbotz spoke regarding the Cove development.  
Bryan Bobbitt spoke regarding the Propeller Club's Shrimp Feast event.  
Joe Penovich spoke regarding the Seafood Fest and Sooner Development.

**Attorney Bistline presented the CEO's Health Savings Plan. The Commission needs to adopt a resolution authorizing that plan. I propose the Commission pass a motion to approve the adoption of the Advantage Care Retirement Health Savings Plan, which I have reviewed, for the CEO. Motion moved by Commission Evans and seconded by Commissioner Deardoff. Motion passed 5/0.**

**COMMISSIONER REPORTS:**

Commissioner Deardoff: Recommended that Brian Blanchard speak with Jon England regarding valet parking.

Commissioner Evans: Nothing to add.

Commissioner Weinberg: Nothing to add.

Commissioner Justice: Nothing to add.

Chairman Allender: Nothing to add.

**ADJOURNMENT:** The meeting was adjourned at 12:08 p.m. until the next regularly scheduled meeting on April 27, 2016 at 9:00 am.

**CANAVERAL PORT AUTHORITY**

ATTEST

---

Jerry W. Allender, Chairman

---

Tom Weinberg, Secretary/Treasurer