

**KEYSTONE AIRPARK AUTHORITY**  
7100 Airport Road, Starke, FL 32091-9347  
352-473-0031 (office) 352-473-4251 (fax)  
Email: keystoneheights@bellsouth.net



**MINUTES OF THE EMERGENCY BOARD MEETING OF THE KEYSTONE AIRPARK AUTHORITY**  
Thursday, June 18, 2009  
**CONFERENCE ROOM, KEYSTONE AIRPARK**

Chairman Noel Thomas called emergency board meeting to order at 5:01 p.m.

Prayer was followed by Pledge of Allegiance.

Roll Call: **Present:** Noel Thomas, Glen Harris, Karen Lake, Ron Blake,  
Tony Brown, Jim Young, Dean Weaver

**Absent:** Col. Mauzey, Karen Nelson, Don Ramdass

**Emergency Airpark Authority Board Meeting:**

Chairman: Noel explained to the Board that as of May 27, 2009 The Keystone Heights Airpark Authority's liability insurance had been cancelled. Ms. Lake stated that it was the Aviation insurance.

Chairman Noel said he had received documentation from the insurance company dated June 18, 2009, that we no longer had liability insurance. Chairman read to the Board "*The insurance expired when the Authority failed to provide the insurer with the required renewal information prior to the expiration date of May 26, 2009*".

Chairman Noel stated as of 2pm. June 18, 2009 he had closed all operations of the Airport. The Airport would continue in a closed status till such time as the Airpark Authority could obtain liability insurance. The fuel system, lights on runway had all been turned off, and the airport was no longer operational. All tenants had been notified that we no longer had liability insurance and all operations must cease.

Chairman Noel had tried to contact the insurance company and was informed that Melissa (contact person) was not available, and no information was made available as to what type of information was required to reinstate the policy.

Chairman Noel's recommendation to the Board was, until such time as we can clarify the requirements the insurance company needed, the operations of the airport should continue shut down status.

Chairman Noel stated the Airpark Authority has over 6 million dollars worth of assets and property and without liability insurance the Airport could be in dire peril if an incident was to occur.

Mr. Harris inquired as to what exactly was being covered if that was known, if it was anything in the hangers or what? Chairman Noel said he at this point did not know exactly which policy or specifically what part of the policy it was. Chairman Noel said he did not know if it was the hanger keepers or what at this point without talking to a representative from the insurance company. Ms. Lake commented, it was the hanger keepers.

Chairman Noel stated he did not know the extent of the liability and what our coverage is and the person at the Florida League of Cities could not tell him specially, they just said that your liability insurance is cancelled.

Mr. Elmore, asked "how did this happen"?

Chairman Noel answered that according to what the insurance had told him, the Authority failed to respond to the insurance requests prior to May 26, 2009.

Ms. Lake said "*that is and isn't true, that she had responded to them on the 26<sup>th</sup>*". Ms. Lake showed an application to the Board and explained that the insurance carrier had accepted the application, and then they had had follow-up questions. Since the Authority had some history concerning the Hunt Club they would not accept the application as received till additional information had been received!

Ms. Lake stated "*she had provided information to the insurance company what they had requested after the application*". Ms. Lake stated "*she had been working towards the information for the past two weeks*".

Ms. Lake stated "in December of 2008 the Board had asked her to go to the insurance company and ask if there was liability insurance, this was regarding an incident involving a hunting dog".

Mr. Beard said, "This was a very serious situation and should be corrected immediately, the fact that this situation has previously occurred and nothing was done does not vote well for the Airpark in the event of a claim does the dog team have insurance, has he given you proof, does the Airpark get insurance certificates from any of the tenant and if the insurance insurers had inspected the facilities 'and this was brought to their attention they may have cancelled your insurance."

Ms. Lake stated "she had brought this issue before the Board and the insurance company was very concerned about this issue". Ms. Lake said "Mr. Weaver had asked if I had talked with an Attorney" this delayed the action another month till we had the Attorneys opinion back. Ms. Lake said "when she brought the opinion of the Attorney before the Board, Chairman Noel said, "We do not need to do anything at this time because the hunting season is almost over and we will address it during the re-negotiations of the lease".

Ms. Lake said, after that meeting she sent a note to Melissa" saying, "I thought it best to inform you that the Authority has decided to take no action on the banning of the dogs at this time, the lease permits us to ban the dogs, but the majority of the membership cites the impending of the end of the lease as reason to their decision, the Board says the hunters will not exercise another hunting season prior to their completion to the lease. Ms. Lake said, "She had let Melissa know the will of the Board". Chairman Noel said "that was not accurate". Ms. Lake responded, "It was fairly accurate, based on the meetings".

Chairman Noel asked if Mr. Arpen was present, it was established he was not present at the moment, but that he believed that the Sportsman's Club had reported back that all people who had been involved and responsible had been removed from the club, and that they had banned dogs from being used on the Airpark property.

Ms. Lake said, No Sir, she did not recall that being in the Board Meetings at all. Ms. Lake said, Noel you said; "we are going to go from big dogs to little dogs at 19 inches and under", "and that is what we are going to run now".

Ms Lake said, "you guys stalled and pulled this out to a place where the hunting season ended and they finished the last of the season and we were going to look at it at the end of the lease, that's what happened she said, "Ok" and you guys did not take it seriously enough. I brought it to you and said "this is serious business".

Chairman Noel said, "it was not serious enough, last night at the Board Meeting, that is you failed to tell us that we had not had insurance for a month:?"

Ms. Lake responded, "No, it's actually not my responsibility to call an Emergency item". I called Ms. Pat and communicated to her this is an emergency, this is a real emergency.

Chairman Noel said, You have put the Airpark Authority, and the City of Keystone Heights at great liability by failing to tell notify the board, that we have not had liability insurance for a month.

Ms. Lake responded by saying she had not failed that she had told Ms. Pat, we have no insurance, and she should have been responsible to tell someone. Chairman Noel said "it was not Ms. Pat's responsibility" Ms. Lake said, "Yes it was Ms. Pat's responsibility".

Chairman Noel stated that it was the Airpark Authority to take care of it, and that Ms. Pat was an employee and it was the Airpark Authority Board's responsibility for the actions, not the employees.

Ms. Lake responded, yes, and that it was the Chairman's responsibility for putting items of an emergency item on the agenda.

Ms. Lake said "she had told Ms. Pat to place it on the agenda for June 17, 2009 Board meeting, and it had not been placed on it, it wouldn't have been properly noticed.

Chairman Noel said there had been an opportunity to bring any topic up that was of an emergency or of a nature of importance, to the Board last night.

*Ms. Lake argued that she could not call an emergency that Chairman Noel was the Chairman.*

Chairman Noel asked if she had asked for an emergency meeting.

Ms. Lake said, "On Monday, June 15th, 2009 and that Mr. Thomas had been standing in the office when she made a call. Ms. Lake said that Ms. Pat said "**Noel says bring everything you have to the meeting**". Ms. Lake said she had thought it was going to be an emergency item on the agenda and that the Board had finally gotten the point.

Chairman Noel said it should have been brought before the Board last night; you had an opportunity to bring it before the open Board. Ms. Lake disagreed with Chairman Noel, stating that he may not like the timing of this message, but it had been building up for months, and this wasn't something that had happened over night.

Chairman Noel said he wanted to know on the day before the deadline on May 25, 2009 when you were filling the form out; why did she have the form for this long, why didn't you ask for help if you were having problems.

Ms. Lake said, the document required the Aviation Chair to fill it out. We had had our Aviation Chair Board member quit. At this point, Mr. Weaver stated "**Do not use the word quit, I was fired**". Ms. Lake apologized, and said she couldn't call anybody with Airport experience, because this is a Public Board and that is why in her opinion she felt it should as a Administrative type task and the Board members should not be handling it because the Board can not talk to each other, and you have to do that if you are going to be Insurance and Aviation.

Chairman Noel stated she should have made sure it had been taken care of or brought it to Ms. Pat, put it on her desk and asked her to contact me.

Ms. Lake said, by that time it was time to get it in, she said she had found Mr. Dean Weaver and he had graciously sat with her and had spent over half an hour helping me to fill it out and I faxed it over as soon as I he helped me. Ms. Lake responded by saying, if Chairman Noel wanted to spread blame around that was alright, but that the track record say's the real reason is, we did not take care of business months ago.

Chairman Noel asked Ms. Lake if she had reported to Mr. Beard that we had not taken any action on painting. Ms. Lake stated she had said "*we had chosen not to take action because there was no painting going on,*" I did not know or remember that we were going to send letters out to tenants, "*I do not remember that*".

Chairman Noel said the letter had gone out on May 11, 2009 to each tenant saying "***we would no longer paint here***". The Risk Manager was provided a copy of the letter when he had come back out here around a week later to do a follow-up check. The Risk Manager and I met with Mr. Arpen to talk about it and he was provided the letter again at that time.

Ms. Lake said, she would like to address this issue, she said she had come into the office on a Friday to sign checks and Mr. Arpen had asked her to step into the Conference room. Arpen said, "He had a Bone to pick with her, asking if she had reported to the insurance company that he was painting in his work area". Ms. Lake stated she had said to Mr. Arpen that she was not out here at the Airport enough to know what goes on here, and she had no idea if he was painting or not and would certainly not do that. Ms. Lake said she had reported back what I thought the Board's decision and there was no way I would call you out or turn you into the insurance company.

Ms. Lake said this had gone on way to far; its gone way too far.

Ms. Lake said if the Board wanted to solve this, the only way we can solve this is now is to provide the insurance company with every piece of information their asking for. This has opened the whole thing up. They are now asking me for information about Ivor and his business and his insurance, which I am providing today, and they are also asking about how much money we are making off of Jet A and Low Lead. Now that they know there is a history of us not taken care of business their going to ask every single question. It is going to be very much like the loan, where you file this and that's all you have to do because it is an automatic renewal and we have done it every year, that's what I thought when I filled.

Chairman Noel said it was his understanding in talking to them, the reason we were to this Point was not all questions had been answered and information requested had not been provided to them in a timely manner, therefore our insurance lapsed and the record shows that we failed to renew our policy.

Ms. Lake said, Chairman Noel had not looked at the second page where it reads "insurance carrier must have a copy of the current and active copy of the general liability policy from the Keystone height's Sportsman's Club, a signed letter from the Chairman of the Authority, banning the dogs will not services for the insurance carrier. In addition the Airport liability broker has approached different markets to obtain quote, however due to issues regarding this cancelled policy these insurance's will not offer a quote, once the Sportsman's Club policy is received we will forward it to the former insurance carrier.

Ms. Lake stated, she had not gotten that policy for three days. I ask on Monday and got it on Wednesday.

Ms. Lake said if Chairman Noel was going to spread blame to spread it generously because everybody had a piece of it. Chairman Noel said it was very specific in the letter, saying these insurers will not offer a quote, because the expired policy was not being reinstated.

Ms. Lake said she had done it the day it was due, I thought that was all we had to do. I was informed the next morning that they wanted additional information.

Chairman Noel asked Ms. Lake "how long she had had that request before she had provided that to the insurance company? "I do not remember". I have been very busy; Ms. Lake pointed to Chairman Noel and stated, "I have been busy just like you Noel". Ms.Lake said I do not know how long I had it; it could have been a week

Mr. Thomas addressed the Board members saying, this is where we are, we do not have an option we have to shut it down. Mr. Blake said it sounded to him like Chairman Noel could not get any other information till the following day and was that correct. Chairman Noel said yes that was correct.

Mr. Harris asked if the lady he needed to talk to would be back the following day and Chairman Noel said, they had not given him that information, they had just said she was not available and someone else was answering her calls. Mr. Brown asked if Melissa had a supervisor over her and Ms. Lake stated she acts as a liaison between all the agents and brokers for all the different policies. Mrs. Young said that everybody has a boss or supervisor!

Chairman Noel said that was how we had gotten the letter, it had come from Underwriter Management of Florida Leagues and he said it had gone to Tallahassee, to Tom Connelly who then got involved in it and then sent a letter to the Mayor.

Mr. Blake asked if we had everything that the insurance company had been asking for. Chairman Noel said he did not know all of what they were asking for. Ms. Lake said that they had everything today. Chairman Noel stated that the entire letter read: the policy had been cancelled on May 26, 2009. Mr. Blake asked if they received it today.

Mr. Thomas said it had gotten here over the past three days, and they had gotten some two weeks ago, and they sat on it for a week and then they had come back and said they needed the entire policy for the Sportsman Club. Mr. Arpen is not here, but when I contacted him the first part of the week asking him about it he said that they had just renewed their policy and their insurance company had not provided them with a current copy of the new policy. They had the old policy, but they had been waiting for the insurance company to provide them with the new one. They did not have the new one, they faxed over the copy of the renewal where they had renewed it. I believe they faxed us over on Wednesday the renewal statement, stating they had paid for the renewal.

Mr. Brown asked where we were right now with the Florida League was that we have to have all these different policies from all your different tenants, do you have a list of them and Chairman Noel said yes. Ms. Lake stated that they provide a lot of it and it is in there leases. Ms. Lake said that some of the pieces they do not provide and they have to broker out and one of the pieces is the Hanger Keepers, because they do not insure Airports. So Old Republic who will cover an Airport and there are only a couple of others that will cover Airports, is my understanding.

Mr. Weaver stated we could call Scott Roberts to verify if the Hanger Keepers and the General Liability insurance are two individual separate policies, the general liability policy is what the state of Florida comes in here and looks for every year to renew our Airport Lease License and it also has to be in effect for Phillips to give us the other 50 million dollars worth of fuel and incidences, and it has nothing to do with building a airport. Chairman Noel said yes, but when they addressed the letter which we can not verify it reads airport's liability insurances, it does not say Hanger: it does not say General, it says Liability and until we can find out specific is covered even though we are talking about Hanger's insurance, obviously, I guess we need to find out exactly what it is and hopefully we can get an answer tomorrow.

Mr. Blake said it sounded like we had no other choose, but sit on it till tomorrow.

Mr. Brown asked if there were any activities going on this week-end or this week?

Chairman Noel said we had an aircraft that had planned on coming in and had planned on buying 400 gallons of fuel this evening and we cancelled because of the lack of liability insurance. They had scheduled several days ago and were scheduled to be in at 9:30pm. And we told them we had lightening strikes and our tanks were down and we could not service them.

Noel said we have to shut down the airport this evening, shutting down the fuel pumps, shut the lights off to prevent anybody from coming in, till we can clarify what's going on.

Mr. Weaver asked if had posted notices on the website.

Mr. Thomas said we had notices posted saying we were down, we did that so there would not be any other questions come up when the notice was heard over the radio.

Mr. Wigham asked if there any different avenues we could explore other than us not depending on that insurance company, and if that was the concern, could we explore other avenues, with other options.

Chairman Noel said yes, we would have to pursue some other type of option, if the insurance company did not work out, but that the problem is there are only three or four companies that cover Airports. Any agents that we pursue that can write insurance is going to go right back to the same companies and they will have our track record.

Chairman Noel asked if there were any comments and if nothing else; as soon as the Airpark Authority has more information we will call another meeting. Noel then called the meeting to an end and adjourned.

Meeting adjourned at 5:21 p.m.

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Noel Thomas, Chairman

Attest

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Secretary