AVIATION & AIRPORTS ADVISORY BOARD
MINUTES
June 12, 2024

Board Members:	Bruce Pelly, Chair Sophie M. Gaeta, Vice Chair E. Llwyd Ecclestone Ron Ash Neil Haynie Glenn Jergensen Tinu Pena Douglas J. Sanders
Representing Department of Airports:	Laura Beebe, Airport Director Gary M. Sypek, Senior Deputy Director Cindy Portnoy, Deputy Director, Planning & Development Debbie Duncanson, Deputy Director Finance & Administration Ray Walter, Deputy Director of Real Estate & Concessions T.K. Stewart, Deputy Director Operations & Maintenance Nicole Hughes, Director Marketing Andrew Gamboa, Manager, Air Service Development

I. Call To Order

At 1:30 p.m., Board Chairman Bruce Pelly called the Aviation and Airports Advisory Board (AAAB) meeting to order. The roll was taken with a quorum present. Board members Douglas Sanders and Glenn Jergensen were not in attendance when the roll was taken.

II. Approval of March 13, 2024 Minutes

The Chair called for a motion to approve the minutes from the March 13, 2024 meeting. Motion seconded. Minutes approved.

III. Ferrovial Update

Airports Director Laura Beebe asked the Chair for permission to reorder the Agenda so that an update from Ferrovial would be the next order of business.

Kirk Hotelling, Senior Vice President of Real Estate & Development with Ferrovial provided a presentation to the AAAB that included an update to Ferrovial's vertiport plans at PBI as well as general information regarding electric vertical take-off and landing aircrafts (eVTOLs). He began the presentation by providing statistical information from the World Bank, which indicates that within two decades about 70% of the world's population will be living near an urban environment. Considering this statistic he stated there is a need for new and creative technologies to help move people in and around cities. He stated the eVTOL industry has grown into a multi-billion dollar industry. He explained that eVTOLs are similar in size to a small airplane but that they are about as loud as a typical lawn mower. He also predicted that within 10-20 years, vertiports will be in operation throughout the country.

The Board asked what the maximum ceiling is for an eVTOL aircraft. Mr. Hotelling replied that a typical eVTOL will fly at approximately 2,500 feet, and it would be unlikely they would fly higher than 3,500 feet.

The Board asked what the target market is for eVTOL aircraft. Mr. Hotelling advised that most EVTOLs will carry approximately four passengers in a piloted vehicle.

The Board asked how eVTOL aircraft will be integrated into the current transportation system. Mr. Hotelling advised the Board that all air traffic regulations are controlled by the Federal Aviation Administration (FAA) and that no eVTOL aircraft would fly out of PBI unless it was certified by the FAA.

He noted that in a similar fashion, the proposed vertiport would also need to be certified by the FAA. He continued, stating that the FAA will, as part of its functions, ensure that there is no impact to current aviation operations in the area.

The Board asked if the planes are automated or if a pilot would fly the eVTOL and if a pilot's license would be needed to operate an eVTOL. Mr. Hotelling advised that eVTOLs are intended as passenger aircraft and that a licensed pilot would be required to carry passengers.

Mr. Hotelling informed the Board of Ferrovial's intention to build a travel network in South Florida that includes West Palm Beach, Boca Raton, Fort Lauderdale and Miami. He indicated that Ferrovial has leases in all of those cities except for Fort Lauderdale, and he anticipated that an approved lease for a Fort Lauderdale location would be coming about in the next few months.

The Board asked for information regarding eVTOL manufacturers. Mr. Hotelling advised there are several eVTOL manufactures including lesser known names as Joby, Archer, Lillium and Beta and more commonly recognized names like Honda, Hyundai and Toyota. He also stated that there are several companies which are at different points in the FAA design approval process and that many other large companies are financially backing the development of eVTOLs.

Director Beebe explained the details of Ferrovial's original lease to the Board, which was signed in 2021. She stated the lease is being amended and the lease amendment is being submitted to the Board of County Commissioners (BCC) for approval. She noted that one of the most significant changes to the lease would provide that Ferrovial would no longer be limited to one manufacturer, i.e. Lillium, as its only provider of eVTOL aircraft.

Mr. Hotelling advised the Board he believes now is the right time to start building the vertiport. Mr. Hotelling stated that Ferrovial will assist the airport in submitting an "airport layout change plan" and an environmental review to the FAA before construction can begin.

Mr. Hotelling stated the most difficult part of the vertiport development will be the future integration of eVTOLs into current airspace and that Ferrovial is "front and center" in their planning efforts with the FAA. He also stated that Director Beebe has made it "abundantly clear" that in "no way, shape or form" will the planned vertiport impact commercial operations at PBI. He also stated he believed that eVTOL aircraft will be certified by the FAA and ready to carry passengers in 2026.

The Board asked if there are other vertiport developers. Mr. Hotelling stated that SkyPorts is another developer of vertiports, and Skyports has plans to develop a vertiport at the Vero Beach Airport. He also stated he did not believe that any developers were "further ahead" of Ferrovial in the vertiport development process.

The Board asked what type of maintenance is required for an eVTOL and who would be responsible for the maintenance of the aircraft once the vertiport was developed. Mr. Hotelling stated that like any other aircraft, the FAA will mandate aircraft safety and that all facilities will have to comply with all local regulations, including Florida Department of Transportation (FDOT) requirements.

The Board asked how many vertiports Ferrovial intends on constructing at PBI. Mr. Hotelling advised that their plans are for one vertiport with up to four stands. He suggested thinking of a vertiport stand in the same manner that one would think of a passenger gate in an airport terminal. He stated that their initial plans would be to start out using two stands and ultimately increasing to the use of all four.

The Board asked about the cost of an eVTOL flight. Mr. Hotelling suggested he anticipated flight costs, on a per-mile basis to eventually be compatible with the cost of an upscale Uber ride. In response to a question from the Board, he also stated that Ferrovial would be charging a landing fee at PBI.

Mr. Hotelling also explained that eVTOLs are expected to ultimately take a small percentage of people away from cars, which will in turn relieve congestion on our roadways. Director Beebe advised the Board that she will have Ferrovial provide future updates as the vertiport project progresses.

IV. Airport Update– Laura Beebe

Airports Director Laura Beebe began the Airport Update by discussing the February, March and April 2024 traffic reports. She noted that for all of the months overall air traffic was up approximately 12-14%. She also noted she expected to see a bit of a slowdown in the future percentage increases of flight operations from double-digit percentages to single-digit percentage increases.

Director Beebe noted that year over year there have been a total of 7.977 million passengers and that traffic is steadily increasing to 8 million passengers per year.

V. Air Service Update – Andrew Gamboa

Andrew Gamboa, Manager of Air Service Development, provided the Air Service update. The update included information for the following airlines: Allegiant, American, Breeze, JetBlue and United.

American is continuing daily operations to Chicago until the first week of September.

Allegiant is increasing the frequency of its flights from PBI to Asheville, NC and Pittsburgh, PA.

Breeze Airlines is adding its first year-round destination from PBI to Raleigh-Durham, NC.

JetBlue will begin offering two flights a day to Providence, RI starting in October. JetBlue is also keeping its service from PBI to LAX. They will be increasing their flight frequencies to New York-JFK, Boston and Washington, D.C. JetBlue will also be adding flights to Islip, NY.

Mr. Gamboa also stated that United Airlines was adding a seasonal route from PBI to Denver on Saturdays.

VI. Marketing Update – Nicole Hughes

Director Beebe announced to the Board that Nicole Hughes was recently promoted to the position of Director of Marketing and Communications. Director Hughes explained to the Board that the job of her team is to promote all of PBI's air service routes including those just mentioned by Mr. Gamboa. She updated the Board regarding marketing promotions that took place during the first quarter of 2024.

She played an audio file of a radio ad playing on local radio station WRMF which advertised flights from PBI to Chicago.

She informed the Board that airport surveys from Travel & Leisure Magazine and Conde Nast Traveler were currently in process.

Director Hughes also informed the Board of a social media post that had gone viral with over 1.2 million views. The post focused on the Palm Beach Sheriff Office (PBSO) K-9s. The post also received over 123,000 likes and 313 comments.

She encouraged the Board members to follow PBI on social media platforms.

VII. Construction Project Update – Cynthia Portnoy

Airports Deputy Director of Planning and Development, Cynthia Portnoy, provided the Construction Project Update. Director Portnoy began her presentation by discussing some of the major projects that are currently under construction. Those projects include: 400 Hz Ground Power Units (GPU), PBI Preconditioned Air- Point of Use Replacement, Switchgear Replacement Phase 1, PBI 4th Level Roof Replacement, PBI Short Term and Long Term Garage Repairs, PBI Central Airfield Improvements and concourse B Package 1.

Future construction projects that were discussed by Director Portnoy include: Concourse B Package 2. Director Beebe informed the Board that the Airport intends on issuing bonds to complete many of these projects and that she was hopeful that many of the projects needed to complete the Concourse B renovations would be ready to start in January.

Other future projects that were discussed were the rehabilitation of the primary runway at PBI, terminal improvements, the renovation of the air cargo access road, elevator replacements and miscellaneous pavement repairs.

In regard to the General Aviation airports, Director Portnoy discussed North County F45 ramp expansion, rotating beacon replacements at both F45 and LNA, surface treatment at LNA and the Pahokee (PHK) fuel farm.

The Board asked Director Portnoy to elaborate on the air cargo access road bidding process. She replied that only one bid was received and the only received proposal was a million dollars over the expected budget.

VIII. Real Estate & Concessions Update – Ray Walter

Airports Deputy Director of Real Estate & Concessions, Ray Walter, provided the AAAB with the Real Estate & Concessions update. He informed them of Requests for Proposals (RFP) that include: Two (2) Combined Retail, Food & Beverage Concession Opportunities and that those were scheduled for June 13th. He also noted an Automated Teller Machine (ATM) RFP that was scheduled for June 17th.

The Board asked if there was any news regarding an empty parcel of land adjacent to Lantana Airport. Director Walter replied a previous land swap with the Parks and Recreation department was looking difficult and would probably not come to fruition.

IX. Operations and Maintenance Update – T.K. Stewart

The Operations and Maintenance update was provided by the Deputy Director of Operations and Maintenance, T.K. Stewart. He informed the Board that the Operations group is in the process of interviewing candidates for Operations Supervisors, Operations Technicians and one Operations Officer position.

He informed the Board the Part 139 inspection was recently completed.

He informed the Board of training initiatives that were either recently completed or scheduled. Those included: recurrent movement area driver training, operations annual training, signatory training and wildlife training.

In regards to the Maintenance group he informed the Board of several job vacancies including: Publics Works Crew Chief, Maintenance Worker II, Warehouse Storekeeper, Industrial Electrician and Electrical Apprentices.

Finally, Director Stewart informed the Board of the Maintenance group's preparations for hurricane season which include tree-trimming and the inspection and cleaning of storm drains.

X. Matters by the Public

Chairman Bruce Pelly asked if there were any attendees who would like to address the AAAB. There were no members of the public who chose to speak.

XI. Board Member Comments

AAAB member E. Llwyd Ecclestone asked when Director Beebe thought an additional runway would be constructed at PBI. Director Beebe replied that an airfield improvement project that would include the extension of the general aviation runway is currently in the preliminary stages and that she could not provide a definitive date.

AAAB member Neil Haynie informed the Board that he was concerned about the charging capabilities of eVTOL aircraft. Director Beebe advised she believed that Ferrovial has had discussions with Florida Power & Light regarding power storage and that those discussions are also in a preliminary phase. She informed the Board that the Ferrovial plan is ambitious, and it still may be several more years before the vertiport is ready for public use.

AAAB member Ron Ash said he would wanted to compliment Director Beebe and her staff regarding today's presentation and he asked if she would continue to look at improving the audio capabilities in the conference room.

XII. Adjourn

A motion was made to adjourn the meeting. The meeting adjourned at 2:38pm.