

**E.2.c. (1) – Minutes of the December 20, 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, DECEMBER 20, 2016.**

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

Those present were Commissioners Wayne Justice, Jerry Allender, Micah Loyd, Bob Harvey and Chairman Tom Weinberg; 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/Liaison Melanie Bradford.

**APPROVAL OF AGENDA: Motion was made to accept the agenda by Commissioner Justice and seconded by Commissioner Allender. The motion passed 5/0.**

**PERSONAL APPEARANCES AND PRESENTATIONS:** Service awards were given to the following Canaveral Port Authority employees: Paul Bell for 20 years, Connie Taylor for 10 years, Mark Lorusso for 5 years, and Dustin Radford for five years.

The Ambassadors were introduced: Mike Gautreaux, Jim Handley, Max King, Tom Vani, and Susie Wasdin. Ambassador Emeritus Chuck Rowland and Bob Socks. Ambassador Maurice Boudreau was present.

**COMMISSIONER DISCUSSION ITEM:**

1. Commission Liaison appointments to Community Organizations

The appointments are as follows:

Space Coast Transportation Planning Organization	Jerry Allender
Economic Development Commission	Wayne Justice
Titusville Chamber of Commerce	Micah Loyd
Cocoa Beach Area Chamber of Commerce	Tom Weinberg / All
Orlando International Airport Liaison	Bob Harvey
Central Florida Partnership	Tom Weinberg

2. Consideration of authorizing staff to request that the Surface Transportation Board (STB) restart the Federal Environmental Impact Statement (EIS) process to include a potential rail route through the Cape Canaveral Air Force Station as the Canaveral Port Authority's preferred route. No additional funding is required for this project at the current estimate.

After giving background information and a brief presentation by CEO John Murray, Chairman Weinberg made a motion, **“I move approval of Commission Discussion Item D.2 to authorize staff to request that the Surface Transportation Board restart the Federal Environmental Impact Statement process and to include a potential rail route through the Cape Canaveral Air Force Station as the Canaveral Port Authority’s preferred route. The motion was**

seconded by Vice Chairman Justice. Discussion took place. No public comments. Commissioner Allender offered an amendment to the motion to request that the Surface Transportation Board (STB) remove the potential crossing of the Banana River through Merritt Island from further consideration by the STB. Commissioner Harvey seconded the motion. Discussion took place. Chairman Weinberg offered an amendment to Commissioner Allender's amendment to request the Surface Transportation Board to remove both the potential SR 528 and Banana River routes from further consideration and study. Commissioner Allender seconded the amendment to the amendment. Further discussion took place. The amendment to the amendment passes 5/0. The motion as amended passes 5/0.

**ACCOUNTING AND FINANCE:**

Financial Update: Rodger Rees, CFO

We are currently under audit for 2016 financial statements so we do not have a full set of financial statements to present today. The audit is proceeding. It is nearing completion and we are anticipating the audit to be finally delivered sometime in January/February timeframe. In a brief review of where we are in a revenue standpoint, the Port recovered very nicely from Hurricane Matthew. In our year to date numbers, cruise activity is \$12.0M and cargo revenues are \$1.1M. A Reserve update was given. The new reserve balance is \$4.5M

**Secretary Treasurer Allender motioned to approve the Statistical Report, Aging Report, List of Bills, List of Disposals, Attorney Fees and Commissioner Expenses. The motion was seconded by Commissioner Harvey. The motion passed 5/0.**

**Secretary Treasurer Allender motioned to accept the Financial Update that was presented by Rodger. Chairman Weinberg seconded the motion. The motion passed 5/0.**

**STATUS OF ON-GOING BUSINESS:**

Environmental Update: Bob Musser gave an update on the inlet management issues which is still moving along with coordination with FEMA and our insurance carrier. A \$1B supplement to the continuing resolution was passed and signed by the President. The Indian River Lagoon is working on the Conservation Comprehensive Management Plan. Bob attended the AAPA QPI meeting in DC. \$4,000 in left over funds was provided to the Florida Wildlife Hospital. Keep Brevard Beautiful sponsors harbor litter removal events.

**CHIEF EXECUTIVE OFFICER'S REPORT:** John Murray

Cruise:

- CT 8
  - Original project and Hurricane Matthew repairs complete
  - Chiller replacement complete
  - Contractor working on cost proposal for additional renovation items at Disney Cruise Line's request
    - Potential scope includes restroom remodel and gangway carpet completion
- November 2016
  - 72 cruise ship turns

- Arrival of *Carnival Sunshine* on November 19
- First turn of *Norwegian Epic* at CT 10 on November 19
- 5 cruise ship day on December 3
  - *Norwegian Epic*, *Disney Fantasy*, *Carnival Magic*, *Carnival Sunshine* and *Aidavita*
  - More than 32,000 passengers embarked and debarked
- *Carnival Liberty* replaced *Carnival Valor* on December 15

Cargo:

- 2017 by the numbers (Oct 1 – Nov 30)
  - 66 ship calls – 78.4% increase over 2016
  - Total cargo tonnage up 5% over 2016
  - Total cargo revenue up 25% over 2016
- Marketing efforts continue
  - Finished Vehicle Logistics Conference – Mexico City
- More than 1,000 vehicle movements on December 12 call, 1,100 additional units expected before year end
- Continued discussions with two major container lines

Real Estate & Recreation:

- Port Canaveral Logistics Center at Titusville
  - RUAG: Construction underway for 23,800 sf build out
    - Completion expected in February/March
  - Negotiations continue for 18,000 sf
  - Toured the facility with a user looking for 100,000 sf
  - Additional interest in 40,000 – 80,000 sf
- Jetty Park/Exploration Tower
  - Campground returning to normal operations
  - Fishing pier reopening targeted for late January
  - Exploration Tower has 12 events scheduled for December including “Hello Florida” launch event – Atlas V

Hurricane Matthew Update:

- Total estimated repair costs at \$5.35 million including dredging
- \$1,362,000 currently authorized to start work
- Insurance adjusters on site December 12-13

Ongoing Projects:

- Port-Wide Wayfinding
  - Bids due January 6, final selection January 10
  - Award at February Commission Meeting
- Marlin Street
  - Lift station installation ongoing
  - Lighting poles and bases to be installed
  - Targeted completion: late January/early February
- Northside Cruise Terminal Roadway Network
  - Permission to issue competitive solicitation on today’s agenda
  - January: Present preferred option to Commission
  - March: Recommend Design-Build award approval at Commission meeting

**PUBLIC COMMENT:** None.

**CONSENT AGENDA:** Consent Agenda Items 3, 7, 10, 12, 16, 17, and 18 were pulled for discussion. **Consent Agenda Items 1, 2, 4, 5, 6, 8, 9, 11, 13, 14, 15, 19 and 20 were motioned for approval by Commissioner Justice and seconded by Commissioner Harvey. The motion passed 5/0.**

#3. Consideration of approving the following items relating to the Canaveral Harbor 44 Foot Channel Project:

- a. Change Order #6 to GLF Construction Corp., P14443, for the Canaveral Harbor 44 Foot Channel Project – Package 1, CN-1-8-10-12-014A, for net increase of \$698,014.26, for the request for Equitable Adjustment (“REA”) between CPA and GLF.
- b. Settlement Agreement by and between CPA and GLF reflecting terms of equitable adjustment and final payment to GLF in the amount of \$698,014.26 for the Canaveral Harbor 44 Foot Channel Project as reflected in item (a) above.

Chairman Weinberg thanked Bill Crowe and John Murray for their work on this. **Motion was made by Chairman Weinberg and seconded by Commissioner Allender to approve this item. Motion passed 5/0.**

#7. Consideration of approving a contract for the West Turning Basin Deepening project, PUR-ITB-16-1, to Dutra Dredging Company in an amount not to exceed \$8,400,000. (Patrick Hammond / Bill Crowe)

Discussion took place regarding dredging of the west turning basin. **Commissioner Justice motioned to approve this item. Commissioner Loyd seconded the motion. The motion passed 5/0.**

#10. Consideration of authorizing a purchase order to CH2m under their continuing service GEC contract to perform an engineering study of the current and future potable water and sanitary sewer capacity study on the south side of the port in an amount not to exceed \$119,223. (Bill Crowe)

**After discussion, Commissioner Allender motioned to approve this item. Commissioner Loyd seconded the motion. The motion passed 5/0.**

#12. Consideration of approving an extension of The Lloyd and Agnes DeSouza 1993 Revocable Trust u/a/d 12-3-93 Thirty Year lease dated May 1, 1985, expiring April 30, 2015, as amended, located at 750 Mullet Road. The extension document has been reviewed and approved by General Counsel and Port Attorney. (Diane Denig / Scott Shepard)

The purpose of the extension is to continue the contract. We would like to see if over the next 6 months we could work to see if the two leases can be co-terminus. **After discussion, Commissioner Allender motioned to approve this item. Commissioner Harvey seconded the motion. The motion passed 5/0.**

**Items 16, 17, and 18 were discussed together. Afterwards Commissioner Loyd motioned to approve items 16, 17 and 18. Commission Allender seconded the motion. The motion passed 5/0.**

#16. Consideration of approving the multi-day event for the dates of May 5 & 6, 2017, for the ESPN/K92.3 Saltwater Classic Fishing Tournament to be held at Port Canaveral. These dates have been reviewed and approved by the Events Committee. Per the new Event Policy all multi-day events require final approval by the Commission. The Port has hosted the Event for the past 16 years. (Sarah O'Shea / Scott Shepard)

#17. Consideration of approving the multi-day event for the dates of May 17-21, 2017, for Thunder on the Beach Super Boat Racing Event to be held at Port Canaveral. These dates have been reviewed and approved by the Events Committee. Per the new Event Policy all multi-day events require final approval by the Commission. The Port has hosted this event for the past 7 years. (Sarah O'Shea / Scott Shepard)

#18. Consideration of approving the multi-day event for the dates of June 16 & 17, 2017 for the Canaveral Mac Attack Fishing Tournament to be held at Port Canaveral. These dates have been reviewed and approved by the Events Committee. Per the new Event Policy all multi-day events require final approval by the Commission. (Sarah O'Shea / Scott Shepard)

**PUBLIC COMMENTS:**

Dennis Thompson gave a Veterans Center update. He also spoke highly about the Rockledge High School Maritime program.

Lee Barron spoke regarding the ground transportation rules and regulations.

**COMMISSIONER REPORTS:**

Commissioner Allender: Merry Christmas and a happy, prosperous New Year.

Commissioner Harvey: There will be a meeting of the Homeowners Association of Merritt Island at the Lighthouse Christian Church Assembly Hall at 1250 Banana River Drive on Merritt Island. Merry Christmas, Happy Holidays and Happy New Year to everyone here.

Commissioner Justice: Happy Holidays. I want to commend the staff and John. It has been quite a year across the board, all the departments have come together to produce some extraordinary work.

Commission Loyd: Merry Christmas and see you next year.

Chairman Weinberg: Merry Christmas and have a safe and happy New Year.

**ADJOURNMENT:** The meeting was adjourned at 10:50 am until the next regularly scheduled meeting on January 18, 2017 at 9:00 am.

**CANAVERAL PORT AUTHORITY**

ATTEST

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Tom Weinberg, Chairman

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Jerry Allender, Secretary/Treasurer