

VENICE CITY COMMISSION EXECUTIVE SESSION

In Re: The Matter of:  
COMPLIANCE WITH FEDERAL OBLIGATIONS  
BY THE CITY OF VENICE, FLORIDA  
DOCKET NO. 16-01-11

BEFORE: CITY OF VENICE COMMISSIONERS  
DEAN CALAMARAS, Mayor  
RICK TACY, Vice-Mayor  
BURTON C. BROWN, Councilmember  
DAVID FARLEY, Councilmember  
JOHN K. MOORE, Councilmember  
JIM MYERS, Councilmember  
VIRGINIA C. WARREN, Councilmember

GEORGE HUNT, City Manager

ROBERT C. ANDERSON, Esquire  
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DATE: April 8, 2003  
Commencing at 3:20  
p.m.

PLACE: Venice City Hall  
City Council Conference  
Room Venice, Florida

REPORTED BY: AMY E. ROBERTS, CSR/CM  
Notary Public  
State of Florida at Large

MR. ANDERSON: Okay. We're here again on a private attorney/client session pursuant to Florida Statute 286.011 to discuss the pending administrative proceeding initiated by the Federal Aviation Administration. This is really a shade meeting for just an update. Remember that everything we say at this meeting is going to be taken down by Amy Roberts, our Court Reporter, so there is a verbatim transcript being made and at the conclusion of this administrative proceeding that will become a public record, open for public inspection. We have to confine our discussions today with strategy and discussions as they relate to the resolution of this administrative proceedings.

What I thought I'd do is just give you an update as to where we are since the last time we've met, and then I'll be glad to answer any questions that you might have.

Yes, Mr. Farley?

MR. FARLEY: Do we need to change our public record? She named another court reporter.

MR. ANDERSON: No, that's no problem at all.

The progress we've made since last we've met. You'll recall that initially the F.A.A. took the position that they did not want to pursue any sort of settlement discussion with the City of Venice until we filed a formal Answer or Response to the Notice of Investigation.

Through the efforts of Tom DeVine and his contacts with the F.A.A. they have changed that posture and have invited us to go to Washington, meet with the F.A.A. officials for the purpose of trying to find a resolution of this matter prior to us having to file our formal Response to the Notice of Investigation. Since that change of events we've been working very hard to schedule two things: First of all, a trip to Washington, D.C. to meet with F.A.A., which is now scheduled for Wednesday, April 23rd, and Larry Heath, the mayor and I will be going up. Obviously we've included that invitation to Mr. Hunt, but he's decided, as he advised the last council meeting, that he would not be attending. That he didn't think that his attendance at that

meeting would add to the atmosphere to bring about a settlement. So Larry Heath, the mayor and I will be going up.

We're still talking about our travel plans, but Larry Heath and I have discussed going up Tuesday night, April 22nd. There's a flight out of Tampa at about 6:30 that will get us into Washington, D.C. about 8:30, and then we'll hook up with the mayor either the next morning or that evening, depending on his travel arrangements. We then are going to spend most of the morning on the 23rd with Tom DeVine, the attorney that we've retained, going over any last-minute questions, strategy, discussion on how to handle the meeting that afternoon with the F.A.A. We're then scheduled to meet with the F.A.A. at approximately 1:30 for as long as we need to try to find a resolution to this problem.

The second meeting that we finally have been able to schedule is a meeting between the City of Venice settlement team, which consists of the mayor, myself, Larry Heath and City Manager George Hunt, and Dan Boone and representatives of the Venice Golf Association.

That is now scheduled to take place in my office tomorrow afternoon at 4:00.

Now, the purpose of that meeting is to explore with the V.G.A. how acceptable they are going to be to lease modifications necessary to bring that lease into compliance with our federal sponsor obligations.

We have had discussions, Tom DeVine and I, with the F.A.A. representatives, and although they started out with the notion that under the former lease that has the first renewal option the rent calculation would have been in the vicinity of \$276,000 a year, and then they argued that we had left money on the table by renegotiating the lease and not charging what was contractually owed to the City. We were afraid that they might hold to that 276 number. It now appears that they are comfortable with a number of approximately 215, 216, and the way we've arrived at that in our preliminary discussions, and again, these are just preliminary, was the 276, which is the contractual formula for determining the rent for the first five-year-option period, minus some offsetting costs and expense associated with

transferring responsibility for the irrigation system from the City to the V.G.A.

We've also discussed with the F.A.A., although this isn't a surplus properties question where Public Law 51.90 would come into play on how you appraise the leasehold, we have argued that some of the improvements done by the V.G.A. with their funds were in excess of what they were obligated to do under the lease agreement and that they should be given some credit for that.

So that combination, although nobody's ever done the math which says we're allowing this much for improvements above and beyond the lease and this much for a transfer of the maintenance obligation for the irrigation system, that brought us from the 276 figure down to the vicinity of this 215, 216, and at least that's now where we're going to start the discussions when we get to Washington, D.C. on the 23rd.

With that in mind, tomorrow afternoon when we meet with the V.G.A. we are going to discuss where we stand with the F.A.A., what the dilemma is that faces both the City and the

V.G.A., and then try our best to convince the V.G.A. that they need to partner up in the resolution of this dispute and that that's going to necessitate a modification of the amount of rent that they pay under the new lease agreement.

That's really where we're at. It's been -well, the mayor would know it's been difficult in getting these settlement meetings together. You've got a lot of people participating and schedules are always -- seem to be in flux, and we thought we nailed down a couple of dates, then things kind of got away from us, but we now have confirmed dates; one with the V.G.A. tomorrow afternoon at 4:00 at my office, and then with Tom DeVine and the F.A.A. on Wednesday, April 23rd.

And that's really kind of to bring you up to date, and I'll be glad to answer any questions you might have. David?

MR. FARLEY: Do we have any thoughts of when we meet with F.A.A. to grease the pavement for any future discussions that we have to have with them where we can find out where we can go, how we can go, how we can do things to make

things smoother before we ever get to another bump in the road? Is there something that we can get with them to say okay, we're settling this one. Now, tell us, do you want us to call you first on this before we go to Orlando, or something that greases the skids to keep us from getting back into their --

MR. ANDERSON: I have my perspective on that, but remember, I'm the attorney. I'm not the one who has the liaison between City of Venice daily operations and the F.A.A. as a regulatory agent, so I guess George would be better able to answer that.

My sense of it is I think we have a much better understanding of our sponsor obligations as they flow from public law, federal regulations and the grant assurances contained in the grants received from the F.A.A., and that does necessitate a better coordination and cooperation between the City of Venice and the F.A.A., specifically with the Orlando Regional Office, but then at every other level above that. So from my perspective I think we all know that.

In the sense that for de-commissioning the

Island Beach's Wastewater Treatment Plant we're aware of the resolution provision that says we have to give them a year's notice, and we are working to do that, and my understanding last I talked to Marty Black is he and Larry are actually going to travel to Orlando and sit down with them to advise them of the plan for decommissioning the Island Beach plant, again, triggering -- acknowledging the fact that we've got that notice obligation by resolution, and then how we're going to address it as opposed to just an e-mail or a letter or do a face-to-face. And early on ask them, you know, what do you expect of us? This is what we're expecting of you, and kind of start to rebuild some of the bridges that have been damaged as a result of this dispute.

But obviously we've got the next one off when we start talking about acquiring a portion or all of the Island Waste -- Island Beach Wastewater Treatment Plant site for a park. We've talked about how we're going to approach that and things of that sort. So I believe we've got a new working relationship. I just don't know how much we're going to get out of

this, because this is now with Washington. This is now a formal administrative action for what they believe to be violations of our grant assurances and our federal sponsor obligations.

COUNCILPERSON FARLEY: Since we're getting to the principals and we're getting right there, if we got a game rules plan that they think is going to be for the future, it would be kind of nice for us to have whatever discussion needs to be had with them at that time while you're -- whether it formalizes or not, that they know that you're coming back for these other things and what procedures we need to do to get to them. Even though we know it's out there, but they've got it in their minds while you're sitting there talking.

COUNCILPERSON MOORE: I'd really like to just follow up on what Dave is saying right now, and I do that, because in learning from George Hunt what he was able to accomplish when they did the audit and he went up and basically settled nine of the issues out of 10, what this settlement committee needs to do, I think, and we need to discuss it, maybe, is to be prepared

for opportunities to open up during the course of the discussions, opportunities that you may not anticipate right now, because you're going up there to settle a V.G.A. lease problem, but without having a specific agenda you need to be very, very sensitive to the idea that yes, down the road we all know we want to turn the sewage treatment plant property into, you know, a park and we want to do that at the least cost we possibly can, and just as George was able to get in those settlements the F.A.A. to literally sell the City property, you may find some opportunities arise in the course of the discussions up there that might create a similar situation such as the property that the pier is on, for example. I mean, you know, that's a crazy little sliver of land. Maybe they'd do something there.

I'm just saying you need to kind of expand your mind to think about these opportunities to see whether or not -- you know, I don't know if you're just going to have a one-hour meeting and that's it, or you can have a one-hour meeting then maybe take a break for an hour, go back for another hour to see where you're at, you know

what I mean? I think the settlement committee really needs to think about, you know, broad opportunities.

COUNCILPERSON FARLEY: The big picture.

COUNCILPERSON MOORE: As well as healing the relationship with the F.A.A. settling this matter.

MR. ANDERSON: I don't disagree, but if we're looking for a broader agenda on April 23rd, then I think we really need George to be in Washington with us.

COUNCILPERSON MOORE: Well, I told George I was a little disappointed he wasn't going to be available.

MR. ANDERSON: I'll be candid with you.

I'm well-versed to discuss settlement of the pending Notice of Investigation and the dispute regarding the V.G.A. I don't think I am in a position to argue or posture on behalf of the City regarding decommissioning the Island Beach Plant, a public park on that land after it's decommissioned, or any of those other things. So I think the one in this room who is in a unique position to advance and take advantage of those opportunities, if they present themselves,

is George.

MAYOR CALAMARAS: You know, I think -- and we had kind of discussed this at one of our meetings, and that was to -- would there be an opportunity to present the wastewater treatment plant? And we felt that we should be going up there on one single purpose and that's to fix the V.G.A. lease, but if somebody were to say what else have you guys in the future, or something like that, kind of throw it out, we would step in there. It would be an opportunity to step in, say well, this is a plan we're going to be contacting you with, but I don't think it's going to be a time to give them a technical plan or the surveys or anything else. It's just well, this is a plan we have. We're going to be in touch with you and we'd like to discuss it with you, and just kind of open the door for it, and I think that's probably all we can really do at this meeting.

MR. HUNT: Excuse me, you should mention that in conjunction with the Business Park, too.

COUNCILPERSON MYERS: That's what I was just going to mention, because the Business Park is a real big chunk and it's going to be a very

important one, that is, if we follow the Duquesne Henry Plant.

MAYOR CALAMARAS: But the primary purpose has to be settle the V.G.A.

COUNCILPERSON MYERS: I don't disagree with that, Mayor, but I'm just saying, as you said, if they were to bring up what else are you guys going to be doing these days.

MAYOR CALAMARAS: Boy, we'd just jump all over that.

COUNCILPERSON MYERS: The Business Park is a very, very important element, as well as the sewer plant.

COUNCILPERSON TACY: I would personally like George to reconsider going.

MR. HUNT: Historically they've been very myopic in their treatment of the issue and one of my angles of negotiation has always been to try and paint the broad picture and talk about things like the Business Park and the other success we've had in turning the airport from a million and a half in the hole to a million and a half in the black, and they have religiously ignored those arguments and they want to talk about that \$110,000 difference on the golf

course lease, and you can speculate all day as to why they are that myopic about that. I have my own theories and I've voiced them before: That there's personal vendettas going on, things of that nature. But that regardless, that's what you've got to deal with. They're not interested in hearing about the Business Park. They're not going to be interested in hearing about the sewer plant, especially if Mr. Stringer is there. They're going to be interested in hearing about how we're going to make up what they perceive as a \$110,000 difference.

COUNCILPERSON FARLEY: But that's the level at Orlando level. That's not the Washington level and we're dealing with different minds, that may have a whole different concept and they may -- I just hope they're at a different class level thinking-wise.

COUNCILPERSON MOORE: Well, Mr. Bardonowitz, I don't know if you've spoken to him yet. I mean, I hope this settlement committee pricks his brain before they get up there. He's a former F.A.A. administrator. He's available at any time to meet with the

committee. He knows Mr. Bennett, the guy who signed off on the investigation. For that matter, who are you meeting with? You're meeting with Mr. Bennett, you're meeting with Woody Woodard, or do you know?

MR. ANDERSON: I don't know all of the F.A.A. people who will be there. All I know -

COUNCILPERSON MOORE: Springer may not even be there.

MR. ANDERSON: All I know is that all of the people that we need to resolve the pending Notice of Investigation are going to be available to meet with us on the 23rd.

COUNCILPERSON FARLEY: I really think George really ought to reconsider and go and that we'd take our chances with that, because I think that s the -- that's the guy who has the answers to a lot of the questions and a lot of the things that we need there at that meeting.

COUNCILPERSON MOORE: I could be wrong, too. I never got the impression that we were meeting or that you all were meeting with anybody over at Orlando. That this -- you were meeting with a whole different group.

COUNCILPERSON WARREN: That was my impression.

MAYOR CALAMARAS: I think Orlando is going to be representative there as the regional area that covers us.

MR. ANDERSON: I'll clarify this, but I don't believe Orlando's going to have a presence on the 23rd of April. This is beyond Orlando.

COUNCILPERSON MOORE: I think so.

MR. ANDERSON: This is now a legal administrative proceeding being advanced by the F.A.A., and whether they agree or disagree with how it was handled in Orlando, quite frankly, I don't even think that factors into the equation anymore.

COUNCILPERSON FARLEY: Is there anything prevents you from going?

MR. HUNT: No.

COUNCILPERSON FARLEY: I would like to see you go.

COUNCILPERSON MOORE: I don't want him to go up there and be a lightning rod or to antagonize anybody at all, but if he can be a resource, then I think we're crazy not to utilize him.

MR. HUNT: Well, I can always be sitting by the phone. If a question comes up that nobody on our team can answer, I can certainly answer it quickly enough.

MR. ANDERSON: I don't think George would be a lightning rod on the 23rd in Washington. In fact, I think he'd be a very big resource on behalf of the City.

COUNCILPERSON FARLEY: You've got my vote to go.

COUNCILPERSON WARREN: One of my concerns with your not being there is that makes our case look weak. That's my perception of how it looks, but I'm not looking at everything like you are.

MR. HUNT: Well, I don't think we're arguing our case anymore. I think we're arguing a different case.

COUNCILPERSON WARREN: Well, the case we're arguing, that looks weak.

MR. HUNT: The 216 figure was arrived at in Congressman Miller's office a year and a half ago, and we've known all along that they'd accept 216. What we've argued in the past is all of these other issues, from the irrigation to the Business Park to everything else --

COUNCILPERSON WARREN: Yeah, yeah.

MR. HUNT: -- doesn't merit this type of punitive action on this one particular lease.

COUNCILPERSON MOORE: I think -

MR. HUNT: They've chosen for a variety of reasons to proceed with that.

COUNCILPERSON MOORE: They may welcome somebody like George articulating literally what was going on in terms of arriving at that lease. It may come to that at some point, so having him there would be a real advantage.

MR. ANDERSON: I'm just going to state the obvious. I mean, George is a professional. He would be an asset and he will know how to temper his involvement and response based on the reception we get from F.A.A. at that meeting, and I don't have any problems with George being able to assess, you know, how high he can jump and how deep he can go. I mean, I'd love to have him as part of the team in Washington, but again, that was his decision, and, you know -

MR. HUNT: Okay. I'll rethink that and get back to you.

COUNCILMAN MYERS: How do you feel about it, Mayor?

MAYOR CALAMARAS: I would like to go up there with all our guns.

MR. ANDERSON: This is an opportunity, Folks, in all seriousness. We should seize this opportunity.

COUNCILPERSON MOORE: I agree.

MR. ANDERSON: We shouldn't leave anything in our knapsack. I mean, we ought to bring it all out, because this is the opportunity to get it done now. There is -- the longer this lingers, I think that hurts us. So they've now asked for this meeting. They've encouraged us to come up there, they've thrown own out some preliminary numbers, they've kind of given us a sense of what their position is, and they're saying come on up here and let's get this resolved, and I would love nothing more than to come back from that trip and be able to say all we got to do now is get V.G.A. to sign off on this and this is what we can get this resolved for. I think -

COUNCILPERSON FARLEY: If you take all the guns, you're going to come home a winner.

MR. ANDERSON: Folks, I've got to throw out, just because you need to know, we're spending an awful lot of money and we spent an awful lot of money to get us to the 23rd. I think the legal expenses incurred by the City to date to get us here to this settlement conference on the 23rd are in the range of thirty to thirty-five thousand already. So we don't want this to go another couple of months and another trip to Washington to try again. This is the opportunity. We haven't had to file our response to the Notice of Investigation, which is going to cause a gap, because once we have to take a strong position in the administrative proceeding and start to plead all of our defenses and start posturing for a potential administrative hearing, we might lose some of this warm and fuzzy that seems to be going on right now.

COUNCILPERSON WARREN: We're going to lose lot of public support if we start spending more than we're spending right now.

COUNCILPERSON MYERS: Mr. Mayor, I think it might be appropriate, since there seems to be -- I sense a consensus that George ought to

go, and I hate to put it this way, George, but I think, Mr. Mayor, that you need to issue a directive to George to go.

MAYOR CALAMARAS: Well, I would have to be -- that would have to come from the Council as a whole.

COUNCILPERSON MYERS: How does the rest of Council feel about that?

COUNCILPERSON TACY: I've been trying to get a word in edgewise here. Basically what I've heard here today is we all agree that we should send all our guns and not hold George back in reserve; that we need to have him there to pick up any kind of opportunity that comes out of it. My only question is what happens tomorrow when you're with the Boones and they're not at all receptive to the numbers that you're talking about. Where does that throw us in between the two organizations?

MR. ANDERSON: I believe that spending some time with Dan Boone and the V.G.A. and then following up with a second meeting after we get back from Washington on the 23rd, there is enough at risk for V.G.A. that I think we'll be able to find some kind of middle ground with them.

MAYOR CALAMARAS: Yeah, they're going to have to deal, because if they don't, we'd be in a position, I think, to just -

COUNCILPERSON MYERS: Cancel the lease.

MAYOR CALAMARAS: -- cancel the lease, couldn't we, and start new?

MR. ANDERSON: There's a couple things. I still take the position that if that new lease puts us in noncompliance with our Federal sponsor obligations with the F.A.A. and puts \$12.4 million worth of grant funding at risk over the next five years, then that lease can be voided or rescinded as against public policy. All right?

There's also a provision in the lease which basically says everybody's going to abide by all rules and regulations which apply to the operation of the airport, all that business, so I think there's enough.

Now, are we going to get in and out of there real clean without a fight? No, of course not. All right? But at the same time, look at it from the other side. All right? Most of the people involved with the Venice Golf Association

are fairly prominent citizens here in the area. Do they really want to suffer the negative publicity that they're -- and I use -- I'm not even going to use that.

The new lease would put the City in jeopardy of leasing \$12.4 million worth of grant funding, because they don't want to pay a fair rental value for their leasehold interest? I don't think that's going to play out either.

So I think what we need to do to appeal to V.G.A. is -- I am glad that the F.A.A. has come off the 276. I think we would go to court and litigate with the V.G.A. if we were staring at you've got to pay 276 a year. Okay? I think the potential downside for a rescission of the existing lease which puts us back to the old lease and they file an option to renew contingent upon if they want success in getting a new lease, which means they're now under the old lease, which kicks in the rent formula, which means back whenever that was to take effect they started -- they would have had to start paying 276 a year in rent. So they were accruing arrearages to the tune of approximately

\$116,000 a year, since the effective day of that option to renew.

There are a lot of down sides to this and I think that if we can get this somewhere in the vicinity of that 215, 216, we might be able to broker a deal. But I won't know and I haven't crystal balled this to anticipate what if they get up and walk out after a half hour of tomorrow's meeting? I don't know, Folks. But I don't see how we have any choice. If we need to resolve this with the F.A.A., and then litigate with the V.G.A. over whether or not their lease has been rescinded and they owe us 276 a year effective upon the date of the option, that we're just going to have to go that route, because I don't see that we have a choice.

COUNCILPERSON WARREN: I don't think they want to go -  
- I don't think they want to go that route. I don't think they want the publicity of all that. I think they want to look pretty good when they come out and compromise, but that's just a feeling I have.

COUNCILPERSON MOORE: Are we going to be able to have a meeting after you have met with the V.G.A.?

MR. ANDERSON: What, before the 23rd?

COUNCILPERSON MOORE: Yeah. I mean, I'm really disappointed we don't have some sense of where they stand right now at this meeting.

MR. ANDERSON: Well, we had that meeting scheduled for last Friday and we had to reschedule because of scheduling conflicts. We had it scheduled for yesterday afternoon and, again, we ran into scheduling conflicts, so Wednesday was the first date we could get everybody together. I would have liked -- in fact, when we set this Shade Meeting, we had anticipated that we would have had our meeting with the V.G.A. last Friday. It has been difficult, to say the least, to get these two meetings scheduled. My understanding is Dan Boone called you and said he was having difficulty getting together with us.

COUNCILPERSON MYERS: That was my understanding of his conversation on the phone.

MR. ANDERSON: Well, we've got it and that's what we've got. To be able to have a meeting with you after tomorrow and then before

the 23rd is going to be very, very difficult for me.

COUNCILPERSON MOORE: It just seems to me the issue here is -- and the \$216,000 figure's been batted around ever since I've been living in Venice. George Hunt threw that figure around a year ago. It seems to me it's either the V.G.A. is going to have to come up with more money, or the City of Venice is probably going to have to come up with more money, and how they do it, I don't know, but we're looking at \$56,000 more.

MR. ANDERSON: The only thing I know for sure is if indeed, in order to get V.G.A. to agree to a lease modification to increase their rent, we have to give them some sort of corresponding offset, it cannot come from the airport fund, or that will be unacceptable to the F.A.A.

COUNCILPERSON MOORE: No, it's going to come out of the taxpayers' pocket.

MR. ANDERSON: And I guess ultimately that's going to be a decision for y'all to make. At this point in time at the meeting tomorrow I am not proposing any corresponding offset from

the City of Venice to V.G.A. My proposal tomorrow to V.G.A. is if you lose the current lease, we fall back to the old one where your rent calculation is \$276,000 a year. What you've got is an opportunity to modify the existing lease so that your rent is more in line with approximately \$216,000 a year. That will resolve your dispute with us, that will resolve our dispute with the F.A.A., and we can get on with things.

Now, if they start haggling over the Cadillac irrigation system they installed and the increased power expense that they're incurring, all of that other, that's going to be for -- and that's why I've got George and Larry and the mayor at the settlement conference with the V.G.A. tomorrow. That will be for y'all to look at to see whether or not you want to find money in General Revenue or Utilities to help smooth over the increased rent that V.G.A. will be required to pay.

COUNCILPERSON MOORE: I know, but the problem is we're not going to have the opportunity to know where they stand after your meeting or two meetings with them prior to going

up to Washington, so Council's really not going to have that opportunity.

MR. ANDERSON: I don't think we're going to know that from V.G.A. anyways. I don't think they're going to show all their cards tomorrow. Tomorrow is to start the process. I don't think we're going to resolve anything with the V.G.A. tomorrow. I think we need to explain to them our position, explain to them the discomfort level for both parties, and start to explore what the middle ground is to resolve this, but I don't think you're going to have resolution. I don't think -- I don't think we're going to know anything more from the V.G.A. until after we get back from our meeting on April 23rd with the F.A.A. and have another session with the V.G.A.

COUNCILPERSON MOORE: What is it going to take, just as an example, for us to come up with \$56,000 a year? Action by Council acting as a Council to pay from the General Revenue \$56,000 a year?

MR. HUNT: You wouldn't be paying from the General Revenue. It would come from the Utility fund. There would be some sort of rebate on the irrigation system.

COUNCILPERSON MOORE: It's going to take Council action to do that?

MR. HUNT: It would probably take Council action, yes.

COUNCILPERSON WARREN: Well, one of my questions is how are you going to justify that with that fee rate? Those fee users are going to pay for that.

MR. HUNT: We're getting whipsawed (sic) here.

COUNCILPERSON WARREN: I appreciate all that.

MR. HUNT: Because either the irrigation system was worth trading for or it wasn't, and I disagree with Bob's analysis that it's a Cadillac system. The fact of the matter is there was \$480,000 worth of control boxes that needed to be replaced, and secondly, if we had put in the irrigation system ourselves we would not have put in a spray irrigation system for effluent. We would have put in a golf course irrigation system, because we no longer need a spray irrigation system for effluent. I fundamentally disagree, and that's part of the

reason why I don't want to go to Washington. I fundamentally disagree with the position we've taken on this, and I don't think I would be of value to the City in arguing that case, because in my heart I don't believe that case. I believe the irrigation system was a valuable piece of merchandise to be traded for and that's why I traded for it.

Now we're being told that it's so valuable that we cannot rebate it. I know the V.G.A. would go to 216 in a heartbeat if we took the irrigation system back, because the irrigation system is far more valuable than \$56,000, but we're not prepared to do that either. That's where the whipsaw comes in. Either it wasn't valuable or it is valuable, but it can't be both as you talk on both sides of the fence.

COUNCILPERSON FARLEY: That's all the more reason that you need to be there.

COUNCILPERSON WARREN: Yeah, but my point is why isn't it worth us to take it back?

MR. HUNT: It's too expensive. We would lose money if we took it back.

COUNCILPERSON WARREN: Okay, okay.

MR. HUNT: It turned out to be worth more

than even I had thought when I offered it up on the table. It's \$108,000 a year in debt service.

COUNCILPERSON WARREN: Okay, okay. I've got you.

MR. HUNT: It's an unknown number yet. It's somewhere between 36 thousand and 75 thousand a year for operating.

COUNCILPERSON WARREN: Okay. But given what you've just told me and your analysis of it, how do you resolve this issue satisfactory to you or unsatisfactory to you and give the F.A.A. something else, give them what they're looking for? And I don't know what they're looking for. I really don't know what they're looking for.

MR. HUNT: They're looking for more money.

COUNCILPERSON WARREN: But how do you resolve it in your own mind for us to then go to the taxpayer and fee payer and say hey, we're going to use your money to pay for that golf course?

MR. HUNT: Well, we would have used it if we'd gone with the old lease. We would have used it anyway.

COUNCILPERSON WARREN: Correct.

MR. HUNT: The old lease was -COUNCILPERSON

WARREN: I know that.

MR. HUNT: -- signing on the rate payers  
of the utility fund.

COUNCILPERSON WARREN: But we were trying  
to get out of that, so now we're not out of it. MR. HUNT:

Well, we're not out -COUNCILPERSON WARREN: Or  
possibly not out  
of it.

MR. HUNT: Well, we're probably into it for \$56,000 or  
some portion thereof, and that's where Bob's more valuable  
in arguing from a zero standpoint. And they'll initially  
want the whole \$56,000; we'll go in at zero. A compromise  
may be somewhere in between. I don't know.

COUNCILPERSON WARREN: "They" being the F.A.A.?

MR. HUNT: No, the V.G.A.

COUNCILPERSON WARREN: Oh, the V.G.A. How do you know  
the F.A.A.'s going to -

MR. ANDERSON: Now, wait a second. Amy can only  
take down one at a time, so please, just one person  
speaking.

COUNCILPERSON WARREN: We don't know the F.A.A.'s going to fire us.

MR. HUNT: They agreed to 216 a year and a half ago.

COUNCILPERSON WARREN: Okay, okay.

MR. HUNT: That was settled.

MR. ANDERSON: I don't know a lot of certainties about all this, but I know that if we went up on April 23rd and told the F.A.A. that the V.G.A. was prepared to pay 216 a year in annual rent, we would have this settled. We'd be shaking hands and they'd be buying us drinks at Happy Hour.

COUNCILPERSON MOORE: Well, if I can just say, you may fundamentally disagree with the position that Bob has taken, but this thing has moved several steps down the road into the legal arena.

MR. HUNT: I realize that.

COUNCILPERSON MOORE: So you've got to give due consideration to what his position is, and if we have to play some hardball, we're going to play some hardball at some point here.

MR. HUNT: That's why I've stayed out of it and stayed in the background.

COUNCILPERSON MOORE: That doesn't mean you don't have the background that we need, though, to accomplish this and settle it.

COUNCILPERSON WARREN: Yeah, yeah.

MAYOR CALAMARAS: David?

COUNCILPERSON FARLEY: Do we have any idea of who the stockholders are in the V.G.A. and what the percentage of stock is? Do we know that Don Shrode is 52 percent or -

MR. HUNT: No.

COUNCILPERSON FARLEY: -- Dan Boone is 17 percent? Do we have any of those?

COUNCILPERSON WARREN: How is that relevant from our position? Tell me how that's relevant.

COUNCILPERSON FARLEY: It helps me understand who's pulling the strings -COUNCILPERSON

MOORE: I'd like to know. COUNCILPERSON FARLEY: -- and who's pulling the plays. If you found out -COUNCILPERSON

WARREN: What people are doing what?

COUNCILPERSON FARLEY: If 98 percent of the stock is owned by Dan Boone, that changes

the whole problem that we are looking at.

COUNCILPERSON BROWN: He told me once, David, he doesn't own any stock.

MAYOR CALAMARAS: Yeah, he said publicly he doesn't own any stock.

COUNCILPERSON MYERS: I think Carl what's-his-name, the troublemaker, his family owned a big chunk of that stock, probably the majority of the stock, over there.

MR. HUNT: But I think he was eased out of it.

COUNCILPERSON MYERS: Eased out of his job. I don't think he was eased out of the ownership, was he?

COUNCILPERSON FARLEY: There was not one thing that happened in those days that Dan Boone didn't end up being a stockholder of and that's happened all along and I can name things all the way down the line that groups of people put together. Gulf Pines Memorial Park, he said the same thing: He's not a stockholder. When I get into dealing with that, I saw exactly what his stock was, so, and I'm sure that V.G.A. -- he may not own it; it might be in a trust. So I'm telling you somewhere in that if we knew who the

players were, we would have better thinking about how we have to react or what you have to do to deal with it.

COUNCILPERSON BROWN: What do we do, avid, approach each of these guys individually?

COUNCILPERSON FARLEY: I'm sure there's some of that that would share that information now if they was asked. Some of them would.

MAYOR CALAMARAS: Getting back to the sewer system, the water system, the watering system.

I suppose, being a golf course, didn't they have to build a spray irrigation system, anyway, you know, at some point? And I know we required that they did. They took our effluent and we had to provide them with so much. They had to take so much gallons. We didn't even supply them with that. They had to take it, but again, part of that system they would have had to build it anyway as just being part of a golf course, so they would have had to have invested anyway.

MR. HUNT: We were under an obligation to build it and maintain it.

MAYOR CALAMARAS: We were?

MR. HUNT: Yes.

MAYOR CALAMARAS: Under which lease?

MR. HUNT: It was actually a separate Court Order.

MR. ANDERSON: It was a trial.

MAYOR CALAMARAS: Oh, okay.

MR. ANDERSON: We were obligated to provide them not only effluent, but also an irrigation disposal system that would serve a dual purpose: It would dispose of the effluent we needed in order to meet permit conditions; and it would also provide irrigation water for the golf course.

MAYOR CALAMARAS: Then if we took back the system, then they would be running the golf course without having any -- providing any type of irrigation for themselves as a business. Every golf course in the County has to provide for irrigation somehow or another and they pay for it and that's part of their expense of running a golf course. I would think that we would have some latitude in there to say, you know, you're a golf course. Even though you're taking our water and part of the provision was we had to provide it, you know, at some point

you guys would have had to do your own. There should be some play in there.

COUNCILPERSON TACY: I think if Bob goes with the zero sum tomorrow and tries to keep us on the zero sum, and then goes up and gets the F.A.A. to agree to their amount, then comes back and tries to keep us still -- try to play as close to the zero sum as we can.

MAYOR CALAMARAS: It's going to be -- I think it's going to look bad for us if we have to announce that we've settled this: They're going to pay more money, but it's going to cost the Utility Department \$50,000.

COUNCILPERSON WARREN: That's what we've got to eat. That's what it sounds like we've got to eat.

MR. ANDERSON: I just want to clear this up real quick, because I don't want to leave this to linger. I have never perceived this to be City Council having to choose between George's view of this dispute and Bob's view of this dispute. I thought in previous Shade Meetings our discussion was that this fight wasn't worth fighting because of the risk involved. That we agree that the resolution is

going to require the V.G.A. to pay additional rent, and that my mandate by instructions from you all was to engage the F.A.A. in settlement discussions, knowing full well that that would include some additional rent to be paid by V.G.A.

Then I was supposed to turn around, go to V.G.A. and say in order to make this happen, you have to pony up this amount, so that's the directive I'm pursuing and it's not the sense of that's my belief or what I would want to impose upon these negotiations and the City. That's to get my client the result my client wants, which is come back in the good graces of the F.A.A. and get additional rent from the V.G.A.

So I just want to make sure.

I mean, George and I might have certain steps of this we perceive differently, such as I referred to the irrigation system as a Cadillac. It's a lot better than what was out there, and you'll remember that I got them to sign a lease provision that said they acknowledged that it was adequate for the purposes of irrigating a golf course, so anything above what was there, to me, is an enhancement. The enhancement is

clear, and the cost that they incurred in putting in the new system and the operational expense that they encounter in operating it. So it is a better system than what was out there, but I would concede to George that the system out there was barely workable and needed substantial capital improvements over the next several years.

But again, we might disagree on how to portray certain things, but I don't have an agenda here other than my clients' agenda to resolve this investigation by the F.A.A. and I don't see any way of doing that short of having the V.G.A. kick in more rent.

Fair enough?

COUNCILPERSON TACY: My perception of this has been not that we've all -- or that I've understood that we are going back for any more money. I think when you present the whole picture to F.A.A. in Washington D.C. and they understand all the nuances of the deal that's been worked all throughout with your explanation and your explanation, they're going to say gosh, we didn't know all that. We didn't understand all that. That makes more sense.

MAYOR CALAMARAS: They've got all that. They've got that.

MR. HUNT: Well, Mr. Bennett, in the second letter to me -- he said he'd read my October 11th epistle and that that -- his response to that was the Notice of Investigation. So he has read our defense in depth and he responded with an investigation.

COUNCILPERSON FARLEY: And that may have been because of what he's hearing from Orlando and what he's reading there and sees that they're at loggerheads and he's not going to get any place and moves it off of dead center. I don't know what his thinking is. But when the two of you guys get there I'm sure you'll find out what his thinking is, and in that discussion of the whole process you're going to work through and you guys are going to come home and I think we're going -- it may come back to say they want more money.

MR. HUNT: I think Bob's hit it right on the head: 216 is what they're thinking. That's what they were thinking a year ago and I'm sure that's what they're thinking now.

MR. ANDERSON: And if we want to argue

that we are in compliance with the existing lease terms, then we might as well just get ready for the administrative hearing, because the F.A.A. will never, never agree to that position short of an administrative hearing.

COUNCILPERSON FARLEY: I'm not saying go there and argue that position. I'm saying go up there and say let me tell you what we did and why we did it, and in that whole discussion I think they're going to be reasonable people and say gosh, okay, okay, okay, and I think you're going to come home winners.

MR. ANDERSON: That's what we've done to get them from 276 to 216. We've talked about the change in ownership, construction, maintenance of the irrigation system. We've talked about improvements constructed by the V.G.A. over and above their obligations under the lease. That's what we've used to move them off 276. I think the problem is, and really, the more I look -- and I've gone now through three boxes of documents, more than I ever wanted to read about these lease negotiations. But basically what it is, is I don't think the City of Venice ever came to

grips with the notion that contractually we were in a position to charge the V.G.A. \$276,000 a year in rent. We just ignored it or downplayed it or just moved past it. But that's where F.A.A. is pinning their case; that we had by contract the ability to charge \$276,000 a year in rent, and the fact that we voluntarily reduced that amount means that we didn't meet our sponsorship obligations of being as self-sustaining as possible. That's what they harp on.

See, where we start from the premise that 160 to 216 was the fair and appropriate amount of rent, and then we can't understand why the F.A.A. wants to argue about it. We're missing their main argument which we can't miss any longer. Those agreements provided that we would get \$276,000 a year in rent, and we negotiated it so that we're only receiving 160 and a transfer of responsibility for the irrigation system. That's something that we're minimizing, but they aren't.

MR. HUNT: Even our own appraiser said the 12 percent in that document was unfair.

COUNCILPERSON BROWN: Right, right, I

agree with that.

COUNCILPERSON FARLEY: When you put the two guys in the room that has the most knowledge about this, and that's the two of you, you put the two of you in the room with them and they allow you to tell your story, we're all already ahead of the game to some extent just by that, and we'll be moving on, I'm sure.

COUNCILPERSON BROWN: What you're looking for, Bob, at this point is, is that the \$216,000 acceptable to the City Council?

MR. ANDERSON: No, no, no, not yet. Not yet.

COUNCILPERSON WARREN: I'm not there yet.

MR. ANDERSON: I'm not there yet. I'm just telling you the purpose of today's Shade Meeting was to give you a status report. I'm telling you that it appears that the F.A.A. has zeroed in on a number of approximately \$216,000. I have no idea what response I'm going to receive from the V.G.A. tomorrow when we lay out our position and say in order to get this resolved you're going to need to pay more in the way of rent, and it appears that the magic number is somewhere in the vicinity of 216.

Those are the discussions.

We're still steps away from you having to take any formal action whatsoever, but I just want to make sure that we're now getting ready to get engaged with the V.G.A. and the F.A.A. and I want to make sure that I'm proceeding in accordance with your directive.

COUNCILPERSON TACY: Which is to get it settled.

COUNCILPERSON MOORE: You are proceeding in accordance with my directive, I can tell you that, but we need to make them contribute and be a party to the settlement of this case.

COUNCILPERSON FARLEY: Right.

MR. ANDERSON: I thought it was an agreement that the crux of this was V.G.A. was going to have to pay more rent.

COUNCILPERSON FARLEY: Yeah.

MR. ANDERSON: And now we need to just negotiate with everybody as to what that number is so that we can accomplish two goals: Come back in the good graces of the F.A.A., and work out an agreement acceptable to the City of Venice and the V.G.A., and that's what I've been doing, and I'm looking now somewhere in the

vicinity of 216.

COUNCILPERSON FARLEY: I hope nobody thinks that I am favoring the V.G.A. in any of this, because I'm not. I have no allegiance to them whatsoever. But my position is that, you know, we're trying to get married here and we don't have the blessings of the mother-in-law, you know? We've got to have the mother-in-law here at the wedding or we're in deep trouble, and that's why I'm saying we need George to go.

COUNCILPERSON MOORE: It's gone beyond George. That's the whole point. It's now an investigation. It's in litigation.

MR. HUNT: And taken a whole different turn.

COUNCILPERSON MOORE: It may be necessary to do that to settle this case, so.

MR. HUNT: That's fine.

COUNCILPERSON MOORE: That's just the reality of it, you know.

COUNCILPERSON FARLEY: You come back on there with any kind of agreement and it's all going to work out.

MR. HUNT: Well, I think the 216 is a

given. Like I say, we've had that agreement in hand for a year and a half.

COUNCILPERSON FARLEY: I think it's all going to work out as soon as you come back with it.

COUNCILPERSON WARREN: You need to go.

MR. HUNT: I don't think so at all. I don't think V.G.A.'s going to pay another \$56,000 a year without going to court.

COUNCILPERSON MOORE: I doubt it, too, and that's why, as inconvenient as it may be, I don't see how you're going to know what your client wants when you go to Washington unless you have another meeting after meeting with the V.G.A.

MAYOR CALAMARAS: Why don't we play that by ear once we meet with them tomorrow.

MR. ANDERSON: The mayor will be there and if he feels the need for a special meeting -

MAYOR CALAMARAS: If it looks like we're going to have a problem, then we'll just call a special meeting.

COUNCILPERSON MOORE: Please do that.

COUNCILPERSON TACY: This isn't an Executive session; this is a Shade, so you're

going to have to announce if you want a Shade Meeting.

MAYOR CALAMARAS: How many days before do we have to announce for a Shade? Do you know, since Lori's not here?

MR. ANDERSON: Let's do this.

MAYOR CALAMARAS: We could announce a Shade Meeting and not have it.

COUNCILPERSON WARREN: What about doing it today at the end of this meeting? We've got an open meeting.

MR. ANDERSON: Let's do this. Just as a fall-back, when we go back in before we adjourn, you look to me and I'll say that I'm requesting another Shade Meeting on the 22nd.

COUNCILPERSON WARREN: Which is the day you leave to go up, and we've got an Executive Meeting on that day.

MR. ANDERSON: Yeah.

COUNCILPERSON WARREN: We could start earlier in the day.

MAYOR CALAMARAS: Yeah, let's do it. Let's do it that way. Then if we don't need it, if everything looks like it's going as planned, you know, we just won't have it.

COUNCILPERSON WARREN: I very much would like -

COUNCILPERSON TACY: The problem I have with it is all of a sudden if for some reason whatever you hear out of that Shade Meeting changes your opinion -

COUNCILPERSON WARREN: No, it won't.

COUNCILPERSON TACY: -- Bob's whole strategy is blown.

COUNCILPERSON WARREN: No, from my point of view it won't change it, but I definitely want to know what the V.G.A. is thinking, if we can figure it out after the meeting tomorrow -

COUNCILPERSON TACY: Can't we pick up the telephone and call Bob just to get our own update?

COUNCILPERSON WARREN: Well, I prefer this way of doing it with all of us meeting together.

I had a thought; now it's gone from my head. I'm sorry.

But we ought to be able to meet again, find out what they said, and at least give Bob, again, the reassurance that he has had from us before today which says okay, go up there and negotiate the best you can, because we want

to settle this with the F.A.A. more than anything else and we've got to figure out how to bite the bullet.

COUNCILPERSON FARLEY: I personally don't need another shade meeting, because I think we've all heard what we're thinking, what we want, where we're going to go, and until they meet with F.A.A. we're not going to need to know a lot more and I don't need another Shade. I'm just saying you've heard -

MR. HUNT: Well, I think the F.A.A.'s a foregone conclusion. What you're going to hear is 216. I think the unknown is the V.G.A.

COUNCILPERSON WARREN: Yeah, I'd like to see how they're going to react to this, because we've had a lot of political pressure over this and I think they owe something to the City. That's my opinion.

MR. ANDERSON: I don't think think we're going to have a position by the V.G.A. at tomorrow's meeting.

COUNCILPERSON WARREN: Even that's a position, no position.

MR. ANDERSON: I think they're going to listen, I think they're going to give us some

comments, then I think they're going to say, "Thank you very much. We'll get back to you."

I really -- I mean, I'll do a Shade Meeting with y'all on the 22nd, but I don't see that it's going to advance anything, because, Folks, this is in flux. Nothing is going to get finalized. Anything that we resolve with the F.A.A. is going to be tentative. It's going to require V.G.A.'s approval and concurrence. It's going to require your approval and concurrence. So, I mean, we're going to come back to y'all the first meeting in May and we're going to have a discussion based on our meetings with the V.G.A. or F.A.A., and I can't imagine that anything's going to develop in the next two weeks that's going to change anything that we do on the 23rd in Washington.

COUNCILPERSON MOORE: Well, I'm disappointed in that, because I had hoped that we could have laid the ground work so that when you go to Washington, you'd know what you've got the authority to do and, you know, what the V.G.A.'s going to do. Coming back here after that meeting and going through all this is just going to delay it. It's going to increase the

cost of this whole thing.

MR. ANDERSON: Well, we know what that authority is. John, in all seriousness, if we bring this home for somewhere between 160 and 216, you're going to vote for it, right?

COUNCILPERSON MOORE: Where is the money coming from? We're just going to just take it?

MR. HUNT: No, the utility fund has, up until very recently, budgeted for the irrigation system. It's very easy to put that budget back together.

COUNCILPERSON MOORE: Okay. The V.G.A. is going to pay \$160,000 a year and we're going to kick in another \$56,000 a year to the airport fund.

MR. HUNT: Or some number that Bob negotiates.

COUNCILPERSON MOORE: For how long? What's the remainder of the lease?

MR. HUNT: I don't know.

COUNCILPERSON MYERS: Thirty years.

MAYOR CALAMARAS: Thirty years?

MR. ANDERSON: Wait a second. We've just made a huge turn here. Okay? If the City of Venice is going to pay the difference between

the current rent of 160 and whatever settlement we reach with the F.A.A., then why am I even meeting with the V.G.A.?

COUNCILPERSON MYERS: Right.

COUNCILPERSON MOORE: My point is this, Bob: Very simply, you've just told me that they're not going to commit to anything and you don't anticipate they're going to commit to much of anything, so the choice is going to be we're either going to have to force them or litigate with them, which is going to drag this out for God knows how long at God knows how much money, or we're going to have to come up with the money to settle it. Now -- and that's \$56,000 or thereabouts. All I'm saying is okay, where is that money coming from?

MR. ANDERSON: And in order for you to vote on that, George and John Lane and Mike McVale are going to need some time to put together a funding package for you to consider as to if, indeed, the City picks up that tab, these are the sources that you can use to do so. But I guess what I'm saying is it if the notion is that if we get any resistance from the V.G.A. about an increased rental amount, then the

City of Venice is just going to pick up the tab, then let's not engage the V.G.A. in a war that y'all don't have a desire to fight.

COUNCILPERSON MOORE: That's what we're talking about. We're talking about settlement options here.

COUNCILPERSON TACY: Right now -- right now -- I mean, you've taken a whole step way past where I'm going. What I want is I want this lease settled, I want to be back in the good graces with the F.A.A., and I don't want to be putting up any money from the City or from the Utility Fund, period. We're going to get a lease that stands on its own and doesn't have to be crimped back and forth one way or the other.

MR. HUNT: You've got to recognize the value of the irrigation system.

COUNCILPERSON TACY: If we're going to have to go through a lawsuit with the V.G.A., their legal bills are running just like ours, and our pockets are just as deep as theirs.

COUNCILPERSON WARREN: So what you're saying, if I understand what you're saying -

COUNCILPERSON TACY: Once we get rid of the Washington attorney, that cuts back on our

legal expenses big time.

COUNCILPERSON WARREN: I appreciate that.

COUNCILPERSON TACY: If we get the F.A.A. to agree to some kind of a compromise, then the V.G.A.'s going to have to go along with that compromise or I'm willing to go to court with them.

COUNCILPERSON MOORE: That's the decision you have to make, you're right, absolutely.

COUNCILPERSON WARREN: But you're saying it can't be made today and it won't be made until after Bob's come back -

MR. ANDERSON: That's correct.

COUNCILPERSON TACY: Right.

COUNCILPERSON WARREN: -- and the mayor comes back from Washington.

MR. ANDERSON: We're a ways to go. We aren't going to have that for you in two weeks.

COUNCILPERSON WARREN: He doesn't see anything happening with the V.G.A. tomorrow.

COUNCILPERSON MYERS: If one of us gets extremely curious as to how your meeting went at four o'clock, your telephone still operates, doesn't it?

MR. ANDERSON: Exactly.

COUNCILPERSON MYERS: I could call you on the phone, say how did you make out with those dudes?

MR. ANDERSON: Again, Folks that's why I want George to be there. Dean's going to be there, Larry's going to be there, I'm going to be there.

COUNCILPERSON MYERS: It's -- there's nothing secret about it.

MR. ANDERSON: Exactly.

COUNCILPERSON MYERS: You're going to tell us whatever they said or didn't say. That's all I need to know. That's all you need to know, isn't it?

COUNCILPERSON WARREN: You're talking about the F.A.A.m meeting tomorrow morning?

COUNCILPERSON MYERS: The meeting tomorrow afternoon at 4:00. Whatever they decide or don't decide, tell us what it is. We don't have to have a Shade Meeting. Just call us on the phone.

MR. ANDERSON: Believe me, we will have a Shade Meeting the first meeting in May to debrief you on the trip to Washington and our meetings with the V.G.A. and hopefully input

from Dr. Bartonomitz (phonetic).

COUNCILPERSON WARREN: Are you going -

COUNCILPERSON TACY: That's what I said at the beginning of this meeting. They're right on target on what we instructed you to do.

MAYOR CALAMARAS: Also, the V.G.A. -- I can't believe the V.G.A. would want to go to court. Do you know what they're going to give up? The biggest thing they've gotten out of this contract if we have to reopen it is that 30-year lease. They don't want to renegotiate that, regardless of what they have to pay. They've got that place tied up for another 30 years.

COUNCILPERSON MYERS: Also, they don't want the negative publicity of, you know, that \$12 or \$15 million worth of funding that would go down the drain.

MR. HUNT: I'll predict right now we will never see \$12.4 million worth of funding from the F.A.A. in our lifetime. That is a bogus number that was built to scare you.

MR. ANDERSON: That came from Larry Heath.

MR. HUNT: I understand that.

MR. ANDERSON: I just wanted to make sure

that that's not Bob Anderson's number. That was prepared by Larry Heath.

MR. HUNT: I understand that, I understand that. I'm just making a prediction here today you'll never see 12.4. We've only gotten two million from them in the last 20 years. We'll probably get two to four million in the next 20 years.

COUNCILPERSON FARLEY: The V.G.A. is not worried about bad publicity, because V.G.A. don't know who they are. You are dealing with an unknown. You're dealing with a mask.

MAYOR CALAMARAS: It's pretty well resolved; we'll have the meeting tomorrow. You guys call if you're curious, or if there's anything that's out of the ordinary I'm sure we'll call you.

COUNCILPERSON MYERS: Motion to adjourn.

COUNCILPERSON MOORE: Wait a minute. Do we have some sort of consensus here like Rick said that what I want to see is the V.G.A. come up with enough money to have a new lease and it doesn't cost the taxpayers any money?

MAYOR CALAMARAS: That's not the issue. That's the next issue.

MR. ANDERSON: That's how I've been operating, until such time as we run into a brick wall.

MR. HUNT: That's where our strategy totally ignores the value of the irrigation system, and I don't know how a successful strategy can totally ignore that variable. Either we admit that it was valuable to trade it or we deny it, but we're admitting it was valuable but we're saying we don't want to pay anything for it.

MR. ANDERSON: No, I admit that it's valuable and I think that's how we get from 276 down to 216.

MR. HUNT: Okay.

MR. ANDERSON: I think that's a \$60,000-a-year offset for the transfer of the irrigation system responsibility.

MAYOR CALAMARAS: That's how we got to where we are now.

MR. ANDERSON: And if it's \$60,000 a year for 30 years, I think we've more than paid for that irrigation system.

COUNCILPERSON BROWN: Well, in effect then you have the, what should I call it, the

assurance or consensus of this Council that it's \$216,000 and you have the consensus of the F.A.A. that it's \$216,000. Maybe not even a consensus, but a feeling.

MR. ANDERSON: Those are numbers that we've all discussed and we all seem to have some comfort level with. Whether or not that's going to be the actual number of a settlement, we're still working on it.

COUNCILPERSON TACY: We're not giving them a dollar. We're just saying settle it with the F.A.A. then we'll deal with the V.G.A. afterwards.

COUNCILPERSON WARREN: Right, right, right.

COUNCILPERSON TACY: Hopefully the V.G.A. will be willing to pay, but right now our instruction is get the F.A.A. off our back and we'll deal with the V.G.A. as far as I'm concerned.

MAYOR CALAMARAS: All right. As I go back in there now am I still asking for a shade meeting or no?

COUNCILPERSON WARREN: No.

COUNCILPERSON TACY: I don't think we need it.

MAYOR CALAMARAS: Let's do it.

COUNCILPERSON MYERS: It's over.

(THEREUPON, this proceeding was concluded at 4:20 p.m.)

CERTIFICATE OF REPORTER

STATE OF FLORIDA )

COUNTY OF SARASOTA )

I, AMY E. ROBERTS, Certified Shorthand Reporter and Registered Merit Reporter, and Notary Public in and for the State of Florida at Large,

DO HEREBY CERTIFY that I was present at the foregoing proceedings at the time and place set forth in the caption thereof; and that I was employed to and did stenographically report the proceedings; and that the foregoing pages, numbered 1 through 63, inclusive, constitute a true and correct transcript of said proceedings; and that said proceedings as herein shown were by me reduced to typewriting by means of computer-aided transcription.

I FURTHER CERTIFY that I am not a relative, employee, attorney, or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

Dated this 6th day of June, 2003.



AMY E. ROBERTS  
MY COMMISSION # 01182321  
EXPIRES: November 9, 2006  
Boswell's Budget Notary Services

Amy E. Roberts  
AMY E. ROBERTS, CSR, RMR  
Notary Public