

**CLERK'S SUMMARY OF AGENDA ACTION
AND OFFICIAL MINUTES
MIAMI-DADE AVIATION AD HOC COMMITTEE
JUNE 18, 2003**

The Miami-Dade Aviation Ad Hoc Committee convened in the County Commission Chambers of the Stephen P. Clark Government Center, 111 Northwest First Street, Miami, Florida, at 4:10 p.m. on June 18, 2003, there being present Chairperson Neisen O. Kasdin; Vice-Chairperson Raymond Cain; and members Mr. William Alexander, Mr. Mario Artecona, Ms. Michelle Austin, Village of Pinecrest Councilman Leslie Bowe, Ms. Terry A. Coble, Mr. D. Wayne Darnell, Ms. Charlotte Gallogly, Dr. Jorge Salazar-Carillo, Mr. George Siggins, and Coral Gables Mayor Don Slesnick; (Ms. Dorothy Baker and Mr. Allan Harper were absent); Ms. Angela Gittens, Director, Miami-Dade Aviation Department; Assistant County Manager Bill Johnson; Assistant County Attorney Abigail Price-Williams; and Deputy Clerk Linda Derleth.

I Roll Call

Following roll call, Chairperson Kasdin stated the purpose of today's meeting was to hear from the stakeholders and invited guests in connection with the creation of an aviation authority. He noted the Committee would review the governance of an airport, such as the composition of the members of an airport authority and its powers and duties.

II Stakeholder Presentations

Staff stated the airline representatives had not had an opportunity to prepare their presentation, and they would appear at a future meeting.

III Other Business

A. Mr. Richard (Dick) Judy

Mr. Dick Judy, former Aviation Department Director, Miami-Dade County, suggested the following for a County authority:

- the authority should have five or seven members
- the authority should administer business for the Miami-Dade system of airports
- the aviation director should report to the authority board
- the county attorney should be contracted by the authority, and the authority may employ a consultant attorney when it determines necessary for a specific project
- the County Police and Fire Rescue Departments should be under a contract with the authority

- the authority should have a separate budget for airport revenue that should not be included in the general County budget except by reference and for accounting purposes
- the aviation revenue should be expended exclusively for the payment of the cost of operation, maintenance, and improvements within the Aviation Department
- the retail and other commercial revenue should be expended for international and domestic commercial passenger, cargo, and aircraft services
- the retail and commercial revenue should have a separate budget in the airport system
- the bond financing of any aviation project by the authority board should be approved by the Board of County Commissioners by a resolution, and the same should apply to the authority exercising eminent domain for a specific aviation project
- the projects of the aviation airport system should be done by the authority under the Florida State Constitution and law and the United State Constitution and law

Mr. Judy stated no lobbyists ever appeared before the Board of County Commissioners in connection with any airport project during his 17 years as the Aviation Director. Mr. Judy noted he was the Aviation Director, Deputy Director, and controller of Miami International Airport during his tenure with the County.

The Committee members directed a series of questions to Mr. Judy.

B. Mr. Frederick (Rick) Elder

Mr. Rick Elder, former Aviation Department Director, Miami-Dade County and current aviation consultant, suggested the Committee consider the following four issues:

- size of the board that would constitute an aviation authority
- appointment of board members
- term of the members
- elimination of outside influence on board decisions

Mr. Elder stated the majority of aviation authorities in Florida and many around the country limit the size of their aviation authority boards to seven, with a chairperson selected by the members. He indicated the exception was Tampa Airport, which had only five members. Mr. Elder recommended an aviation authority of seven members, noting that was a workable number that could adequately represent the interests of this community.

Mr. Elder stated three of the four existing aviation authorities in Florida had members appointed by the Governor, noting Melbourne was the one exception. He recommended the following method of appointments to an aviation authority in the County:

- three members appointed by the Governor
- one appointed by the Greater Miami Chamber of Commerce
- two appointed by the Board of County Commissioners
- one appointed by the Greater Miami Aviation Association

Mr. Elder suggested staggered four year terms for the members of an aviation authority and a two year term for the chairperson. He noted one of the primary benefits of an aviation authority was to permit a small group of professionals to focus their attention on the governance of an airport. Mr. Elder indicated in order to limit outside influence, such as lobbyists, contact between any individual and an aviation authority member must be restricted if such contact related to any subject matter that could be considered for a vote by the authority unless that contact was in a duly advertised public forum and in full compliance with the Florida Government in the Sunshine Law.

Mr. Elder suggested no currently sitting elected official be eligible for appointment to an aviation authority, and an authority must be able to act with total autonomy. He noted it had been suggested by some elected officials that the County Commission should have final approval and veto power over authority decisions, and he spoke in opposition to such a system, noting it would result in the same problems that exist at MIA today.

The Committee members directed a series of questions to Mr. Elder.

C. Captain Charles Flowers

Captain Charles Flowers, member, Mayor's Blue Ribbon Aviation Panel, summarized his aviation background, noting he had extensive experience running airlines in Africa, the Bahamas and the United States. Captain Flowers noted he had worked with the International Civil Aviation Organization in establishing guidelines at airports throughout the Caribbean, South America and Europe, and he had worked with the Federal Aviation Administration (FAA) after the terrorist attacks of September 11, 2001.

Captain Flowers stated Aviation Department Director Gittens must deal with the Board of County Commissioners or an airport authority in managing MIA and also the rules of the FAA and the International Civil Aviation Organization, which controls every facet of aviation in the world. He noted the International Civil Aviation Organization and the FAA had the final authority over decisions made at Miami International Airport.

Captain Flowers noted Aviation Department Director Gittens was an excellent airport administrator. He spoke in support of an aviation authority for the County composed of either five or seven members who had extensive aviation experience, and he indicated they should be paid a salary.

D. Mr. Stephen M. Beatus

Mr. Stephen M. Beatus, a recently retired United Airlines pilot, stated he was not representing United Airlines or the aviation industry and he was appearing today as a private citizen. He noted he had worked with many airport authorities, and the authorities that were efficient were run like a business and embraced the stakeholders who were part of their operation. Mr. Beatus

stated airport stakeholders included the airlines, fixed base operators, vendors, contractors, and all the other businesses related to the airport. He noted good airport administrations solicited input from the stakeholders in their decision-making process.

Mr. Beatus stated the number one challenge for any airport was the current economic situation, specifically cost containment if not cost reduction. He noted the highest operating costs were salaries and fuel, but there were many other elements that drive an airline's profitability, one of which was the cost of operating on the ground. Mr. Beatus stated in today's economy, airlines were reviewing ways to improve their profitability and were cutting back routes, reducing contracts, reviewing labor contracts, and reducing amenities.

Mr. Beatus noted all airports had to evaluate their procedures and determine how expenses could be reduced. He suggested the following efficiencies be considered by the County:

- procurement and contracting procedures must be made more efficient and cost effective
- customer service must be improved at MIA
- facilities must be updated and customer processing must be evaluated for the future
- safety and security must be addressed on a continuing basis

Mr. Beatus stated the Transportation Safety Administration was part of MIA's operation and a stakeholder, and he emphasized the importance of cooperation between stakeholders and MIA administration.

The Committee members directed a series of questions to Mr. Beatus.

E. Ms. Lynn M. Summers

Ms. Lynn M. Summers addressed the issue of an aviation authority for the County, noting she was not an aviation expert but she had substantial experience in governance structures in the County. She stated if one accepted the suggestion that lobbyists represented a substantial problem at MIA, the Committee could consider recommending the majority of appointments to an aviation authority be made by the governor or consider opening up the appointments to someone outside local accountability.

Ms. Summers indicated that two years ago, just prior to Mayor Penelas' appointment of the Blue Ribbon Aviation Panel, there were efforts at the County Commission level to develop an ordinance to address MIA governance. She noted at that time discussion was held in connection with a proposed two step process to delegate authority from the Board of County Commissioners to an airport authority.

Ms. Summers suggested a possible two step delegation of authority from the County Commission to an airport authority as follows:

- establish an authority to consider the details, such as number of members and powers of the authority
- charge the authority with reviewing all suggestions and presenting a transition plan

- charge the authority with the preparation of a business plan
- review of such a plan by the Board of County Commissioners

Ms. Summers stated the reason for a two step delegation of authority would be to overcome the belief by some of the County Commissioners that they would be less than responsible to their constituents to turn over the operation of so significant a community asset as MIA without knowing how it would be managed. She indicated the ordinance that established the authority transfer of Vizcaya Museum and Gardens was an example of a successful two step process.

Ms. Summers noted she did not intend to compare the complexity of MIA with the governance of Vizcaya Museum and Gardens, and she urged the Committee to consider the need for an airport authority and how to address the concerns of the County Commissioners in this process.

The Committee members directed a series of questions to Ms. Summers.

Ms. Summers further stated the advantage of an airport authority would be a group of dedicated people with extensive aviation experience and with the required time to devote to the management of a complex economic enterprise. She noted the complicated MIA capital improvement program and suggested that an airport authority nominating committee should request background checks on those nominated to an authority. She suggested the members of the Committee review a draft of any previously proposed ordinances in connection with a proposed airport authority.

Upon conclusion of the foregoing, Chairperson Kasdin invited anyone else in the audience who wished to address the Committee to come forward.

There being no additional persons to appear before the Committee, Chairperson Kasdin announced the next Committee meeting would be July 2, 2003. He noted Mr. Ed Marquez, former Finance Department Director of Miami-Dade County, would appear July 2nd to address financial issues.

Aviation Department Director Angela Gittens indicated someone representing bond counsel would also appear at the next Committee meeting to address the legal issues involved in a transition to an aviation authority.

Ms. Gallogly suggested the Committee use the grid that was provided to each member at the first meeting to assist in making decisions.

Ms. Summers and Councilman Bowe spoke in support of a phased-in aviation authority for the County.

In response to a question by Mr. Artecona, Assistant County Attorney Abigail Price-Williams noted there were a number of draft aviation authority ordinances that had been prepared, and she indicated she would attempt to locate them for the Committee members.

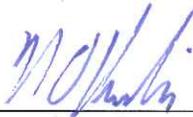
Mr. Rick Elder, former County Aviation Department Director, suggested that someone from the Committee contact the bond rating agencies and determine if they had any concerns in connection with a possible airport authority.

Chairperson Kasdin stated the Committee could request Mr. Ed Marquez contact the bond rating agencies, and he indicated the County's financial advisor could provide an opinion to the Committee.

Mayor Slesnick suggested Aviation Department Director Angela Gittens and the union representatives for MIA County employees confer to determine if they could formulate a coordinated recommendation in connection with an airport authority. He indicated it would be helpful to have a current recommendation from the management team and the union representatives to evaluate whether an airport authority would be appropriate.

IV Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 6:11 p.m.



Neisen O. Kasdin, Chairperson
Miami-Dade Aviation Ad Hoc Committee