

AGENDA

- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call
- D. Approval of Agenda
- E. Approval of Meeting Minutes
 - a. March 16, 2023, Regular Meeting Minutes
- F. Action Items
 - a. Leases
 - i. Approval of Ground Lease Agreement Amendment No. 1
Space Coast Innovation Park
 - b. Contracts
 - i. Approval of General Services On-Call Contract
AVCON, Inc.
 - ii. Approval of General Services On-Call Contract
Infrastructure, Constructing, and Engineering (ICE)
 - c. Invoices
 - i. Approval of Invoices
- G. Report: Deputy Director of Operations and Maintenance
 - a. Update: Capital Improvement Projects
- H. Report: Deputy Director of Finance and Administration
 - a. Presentation: Carr, Riggs, and Ingram – Audited Financial Statements for Year Ended
September 30, 2022
 - b. Check Register
 - c. March Financial Statements
- I. Report: Business Development Manager
- J. Report: Authority Attorney
 - a. Wells Fargo Check Fraud Update
- K. Reports: Authority Members
- L. Public Comments
- M. Adjourn

TITUSVILLE – COCOA AIRPORT AUTHORITY

The Regular Meeting of the Titusville - Cocoa Airport Authority was held on March 16th, of 2023 at 5:00 p.m. at the Titusville - Cocoa Airport Authority building at 355 Golden Knights Boulevard, Titusville, Fl and via video conference. The following members were present: Mr. John Craig, Chairman; Mr. Roger Molitor, Secretary; Ms. Jessica Curry; Mr. Brad Whitmore; Mr. Al Voss; Mr. Kevin Daugherty, AAE, Director of Airports; Mr. Adam Bird; Attorney. Mr. Donn Mount, Vice Chairman / Treasurer; and Mr. Mark Grainger were absent.

Call to Order

Mr. Craig called the meeting to order and determined a quorum was present.

Pledge of Allegiance**Approval of the Agenda**

Mr. Craig questioned Mr. Daugherty as to any changes or corrections in the agenda. Mr. Daugherty stated one correction to the Action Items regarding the Grant Agreement which should read (FPN 452683-1-94-01). Mr. Craig called for motion to approve agenda with correction as described. Mr. Voss made the motion. Ms. Curry seconded the motion. Motion passed.

Approval of Meeting Minutes:**1. February 16, 2023 – Regular Meeting**

Mr. Craig called for motion to approve the minutes as presented. Mr. Voss made the motion to approve. Ms. Curry seconded the motion. Motion passed.

Action Items**1. Purchase of the 1 Bristow Way Facility**

Mr. Daugherty gave details involving the purchase of 1 Bristow Way facility regarding the lease termination with U.S. Aviation Training Solutions, the bill of sale with warranty and the Aeronautical Lease Agreement with Space Perspective, Inc.

Mr. Craig called for motion to approve the purchase of 1 Bristow Way Facility as presented. Mr. Whitmore made motion to approve. Ms. Curry seconded the motion. Motion passed.

Mr. Craig called for discussion or comments from the Board regarding the purchase of 1 Bristow Way Facility.

Mr. Molitor stated the purchase of 1 Bristow Way would be a favorable purchase due to the increase of income.

Mr. Craig described a positive experience in touring the facility and commented on the many improvements made to the building. Mr. Craig believes the purchase will be a great opportunity for the Airport.

2. Request for Qualifications (RFQ) # 2023 – 1 (General Consulting Services)

a. Selection Committee Rankings

Mr. Daugherty stated the Authority's general consulting services contracts are set to expire in April 2023.

Mr. Daugherty invited Dr. Byers to speak as the Facilitator of the Selection Committee. Dr. Byers stated a total of four engineering firms responded to the RFQ advertisement. Dr. Byers went on to review the process and the Selection Committee's rankings: AVCON and Infrastructure Consulting & Engineering (ICE).

Mr. Craig, along with the Board, gave Mr. Daugherty permission to enter the negotiations as presented.

3. Invoice Approval

a. Approval of Invoices

Mr. Hopman gave an overview of the invoices presented.

Mr. Craig called for motion to approve the invoices as presented.

Mr. Voss made motion to approve. Mr. Molitor seconded the motion. Motion passed.

Deputy Director of Operations & Maintenance Report

1. Capital Improvement Projects Update

Mr. Hopman stated construction for the VAC ramp project has been completed. Final paperwork and project closeout has commenced.

Mr. Hopman stated the Corporate Hangar project at Merritt Island Airport with C & D Construction is moving forward with site work to begin soon. Mr. Hopman stated additional components of the building have been delivered to the site.

The North Area Security and Infrastructure project at Merritt Island is nearing completion, stated Mr. Hopman, with the pipe work being complete.

Mr. Hopman gave details regarding the temporary closure of the north entrance due to the tie into Manor Drive. Tenants have been notified of the dates, stated Mr. Hopman.

Mr. Hopman stated the AWOS project(s) for Merritt Island Airport and Arthur Dunn Airpark are in progress with the equipment ready to be ordered.

The Tower design project continues to move forward, stated Mr. Hopman.

Mr. Hopman gave details regarding the number of aircraft operations for all three airports.

Mr. Hopman stated there were no noise complaints.

Attorney's Report

1. Wells Fargo Check Fraud Update

Mr. Bird did not have new information regarding the Wells Fargo Check Fraud.

Deputy Director of Finance & Administration Report

1. Check Register

Ms. Kinard called for any questions regarding the check register from the Board. There were none.

2. Preliminary February 2023 Financials

Ms. Kinard provided an overview of the February 2023 Financials and explained they were waiting for the final audit for FY 2021-2022 to be completed and called for any questions. There were none.

Ms. Kinard provided details of the income statement along with a separate statement for each cost center. Ms. Kinard provided details of the budget-to-actual report and called for any questions.

Mr. Craig questioned Mr. Daugherty as to any budget concerns. Mr. Daugherty stated expanding the budget for T-hangar repairs would need to be looked at further into next year.

3. Introduction of new Airport Business Manager

Ms. Kinard introduced the Airport Authority's new business development manager, Ms. Lisa Nicholas. Ms. Nicholas gave a brief summarization of her past employment history. Ms. Nicholas is excited to begin her position and is looking forward to seeing what the future holds for the space industry.

Authority Member's Report

Mr. Craig called for any comments from the Board.

Mr. Voss would like to see additional advertising regarding upcoming tenant appreciation cookouts such as notification emails.

Mr. Whitmore requested clarification on the correct usage of Titusville-Cocoa Airport Authority versus Titusville-Cocoa Airport District. Mr. Bird stated Titusville-Cocoa Airport Authority is correct.

Ms. Curry requested Ms. Nicholas provide the Board with past month's progress and/or achievements during the Board meetings.

Mr. Craig requested details regarding the Airport Authority's memberships and their value. Mr. Craig requested hangar wait lists to be placed on the Titusville-Cocoa Airport Authority's website.

Public Comments

None

Adjournment

Mr. Craig adjourned the meeting at 5:41 p.m.

JOHN CRAIG, CHAIRMAN

DONN MOUNT, VICE CHAIRMAN/TREASURER



Space Coast Innovation Park Ground Lease Agreement – Amendment # 1 Executive Summary

Background:

On March 3, 2022, the Authority approved a long-term, non-aeronautical ground lease agreement with Space Coast Innovation Park, LLC, for a phased development at the Space Coast Regional Airport.

General Overview of Lease Amendment # 1:

- The delivery schedules and milestones (for Tenant delivery and for the Authority infrastructure delivery) have been deleted as appendices to the lease.
- Delivery dates for the Authority roadway obligations will be set by certain timeframes for each Phase.
- For the Tenant, the default provisions are tied to financial obligations to Option fees being earned by the Authority for all three phases of the property as of the date of execution and latest possible rent commencement dates.
- For the lease term for each phase, once the first rent commencement date is achieved (certificate of occupancy (CO) of the first building in each phase or subphase and/or the latest defined rent commencement date for the first parcel), the term of the lease resets to 50 years, and the renewal terms will reset accordingly.

Phase 1:

- Amend site plan in the lease for Phase 1 (per sketch and legal description).
- Accept Fair Market Valuation from the appraisal.
- Reallocate Phase 1 rent commencement dates based on progression of delivery dates for each individual building as indicated on Exhibit A4 but maintain the rent commencement as the earlier of CO of the buildings or the latest rent commencement dates.

Phase 2:

- Amend site plan in the lease for Phase 2 as conceptually designed and confirm sketch and legal description.
- Accept Fair Market Valuation from the appraisal.
- Reallocate Phase 2 rent commencement dates based on progression of delivery dates for each individual building as indicated on Exhibit A4 but maintain the rent commencement as the earlier of CO of the buildings or the latest rent commencement dates.
- Confirm Tenant can submit for site plan approval while under Option and the Authority will support.

Phase 3:

- Convert from right of first refusal (ROFR) to exclusive Option fee period of five years with Option fees commencing for Phase 3 as of the date of the execution of the amendment.
- Include the conceptual site plan in the lease for Phase 3 East and West as conceptually designed and confirm sketch and legal description of both, accept Fair Market Valuation, and remove all improvement delivery date requirements and replace the obligation as payment of rent as of the rent commencement dates as defined.
- Allocate Phase 3 East and West rent commencement dates based on progression of delivery dates for each individual building as indicated on Exhibit A4 but maintain the rent commencement as the earlier of CO of the buildings or the latest rent commencement dates.
- Accept Fair Market Valuation from the appraisal.
- Confirm Tenant can submit for site plan approval while under Option and the Authority will support.
- Further address that, given the extended time frames of term of the Option and corresponding progression of the latest rent dates, Tenant may only exercise its Option for each subphase of Phase 3 after site plan approval. This provision reduces any potential for any significant gaps in income for the Authority between the termination of Option fee payments and the commencement of rent payments.

Recommendation:

Staff recommends that the Authority approve Lease Amendment # 1 to the Space Coast Innovation Park, LLC, ground lease agreement.

TITUSVILLE-COCOA AIRPORT AUTHORITY
AND
SPACE COAST INNOVATION PARK, LLC

AMENDMENT #1 TO
NON-AERONAUTICAL GROUND LEASE AND DEVELOPMENT AGREEMENT

AT THE
SPACE COAST REGIONAL AIRPORT (TIX)

**AMENDMENT #1 TO
NON-AERONAUTICAL GROUND LEASE AND DEVELOPMENT AGREEMENT**

THIS AMENDMENT #1 TO NON-AERONAUTICAL GROUND LEASE AND DEVELOPMENT AGREEMENT (hereinafter referred to as “Amendment #1”), is made and entered into on _____, 2023 (“Amendment #1 Execution Date”), by and between the TITUSVILLE-COCOA AIRPORT AUTHORITY, having an office and place of business at Space Coast Regional Airport (TIX) (the “Airport”), 355 Golden Knights Blvd., Titusville, FL 32780 (the “Authority”), and SPACE COAST INNOVATION PARK, LLC, a Florida limited liability company with its principal place of business located at 355 Golden Knights Blvd., Suite #3, Titusville, Florida 32780 (the “Tenant” and together with the Authority, the “Parties”).

WITNESSETH THAT:

WHEREAS, the Parties executed that certain Non-Aeronautical Ground Lease and Development Agreement on or about March 9, 2022, wherein Tenant is leasing certain Property, as defined therein from the Airport;

WHEREAS, the Parties desire to amend other portions of the Lease, all as set forth in more detail below.

NOW, THEREFORE, in consideration of the promises, covenants, terms and conditions herein set forth, the Parties have agreed and do agree as follows:

1. ARTICLE 1, SECTION 101, PROPERTY. Article 1, Section 101, Property, Subsection A, is hereby amended as follows:

- a. Exhibit A-1, the Phase 1 Property, including all references thereto in the Lease, is hereby replaced with the Revised Exhibit A-1 attached hereto;
- b. The total developable acres for Phase 1 is as depicted on Exhibit A-1-1 (“Phase 1 and 2 Developable Acreage”).
- c. Exhibit B-1, the Phase 1 Site Plan, including all references thereto in the Lease, is hereby replaced with the Revised Exhibit B-1-1 attached hereto. The Parties acknowledge that the Revised Exhibit B-1-1 has been submitted by the Tenant with the consent of the Authority to the City of Titusville for review, comment and approval and remains subject to future changes.

2. ARTICLE 1, SECTION 101, PROPERTY. Article 1, Section 101, Property, Subsection B, is hereby

amended as follows:

- a. Exhibit A-2, the Phase 2 Property, including all references thereto in the Lease, is hereby replaced with the Revised Exhibit A-2 attached hereto;
- b. The current estimate of the total developable acres for Phase 2 is as depicted on Exhibit A-1-1 (“Phase 1 and 2 Developable Acreage”). All Option payment calculations, and later if and when the Phase 2 Option is exercised by Tenant, all Phase 2 Rent calculations, shall utilize and be based on the Phase 2 Developable Acreage. The Parties agree that the Phase 2 Developable Acreage shall be subject to future further adjustment and modification by written agreement of the Parties evidenced by a letter agreement executed by the Director of Airports and without need for further amendment to the Lease.

3. ARTICLE 1, SECTION 101, PROPERTY. Article 1, Section 101, Property, Subsection C, is hereby amended as follows:

- a. Exhibit B-1, the Phase 2 Site Plan, including all references thereto in the Lease, is hereby replaced with the Revised Exhibit B-1-2 attached hereto. The Parties agree that the Phase 2 Site Plan shall be subject to future further adjustment and modification by written agreement of the Parties evidenced by a letter agreement executed by the Director of Airports without need for further amendment to the Lease.

4. ARTICLE 1, SECTION 101, PROPERTY. Article 1, Section 101, Property, Subsection D, is hereby amended and deleted in its entirety and replaced as follows:

D. Subject to the provisions of Subsection 101.2 and Article 24 below, the Authority grants to Tenant a five (5) year exclusive option for the property as described on Revised Exhibit A-3E, representing the Phase 3 East Property, and Revised Exhibit A-3W, representing the Phase 3 West property, and which collectively describe the Phase 3 Property, together with any and all rights of way necessary to permit ingress and egress from the Phase 3 Property as required by Tenant’s site plan for construction of the Improvements (as provided herein) and development of the Phase 3 Property. The Tenant’s preliminary site plan for the Phase 3 Property is attached hereto as Exhibit B-1-3. All previous references to Exhibit A-3 and/or the Phase 3 Property, including all references thereto in the Lease, are hereby replaced with Revised Exhibit A-3E and Revised Exhibit A-3W as attached hereto. The current estimates of the total developable acres for the Phase 3 East Property

and the Phase 3 West Property are depicted on Exhibit A-3-1 (“Phase 3 East and West Developable Acreage”). All Phase 3 East and Phase 3 West Option Fee payment calculations, and later if and when the Phase 3 East and/or Phase 3 West Option is exercised by Tenant, all Phase 3 East and Phase 3 West Rent calculations, shall utilize and be based on the Phase 3 East and Phase 3 West Developable Acreages. The Parties acknowledge that the Phase 3 East and Phase 3 West Developable Acreages shall be subject to future further adjustment and modification by written agreement of the Parties evidenced by a letter agreement executed by the Director of Airports without need for further amendment to the Lease.

5. ARTICLE 1, SECTION 101.1, EXCLUSIVE OPTION- PHASE 2 PROPERTY. As to Article I, Section 101.1, Exclusive Option – Phase 2 Property, the Parties further acknowledge and agree that:

- a. Pursuant to that letter agreement dated November 14, 2022 between the Parties, on December 5, 2022, the Authority provided the Tenant with the FMV Appraisal as to Phases 1, 2 and 3 (“Delivered FMV”); and
- b. The Tenant shall have the right to file for conditional site plan approval as to the Phase 2 Property during the Phase 2 Option Term so long as such filings do not constitute or create a binding obligation on the Authority as to Phase 2 development, and the Authority further agrees that the Director of Airports shall be vested with authority to reasonably cooperate with the Tenant in such submittals of the Phase 2 site plan and to execute any forms or consents related to same to allow the Tenant to file for Final Site Plan approvals as to the Phase 2 Property during the Phase 2 Option Period and prior to Tenant exercising the Phase 2 Option.

6. ARTICLE 1, SECTION 101.2, RIGHT OF FIRST REFUSAL - PHASE 3 PROPERTY. As to Article 1, Section 101.2, Right of First Refusal – Phase 3 Property shall be amended as set forth below:

- a. Exhibit A-3, the Phase 3 Property, including all references thereto in the Lease, is hereby replaced with the Revised Exhibits A-3E as to the Phase 3 East Property and Revised Exhibit A-3W as to the Phase 3 West Property each as attached hereto;
- b. The Parties acknowledge that in satisfaction of the requirements of this Subsection, Tenant has already completed and delivered its initial site due diligence, assessments, environmental studies and/or reports for the Phase 3 Property; and
- c. Article 1, Section 101.2 shall be deleted and replaced in its entirety as follows:

For a period of five (5) consecutive years (the “Phase 3 East Property Option Period” and the “Phase 3 West Property Option” and collectively the “Phase 3 Property Options”) beginning on the Commencement Date of this Amendment and terminating upon: (i) an exercise of the applicable Option in accordance with the terms of this Lease; (ii) the expiration of the applicable Option Period; (iii) a written termination of the applicable Option issued by Tenant in Tenant’s sole discretion to the Authority; or (iv) the termination of this Lease, whichever first occurs, Tenant shall have a sole and exclusive option to lease the Phase 3 East Property and/or the Phase 3 West Property, as each is depicted on Revised [Exhibit A-3E](#) and Revised [Exhibit A-3W](#). The Phase 3 East Property Option and the Phase 3 West Property Option may be exercised independently of the other and in any order. It shall be a condition precedent to the exercise of either of the Phase 3 Option(s) that the Tenant shall have secured the Final Site Plan Approval for the applicable Phase 3 Property prior to exercising the applicable Phase 3 Option (East and/or West). The Parties acknowledge and agree that the Tenant shall have the right to file for conditional site plan approval as to the Phase 3 Property during the Phase 3 Option Term so long as such filings do not constitute or create a binding obligation on the Authority as to Phase 3 development, and the Authority further agrees that the Director of Airports shall be vested with authority to reasonably cooperate with the Tenant in such submittals of the Phase 3 site plans and to execute any forms or consents related to same to allow the Tenant to file for Final Site Plan approvals as to Phase 3 East and West Property during the Phase 3 Option Periods and prior to Tenant exercising the Phase 3 Option(s).

In consideration for the Phase 3 Property Options, Tenant shall pay Authority a non-refundable option fee equal to thirty percent (30%) of the annual base rent for the applicable Phase 3 Property (i.e. East and/or West) for each year of the Option Period (the “Phase 3 East Property Option Fee” and/or “Phase 3 West Property Option Fee” and collectively the “Phase 3 Property Option Fees”) for the privilege of the Options, which shall be fully earned by Authority when due.

The Phase 3 Property Option Fees shall be due as follows: (a) as of the Amendment #1 Execution Date, Tenant shall owe the Authority the Phase 3 Property Option Fees for the first year of the Phase 3 Property Option Periods, payment of which however shall be deferred and to be paid in full by Tenant along with the second Option year Phase 3 Property Option Fee(s) as set forth in subsection (b) and shall further be subject to the application of any Phase 3 Property Option Credits as defined below, if any; (b) conditioned on the applicable Phase 3 Property site plan receiving all final necessary approvals from all reviewing governmental authorities, including without limitation the City of Titusville, County of Brevard, and the State of Florida Department of Environmental Protection, needed to obtain all building

permit(s) (“Final Site Plan Approval”) for the applicable Phase 3 Property (i.e. East and/or West) occurring in the second Option year, within ninety (90) days of such Final Site Plan Approval, Tenant shall pay to Authority the applicable Phase 3 Property Option Fee(s) for the first and second Option years of the Phase 3 Property Option Period in full for that Phase 3 Property receiving its Final Site Plan Approval (i.e. East and/or West) (and further conditioned on Tenant not having previously terminated the applicable Phase 3 Property Option), less any Phase 3 Property Option Credits, as defined below, for that Phase 3 Property (i.e. East or West); (c) in the event the Final Site Plan Approval for the applicable Phase 3 Property is not received in the second Option year, then the Tenant shall owe the Authority the Phase 3 Property Option Fees for the applicable Phase 3 Property (East and/or West) for the first and second Option years of the Phase 3 Property Option Periods, payment of which however shall be deferred and to be paid in full by Tenant along with the third Option year Phase 3 Property Option Fees as set forth in subsection (d) and shall further be subject to the application of any Phase 3 Property Option Credits as defined below, if any; (d) conditioned on the Final Site Plan Approval for the applicable Phase 3 Property (i.e. East and/or West) occurring in the third Option year, within ninety (90) days of such Final Site Plan Approval, Tenant shall pay to Authority the applicable Phase 3 Property Option Fee(s) for the first, second and third Option years of the Phase 3 Property Option Period in full for that Phase 3 Property receiving its Final Site Plan Approval (i.e. East and/or West) (and further conditioned on Tenant not having previously terminated the applicable Phase 3 Property Option), less any Phase 3 Property Option Credits, as defined below, for that Phase 3 Property (i.e. East or West); and (e) conditioned on Tenant not having previously terminated the applicable Phase 3 Property Option (East and/or West), within ninety (90) days of the fourth, and of the fifth anniversaries of the Amendment #1 Execution Date, Tenant shall pay to Authority the Phase 3 East Property Option Fees for the fourth and fifth year of the Phase 3 East Property Option Period as applicable, in full.

Should Tenant exercise the Phase 3 East Property Option and/or the Phase 3 West Property Option in accordance with the requirements of this Lease, Tenant shall not be responsible for payment of any future payments of that applicable Option Fee which would otherwise be due under this subsection. In the event Tenant exercises either or both of the Options during an Option Year for which Tenant has already paid the annual payment for that Option, then in that event the applicable Option Fee for the Option year in question shall be pro-rated on a per diem annualized basis and any portion attributable to the remainder of the Option Year (i.e. after Option exercise) shall be applied as a credit to the Rent otherwise due for the applicable Phase 3 Property when due. The parties agree said Option Fee(s) shall constitute sufficient

consideration for the Phase 3 Property Options and shall be in addition to the other consideration for the Options otherwise provided in this Lease in terms of the Lease obligations of the Tenant hereunder generally.

Furthermore, the Parties acknowledge that in the event Tenant terminates the Phase 3 East Property and/or Phase 3 West Property Option(s) at any time prior to exercising same, the Tenant shall be entitled to an offsetting credit against the Phase 3 East Property and/or Phase 3 West Property Option Fees otherwise owed by Tenant hereunder equal to the amount of fees and costs directly expended by Tenant in payment to third parties (as proven by Tenant's CPA to the reasonable satisfaction of the Authority), for the commencement, of, work in progress on and/or completion of any site plan, engineering, architectural or other site related professional services or work related to the due diligence and proposed use of Phase 3 Property conditioned upon the agreement that any and all records, work, plans, permits and intellectual property that can be assigned to the Authority will be provided to the Authority by the Tenant ("Phase 3 Option Credits"). The Phase 3 Option Credit(s) for the East or West shall be applied as follows: (i) first to any Phase 3 Option Fees for that East or West Option owed by Tenant through the date of termination as to that East or West Phase 3 Property as applicable; (ii) next any overage remaining will be applied as a credit to any Option Fees owed or owing on the remainder of Phase 3, if any; (iii) next any overage remaining would be applied to any Phase 2 Option Fees owed or owing, if any; and (iv) finally any remaining overage would be applied to any other amounts owed by Tenant under the Lease, including without limitation Rent.

7. ARTICLE 1, SECTION 102.1, TERM OF LEASE. Article 1, Section 102.1, Term of Lease is hereby deleted in its entirety and replaced as follows:

The "Commencement Date" as that term is used in this Lease shall mean and refer to March 9, 2022, that being the date the Parties agree the Lease was originally executed.

The initial Term of this Lease shall be from the Commencement Date and terminating at 5:00 pm EST on March 31, 2072, unless earlier terminated in accordance with the terms of this Lease or unless extended as set forth herein.

Explicitly conditioned on Tenant not otherwise being in default under this Lease, the initial Term as to Phase 1 only shall automatically be extended upon payment of the first Rent payment on the Rent Commencement Date as to Phase 1 only to extend to then terminate at 5:00 pm EST fifty (50) years from the first Rent Commencement Date as to Phase 1, unless earlier terminated in accordance with the terms of this Lease or

unless extended as set forth herein.

Explicitly conditioned on: (i) Tenant not otherwise being in default under this Lease, and (ii) Tenant exercising its Phase 2 Property Option, the initial Term as to Phase 2 only shall automatically be extended upon payment of the first Rent payment on the Rent Commencement Date as to Phase 2 only to then terminate at 5:00 pm EST fifty (50) years from the first Rent Commencement Date as to Phase 2, unless earlier terminated in accordance with the terms of this Lease or unless extended as set forth herein.

Any extension of the initial Term as to Phase 2, if applicable as set forth above, shall only apply and shall only extend the Term as to the Phase 2 Property.

The Parties further agree that if the Tenant exercises the Phase 3 East or West Property Option(s) and therefore a Phase 3 Lease is executed, then in that event the Phase 3 Lease shall continue similar extensions to the Term language to that as set forth above for the Phase 3 East and/or West Properties as applicable and independent of each other.

8. ARTICLE 1, SECTION 102.2, RENEWAL OPTIONS TO EXTEND TERM. Article 1, Section 102.2, Renewal Options to Extend Term, shall be amended as follows only as to the Phase 2 Property and Phase 3 Property Options, and Tenant's potential desire to exercise its rights to lease each Phase pursuant to Subsections 101.1 and 101.2 above, as applicable:

- a. In consideration of the date of delivery of the FMV appraisal on December 5, 2022. the Parties have agreed that Tenant had an extension to deliver Tenant's objection(s) and/or Tenant's appraisals to the Notice of Fair Market Value Rent for Phases 1, 2 and/or 3 until one hundred eighty (180) days after Tenant's receipt, to wit June 5, 2023.
- b. Furthermore the Parties agree that the Appraisal delivered by the Authority on December 5, 2022 shall constitute the "Notice of Fair Market Value Rent" for each Phase as such term is used in the Lease.

The Parties agree that the procedures outlined in Section 102.2 related to the Renewal Options to Extend Term shall independently apply as to Phase 1, and conditioned on the Tenant exercising its Phase 2 Property Option, shall also apply as to the Phase 2 Term, i.e. as each initial Term terminates on the Phase 1 Property and then again on the Phase 2 Property, if applicable. And further that if the Phase 3 Property Option is exercised (as to the East and/or West) the Renewal Options will also apply to the Phase 3 Lease as well for both the Phase 3 East and/or West Properties.

9. ARTICLE 1, SECTION 103.1, IMPROVEMENTS TO THE PROPERTY. Article 1, Section 103.1, Improvements to the Property, shall be amended as follows:

- a. Exhibit B-1, the Phase 1 Site Plan, including all references thereto in the Lease, is hereby replaced with the Revised Exhibit B-1-1 attached hereto.
- b. Appendix “2” including all references thereto in the Lease, is hereby deleted.

10. ARTICLE 1, SECTION 103.3, PHASING CONSTRUCTION OF IMPROVEMENTS AND TIME PERIODS. Article 1, Section 103.3 shall be deleted in its entirety and replaced as follows:

As it pertains to development of the Property and construction of Improvements, Authority and Tenant agree that: (i) the Tenant has met and/or satisfied early the requirements for development for Improvements as set forth in the Lease prior to the execution of this Amendment #1; and (ii) that Appendix “1” and Appendix “2” are no longer reflective of the realities of the construction of the required Improvements by both the Tenant and the Authority.

The Parties have therefore agreed to delete Appendix “1” and “2” and all references thereto as same may appear in the Lease. The Parties instead acknowledge that Phase 1, and if the Option(s) are exercised by Tenant, Phase 2 and Phase 3 East and Phase 3 West, shall be developed in subphases by the Tenant in its discretion (i.e. the entire involved Phase will be necessarily be constructed simultaneously). Tenant warrants that absent events of Force Majeure as defined in this Lease and absent delays caused by the Authority including delays in the Authority completing its required improvements as defined below, Tenant shall be required to commence paying Rent in accordance with the Rent Commencement Dates set forth Section 104.1.

The Parties further acknowledge and agree that by or before a date that is sixty (60) days after the Tenant has received its Final Site Plan Approval for Phase 1, the Tenant and the Authority shall have jointly developed a reasonable development timeline under which the Authority shall have the design for and plan for funding for all necessary Phase 2 roadways, as depicted on Exhibit A-1-1 and labeled as Road Infrastructure, and/or utility service to the boundaries of Phase 2 as needed for the Tenant’s Phase 2 site plan to be constructed as same then exists.

The Parties further acknowledge and agree that by or before a date that is one year after the Tenant has received its Final Site Plan Approval for Phase 1, the Tenant and the Authority shall have jointly developed a reasonable development timeline (“Authority’s Improvement Timeline”) under which the

Authority shall have the design for and plan for funding for all necessary Phase 3 roadways, as depicted on Exhibit A-3-1 and labeled as Road Infrastructure, and/or utility service to the boundaries of Phase 3 as needed for the Tenant's Phase 3 site plan to be constructed as same then exists.

Without regard to any other provisions of this Lease, any property improvement that is the responsibility of Authority, including without limitation extension of utilities to the boundary thereof and the to be constructed roadways and/or public access ways, shall be timely completed in order to avoid delay to Tenant. Any delay(s) by the Authority in meeting the requirements shall automatically extend on a day for day extension the affected Rent Commencement Date(s) for the entirety of that Phase. The Authority shall provide periodic updates to the Tenant as to the status and anticipated completion dates of the Authority's improvements and shall provide reasonable notice to Tenant in the event Authority determines it will not be able to construct its improvements by or before the indicated deadlines. Tenant shall submit written notice to the Authority of the application of such automatic extensions to the affected Rent Commencement Dates in that event.

11. ARTICLE 1, SECTION 104.1, BASE RENT. Article 1, Section 104.1, Base Rent, Subsection A shall be amended as follows:

- a. Rent for Phase 1 and for Phases 2 and/or 3 (East and West) if applicable shall be calculated based on the applicable Developable Acreage for each Phase as each such Developable Acreage is defined above.

12. ARTICLE 1, SECTION 104.1, BASE RENT. Article 1, Section 104.1, Base Rent, Subsection C shall be deleted and replaced as follows:

- a. Base rent for the Phase 1 Property shall commence as follows (and as summarized on Exhibit A4 attached) ("Rent Commencement Date"): (i) thirty-three and one third (33 1/3%) percent of Tenant's total obligation to pay base rent for the Phase 1 Property to Authority shall commence on the earlier of the date Tenant receives a Certificate of Occupancy allowing lawful use for any one of the Buildings to be constructed as set forth on the Revised Exhibit B-1 as to Phase 1 and as set forth on Exhibit A4, or August 1, 2024; (ii) an additional thirty-three and one third (33 1/3%) percent (for a then cumulative total of 66 and 2/3%) of Tenant's total obligation to pay base rent for the Phase 1 Property to Authority shall commence on the earlier of the date Tenant receives a Certificate of Occupancy allowing lawful use for the second of the Buildings to be constructed as set forth on the Revised Exhibit B-1 as to Phase 1, and as set forth on Exhibit A4,

or August 1, 2025; and (iii) an additional thirty-three and one third (33 1/3%) percent (for a then cumulative total of 100%) of Tenant's total obligation to pay base rent for the Phase 1 Property to Authority shall commence on the earlier of the date Tenant receives a Certificate of Occupancy allowing lawful use for the third and final of the Buildings to be constructed as set forth on the Revised Exhibit B-1 as to Phase 1, and as set forth on Exhibit A4, or August 1, 2026. Subject to the foregoing but for the avoidance of doubt, full base Rent for the Phase 1 Property shall commence and be due and owing from Tenant to Authority no later than August 1, 2026.

Each date that Tenant's obligation to pay base rent to Authority commences as set forth above shall be a "Rent Commencement Date" or collectively, the "Rent Commencement Dates."

- b. Explicitly conditioned on Tenant exercising its Phase 2 Property Option, Rent for Phase 2 shall commence to be and owing as follows ("Phase 2 Rent Commencement Date"): (i) fifty (50%) percent of Tenant's total obligation to pay base rent for the Phase 2 Property to Authority shall commence on the earlier of the date Tenant receives a Certificate of Occupancy allowing lawful use for any one of the Buildings to be constructed on Phase 2 as set forth on the Revised Exhibit B-1 or August 1, 2026; and (ii) the remaining Rent, i.e. fifty (50%) percent of Tenant's total obligation to pay base rent for the Phase 2 Property to Authority, shall be due on the earlier of the date Tenant receives the last Certificate of Occupancy allowing lawful use for all Buildings to be constructed on Phase 2 as set forth on the Revised Exhibit B-1 as to Phase 2 or August 1, 2027. Subject to the foregoing but for the avoidance of doubt, full base Rent for the Phase 2 Property shall commence and be due and owing from Tenant to Authority no later than August 1, 2027.
- c. Explicitly conditioned on Tenant exercising one or both of its Phase 3 Property Options (East and/or West), the Rent for Phase 3 (East and/or West) shall be as set forth in the to be drafted and executed Phase 3 Lease, however, the Parties agree that in concept the Rent for Phase 3 shall be and owing generally as follows:

Base rent for the Phase 3 East Property shall commence as follows: ("Phase 3 East Rent Commencement Date"): (i) fifty (50%) percent of Tenant's total obligation to pay base rent for the Phase 3 East Property to Authority shall commence on the earlier of the date Tenant receives a Certificate of Occupancy allowing lawful use for any one of the Buildings to be constructed on Phase 3 East Property, and as set forth on the initial site plan attached as Exhibit B-1-3 or the later of: August 1, 2029; and (ii) the remaining Rent, i.e. fifty (50%) percent of Tenant's total obligation

to pay base rent for the Phase 3 East Property to Authority shall be due on the earlier of the date Tenant receives the last Certificate of Occupancy allowing lawful use for all Buildings to be constructed on Phase 3 East Property as set forth on the initial site plan or the later of: August 1, 2030. Subject to the foregoing but for the avoidance of doubt, full base Rent for the Phase 3 East Property if leased shall commence and be due and owing from Tenant to Authority no later than the forty -two months after execution of the Phase 3 Lease.

Base rent for the Phase 3 West Property shall commence as follows: (“Phase 3 West Rent Commencement Date”): (i) twenty-two (22%) percent of Tenant’s total obligation to pay base rent for the Phase 3 West Property to Authority shall commence on the earlier of the date Tenant receives a Certificate of Occupancy allowing lawful use for any one of the Buildings to be constructed on Phase 3 West Property- Subphase A, and as set forth on the initial site plan attached as Exhibit B-1-3, or August 1, 2029; (ii) thirty-five (35%) percent of Tenant’s total obligation to pay base rent for the Phase 3 West Property to Authority shall be due on the earlier of the date Tenant receives a Certificate of Occupancy allowing lawful use for any one of the Buildings to be constructed on Phase 3 West Property- Subphase B or August 1, 2030; and (iii) forty-three (43%) percent of Tenant’s total obligation to pay base rent for the Phase 3 West Property to Authority shall be due on the earlier of the date Tenant receives a Certificate of Occupancy allowing lawful use for any one of the Buildings to be constructed on Phase 3 West Property- Subphase C or August 1, 2031. Subject to the foregoing but for the avoidance of doubt, full base Rent for the Phase 3 West Property if leased shall commence and be due and owing from Tenant to Authority no later than August 1, 2031.

- d. The Parties further agree that all calendar Rent Commencement Date deadlines set forth above and as summarized on Exhibit A4 shall be subject to automatic day for day extension(s) in the event the Authority fails to comply with the Authority’s Improvement Timeline.

13. SECTION 206, FAILURE OF TENANT TO COMMENCE OR COMPLETE CONSTRUCTION.

Section 206, Failure of Tenant to Commence or Complete Construction, is hereby deleted in its entirety.

- 14. ARTICLE 11, MEMORANDUM OF LEASE. Article 11, Memorandum of Lease, shall be revised by the addition of the following:

The Parties acknowledge and agree that the Director of Airports is authorized to execute all Memoranda of Lease on behalf of the Authority.

15. ARTICLE 22, ASSIGNMENT AND SUBLETTING. New paragraphs shall be added to Article 22 as follows:

The Director of Airports for the Authority shall be vested with authority to review and approve in writing any proposed subleases and/or sub-subleases related to the Property as submitted by Tenant and pursuant to this Lease.

The Parties further acknowledge that the Authority has approved the form of the potential Sublease related to Tenant subletting all of the Phase I Property to SCIP Phase I, LLC pursuant to that certain executed Request for Approval to Sublease dated November 7, 2022.

The Parties also acknowledge that the Authority has approved the form of potential sub-subleases under the Lease pursuant to that executed Request for Approval of Sub-Sublease Form Language executed November 2, 2022.

[SIGNATURES ON NEXT PAGE]

SIGNATURES

IN WITNESS WHEREOF the parties hereto have set their hands and seals the date and year first above written.

Signed, Sealed and Delivered
in the presence of:

Witness

Witness

AUTHORITY:
TITUSVILLE-COCOA AIRPORT AUTHORITY

By: _____
Kevin Daugherty, AAE
Director of Airports

Attest: _____
Name:
Position:
(corporate seal)

Signed
in the presence of:

Witness

Witness

TENANT:
SPACE COAST INNOVATION PARK, LLC,
a Florida limited liability company

KEY XSPANCIAL GROUP, LLC
a Florida limited liability company, its Manager




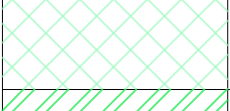
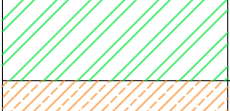

KEY SCIP, LLC
a Florida limited liability company, its Manager

KEY GROUP HOLDINGS, LLC
a Florida limited liability company, its Manager

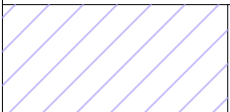


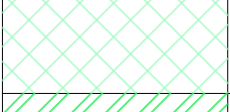
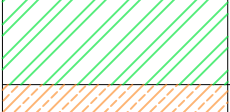
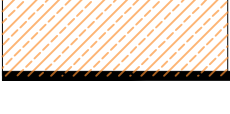
By: _____
Kathleen Yonce, its Manager

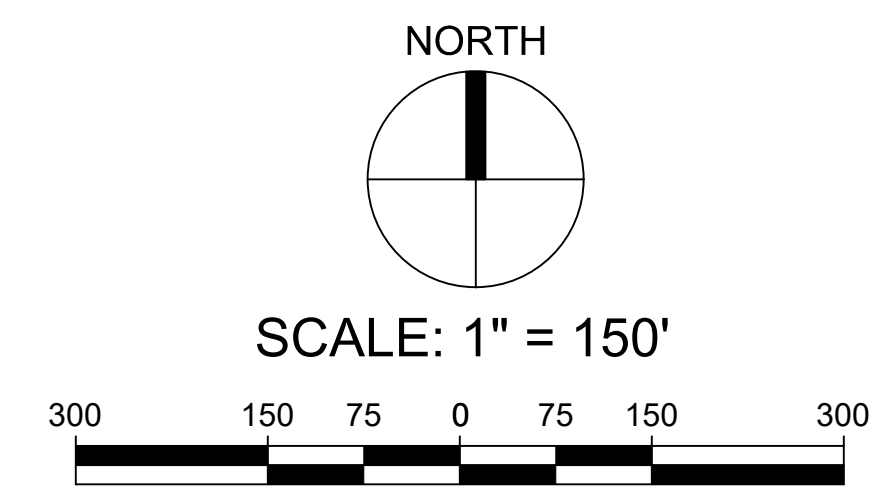
EXHIBIT A-1-1 PHASE 1 AND 2 DEVELOPABLE ACREAGE



PHASE I DEVELOPABLE LAND ACREAGE		
TOTAL AREA		49.15 ACRES
	DEVELOPABLE LAND	41.83 ACRES
	UNDEVELOPABLE - WETLANDS	6.61 ACRES
	UNDEVELOPABLE - WETLAND BUFFER	0.71 ACRES
	ROAD INFRASTRUCTURE	0 ACRES
	BORROW PIT AREAS	0 ACRES
	ISOLATED UPLAND AREAS	0 ACRES

	UNDEVELOPABLE LEASEHOLD	16.16 ACRES
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PHASE II DEVELOPABLE LAND ACREAGE		
TOTAL AREA		50.36 ACRES
	DEVELOPABLE LAND	38.91 ACRES
	UNDEVELOPABLE - WETLANDS	3.90 ACRES
	UNDEVELOPABLE - WETLAND BUFFER	0.95 ACRES
	ROAD INFRASTRUCTURE	6.47 ACRES
	BORROW PIT AREAS	0 ACRES
	ISOLATED UPLAND AREAS	0.13 ACRES



**Michael Baker
INTERNATIONAL**

12740 GRAN BAY PKWY WEST, SUITE 2110
JACKSONVILLE, FLORIDA 32258
PHONE: (904) 380-2500

Engineer of Record:

KEYMAP:

REVISIONS

No.	Description	Date	By

Designed by: Technician: Checked by:

Project Name:

**SPACE COAST
INNOVATION PARK**

Drawing Name:

**SCIP DEVELOPABLE
LAND ANALYSIS
PHASE I & II**

Baker Project Number: Date: **03/23/2023**

FAA AIP No: Drawing Number:

FDOT FIN No: --

Plotted on: 3/23/2023 2:27 PM By: Longford, Donald
 Located: Y:\Projects\5-Private Development\Key Group\187098 - Space Coast Industrial Park\03-DESIGN\A - CIVIL CADD\SCIP Developable Land Analysis
 Phase 1 & 2.dwg

LEGAL DESCRIPTION

EXHIBIT "A"

SHEET 1 OF 3

SPACE COAST INNOVATION PARK

THIS IS NOT A SURVEY

PARENT PARCELS ID#: SHOWN IN SKETCH

PURPOSE: LEASE PARCEL 1

LEGAL DESCRIPTION: LEASE PARCEL 1 (BY RALPH W. GROMLEY LS#6605)

Being a parcel of land lying in Section 3 of Township 23, Range 35 and being part of the lands conveyed to Titusville Cocoa Airport Authority in Brevard County, Florida.

Beginning at a 5/8-inch rebar found at the intersection of the East Right of Way of Grissom Parkway (200-foot R/W) and the South Right of Way of Perimeter Road (120-foot R/W) as shown in the Enterprise Park Plat as recorded in Plat Book 32 Page 74 in the Public Records of Brevard County Florida, said monument being the Principal Place of Beginning of the described parcel.

Thence North 89° 22' 12" East, 209.08 feet along the South Right of Way of Perimeter Road to a point.

Thence continuing along the South Right of Way of Perimeter Road along a curve to the left having a radius of 4940.00 feet; and an arc length of 241.91 feet along a chord with a bearing North 87° 58' 30" East and a chord distance of 241.89 feet to a 5/8-inch rebar found at the end of the 120-foot Right of Way of Perimeter Road.

Thence South 01° 33' 58" East, 16.11 feet to a point.

Thence North 86° 08' 37" East, 46.39 feet to a point.

Thence North 83° 51' 12" East, 1252.35 feet to a point.

Thence North 83° 51' 12" East, 1252.35 feet to a point.

Thence along a curve to the left having a radius of 214.09 feet; and an arc length of 39.28 feet along a chord with a bearing of South 89° 06' 35" East a chord distance of 39.23 feet to a 5/8-inch rebar found. Thence continuing along a line established 40 feet from the surveyed centerline of Perimeter Road the following courses.

Thence continuing along said curve having with an arc length of 226.67 feet and chord distance of 216.23 feet to a 5/8-inch rebar found.

Thence South 24° 58' 19" East, 625.77 feet to a 5/8-inch rebar found.

Thence South 63° 45' 52" West, 1264.71 feet to a point.

Thence South 36° 54' 36" East, 62.64 feet to a point.

Thence along a curve to the left having a radius of 517.71 feet, arc length of 384.65 feet, along a bearing of North 74° 22' 30" West and a chord distance of 375.87 feet to point.

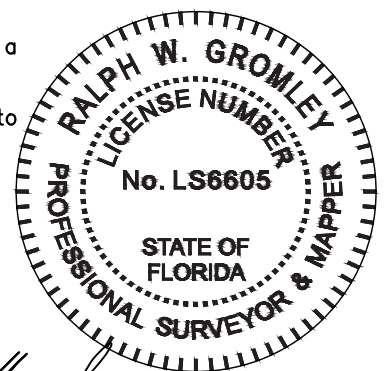
Thence South 84° 20' 25" West 606.01 feet to a point in the East Right of Way of Grissom Parkway

Thence along the East Right of Way of Grissom Parkway on a curve to the right having a radius of 2962.36 feet, arc length of 678.03 feet along a bearing of North 07° 01' 53" West and a chord distance of 676.55 feet to a point.

Thence continuing 421.80 feet along the East Line of the Right of Way of Grissom Parkway to the Principal Place of Beginning.

Containing within said boundaries 49.15 acres of land more or less but subject to all legal highways.

All 5/8 iron pins found were capped MBI LB69.



Ralph W. Gromley

SURVEYOR, PSM RALPH W. GROMLEY #LS 6605
PROFESSIONAL SURVEYOR & MAPPER
NOT VALID UNLESS SIGNED AND SEALED

CERTIFIED TO:

SPACE COAST AIRPORT

PREPARED BY: Michael Baker International LB69
515 North Flagler Drive, Suite 303
West Palm Beach, FL 33401
T. 561-812-6400
F. 561-812-6401
www.mbakerial.com

DRAWN BY: MAEM

CHECKED BY: RWG

PROJECT NO. 187098

SECTIONS 3
TOWNSHIP 23
RANGE 35

REVISIONS

DATE	DESCRIPTION
03/21/2023	REVISIONS

DATE: 08/19/2022

DRAWING: 1

LEGAL DESCRIPTION

SPACE COAST INNOVATION PARK

EXHIBIT "A"

SHEET 2 OF 3

PARENT PARCELS ID#: SHOWN IN SKETCH

PURPOSE: LEASE PARCEL 1


THIS IS NOT A SURVEY

LEGEND

DBV. = DEED BOOK VOLUME

POB. = POINT OF BEGINNING

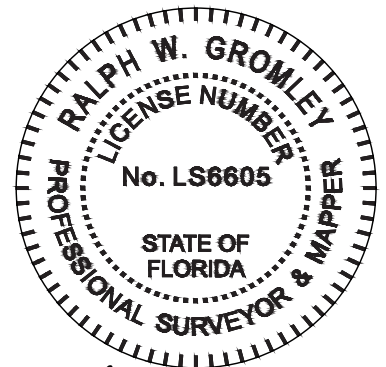
▲ = 5/8 INCH REBAR (FOUND)

 = R/W FROM PLAT BOOK 32, PAGE 74

 R/W = RIGHT OF WAY

SURVEYORS NOTES

1. BASIS OF BEARING IS N 0°29'38" W ALONG THE EAST LINE OF THE RIGHT OF WAY OF GRISSOM PARKWAY
2. COORDINATE SYSTEM BASED ON THE FLORIDA STATE PLANE COORDINATE SYSTEM, EAST ZONE, NAD83 HORIZONTAL DATUM
3. SKETCH AND LEGAL NOT VALID WITHOUT ORIGINAL SEAL AND SIGNATURE
4. A TITLE COMMITMENT WAS NOT PREPARED FOR THIS BOUNDARY
5. DEED RESEARCH COMPLETED BY MICHAEL BAKER INTERNATIONAL



CERTIFIED TO:

SPACE COAST AIRPORT

PREPARED BY: Michael Baker International LB69
 515 North Flagler Drive, Suite 303
 West Palm Beach, FL 33401
 T. 561-812-6400
 F. 561-812-6401
 www.mbakertnl.com

Michael Baker
INTERNATIONAL

SURVEYOR, PSM RALPH W. GROMLEY #LS 6605
 PROFESSIONAL SURVEYOR & MAPPER
 NOT VALID UNLESS SIGNED AND SEALED



DRAWN BY: MAEM

CHECKED BY: RWG

PROJECT NO. 187098

SECTIONS 3
 TOWNSHIP 23
 RANGE 35

REVISIONS

DATE

DESCRIPTION

03/21/2023

REVISIONS

DATE: 08/19/2022

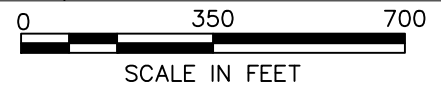
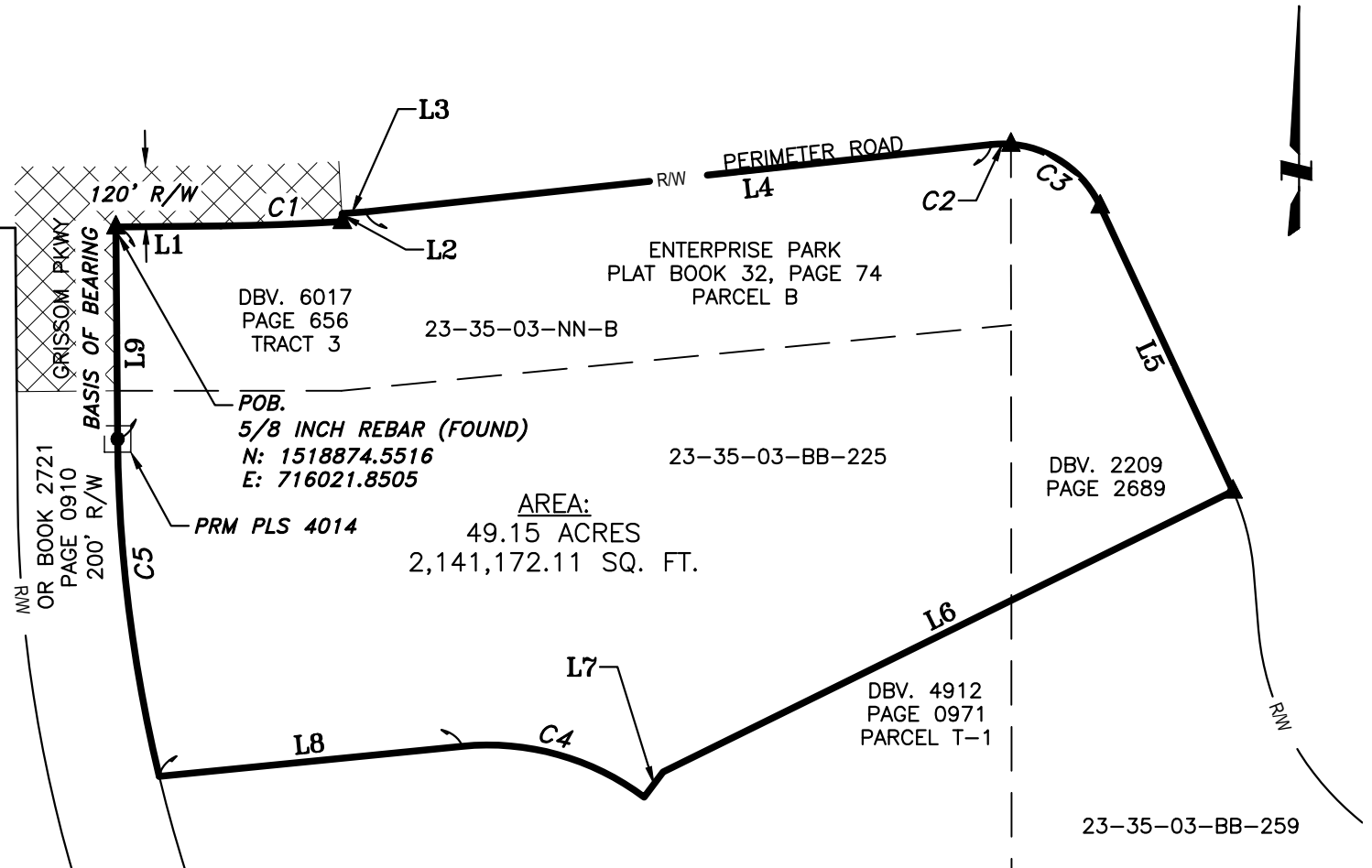
DRAWING: 1

SKETCH OF DESCRIPTION SPACE COAST INNOVATION PARK

EXHIBIT "A"
SHEET 3 OF 3

PARENT PARCELS ID#: SHOWN IN SKETCH
PURPOSE: LEASE PARCEL 1

THIS IS NOT A SURVEY



PARCEL LINE TABLE

LINE #	BEARING	LENGTH
L1	N 89°22'12" E	209.08'
L2	N 1°33'58" W	16.11'
L3	N 86°08'37" E	46.93'
L4	N 83°51'12" E	1252.35'
L5	S 24°58'19" E	625.77'
L6	S 63°45'52" W	1264.71'
L7	S 36°54'36" W	62.64'
L8	S 84°20'25" W	606.01'
L9	N 0°29'38" W	421.80'

CURVE TABLE

Curve #	Length	Radius	Chord Direction	Chord Length
C1	241.91'	4940.00'	N 87°58'30" E	241.89'
C2	39.28'	214.09'	S 89°06'35" W	39.23'
C3	226.67'	214.09'	S 55°18'11" E	216.23'
C4	384.65'	517.71'	N 74°22'30" W	375.87'
C5	678.03'	2962.36'	N 7°01'53" W	676.55'

PREPARED BY: Michael Baker International LB69
Michael Baker INTERNATIONAL
 515 North Flagler Drive, Suite 303
 West Palm Beach, FL 33401
 T. 561-812-6400
 F. 561-812-6401
 www.mbakerial.com

SCALE:
1" = 350'
PROJECT NO.:
187098

SECTION 3
TOWNSHIP 23
RANGE 35

LEGAL DESCRIPTION

EXHIBIT "A"

SHEET 1 OF 3

SPACE COAST INNOVATION PARK

PARENT PARCELS ID#: SHOWN IN SKETCH

THIS IS NOT A SURVEY

PURPOSE: LEASE PARCEL 2

LEGAL DESCRIPTION: LEASE PARCEL 2 (BY RALPH W. GROMLEY LS#6605)

Being a parcel of land lying in Section 3 of Township 23, Range 35 and being part of the lands conveyed to Titusville Cocoa Airport Authority in Brevard County, Florida.

Beginning at a 4x4 concrete monument found in the SE corner of Section 3, Township 23, Range 35, said monument being the Principal Place of Beginning of the described parcel.

Thence South 84° 24' 08" West along the South Line of said Section, a distance of 2294.08 feet, passing through a 3/4-inch rebar found with the cap destroyed, at a distance of 1338.80 feet, to a 3x3 concrete monument found, stamped PRM PLS 4014, in the easterly Right of Way line of Grissom Parkway (200-foot R/W) as described in Official Records Book 2721, Page 910 of the Public Records of Brevard County, Florida; thence along said easterly Right of Way of Grissom Parkway, the following two courses:

Thence North 31° 05' 21" West, a distance of 783.09 feet to the point of curvature.

Thence along a curve to the right having a radius of 2962.36 feet; and an arc length of 752.80 feet along a chord with a bearing North 23° 48' 33" West a chord distance of 750.78 feet to a point.

Thence North 84° 20' 25" East, a distance of 581.18 feet to a point of curvature.

Thence along a curve to the right having radius of 367.71 feet; and an arc length of 285.56 feet along a chord with a bearing South 73° 24' 44" East a chord distance of 278.44 feet to a point.

Thence South 51° 09' 53" East, a distance of 481.62 feet to a point.

Thence North 77° 29' 21" East, a distance of 402.36 feet to a point.

Thence North 85° 46' 52" East, a distance of 180.74 feet to a point.

Thence South 39° 03' 33" East, a distance of 740.59 feet to a point of curvature.

Thence along a curve to the left having a radius of 281.85 feet; and an arc length of 34.06 feet along a chord with a bearing of South 42° 31' 16" East a chord distance of 34.04 feet to a 5/8-inch rebar set in the westerly Right of Way line of Perimeter Road. Thence along said Right of Way the following three courses:

Thence South 45° 58' 58" East, a distance of 236.40 feet to a 5/8-inch rebar set, also being the point of curvature.

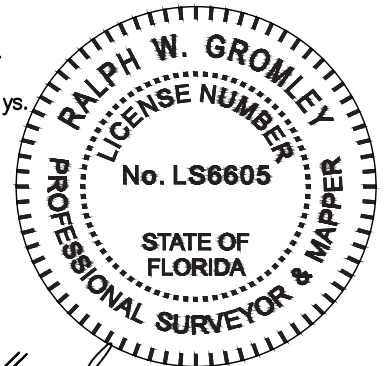
Thence along a curve to the left having a radius of 283.61 feet; and arc length of 178.74 feet along a chord with a bearing of South 64° 02' 14" East a chord distance of 175.79 feet, to a 5/8-inch rebar set.

Thence South 82° 05' 30" East, a distance of 383.10 feet to a 5/8-inch rebar set.

Thence South 00° 00' 02" East, a distance of 15.89 feet to the Principal Place of Beginning.

Containing within said boundaries 50.36 acres of land more or less but subject to all legal highways.

All 5/8 iron pins set were capped MBI LB69.



Ralph W. Gromley

SURVEYOR, PSM RALPH W. GROMLEY #LS 6605
PROFESSIONAL SURVEYOR & MAPPER
NOT VALID UNLESS SIGNED AND SEALED

CERTIFIED TO:	
SPACE COAST AIRPORT	
PREPARED BY:	Michael Baker International LB69 515 North Flagler Drive, Suite 303 West Palm Beach, FL 33401 T. 561-812-6400 F. 561-812-6401 www.mbakertnl.com

DRAWN BY: MAEM	CHECKED BY: RWG	PROJECT NO. 187098		SECTIONS 3 TOWNSHIP 23 RANGE 35
DATE: 09/07/2022	DRAWING: 1	REVISIONS	DATE	
			DESCRIPTION	
			03/21/2023	REVISIONS

LEGAL DESCRIPTION

SPACE COAST INNOVATION PARK

EXHIBIT "A"

SHEET 2 OF 3

PARENT PARCELS ID#: SHOWN IN SKETCH

PURPOSE: LEASE PARCEL 2

THIS IS NOT A SURVEY


LEGEND

DBY. = DEED BOOK VOLUME

POB. = POINT OF BEGINNING

▲ = 5/8 INCH REBAR (SET)

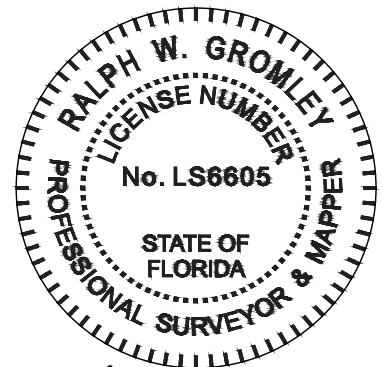
◻ = CONCRETE MOUNMENT (FOUND)

 = R/W FROM PLAT BOOK 32, PAGE 74

 = RIGHT OF WAY

SURVEYORS NOTES

1. BASIS OF BEARING IS N 0°00'02" W ALONG THE LINE DIVING SECTIONS 2 AND 3
2. COORDINATE SYSTEM BASED ON THE FLORIDA STATE PLANE COORDINATE SYSTEM, EAST ZONE, NAD83 HORIZONTAL DATUM
3. SKETCH AND LEGAL NOT VALID WITHOUT ORIGINAL SEAL AND SIGNATURE
4. A TITLE COMMITMENT WAS NOT PREPARED FOR THIS BOUNDARY
5. DEED RESEARCH COMPLETED BY MICHAEL BAKER INTERNATIONAL



CERTIFIED TO:

SPACE COAST AIRPORT

PREPARED BY: Michael Baker International LB69
 515 North Flagler Drive, Suite 303
 West Palm Beach, FL 33401
 T. 561-812-6400
 F. 561-812-6401
 www.mbakertl.com

SURVEYOR, PSM RALPH W. GROMLEY #LS 6605
 PROFESSIONAL SURVEYOR & MAPPER
 NOT VALID UNLESS SIGNED AND SEALED

DRAWN BY: MAEM

CHECKED BY: RWG

PROJECT NO. 187098

SECTIONS 3
 TOWNSHIP 23
 RANGE 35

REVISIONS

DATE

DESCRIPTION

03/21/2023

REVISIONS

DATE: 09/07/2022

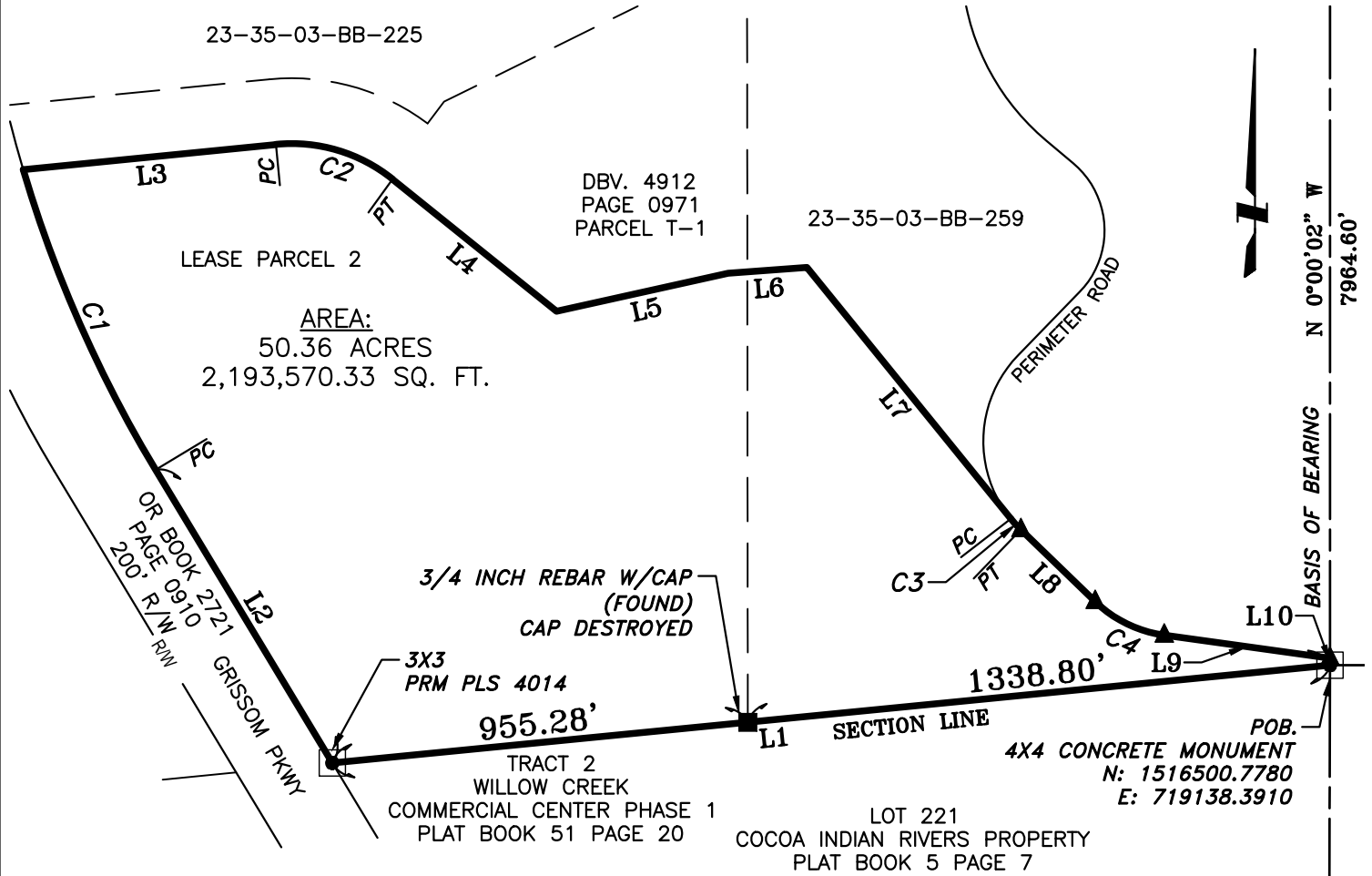
DRAWING: 1

SKETCH OF DESCRIPTION SPACE COAST INNOVATION PARK

EXHIBIT "A"
SHEET 3 OF 3

PARENT PARCELS ID#: SHOWN IN SKETCH
PURPOSE: LEASE PARCEL 2

THIS IS NOT A SURVEY



PARCEL LINE TABLE

LINE #	BEARING	LENGTH
L1	S 84°24'08" W	2294.08'
L2	N 31°05'21" W	783.09'
L3	N 84°20'25" E	581.18'
L4	S 51°09'53" E	481.62'
L5	N 77°29'21" E	402.36'
L6	N 85°46'52" E	180.74'
L7	S 39°03'33" E	740.59'
L8	S 45°58'58" E	236.40'
L9	S 82°05'30" E	383.10'
L10	S 00°00'02" E	15.89'



CURVE TABLE

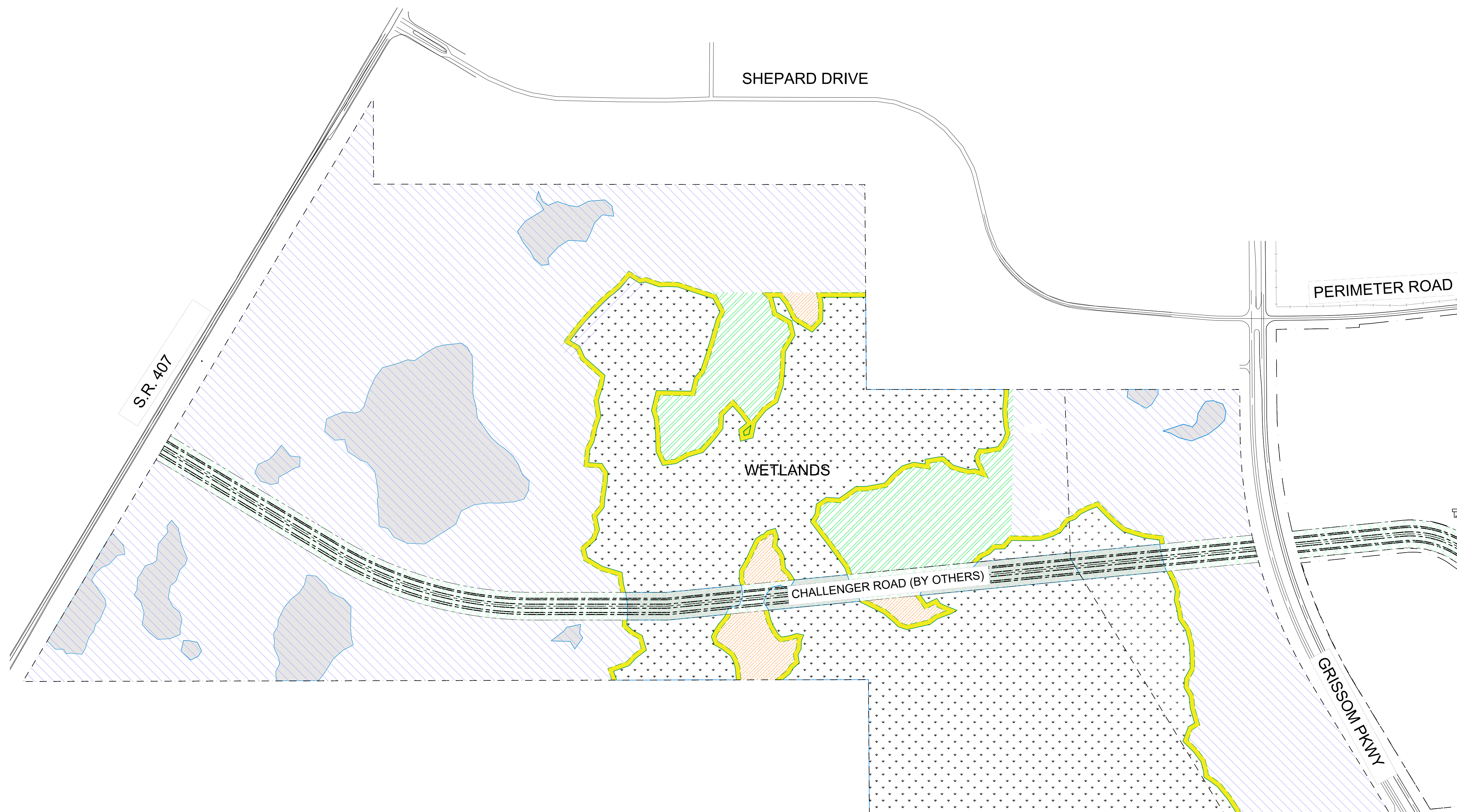
Curve #	Length	Radius	Chord Direction	Chord Length
C1	752.80'	2962.36'	N 23°48'33" W	750.78'
C2	285.56'	367.71'	S 73°24'44" E	278.44'
C3	34.06'	281.85'	S 42°31'16" E	34.04'
C4	178.74'	283.61'	S 64°02'14" E	175.79'

PREPARED BY: Michael Baker International LB69
 515 North Flagler Drive, Suite 303
 West Palm Beach, FL 33401
 T. 561-812-6400
 F. 561-812-6401
 www.mbakerial.com

SCALE:
1" = 400'
PROJECT NO.:
187098

SECTION 3
TOWNSHIP 23
RANGE 35

EXHIBIT A-3-1
PHASE 3 EAST AND WEST DEVELOPABLE ACREAGE

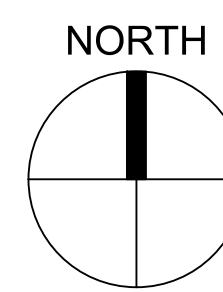


**PHASE III - WEST
DEVELOPABLE LAND COMPARISON**

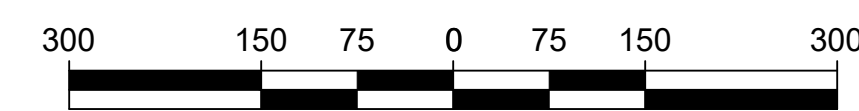
	DEVELOPABLE LAND	158.76 ACRES
	UNDEVELOPABLE - WETLANDS	97.83 ACRES
	UNDEVELOPABLE - WETLAND BUFFER	6.87 ACRES
	ROAD INFRASTRUCTURE	17.76 ACRES
	BORROW PIT AREAS	18.44 ACRES
	ISOLATED UPLAND AREAS	4.51 ACRES
	IMPACTED WETLANDS	32.68 ACRES

**PHASE III - EAST
DEVELOPABLE LAND COMPARISON**

	DEVELOPABLE LAND	36.97 ACRES
	UNDEVELOPABLE - WETLANDS	7.82 ACRES
	UNDEVELOPABLE - WETLAND BUFFER	1.22 ACRES
	ROAD INFRASTRUCTURE	3.36 ACRES
	BORROW PIT AREAS	0 ACRES
	ISOLATED UPLAND AREAS	0 ACRES
	IMPACTED WETLANDS	2.65 ACRES



SCALE: 1" = 300'



**Michael Baker
INTERNATIONAL**

12740 GRAN BAY PKWY WEST, SUITE 2110
JACKSONVILLE, FLORIDA 32258
PHONE: (904) 380-2500

Engineer of Record:

KEYMAP:

REVISIONS

No.	Description	Date	By

Designed by: Technician: Checked by:

Project Name:

**SPACE COAST
INNOVATION PARK**

Drawing Name:

**SCIP DEVELOPABLE
LAND ANALYSIS PHASE 3**

Baker Project Number: Date: **03/21/2023**

FAA AIP No: Drawing Number:

FDOT FIN No: **LA1**

Plotted on: 3/21/2023 4:54 PM By: Benitez, Janet
 Location: \\AGKELIF51.bkr.mbakercorp.com\jacksonville\Projects\5-Private Development\Key Group\187098 - Space Coast Industrial Park\03-DESIGN\A - CIVIL
 CADD\SCIP Developable Land Analysis A - Case 3.dwg

LEGAL DESCRIPTION

EXHIBIT "A"

SHEET 1 OF 3

SPACE COAST INNOVATION PARK

THIS IS NOT A SURVEY

PARENT PARCELS ID#: SHOWN IN SKETCH

PURPOSE: LEASE PARCEL 2

LEGAL DESCRIPTION: LEASE PARCEL 1 (BY RALPH W. GROMLEY LS#6605)

Being a parcel of land lying in Section 3 of Township 23, Range 35.

Commencing at an iron pin found at the Southwest Corner of Section 3, Township 23 South, Range 35 East,

Thence South 89°49'11" East to a point, a distance of 1927.52 feet to a point, said point being the Principal Place of Beginning,

Thence North 31°05'23" West s distance of 1625.77 feet to a point,

Thence North 01°57'25" West a distance of 910.01 feet to a point,

Thence South 89°59'36" East a distance of 947.39 feet to a 3x3 concrete monument found with nail and disk stamped PRM, PLS 4014 in the westerly Right of Way line of Grissom Parkway (200-foot R/W) as described in Official Records Book 2721, Page 910 of the Public Records of Brevard County, Florida, thence along the westerly Right of Way line of Grissom Parkway, the following three courses:

Thence South 00°27'57" East, a distance of 214.52 feet, to the point of curvature of a circular curve, concave Southeasterly and having a radius of 2693.03 feet;

Thence along said curve having an arc length of 1462.08 feet, along a chord of South 15°46'55" East a chord distance of 1444.19 feet to the point of tangency;

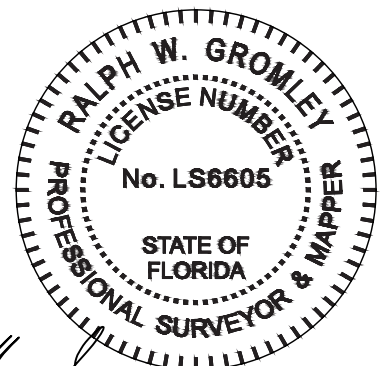
Thence South 31°06'38" East a distance of 804.86 feet to a 5/8-inch rebar found,

Thence South 84°24'02" West a distance of 169.11 feet to a iron pin found,

Thence North 89°49'11" West a distance of 718.69 feet to the Principal Place of Beginning.

Containing within said boundaries 49.37 acres of land more or less,

but subject to all legal highways.



Ralph W. Gromley
 SURVEYOR, PSM RALPH W. GROMLEY #LS 6605
 PROFESSIONAL SURVEYOR & MAPPER
 NOT VALID UNLESS SIGNED AND SEALED

CERTIFIED TO:	
SPACE COAST AIRPORT	
PREPARED BY:	Michael Baker International LB69 515 North Flagler Drive, Suite 303 West Palm Beach, FL 33401 T. 561-812-6400 F. 561-812-6401 www.mbakintl.com

DRAWN BY: MAEM	CHECKED BY: RWG	PROJECT NO. 187098		SECTIONS 3 TOWNSHIP 23 RANGE 35
		REVISIONS	DATE	
DATE: 12/01/2022	DRAWING: 1		03/22/2023	

LEGAL DESCRIPTION

SPACE COAST INNOVATION PARK

EXHIBIT "A"

SHEET 2 OF 3

PARENT PARCELS ID#: SHOWN IN SKETCH

PURPOSE: LEASE PARCEL 2

THIS IS NOT A SURVEY

LEGEND

DBV. = DEED BOOK VOLUME

POB. = POINT OF BEGINNING

POC. = POINT OF COMMENCEMENT

▲ = 5/8 INCH REBAR (FOUND)

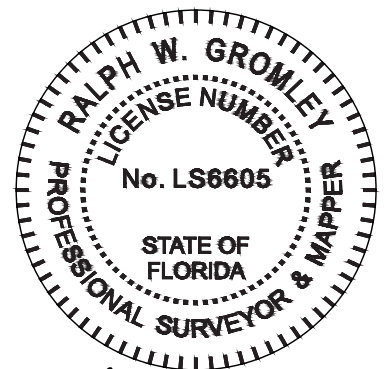
◻ = 3X3 CONCRETE MONUMENT W/ NAIL AND DISK

● = IRON PIN (FOUND)

— RW — = RIGHT OF WAY

SURVEYORS NOTES

1. BASIS OF BEARING IS N 0°00'02"W ALONG THE DIVIDING SECTIONS 3 AND 4
2. COORDINATE SYSTEM BASED ON THE FLORIDA STATE PLANE COORDINATE SYSTEM, EAST ZONE, NAD83 HORIZONTAL DATUM
3. SKETCH AND LEGAL NOT VALID WITHOUT ORIGINAL SEAL AND SIGNATURE
4. A TITLE COMMITMENT WAS NOT PREPARED FOR THIS BOUNDARY
5. DEED RESEARCH COMPLETED BY MICHAEL BAKER INTERNATIONAL



CERTIFIED TO:

SPACE COAST AIRPORT

PREPARED BY: Michael Baker International LB69
 515 North Flagler Drive, Suite 303
 West Palm Beach, FL 33401
 T. 561-812-6400
 F. 561-812-6401
 www.mbakintl.com

SURVEYOR, PSM RALPH W. GROMLEY #LS 6605
 PROFESSIONAL SURVEYOR & MAPPER
 NOT VALID UNLESS SIGNED AND SEALED

DRAWN BY: MAEM

CHECKED BY: RWG

PROJECT NO. 187098

SECTIONS 3
 TOWNSHIP 23
 RANGE 35

REVISIONS

DATE

DESCRIPTION

DATE: 12/01/2022

DRAWING: 1

03/22/2023

REVISIONS

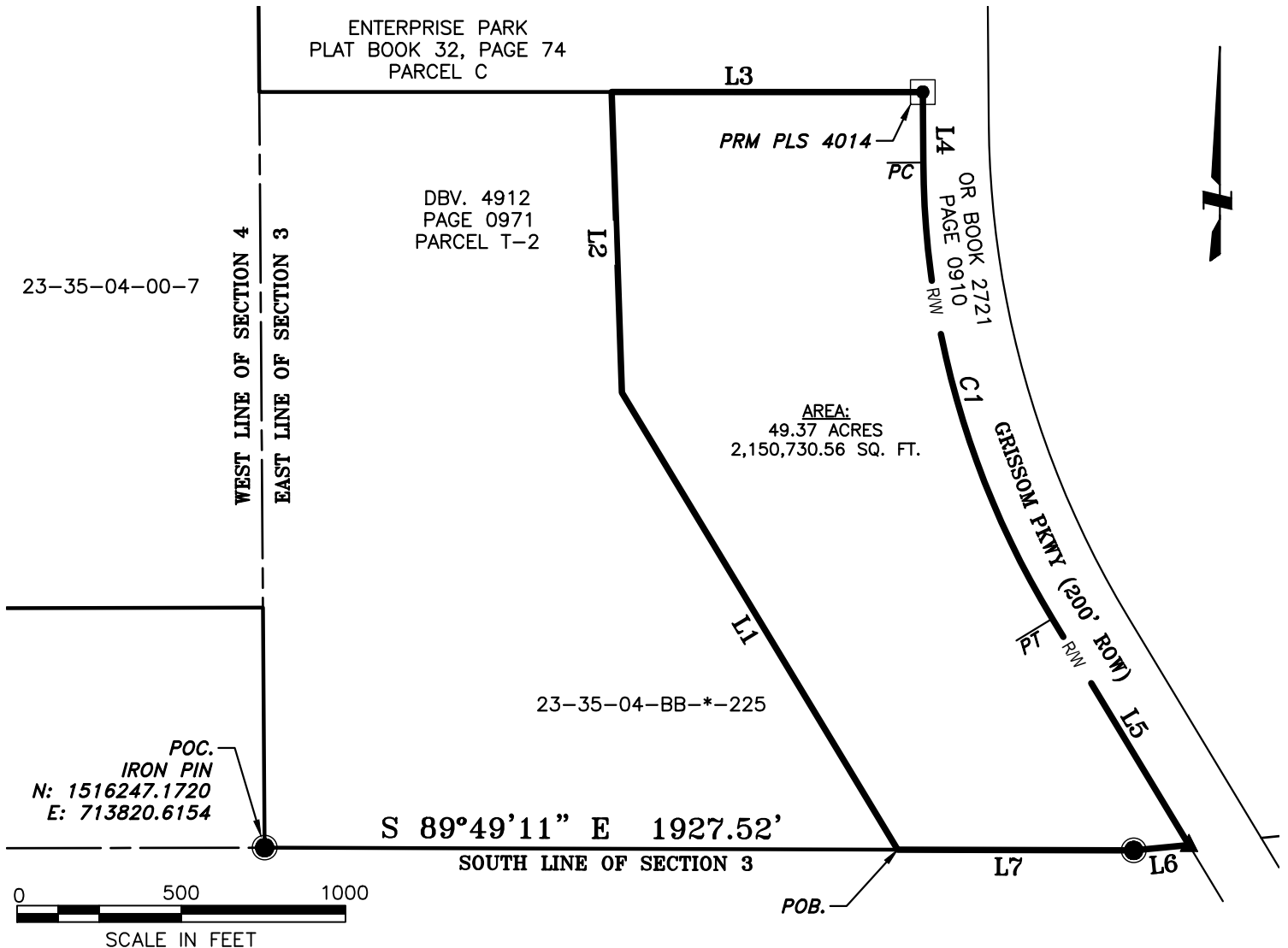
SKETCH OF DESCRIPTION SPACE COAST INNOVATION PARK

EXHIBIT "A"
SHEET 3 OF 3

PARENT PARCELS ID#: SHOWN IN SKETCH

PURPOSE: LEASE PARCEL 2

THIS IS NOT A SURVEY



LINE #	BEARING	LENGTH
L1	N 31°05'23" W	1625.77'
L2	N 01°57'25" W	916.01'
L3	S 89°59'36" E	947.39'
L4	S 00°27'57" E	214.52'
L5	S 31°06'38" E	804.86'
L6	S 84°24'02" W	169.11'
L7	N 89°49'11" W	718.69'

Curve #	Length	Radius	Chord Direction	Chord Length
C1	1462.08'	2693.03'	S 15°46'55" E	1444.19'

PREPARED BY: Michael Baker International LB69
 515 North Flagler Drive, Suite 303
 West Palm Beach, FL 33401
 T. 561-812-6400
 F. 561-812-6401
 www.mbakerial.com

SCALE:
1" = 500'
PROJECT NO.:
187098

SECTION 3
TOWNSHIP 23
RANGE 35

LEGAL DESCRIPTION

SPACE COAST INNOVATION PARK

THIS IS NOT A SURVEY

PARENT PARCELS ID#: SHOWN IN SKETCH

PURPOSE: LEASE PARCEL 1

LEGAL DESCRIPTION: LEASE PARCEL 1 (BY RALPH W. GROMLEY LS#6605)

Being a parcel of land lying in Section 3 and 4 of Township 23, Range 35

Beginning at an iron pin found at the Southwest corner of Section 3, Township 23, Range 35

Thence North 00°24'55" West along the West Line of Section 3 to a 3x3 concrete monument found with nail and disk stamped PRM, PLS 4014, a distance of 731.26 feet

Thence South 89°52'25" West to a 3x3 concrete monument found with nail and disk stamped PRM, PLS 4014 lying on the easterly Right of Way line of State Road No. 407 a distance of 4575.48 feet,

Thence along the easterly Right of Way line of State Road No. 407, North 30°58'39" East to a 3x3 concrete monument with nail and disk stamped PRM, PLS 4014, a distance of 3683.83 feet

Thence South 00°13'23" East a distance of 466.14 feet, to a 3x3 concrete monument found with nail and disk stamped PRM, PLS 4014,

Thence South 89°56'15" East to a 3x3 concrete monument found with nail and disk stamped PRM, PLS 4014, a distance of 2658.37 feet,

Thence South 00°24'47" East along the west line of Section 3 to a concrete monument found with nail and disk stamped PRM, PLS 4014, a distance of 1108.75 feet,

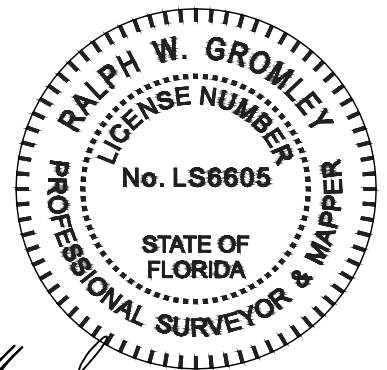
Thence South 89°59'36" East a distance of 1073.24 feet to a point,

Thence South 01°57'25" East a distance of 916.01 feet to a point,

Thence South 31°05'23" East to a 3x3 concrete monument found with nail and disk stamped PRM, PLS 4014, a distance of 1625.77 feet

Thence North 89°49'11" West along the South line of Section 3, a distance of 1927.52 feet to the principal place of beginning.

Containing within said boundaries 304.17 acres more or less, but subject to all legal highways.



Ralph W. Gromley

SURVEYOR, PSM RALPH W. GROMLEY #LS 6605
PROFESSIONAL SURVEYOR & MAPPER
NOT VALID UNLESS SIGNED AND SEALED

CERTIFIED TO:

SPACE COAST AIRPORT

PREPARED BY: Michael Baker International LB69
515 North Flagler Drive, Suite 303
West Palm Beach, FL 33401
T. 561-812-6400
F. 561-812-6401
www.mbakertnl.com

DRAWN BY: MAEM	CHECKED BY: RWG
DATE: 12/01/2022	DRAWING: 1

PROJECT NO. 187098		SECTIONS 3 & 4 TOWNSHIP 23 RANGE 35
REVISIONS	DATE	
	03/22/2023	

LEGAL DESCRIPTION

SPACE COAST INNOVATION PARK

EXHIBIT "A"

SHEET 2 OF 3

PARENT PARCELS ID#: SHOWN IN SKETCH

PURPOSE: LEASE PARCEL 1

THIS IS NOT A SURVEY

LEGEND

DBV. = DEED BOOK VOLUME

POB. = POINT OF BEGINNING

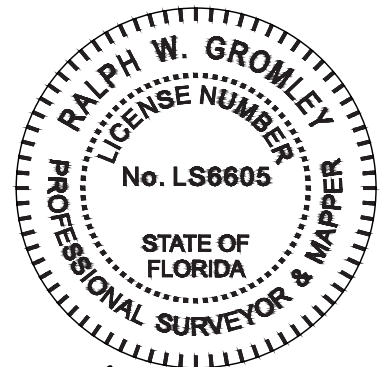
☐ = 3X3 CONCRETE MONUMENT W/ NAIL AND DISK

● = IRON PIN (FOUND)

— R/W — = RIGHT OF WAY

SURVEYORS NOTES

1. BASIS OF BEARING IS N 0°00'02"W ALONG THE DIVIDING SECTIONS 2 AND 3
2. COORDINATE SYSTEM BASED ON THE FLORIDA STATE PLANE COORDINATE SYSTEM, EAST ZONE, NAD83 HORIZONTAL DATUM
3. SKETCH AND LEGAL NOT VALID WITHOUT ORIGINAL SEAL AND SIGNATURE
4. A TITLE COMMITMENT WAS NOT PREPARED FOR THIS BOUNDARY
5. DEED RESEARCH COMPLETED BY MICHAEL BAKER INTERNATIONAL



CERTIFIED TO:

SPACE COAST AIRPORT

Ralph W. Gromley

PREPARED BY: Michael Baker International LB69
 515 North Flagler Drive, Suite 303
 West Palm Beach, FL 33401
 T. 561-812-6400
 F. 561-812-6401
 www.mbakintl.com

SURVEYOR, PSM RALPH W. GROMLEY #LS 6605
 PROFESSIONAL SURVEYOR & MAPPER
 NOT VALID UNLESS SIGNED AND SEALED

DRAWN BY: MAEM

CHECKED BY: RWG

PROJECT NO. 187098

SECTIONS 3 & 4
 TOWNSHIP 23
 RANGE 35

REVISIONS

DATE

DESCRIPTION

DATE: 12/01/2022

DRAWING: 1

03/22/2023

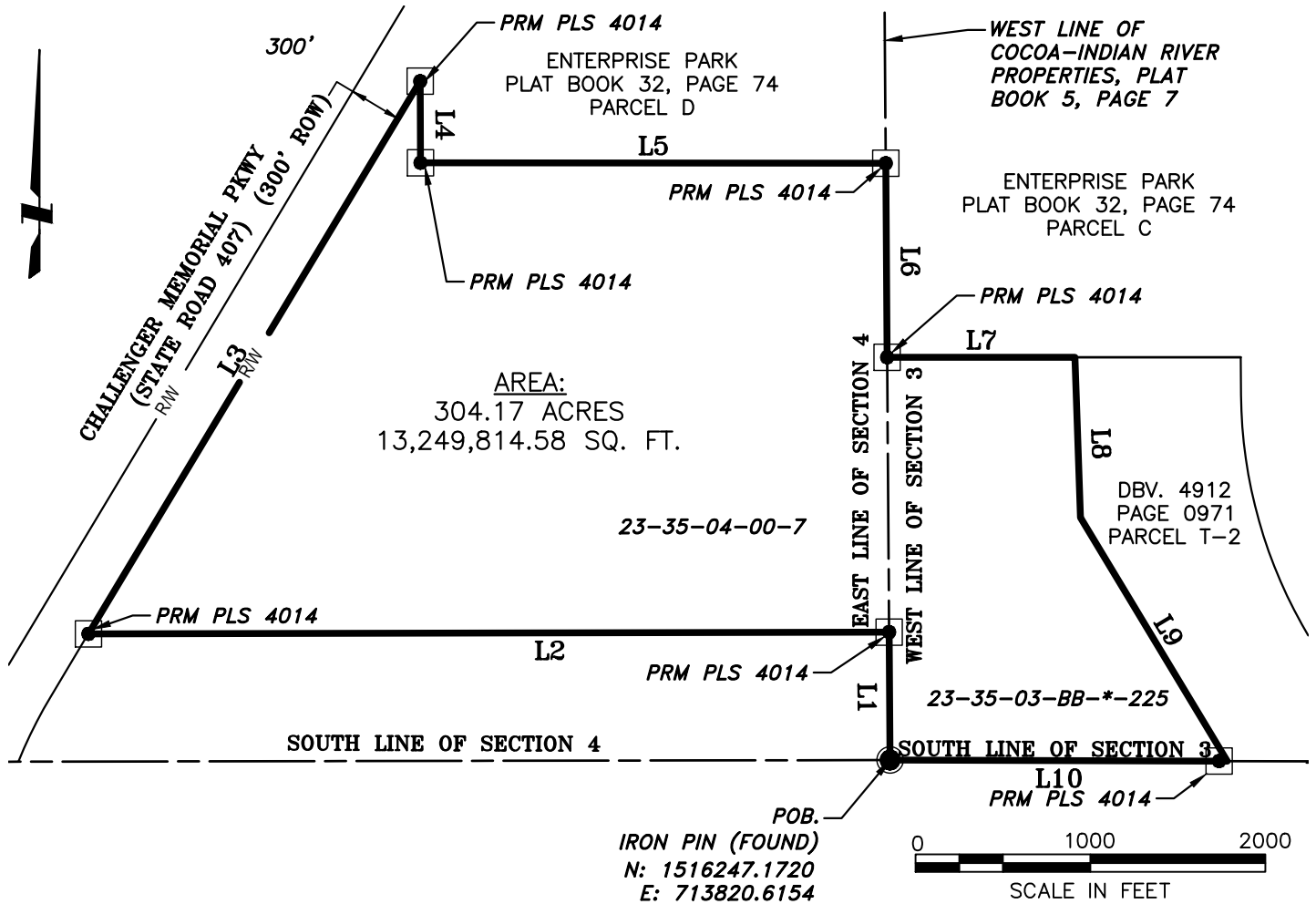
REVISIONS

SKETCH OF DESCRIPTION SPACE COAST INNOVATION PARK

EXHIBIT "A"
SHEET 3 OF 3

PARENT PARCELS ID#: SHOWN IN SKETCH
PURPOSE: LEASE PARCEL 1

THIS IS NOT A SURVEY



PARCEL LINE TABLE		
LINE #	BEARING	LENGTH
L1	N 00°24'55" W	731.26'
L2	S 89°52'25" W	4575.48'
L3	N 30°58'39" E	3683.83'
L4	S 00°13'23" E	466.14'
L5	S 89°56'15" E	2658.37'
L6	S 00°24'47" E	1108.75'
L7	S 89°59'36" E	1073.24'
L8	S 01°57'25" E	916.01'
L9	S 31°05'23" E	1625.77'
L10	N 89°49'11" W	1927.52'

PREPARED BY: Michael Baker International LB69
Michael Baker INTERNATIONAL
 515 North Flagler Drive, Suite 303
 West Palm Beach, FL 33401
 T. 561-812-6400
 F. 561-812-6401
 www.mbakerial.com

SCALE:
1" = 1000'
PROJECT NO.:
187098

SECTION 3 & 4
TOWNSHIP 23
RANGE 35

EXHIBIT A4

RENT COMMENCEMENT DATE

SCIP / Phase I		
	Latest Rent Commencement Date	Description
<i>% of Phase</i>		
33.33%	08/01/24	BLDG 3
33.33%	08/01/25	BLDG 1
33.34%	08/01/26	BLDG 2
SCIP / Phase II		
	Latest Rent Commencement Date	Description
<i>% of Phase</i>		
50.00%	08/01/27	BLDG 4
50.00%	08/01/28	BLDG 5
SCIP / Phase III (East)		
	Latest Rent Commencement Date	Description
<i>% of Phase</i>		
50.00%	08/01/29	BLDG 6
50.00%	08/01/30	BLDG 7
SCIP / Phase III (West)		
	Latest Rent Commencement Date	Description
<i>% of Phase</i>		
<i>Subphase A</i>		
22.00%	08/01/29	BLDG 8
	08/01/29	BLDG 9
	08/01/29	Hotel (1)
	08/01/29	Commercial 1
<i>Subphase B</i>		
35.00%	08/01/30	BLDG 10
	08/01/30	BLDG 11
	08/01/30	BLDG 12
	08/01/30	Hotel (2)
	08/01/30	Commercial 2
<i>Subphase C</i>		
43.00%	08/01/31	BLDG 13
	08/01/31	BLDG 14
	08/01/31	BLDG 15
	08/01/31	Commercial 3
100.00%		

Michael Baker
INTERNATIONAL
 12240 GRAYSON BAY PARKWAY
 SUITE 2100
 JACKSONVILLE, FL 3228



NO.	DATE	DESCRIPTION

OVERALL SITE PLAN
 TITUSVILLE, FL 32780
 SPACE COAST INNOVATION PARK - PHASE I

MBI Project Number:
 191544
 Date: 11/03/2022
 Scale: AS NOTED
 Sheet # C200

PHASE I PROJECT DATA:
 SITE AREA: 48.30 AC
 GROSS: 2,47,399 SF
 NET: 1,879,392 SF
 DETENTION: 77,207 SF
 @ 9%
 ZONING REQUIREMENTS:
 INDUSTRIAL M-2
 LOT AREA (MIN.) 20,000 SF
 LOT WIDTH (MIN.) 100 FT
 LOT DEPTH (MIN.) 100 FT
 BUILDING COVERAGE (MAX) NONE
 HEIGHT (MAX) 50 FT
 FRONT YARD SETBACK 25 FT
 SIDE YARD SETBACK 25 FT
 INTERIOR SIDE YARD SETBACK 25 FT
 REAR YARD SETBACK 25 FT
 BUILDING AREA:
 BUILDING 1 212,240 SF
 BUILDING 2 212,240 SF
 BUILDING 3 212,240 SF
 TOTAL FOOTPRINT: 636,720 SF
 PARKING REQUIREMENTS:
 INDUSTRIAL FIRST 10,000 SF
 >10,000 SF 10,000 SF
 OFFICE BUILDING COVERAGE 30%
 IMPERVIOUS AREA 13.09 AC 510,232 SF 29%
 BUILDING 1 AREA 212,240 SF
 HEIGHT 47.4 FT
 REG. PARKING @ 30% OFFICE 177 STALLS
 AUTO PARKING 221 STALLS
 REG. ACCESSIBLE @ 1% 7 STALLS
 ACCESSIBLE PARKING 8 STALLS
 BUILDING 2 AREA 206,700 SF
 HEIGHT 47.4 FT
 REG. PARKING @ 30% OFFICE 173 STALLS
 AUTO PARKING 216 STALLS
 REG. ACCESSIBLE @ 1% 7 STALLS
 ACCESSIBLE PARKING 8 STALLS
 BUILDING 3 AREA 220,100 SF
 HEIGHT 47.4 FT
 REG. PARKING @ 30% OFFICE 183 STALLS
 AUTO PARKING 225 STALLS
 REG. ACCESSIBLE @ 1% 7 STALLS
 ACCESSIBLE PARKING 8 STALLS

Digitally signed by
 Joseph F. Williams
 Date: 2022.11.04
 10:38:07-04'00'



SCALE: 1" = 100'
 200 100 0 100 200

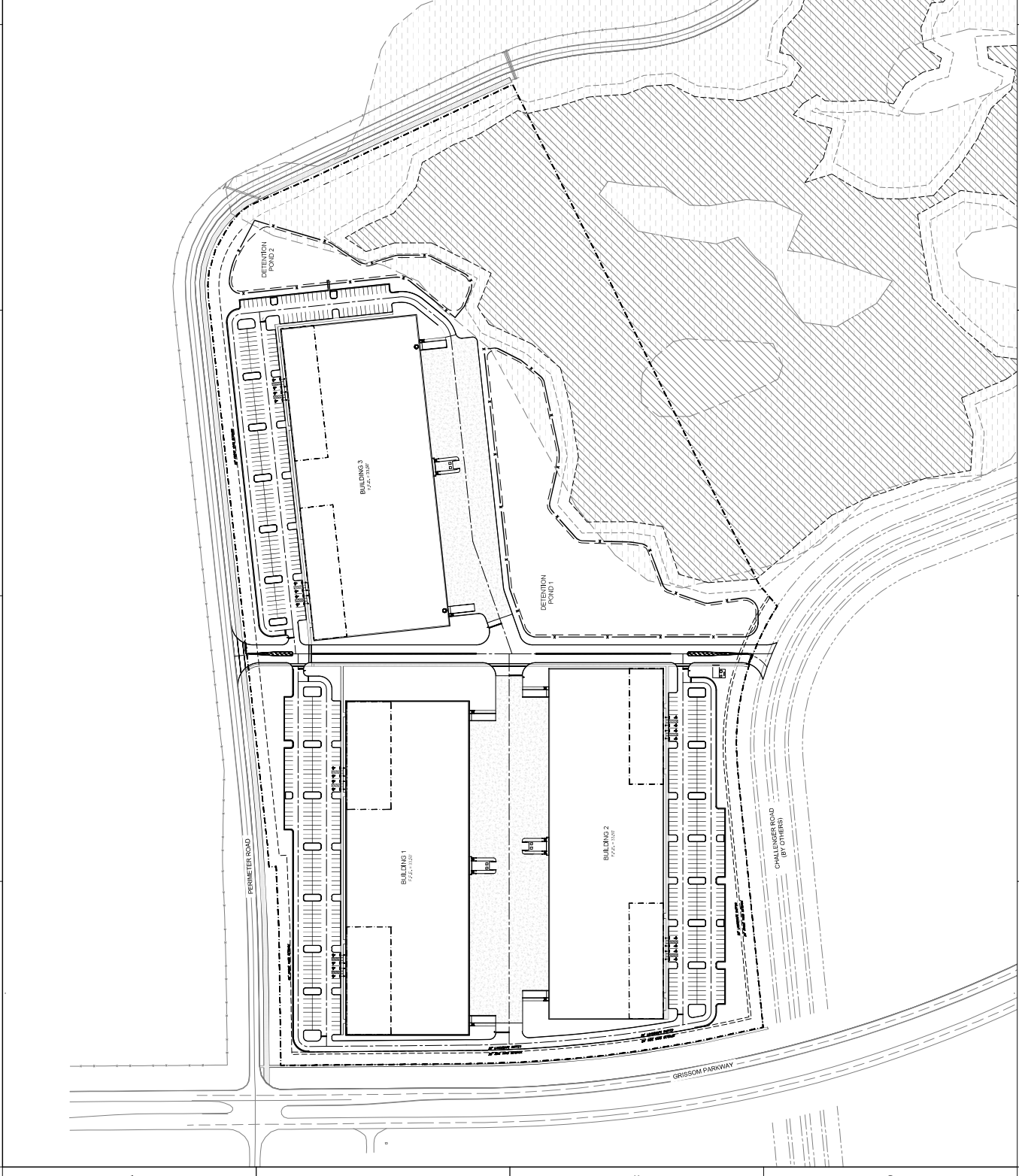
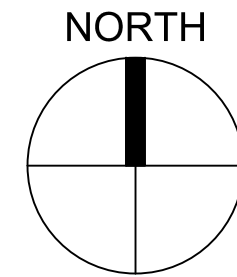


EXHIBIT B-1-2
PHASE 2 SITE PLAN

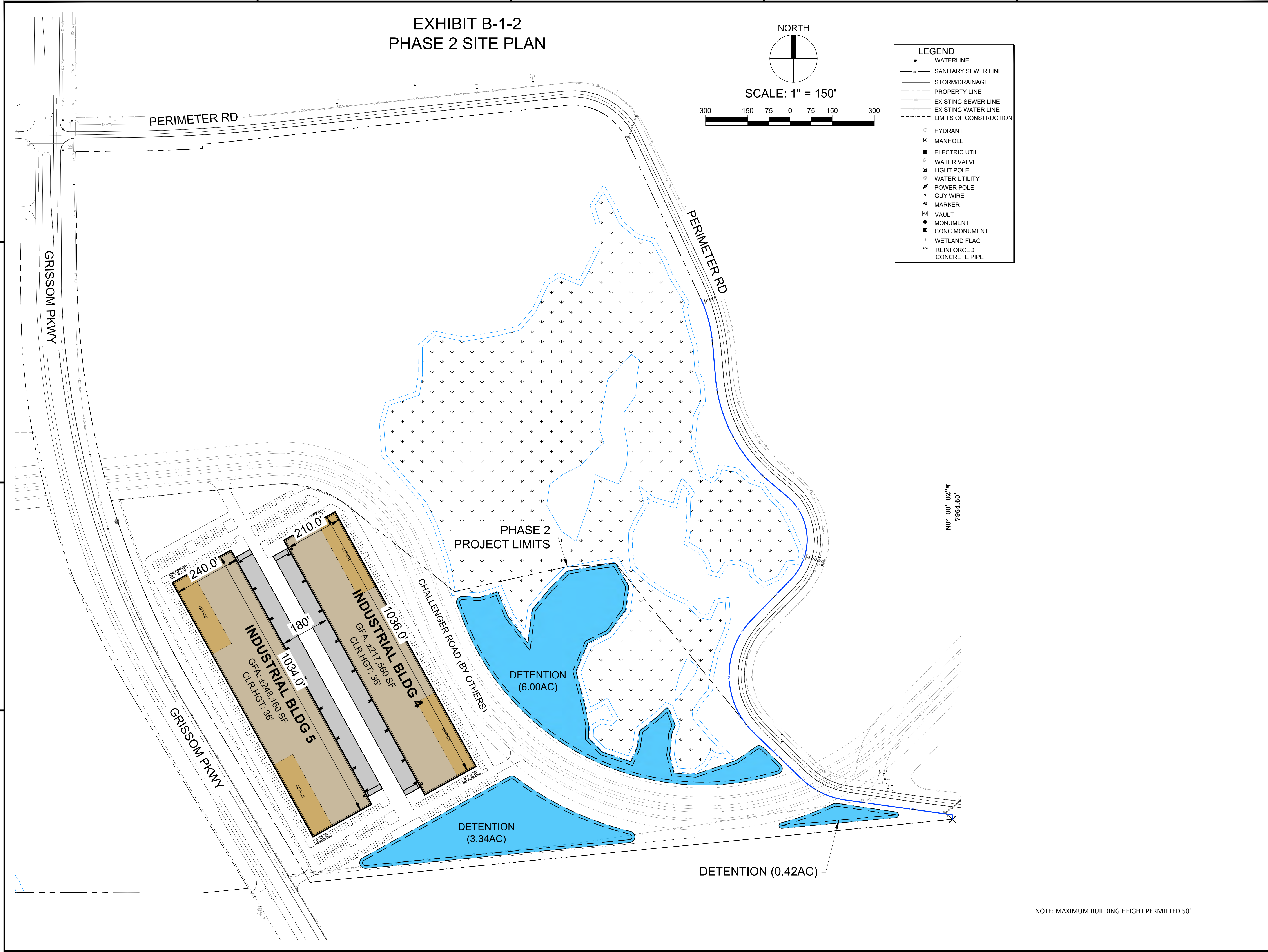


SCALE: 1" = 150'



LEGEND

- WATERLINE
- SANITARY SEWER LINE
- STORM/DRAINAGE
- - - PROPERTY LINE
- - - EXISTING SEWER LINE
- - - EXISTING WATER LINE
- - - LIMITS OF CONSTRUCTION
- ⊕ HYDRANT
- ⊙ MANHOLE
- ELECTRIC UTIL
- ⊗ WATER VALVE
- ⊗ LIGHT POLE
- ⊙ WATER UTILITY
- ⚡ POWER POLE
- ⚡ GUY WIRE
- ⊙ MARKER
- ⊠ VAULT
- MONUMENT
- CONC MONUMENT
- ⚠ WETLAND FLAG
- ⚡ REINFORCED CONCRETE PIPE



NOTE: MAXIMUM BUILDING HEIGHT PERMITTED 50'



**Michael Baker
INTERNATIONAL**

12740 GRAN BAY PKWY WEST, SUITE 2110
JACKSONVILLE, FLORIDA 32258
PHONE: (904) 380-2500

Engineer of Record:

KEYMAP:

REVISIONS

No.	Description	Date	By

Designed by: Technician: Checked by:

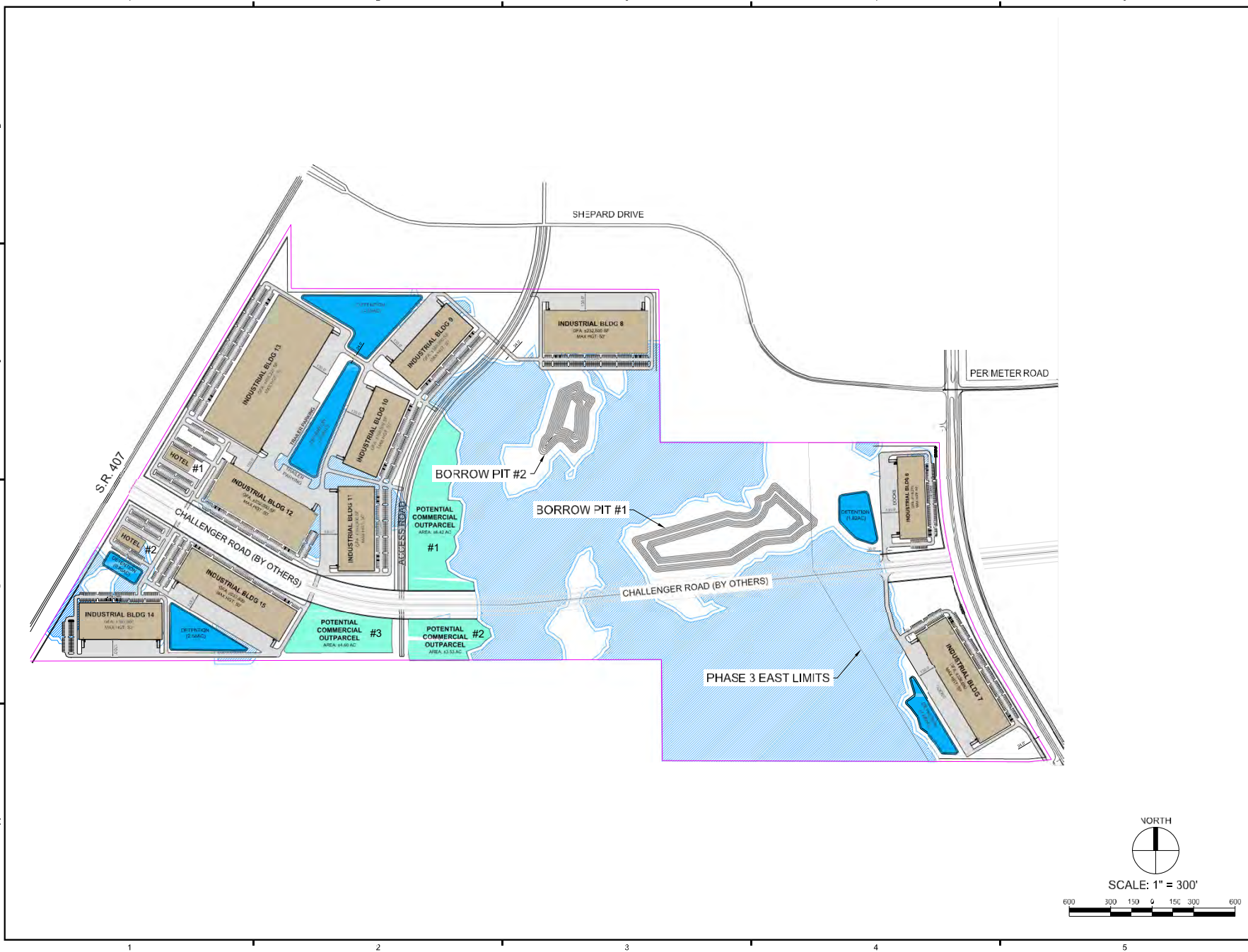
Project Name:
**SPACE COAST
INNOVATION PARK**

Drawing Name:
**OVERALL PHASE II
SITE PLAN**

Baker Project Number:	Date: 03/30/2023
FAA AIP No:	Drawing Number:
FDOT FIN No:	C150

Plotted on: 3/30/2023 11:15 AM By: Benitez, Janet
 Located: Y:\5-Private Development\Key Group\187098 - Space Coast Industrial Park\03-DESIGN\A. CIVIL CADD\110_PHASE 2_SITE_PLAN_SUBMITTAL.dwg

Printed on: 9/13/2022 2:21 PM By: Dabreu, Anthony
Project: V:\Projects\5-Private Development\Key Group\187028 - Space Coast Industrial Park V03-DESIGN.VA - CIVIL\01\00_CONCEPT_SITE_PLAN.dwg
User: asch...



Michael Baker International
12740 GRAN BAY PKWY WEST, SUITE 2110
JACKSONVILLE, FLORIDA 32258
PHONE: (904) 380-2500

Engineer of Record

KEYMAP

REVISIONS			
No.	Descriptor	Date	By

Designed by: _____ Technician: _____ Checked by: _____

Project Name:
SPACE COAST INNOVATION PARK

Drawing Name:
OVERALL SITE PLAN WEST

Baker Project Number: _____ Title: **09/13/2022**
TAX-AP No. _____ Drawing Number: _____
FOOTPRINT No. _____ **C01**

**GENERAL CONSULTING SERVICES
MASTER AGREEMENT**

THIS CONSULTING SERVICES AGREEMENT (“Agreement”) is made and entered into as of the ____ day of 2023 (“Effective Date”), by and between the TITUSVILLE-COCOA AIRPORT AUTHORITY, with offices located at 51 Bristow Way Titusville, Florida 32780 (hereinafter referred to as "TCAA"), and AVCON, INC., with offices located at 5555 E. Michigan St., Suite 200 Orlando, FL 32822 (hereinafter referred to as "CONSULTANT"). Collectively, TCAA and CONSULTANT are hereinafter referred to as "the Parties."

WITNESSETH:

WHEREAS, the TCAA desires to obtain professional services on a continuing contract and as-needed basis from a duly qualified and licensed consultant(s) for TCAA-assigned projects on property owned by the TCAA (the Continuing Service Projects”);

WHEREAS, the TCAA is authorized to enter into continuing contracts for professional services and has chosen a qualifications-based selection process pursuant to Florida Statutes, Section 287.055, “Consultants’ Competitive Negotiation Act” (CCNA), to select a firm qualified, capable, and available to provide the necessary professional services for the Continuing Service Projects listed in Exhibit “A”;

WHEREAS, the TCAA has issued a Request for Qualifications number RFQ-2023-001 (“RFQ”), and CONSULTANT submitted a responsive Qualifications Proposal;

WHEREAS, CONSULTANT was among the firms selected by TCAA to be the most qualified to furnish the professional services necessary to complete the Continuing Services Projects, and the Parties desire to enter into this Agreement to memorialize the terms under which CONSULTANT will provide professional services for the Continuing Service Projects during the Term of this Agreement; and

NOW, THEREFORE, the Parties, in consideration of the foregoing recitals and the mutual covenants hereinafter set forth and in subsequently issued written agreements, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby agree as follows:

1. PROVISION OF SERVICES/METHOD OF AUTHORIZATION

1.1. This Agreement provides the terms upon which TCAA may avail itself of the professional services of CONSULTANT for Continuing Service Projects, including all professional and non-professional staff, materials, equipment, supplies, and other resources necessary to perform the services (the “Services”) as and when directed and assigned to do so by TCAA as needed from time to time over the period of time specified hereinafter.

1.2. CONSULTANT agrees to provide, in accordance herewith, the professional consulting services described in each task order (the "Task Order") issued hereunder. Each Task Order, when signed by the Parties, shall be incorporated into and form a part of this Agreement. Each such Task Order shall contain (1) a Project Description (the "Project"), (2) a detailed Scope of Services including any subconsultants or other third parties to be utilized for the Project, (3) a Project Schedule including milestones when applicable, (4) a Detailed Fee Schedule (time and materials or lump sum) including labor hours, rates, and expenses, (5) Deliverables and (6) any special provisions or conditions specific to the services or project being authorized. In the event of a conflict between this Agreement and any Task Order issued hereunder, the terms of this Agreement shall govern. For each authorized Task Order, CONSULTANT shall endeavor to engage directly or specify the use of the services of qualified

local businesses, DBEs, service-disabled and other veteran owned businesses as necessary to assist CONSULTANT in providing the requested Services.

1.3. CONSULTANT shall commence its Services for an assigned project upon receipt of a Notice to Proceed and a Task Order (Purchase Order) issued by TCAA for the assigned project. Time is of the essence in the performance of CONSULTANT's Services for assigned projects. CONSULTANT shall diligently and in a timely manner perform Services for assigned projects to ensure timely completion of CONSULTANT's Services in accordance with the schedule accepted by TCAA for the assigned Project.

1.4. CONSULTANT's opinions of probable costs provided as a service hereunder are to be made on the basis of its experience and qualifications and represent its best judgment as a design professional familiar with the construction industry; however, it is understood that CONSULTANT cannot guarantee that proposals, bids, or the construction costs will not vary from opinions of probable costs prepared by it. If TCAA wishes greater assurance as to the construction costs, it shall employ an independent cost estimator at its own expense. Services to modify approved documents to bring the construction cost within any limitations established by TCAA will be considered additional services and entitle CONSULTANT to additional compensation which shall be negotiated and mutually agreed upon by the Parties and set forth in a Task Order as defined hereunder.

1.5. If the Services are to include services during construction, any construction inspection or testing provided by CONSULTANT is for the purpose of determining the contractor's compliance with the functional provisions of Project specifications only. CONSULTANT neither guarantees nor ensures any contractor's work nor assumes responsibility for (a) the means, methods or materials used by any contractor, (b) Project site safety, or (c) any contractor's compliance with laws and regulations. TCAA agrees that, in accordance with generally accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for Project site conditions during the course of construction of the Project, including safety of all persons and property, and that this responsibility shall be continuous and not be limited to normal working hours.

1.6. The Services shall be performed by CONSULTANT with reasonable care, skill and diligence in accordance with generally accepted professional practice. Other than as expressly set forth herein, CONSULTANT makes no warranties or guarantees whatsoever, whether expressed or implied, of merchantability or fitness for a particular purpose, with respect to any services performed under this agreement.

1.7. Sub-Consultants. If the CONSULTANT, as part of its Statement of Qualifications leading to its selection by TCAA, submitted the qualifications of any Sub-Consultant designated to provide specialized expertise as a member of the CONSULTANT's team, CONSULTANT agrees to engage the appropriate Sub-Consultant team member as part of the performance of its Services hereunder. The CONSULTANT's failure to engage its Sub-Consultants that are qualified, capable, and available to do specialized work for which it was included in the SOQ may be found to have misrepresented its qualifications and experience which may result in termination of this agreement. If the CONSULTANT intends to engage the services of a Sub-Consultant, the following provisions shall apply:

1.7.1. CONSULTANT shall obtain the TCAA's written consent prior to engaging the services of any proposed Sub-Consultant not specifically included in the SOQ ;

1.7.2. TCAA shall not be liable to CONSULTANT in any manner arising out of the TCAA's non-consent to a proposed Sub-Consultant;

1.7.3. All Sub-Consultants shall be qualified and properly licensed to perform any services contemplated by this Agreement and any Sub-Consultant agreement between CONSULTANT and the Sub-Consultant;

1.7.4. CONSULTANT shall direct and coordinate the services and work product of any and all Sub-Consultants commissioned by CONSULTANT, including, but not limited to, reviewing and approving any designs, surveys, maps, drawings, specifications, shop drawings, submittals, test results, reports, or other services produced or furnished by any and all Sub-Consultants before furnishing same to the TCAA;

1.7.5. CONSULTANT shall bear full responsibility under this Agreement for all Services performed by or for CONSULTANT and any Sub-Consultant(s) of any tier, including, but not limited to, each Sub-Consultant's errors, omissions, and deficiencies, and nothing herein or any Sub-Consultant agreement shall in any way relieve CONSULTANT from any of its duties under this Agreement;

1.7.6. The costs of all Sub-Consultants' services in the performance of any Services performed on a time-and-materials, lump sum, or cost-reimbursable basis shall be billed without CONSULTANT markup;

1.7.7. The TCAA shall have no obligation to pay, or be responsible in any way, for the payment of any monies to any Sub-Consultant, except as may otherwise be required by applicable law;

1.7.8. CONSULTANT shall, at a minimum, incorporate into all Sub-Consultant agreements provisions that are substantially similar to those provisions contained herein, and, to the extent of the Services to be performed by the Sub-Consultant, to assume toward CONSULTANT all obligations that the CONSULTANT assumes toward the TCAA in this Agreement; and

1.7.9. TCAA shall be a third party beneficiary of all obligations under any Subconsultant agreement between CONSULTANT and any Sub-Consultant; however, nothing contained herein or therein shall create any contractual relationship between the TCAA and any Sub-Consultant or any obligation of the TCAA to any Sub-Consultant.

2. TCAA'S RESPONSIBILITIES.

2.1. TCAA shall provide full information regarding its requirements for the Services or Project and shall arrange for CONSULTANT's, its agents' and subconsultants' access to the site of work.

2.2. TCAA shall designate a representative authorized to act in its behalf with respect to the Services or Project. TCAA's authorized representative shall examine all studies, reports, sketches, estimates, drawings, specifications, proposals, and other documents submitted by CONSULTANT or furnish information required of TCAA and shall render in writing decisions pertaining thereto promptly so as not to delay the progress of CONSULTANT's Services.

2.3. TCAA shall provide CONSULTANT, its agents and subconsultants reasonable access to its records to the extent necessary to perform CONSULTANT's obligations hereunder. If any off-site investigations are required, it shall be TCAA's responsibility to secure the required access rights from site owners.

3. TERM OF AGREEMENT.

3.1. Term. This Agreement shall be effective upon the Effective Date set forth above and, unless previously terminated as set forth below, shall continue in effect for three (3) years from that date.

This Agreement may be renewed by the TCAA and CONSULTANT, effective upon the anniversary date of the Effective Date, each year for a total of no more than two (2), one (1)-year periods. Any renewal of this Agreement is contingent upon satisfactory performance evaluations by the TCAA and subject to the availability of funds. Costs for renewal may not be charged. The initial three (3)-year term of this Agreement, along with any renewals, is referred to in this Agreement as the "Term" of this Agreement. Any assigned project started after the Effective Date and not completed prior to the termination date shall be completed by the CONSULTANT, subject to the termination provisions below.

3.2. Termination.

3.2.1. The TCAA may terminate this Agreement for convenience, without cause and without prejudice to any other right or remedy of the TCAA, upon thirty (30) calendar days' written notice to CONSULTANT.

3.2.2. The TCAA may terminate this Agreement for cause, without prejudice to any other right or remedy of the TCAA, if CONSULTANT: (1) fails to substantially perform its obligations in accordance with this Agreement; the applicable professional standard(s) of care; all applicable laws, regulations, rules, or all requirements, codes, policies, or procedures of any public entity having jurisdiction over any improvements for which CONSULTANT's Services are furnished; or all lawful and reasonable directives or instructions of the TCAA, and (2) if any such nonperformance can be corrected, CONSULTANT fails to commence correction of such nonperformance within five (5) calendar days of receipt of written notice of such nonperformance and fails to diligently and completely correct the nonperformance within no more than thirty (30) days after receipt of said written notice or by such later time as may be agreed by the TCAA.

3.2.3. CONSULTANT may terminate this Agreement for cause, without prejudice to any other right or remedy of CONSULTANT, if the TCAA fails to substantially perform its obligations under this Agreement and fails to cure any such nonperformance within thirty (30) days of TCAA's receipt of written notice of said nonperformance.

3.2.4. Upon termination, CONSULTANT will be paid for all authorized Services satisfactorily performed and authorized expenses incurred up to the termination date. The TCAA will thereafter have no further obligation to CONSULTANT for payment of compensation under this Agreement. CONSULTANT shall not be paid on account of any loss of anticipated profits or revenue or other economic loss arising out of or resulting from the termination.

3.2.5. Any Task Order issued pursuant to this Agreement may also be terminated as set forth herein. Unless otherwise stated in any written notice of termination of a Work Order, the termination of the Task Order shall not operate to terminate this Agreement. Unless stated otherwise herein or in any written notice of termination of this Agreement, any termination of this Agreement shall also constitute a termination of any Task Order issued pursuant to this Agreement.

4. COMPENSATION AND METHOD OF PAYMENT. TCAA shall pay CONSULTANT for Services authorized by a Task Order and satisfactorily completed and furnished to the TCAA, in accordance with the following:

4.1. The Fee Schedule of CONSULTANT, attached hereto as Exhibit "B". No additional fee shall be payable to CONSULTANT under this Agreement or any Task Order for Services for an assigned project

if the actual cost of the Services exceeds the amount in CONSULTANT's proposal for the assigned project. No overtime payment shall be approved by the TCAA unless authorized by the TCAA prior to the performance of the overtime work. Overtime rates shall be agreed upon prior to the performance of the work. At the discretion of the TCAA, cost of living increases may be considered. If authorized by the TCAA, increases shall not exceed the rate established annually by the Federal Bureau of Labor Statistics. The rate schedule may be adjusted for cost of living expenses each January 1, beginning in 2024, upon review and approval of the TCAA. The Fee Schedule may be modified only by a written Change Order to this Agreement executed by the TCAA and CONSULTANT.

4.2. Upon receipt of written approval of the TCAA, the CONSULTANT will engage the services of other professionals when necessary to complete the CONSULTANT's Work Orders. In these circumstances, CONSULTANT shall bill the TCAA only for the actual and reasonable amounts that CONSULTANT paid to such other professionals, and CONSULTANT shall not be entitled to any mark-up on the fee for services of other professionals.

4.3. Reimbursable Expenses. Reimbursable Expenses are defined as actual expenditures made by CONSULTANT or its subconsultants in the interest of the Services or Project including but not limited to:

4.3.1. Reproduction and printing charges of all types for project-specific documents, overnight express shipping charges, project-specific fees paid by CONSULTANT to permitting authorities and utilities, and miscellaneous items purchased by CONSULTANT for the project which are specifically authorized in advance by TCAA.

4.3.2. For CONSULTANT, travel within Brevard and adjacent counties, mail, telephone, internet, computer time, and minor office photocopying for general correspondence are normal business expenses included in general overhead, and are not Reimbursable Expenses. For subconsultants, arrangements for reimbursement of expenses may vary. Such arrangements shall be described in detail in the description of subconsultant fees in the Task Order or other written amendment, including attachments to the same.

4.3.3. CONSULTANT shall also be reimbursed at cost, without mark-up, other actual and necessary costs and expenses reasonably and properly incurred by CONSULTANT in furtherance of furnishing Services under this Agreement, provided that CONSULTANT furnishes to the TCAA supporting documentation and/or receipts.

4.4. Task Order Limits. If the total amount to be paid to CONSULTANT in connection with any assigned project exceeds the threshold amount provided in section 287.017, Florida Statutes, as may be amended, for CATEGORY FOUR purchases (which threshold amount at the time of executing this Agreement is \$195,000.00), CONSULTANT shall execute and furnish to the TCAA a Truth-in-Negotiation certificate stating that wage rates and other factual unit costs supporting the compensation are accurate, complete, and current at the time of the issuance of each Work Order. The original Task Order price and any additions thereto will be adjusted to exclude any significant sums that the TCAA determines the Task Order amount was increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs.

4.5. Billing. For each assigned project, CONSULTANT shall submit an invoice on a monthly basis covering the Services for the assigned project and describing the Services performed and expenses incurred during the applicable period. CONSULTANT's invoices shall be submitted with

detail satisfactory to the TCAA and sufficient for a proper pre-audit and post-audit of said invoices.

- 4.6. Records. CONSULTANT agrees to keep and maintain all of its direct personnel expense records, CONSULTANT expense records and other expense records pertaining to Continuing Service Projects and its record of accounts between CONSULTANT and the TCAA pertaining to Continuing Service Projects on a generally recognized and acceptable accounting basis. CONSULTANT further agrees to keep and maintain accurate time records to within the nearest one-tenth (1/10) of an hour for each time entry, of all Services performed by employees of CONSULTANT. All of the foregoing records and documentation shall be retained by CONSULTANT for a minimum of three (3) years from the date of termination of this Agreement or the date a Task Order is completed, or such longer time as may be required by this Agreement or law, whichever is later. These records and documentation shall be available to the TCAA or the TCAA's designated representatives for inspection and copying at all reasonable times.
- 4.7. Invoicing and Payment CONSULTANT shall invoice TCAA not more often than every four weeks for all Services rendered and Reimbursable Expenses incurred pursuant to this Agreement, and each invoice shall be due and payable within 30 calendar days unless other arrangements have been made in advance.
- 4.8. Remittances. Compensation due CONSULTANT under this Agreement is due and payable to its corporate offices, whose address is _____, or at such other location as may be specified by CONSULTANT in writing.

5. DELAYS/CHANGES.

5.1. Any delay or default in the performance of any obligation of CONSULTANT under this Agreement resulting from any cause beyond CONSULTANT's reasonable control shall not be deemed a breach of this Agreement.

5.2. During the performance of the Services hereunder, TCAA shall have the right, by written instrument, to make changes in, deletions from, or to require additions to the Services (hereinafter collectively referred to as "Changes"). In the event that such Changes require the preparation of additional drawings and/or specifications, or require additional services by CONSULTANT, then, upon completion of such additional services, CONSULTANT shall be entitled to an equitable increase in compensation for additional services rendered due to such Changes. The compensation for additional services shall be agreed upon in writing by the Parties prior to the performance of the additional services. The compensation may be a lump-sum payment of a specific amount, compensation on an hourly-rate basis, or other method of compensation agreed upon by the Parties.

6. ERRORS AND OMISSIONS.

6.1. CONSULTANT shall, at its own expense and without any expense to the TCAA, promptly correct or revise any errors, omissions, or deficiencies in the tests, reports, or other Services produced pursuant to this Agreement and any Task Order and shall, promptly thereafter, provide to the TCAA such corrected or revised tests, reports, or other Services.

6.2. CONSULTANT shall be obligated and responsible to the TCAA for, and CONSULTANT shall promptly and forthwith pay to the TCAA upon demand of the TCAA, any and all damages and additional costs and/or expenses incurred, sustained, or paid by the TCAA, or for which the TCAA may otherwise become liable, caused by or on account of any and all errors, omissions, or deficiencies

made by CONSULTANT or any Sub-Consultant of any tier in the performance of the Services under this Agreement and any Work Order.

7. INDEMNIFICATION.

CONSULTANT shall indemnify and hold harmless TCAA and its officers, directors, employees and agents from any and all liability, losses or damages, including reasonable attorneys' fees and costs of defense, that TCAA or its officers, board members, employees, agents, or instrumentalities may incur as a result of claims, demands, suits, causes of action or proceedings of any kind or nature arising out of, relating to or resulting from this Agreement and stemming from or related to the acts or omissions, whether intentional or unintentional, of CONSULTANT or its employees, agents, servants, partners, principals, contractors, subcontractors, subconsultants or invitees. CONSULTANT shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or action of any kind or nature in the name of TCAA, including appellate proceedings, and CONSULTANT shall pay all costs, judgments and reasonable attorney 's fees which may be incurred in relation thereto. CONSULTANT expressly understands and agrees that any insurance protection required by this Agreement or otherwise provided by CONSULTANT shall in no way limit the responsibility to indemnify, hold harmless and defend TCAA and its officers, employees, agents, and instrumentalities as provided herein. CONSULTANT's obligations hereunder shall survive the termination of this Agreement. Nothing in this paragraph is intended to or does limit or modify TCAA's right to assert sovereign immunity or any other form of governmental immunity in any claim or action against it, including without limitation the rights of TCAA under section 768.28, Florida Statutes.

8. INSURANCE.

CONSULTANT shall procure and maintain insurance of the types and to the limits specified herein as a mandatory condition precedent to performing Services under this Agreement. Except as otherwise stated, the amounts and types of insurance shall conform to the following minimum requirements:

8.1. Commercial General Liability – commercial general liability (“CGL”) insurance coverage for all operations by or on behalf of CONSULTANT and all Sub-Consultants of any tier and providing insurance for bodily injury liability and property damage liability for the limits of liability indicated below and including coverage for:

- a) premises and operations;
- b) products and completed operations;
- c) broad form property damage;
- d) contractual liability insuring the obligations, including, but not limited to, the indemnity obligations, assumed by CONSULTANT in this Agreement;
- e) explosion, collapse and underground hazards;
- f) personal injury and advertising liability; and
- g) products completed operations extension endorsement extending products and completed operations through any applicable statute(s) of repose.

The commercial general liability insurance policy shall be written on an occurrence basis (not a "claims made" basis) in a form at least as broad as CG 00 01 and, if not part of such policy, an endorsement deleting any employee exclusion as to personal injury coverage. Commercial general

liability shall be written on a per project basis. Endorsements restricting, limiting or eliminating Product or Completed Operations coverages above shall be identified and approved in writing by TCAA. A Total Pollution exclusion shall have a Hostile Fire Exception. A waiver of subrogation endorsement is required to be issued in favor of the TCAA.

Limits of Liability shall not be less than:

- \$1,000,000 Each Occurrence
- \$1,000,000 Personal and Advertising Injury
- \$2,000,000 General Aggregate
- \$2,000,000 Products and Completed Operations Aggregate
- \$5,000,000 Per Project Endorsement.

8.2. Business Auto Liability. Coverage for bodily injury and property damage liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles) having limits of liability of not less than \$1,000,000 combined single limit for each accident for bodily injury and property damage combined. The automobile liability insurance policy shall be written on a form that provides coverage equal or greater than that provided in ISO Form CA 0001.

8.3. Professional Liability Insurance. Professional liability coverage limits of not less than \$2,000,000 per claim. Said professional liability insurance shall provide insurance coverage for all sums that CONSULTANT shall be obligated to pay as damages for claims or damages arising out of the Services provided or performed by CONSULTANT in conjunction with this Agreement, including, but not necessarily limited to, any acts or omissions of CONSULTANT or its Subconsultants of any tier. CONSULTANT's professional liability insurance shall apply on a primary basis, and any other insurance maintained by the TCAA shall be in excess of and shall not contribute with CONSULTANT's insurance. The professional liability insurance shall also be maintained for a minimum of three (3) years after completion of the Services under the scope of any Task Order pursuant to this Agreement, including any modification(s) thereto. A waiver of subrogation endorsement is required to be issued in favor of the TCAA.

8.4. Workers' Compensation and Employer's Liability – Workers' compensation insurance coverage to apply for all employees of CONSULTANT and anyone for whom CONSULTANT may be liable for workers' compensation claims arising out of or relating to the Services performed under this Agreement or any Task Order for statutory limits in compliance with all applicable state and federal laws and regulations. Companies with three (3) or fewer employees shall be required to have worker's compensation coverage meeting the minimum requirements of this section. CONSULTANT shall require:

- a) All Sub-Consultants to similarly provide workers' compensation insurance for their employees and anyone for whom such Subconsultants may be liable for workers' compensation claims arising out of or relating to the Services performed under this Agreement.
- b) Employer's liability insurance coverage in the amount of not less than \$1,000,000 for each accident for bodily injury and not less than One Million and No/100 Dollars \$1,000,000 for each employee for bodily injury or disease.
- c) Worker's Compensation Leasing shall not be an approved coverage without prior written approval from the TCAA. A Waiver of Subrogation Endorsement is required.

8.5. Commercial Umbrella/Excess Liability – follow form commercial umbrella/excess liability insurance, which will be identified to TCAA, in the amount of \$10,000,000. The commercial follow form umbrella/excess liability insurance shall have the same inception and expiration dates as the underlying liability policies and shall provide coverage no less broad than those in the primary policies.

8.6. TCAA to be Additional Insured: Each liability insurance policy required by this Agreement shall designate or name the TCAA and the TCAA's officers, directors, employees, representatives, and agents as additional insureds. The liability insurance shall apply on a primary and non-contributory basis with respect to any other liability insurance maintained by the TCAA. CONSULTANT's insurance shall contain a severability of interest provision, providing that, except with the respect to the total limits of liability, the insurance shall apply to each insured or additional insured in the same manner as if separate policies had been issued to each. The form of additional insured endorsement shall be at least as broad as ISO Form CG 2010 (11/85). If the GC 2010 (11/85) is not available, then the combination of CG 2010 (10/01) with CG 2037 (10/01) or their equivalent will be acceptable.

8.7. Evidence of Insurance: The insurance procured and maintained by CONSULTANT shall be subject to approval of the TCAA. CONSULTANT shall file with the TCAA prior to commencing any Services under this Agreement and at such other times requested by the TCAA, a Certificate(s) of Insurance evidencing the insurance coverage required herein. The required Certificates of Insurance shall: name the types of policies provided, refer specifically to this Agreement and section and the above paragraphs in accordance with which insurance is being furnished, and state that such insurance is required by this Agreement. All additional insured and waiver of subrogation endorsements shall be provided to the TCAA along with the Certificate of Insurance. Any Acceptance of Certificates of Insurance by the TCAA shall in no way relieve CONSULTANT of any duty or responsibility under this Agreement. Prior to commencing any Services under this Agreement and thereafter upon the TCAA's request, CONSULTANT shall promptly furnish or cause to be furnished to the TCAA complete copies of all policies of insurance procured and maintained by CONSULTANT and its Sub-Consultants of any tier in connection with CONSULTANT's insurance obligations under this Agreement.

8.8. Sub-Consultants' Insurance: CONSULTANT shall require and ensure that its Sub-Consultants of any tier procure and maintain insurance in like form and amounts, including the additional insured and waiver of subrogation requirements, as is required by CONSULTANT in this Agreement. CONSULTANT shall require its Sub-Consultants of any tier to furnish to the TCAA, prior to said Sub-Consultants performing any Services contemplated by this Agreement and thereafter upon the TCAA's request to CONSULTANT, Certificates of Insurance evidencing the insurance procured and maintained by said Sub-Consultants of any tier.

8.9. Waiver of Subrogation: Any policy of insurance issued pursuant to the requirements of this Agreement covering the CONSULTANT or its Sub-Consultants of any tier shall include an endorsement providing that the insurers waive their rights of subrogation against the TCAA and the TCAA's officers, directors, agents, representatives, employees, assigns, insurance carriers, and attorneys. CONSULTANT hereby waives and shall require its Sub-Consultants of any tier to waive, any and all rights of recovery which they or any of them may now have or subsequently may have against the TCAA and the TCAA's officers, directors, agents, representatives, employees, assigns, insurance carriers, and attorneys in connection with any insured loss arising out of or relating to the Services.

8.10. Notice of Cancellation and Renewal of Insurance: The insurance policies shall provide that the insurance shall not be canceled or reduced in an amount or coverage below the requirements of this Agreement, without at least thirty (30)-days' written notice to the TCAA as additional insured. In the

event any insurance coverage expires prior to the completion of the Services, renewal Certificates of Insurance shall be furnished to TCAA by no later than thirty (30) days prior to the date of expiration.

8.11. The Certificates of Insurance shall be forwarded directly to the following:

Deputy Director of Finance & Administration
Titusville-Cocoa Airport Authority
51 Bristow Way
Titusville, Florida 32780

9. USE OF DOCUMENTS AND ELECTRONIC DELIVERABLES.

9.1. All documents are instruments of service in respect to this Project, and CONSULTANT shall retain an ownership and property interest therein (including the right of reuse at the discretion of CONSULTANT) whether or not the Project is completed. Electronic files of text, data, graphics, or other types ("Electronic Deliverables") that are furnished by CONSULTANT to TCAA are furnished for the convenience of TCAA. However, the Electronic Deliverables are subject to error and can be modified or corrupted without the knowledge or authorization of the CONSULTANT. Therefore, in the event of any discrepancy between the Electronic Deliverables and the signed and sealed printed copies (the "Hard Copies") of the documents furnished to TCAA, the Hard Copies shall govern and TCAA's use of the Electronic Deliverables is at TCAA's own risk.

9.2. When transferring Electronic Deliverables, CONSULTANT makes no representations as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by CONSULTANT during the project.

9.3. TCAA may make and retain copies of Electronic Deliverables for information and reference in connection with use on the Project by TCAA. Such Electronic Deliverables are not intended or represented to be suitable for reuse by TCAA or others on extensions of the Project or on any other project. CONSULTANT retains ownership of all documents and Electronic Deliverables and is providing such documents and Electronic Deliverables for TCAA's use only for this Project. TCAA is not authorized to use, reuse, or modify the documents or Electronic Deliverables for any other use or purpose. Any such reuse or modification without written verification or adaptation by The CONSULTANT, as appropriate for the specific purpose intended, shall be at TCAA's sole risk and without liability or legal exposure to CONSULTANT or its subconsultants.

9.4. TCAA shall have the unconditional right to receive, at any time upon request, a copy of all electronic files stored on CONSULTANT's principal computer that pertain specifically to the TCAA. Such files generally consist of AutoCAD drawings; Word, WordPerfect, Excel, and PDF documents, and image files. These files are backed up regularly and the back-up copies are stored off-premises, but all of the files reside in the principal computer hard drive. In the event that CONSULTANT personnel are unable to provide a copy of the electronic files to the TCAA (due to accident, injury, or other limitation), TCAA is authorized to retain and utilize a third party of its choosing to assist in obtaining and delivering the files to the TCAA.

9.5. Nothing in this section shall supplant or otherwise modify TCAA's obligations to maintain and produce for inspection public records as set forth in chapter 119, Florida Statutes. Additionally, as a contractor/consultant for TCAA, CONSULTANT itself is or may be subject to the provisions of chapter 119, Florida Statutes, regarding public records. TCAA makes no representations to CONSULTANT

regarding the application of chapter 119, Florida Statutes, to CONSULTANT, and CONSULTANT acknowledges and represents that it is familiar with and will comply with all of its obligations under chapter 119, Florida Statutes. To the extent they are able, the Parties agree to assist one another with fulfilling any obligations under chapter 119, Florida Statutes, that either may have as a result of or related to this Agreement.

10. HAZARDOUS SITE CONDITIONS.

TCAA recognizes that the Project site may involve the presence of hazardous, toxic or pollutive substances. Unless specifically agreed to in a specific amendment hereto, CONSULTANT has no responsibility for the condition of the Project site or the handling, storage or disposal of any substance or materials from any Project site or otherwise.

11. CONFIDENTIALITY.

Subject to Section 8.5, above, and chapter 119, Florida Statutes, CONSULTANT agrees to keep confidential and not to disclose to any person or entity, other than CONSULTANT's employees, subconsultants and the general contractor and subcontractors, if appropriate, any data and information not previously known to and generated by The CONSULTANT or furnished to CONSULTANT and marked "Confidential" by TCAA. These provisions shall not apply to information in whatever form that comes into the public domain, nor shall it restrict CONSULTANT from giving notices required by law or complying with an order to provide information or data when such order is issued by a court, administrative agency or other authority with proper jurisdiction, or if it is reasonably necessary for CONSULTANT to defend itself from any suit or claim. TCAA agrees that the technical methods, techniques and pricing information contained in any proposal submitted by CONSULTANT pertaining to the Project or in this Agreement or any amendment hereto, are to be considered confidential and proprietary, and shall not be released or otherwise made available to any third party without the express written consent of the CONSULTANT.

12. EQUAL OPPORTUNITY EMPLOYER.

CONSULTANT is an equal opportunity employer. CONSULTANT does not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, disability or veteran status and will take affirmative action to employ and advance in employment qualified minorities, women, disabled veterans, veterans of the Vietnam Era or disabled individuals.

13. CONTINGENT FEES.

CONSULTANT warrants that it has not employed or retained any person or entity, other than bona fide employees working solely for CONSULTANT, whose fee, commission, percentage, gift, or other consideration from CONSULTANT is contingent upon, or results from, that person's or entity's procuring this Agreement.

14. CONTROLLING LAW/VENUE.

This Agreement, the rights and obligations of the Parties hereto, and any claims or disputes relating thereto shall be governed by, interpreted, construed and enforced in accordance with the laws of the State of Florida. Venue for any disputes arising from this agreement shall be Brevard County, Florida to the exclusion of all other jurisdictions and venues.

15. WAIVER OF JURY TRIAL.

TCAA and CONSULTANT hereby knowingly, voluntarily, and intentionally waive the right either of them have to a trial by jury with respect to any litigation based hereon, or arising out of, under or in connection with this Agreement and any agreement contemplated to be executed in conjunction herewith, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of either party.

16. DISPUTE COSTS.

In any litigation arising from this Agreement, the prevailing party may recover costs, expenses and attorneys' fees from the non-prevailing party including without limitation reasonable attorneys' fees incurred on appeal and in litigating entitlement to and/or amount of attorneys' fees to be awarded.

17. SUCCESSORS AND ASSIGNS.

Except as otherwise expressly provided, all provisions herein shall be binding upon and shall inure to the benefit of the Parties, their legal representatives, successors and assigns.

18. ENTIRE AGREEMENT.

This Agreement together with each separate Task Order and/or the exhibits thereto or other written amendment, constitute the entire and integrated Agreement between CONSULTANT and TCAA and supersedes all prior negotiations, representations or agreements, either written or oral as to the subject matter hereof. This Agreement and said attachments may only be amended, supplemented, modified, or canceled by written instrument signed by an authorized representative of each party. The captions and numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe or describe scope or intent of any paragraph nor in any way affect this Agreement.

19. SEVERABILITY.

If any provision of this Agreement or any application thereof to any person or circumstances shall, to any extent, be invalid, the remainder of this Agreement or the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby and each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

20. NOTICES.

Any notice, demand, request or other instrument which may be or required to be given under this Agreement shall be sent via electronic delivery, delivered in person, sent by United States First Class Certified or Registered Mail, Return Receipt Requested, postage prepaid, or sent by a reputable overnight courier service, and shall be addressed to either party at the address as herein above given, or at the current e-mail address for electronic delivery. Any notice shall be deemed delivered upon hand delivery, receipt of an acknowledging reply for electronic delivery, three (3) days after depositing such notice in postal receptacles, return receipt requested, or one (1) day after depositing such notice with a reputable overnight courier service. Either party may designate such other address as shall be given by written notice.

21. NO PARTNERSHIP.

Nothing contained in this Agreement shall, or shall be deemed or construed so as to create the relationship of employer-employee, principal-agent, joint ventures, co-ventures, or partners

between TCAA and CONSULTANT, and they are and shall remain independent contractors one as to the other.

22. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION (49 CFR PART 29).

CONSULTANT certifies, by submission of its proposal and acceptance of this Agreement, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any department or agency. It further agrees that by executing this Agreement, it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts, and subcontracts. Where CONSULTANT or any lower tier participant is unable to certify this statement, it shall attach an explanation to the salient document which shall remain a part thereof.

23. CERTIFICATION REGARDING FOREIGN TRADE RESTRICTIONS (49 CFR PART 30).

CONSULTANT and any subconsultant, by submission of an offer and/or execution of a contract related to any Task Order or other amendment hereto, certifies that it:

23.1. Is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);

23.2. Has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list.

23.3. Has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list.

23.4. Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to CONSULTANT or any subconsultant who is unable to certify to the above. If CONSULTANT knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the project, the Federal Aviation Administration may direct, through the TCAA, cancellation of the contract at no cost to the government.

23.5. Further, CONSULTANT agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. CONSULTANT may rely upon the certification of a prospective subconsultant unless it has knowledge that the certification is erroneous.

23.6. CONSULTANT shall provide immediate written notice to the TCAA if it learns that its certification or that of a subconsultant was erroneous when submitted or has become erroneous by reason of changed circumstances. The subconsultant agrees to provide immediate written notice to CONSULTANT, if at any time it learns that its certification was erroneous by reason of changed circumstances.

23.7. This certification is a material representation of fact upon which reliance was placed when making the award. If it is later determined that CONSULTANT or any subconsultant knowingly rendered an erroneous certification, the Federal Aviation Administration may direct, through the TCAA, cancellation of the contract or subcontract for default at no cost to the government.

23.8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of CONSULTANT is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

23.9. This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

24. VETERANS PREFERENCE.

In the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to veterans of the Vietnam era and disabled veterans as defined in Section 515(c)(1) and (2) of the Airport and Airway Improvement Act of 1982. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

25. BREACH OF CONTRACT TERMS.

Any violation or breach of the terms of this Agreement on the part of the CONSULTANT or its subconsultants and/or agents may result in the suspension or termination of this Agreement or such other action that may be necessary to enforce the terms of the parties hereto. The duties and obligations imposed by this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. (49 CFR Part 18).

26. ACCESS TO RECORDS AND REPORTS.

CONSULTANT shall maintain an acceptable cost accounting system. CONSULTANT agrees to provide the TCAA, the Federal Aviation Administration, and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers, and records of CONSULTANT which are directly pertinent to the specific contract for the purposes of making audit, examination, excerpts and transcriptions. CONSULTANT agrees to maintain all books, records and reports required under this contract for a period of not less than three (3) years after final payment is made and all other pending matters are closed. (49 CFR Part 18.36(i)).

27. RIGHTS TO INVENTIONS.

All rights to inventions and materials generated under this contract are subject to regulations issued by the FAA and the TCAA of the federal grant under which this contract is executed, if any. Information regarding these rights is available from the FAA and the TCAA. (49 CFR Part 18.36(i)(8)).

28. AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 - GENERAL CIVIL RIGHTS PROVISIONS.

CONSULTANT assures that it will comply with pertinent statutes, executive orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from federal assistance. This provision obligates the CONSULTANT or its transferee for the period during which federal assistance is extended to TCAA, except where federal assistance is monetary, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases the provision obligates CONSULTANT or any transferee for the

longer of the following periods: (a) the period during which the property is used by the airport sponsor or any transferee for a purpose for which federal assistance is extended, or for another purpose involving the provision of similar services or benefits or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property. In the case of contractors, this provision binds the contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

29. CIVIL RIGHTS ACT OF 1964, TITLE VI- CONTRACTOR CONTRACTUAL REQUIREMENTS (49 CFR PART 21).

During the performance of this Agreement, CONSULTANT, for itself, its assignees and successors in interest (hereinafter referred to as the "Contractor") agrees as follows:

30. COMPLIANCE WITH REGULATIONS.

Contractor shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

30.1. Nondiscrimination. Contractor, with regard to the work performed by it during the Agreement, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subconsultants, including procurements of materials and leases of equipment. Contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the regulations, including employment practices when the contract covers a program set forth in Appendix B of the regulations.

30.2. Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subconsultant or supplier shall be notified by Contractor of its obligations under this Agreement and the regulations relative to nondiscrimination on the grounds of race, color, or national origin.

30.3. Information and Reports. Contractor shall provide all information and reports required by regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the TCAA or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such regulations, orders, and instructions. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to the TCAA or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.

30.4. Sanctions for Noncompliance. In the event of Contractor's noncompliance with the nondiscrimination provisions of this Agreement, the TCAA shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

30.4.1. Withholding of payments to Contractor under the Agreement until the Contractor complies, and/or

30.4.2. Cancellation, termination, or suspension of the Agreement, in whole or in part.

30.5. Incorporation of Provisions. Contractor shall include the provisions of paragraphs 28.1 through 28.5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the regulations or directives issued pursuant thereto. Contractor shall take such action with respect to any subcontract or procurement as the TCAA or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event Contractor becomes involved in, or is threatened with, litigation with a subconsultant or supplier as a result of such direction from TCAA, Contractor may request the TCAA to enter into such litigation to protect the interests of the TCAA and, in addition, Contractor may request the United States to enter into such litigation to protect the interests of the United States.

31. TERMINATION OF CONTRACT.

31.1. This Agreement may be terminated without cause by either party upon thirty (30) days written notice. In the event of termination, CONSULTANT shall be compensated, as provided herein, for Services performed through the effective date of such written notice of termination, together with Reimbursable Expenses due and for all expenses directly attributable to termination.

31.2. If the Project is suspended for more than thirty (30) consecutive days, CONSULTANT shall be compensated, as provided herein, for Services performed through receipt of written notice of such suspension, together with Reimbursable Expenses then due. When the Project is resumed, CONSULTANT's compensation shall be equitably adjusted to provide for expenses incurred in the interruption and resumption of the CONSULTANT's Services.

32. DISADVANTAGED BUSINESS ENTERPRISES.

32.1. Contract Assurance (49 CFR Part 26.13). CONSULTANT or its subconsultants shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. CONSULTANT shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by CONSULTANT to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy, as the recipient deems appropriate.

32.2. Prompt Payment (49 CFR Part 26.29). CONSULTANT agrees to pay each subconsultant under this Agreement for satisfactory performance of its contract no later than 30 days from the receipt of each payment CONSULTANT receives from the TCAA. CONSULTANT agrees further to return any retainage payments to each subconsultant within 30 days after the subconsultant's work is satisfactorily completed and receipt of final payment CONSULTANT receives from the TCAA for the services of said subconsultant's satisfactorily completed work. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the TCAA. This clause applies to both DBE and non-DBE subconsultants.

33. LOBBYING AND INFLUENCING FEDERAL EMPLOYEES (49 CFR PART 20, APPENDIX A)

33.1. No federal appropriated funds shall be paid, by or on behalf of CONSULTANT, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any federal grant or any modification(s) thereof.

33.2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in

connection with any federal grant, CONSULTANT shall complete and submit Standard Form - LLL, "Disclosure of Lobby Activities," in accordance with its instructions.

34. COUNTERPARTS.

This Agreement may be executed in two or more counterparts, each of which may be executed by one or both of the Parties hereto, but all of which, when delivered and taken together, shall constitute but one Agreement binding upon both of the Parties hereto.

35. WAIVER OF CONSEQUENTIAL DAMAGES.

In no event shall either CONSULTANT or TCAA have any claim or right against the other, whether in contract, warranty, tort (including negligence), strict liability or otherwise, for any indirect, incidental or consequential damages of any kind or nature whatsoever, such as but not limited to loss of revenue, loss of profits on revenue, loss of customers or contracts, loss of use of equipment or loss of data, work interruption, increased cost of work or cost of any financing, howsoever caused, even if same were reasonably foreseeable.

36. FORCE MAJEURE.

In no event shall either CONSULTANT or TCAA have any claim or right against the other for any failure of performance where such failure of performance is caused by or is the result of causes beyond the reasonable control of the other party due to any occurrence commonly known as a "force majeure," including but not limited to: acts of God; fire, flood, or other natural catastrophe; acts of any governmental body; labor dispute or shortage; national emergency; insurrection; riot; or war.

37. GOOD FAITH.

This Agreement imposes an obligation of good faith, fair dealings and the mitigation of damages among the Parties in all matters relating to this Agreement. Good faith, for this purpose, includes honesty in fact and the observance of reasonable commercial standards of fair dealings and in the mitigation of damages even in situations where a decision is left to the sole discretion of a single party.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on their behalf by their duly authorized representatives, under seal, all as of the day and year first above written.

TITUSVILLE-COCOA AIRPORT AUTHORITY

AVCON, INC.

By: _____

Name: Kevin Daugherty, AAE

Title: Director of Airports

Date: _____

By: Sandeep Singh

Name: Sandeep Singh

Title: President

Date: 4/14/23

ATTEST

By: _____

Name: _____

Title: _____

Date: _____

By: James A. Kriss

Name: James A. Kriss

Title: Vice President

Date: 4/14/23

{Corporate Seal}



Approved as to form and legality
this ____ day of _____, 2023

By: _____

Name: Adam M. Bird, Esq

Title: TCAA Legal Counsel



**TITUSVILLE COCOA
AIRPORT AUTHORITY
HOURLY RATE SCHEDULE for 2023**

955 Croton Road
Melbourne, FL 32935
Phone: (321) 428-3777
www.avconinc.com

<u>Category</u>	<u>Rate</u>
Principal / QC Reviewer	\$267
Sr. Project Manager	\$230
Project Manager	\$195
Sr. Airport Planner	\$175
Sr. Engineer/ Sr. Civil Engineer	\$175
Sr. Roadway Engineer	\$170
Sr. Structural Engineer	\$170
Sr. Airfield Lighting/ NAVAID Specialist	\$140
Project Engineer/ Civil Engineer	\$135
Airport Planner	\$120
MEP/Fire Protection Chief Engineer	\$170
Senior Engineer	\$150
Engineer	\$120
CAD Tech	\$100
Admin/ Clerical	\$80
Inspector/ RPR	\$125
Subconsultants	Available as needed

**GENERAL CONSULTING SERVICES
MASTER AGREEMENT**

THIS CONSULTING SERVICES AGREEMENT ("Agreement") is made and entered into as of the ____ day of 2023 ("Effective Date"), by and between the TITUSVILLE-COCOA AIRPORT AUTHORITY, with offices located at 51 Bristow Way Titusville, Florida 32780 (hereinafter referred to as "TCAA"), and Infrastructure, Constructing, and Engineering, with offices located at 110 Midlands Ct, West Columbia, SC, 29169 (hereinafter referred to as "CONSULTANT"). Collectively, TCAA and CONSULTANT are hereinafter referred to as "the Parties."

WITNESSETH:

WHEREAS, the TCAA desires to obtain professional services on a continuing contract and as-needed basis from a duly qualified and licensed consultant(s) for TCAA-assigned projects on property owned by the TCAA (the Continuing Service Projects");

WHEREAS, the TCAA is authorized to enter into continuing contracts for professional services and has chosen a qualifications-based selection process pursuant to Florida Statutes, Section 287.055, "Consultants' Competitive Negotiation Act" (CCNA), to select a firm qualified, capable, and available to provide the necessary professional services for the Continuing Service Projects listed in Exhibit "A";

WHEREAS, the TCAA has issued a Request for Qualifications number RFQ-2023-001 ("RFQ"), and CONSULTANT submitted a responsive Qualifications Proposal;

WHEREAS, CONSULTANT was among the firms selected by TCAA to be the most qualified to furnish the professional services necessary to complete the Continuing Services Projects, and the Parties desire to enter into this Agreement to memorialize the terms under which CONSULTANT will provide professional services for the Continuing Service Projects during the Term of this Agreement; and

NOW, THEREFORE, the Parties, in consideration of the foregoing recitals and the mutual covenants hereinafter set forth and in subsequently issued written agreements, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby agree as follows:

1. PROVISION OF SERVICES/METHOD OF AUTHORIZATION

1.1. This Agreement provides the terms upon which TCAA may avail itself of the professional services of CONSULTANT for Continuing Service Projects, including all professional and non-professional staff, materials, equipment, supplies, and other resources necessary to perform the services (the "Services") as and when directed and assigned to do so by TCAA as needed from time to time over the period of time specified hereinafter.

1.2. CONSULTANT agrees to provide, in accordance herewith, the professional consulting services described in each task order (the "Task Order") issued hereunder. Each Task Order, when signed by the Parties, shall be incorporated into and form a part of this Agreement. Each such Task Order shall contain (1) a Project Description (the "Project"), (2) a detailed Scope of Services including any subconsultants or other third parties to be utilized for the Project, (3) a Project Schedule including milestones when applicable, (4) a Detailed Fee Schedule (time and materials or lump sum) including labor hours, rates, and expenses, (5) Deliverables and (6) any special provisions or conditions specific to the services or project being authorized. In the event of a conflict between this Agreement and any Task Order issued hereunder, the terms of this Agreement shall govern. For each authorized Task Order, CONSULTANT shall endeavor to engage directly or specify the use of the services of qualified

local businesses, DBEs, service-disabled and other veteran owned businesses as necessary to assist CONSULTANT in providing the requested Services.

1.3. CONSULTANT shall commence its Services for an assigned project upon receipt of a Notice to Proceed and a Task Order (Purchase Order) issued by TCAA for the assigned project. Time is of the essence in the performance of CONSULTANT's Services for assigned projects. CONSULTANT shall diligently and in a timely manner perform Services for assigned projects to ensure timely completion of CONSULTANT's Services in accordance with the schedule accepted by TCAA for the assigned Project.

1.4. CONSULTANT's opinions of probable costs provided as a service hereunder are to be made on the basis of its experience and qualifications and represent its best judgment as a design professional familiar with the construction industry; however, it is understood that CONSULTANT cannot guarantee that proposals, bids, or the construction costs will not vary from opinions of probable costs prepared by it. If TCAA wishes greater assurance as to the construction costs, it shall employ an independent cost estimator at its own expense. Services to modify approved documents to bring the construction cost within any limitations established by TCAA will be considered additional services and entitle CONSULTANT to additional compensation which shall be negotiated and mutually agreed upon by the Parties and set forth in a Task Order as defined hereunder.

1.5. If the Services are to include services during construction, any construction inspection or testing provided by CONSULTANT is for the purpose of determining the contractor's compliance with the functional provisions of Project specifications only. CONSULTANT neither guarantees nor ensures any contractor's work nor assumes responsibility for (a) the means, methods or materials used by any contractor, (b) Project site safety, or (c) any contractor's compliance with laws and regulations. TCAA agrees that, in accordance with generally accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for Project site conditions during the course of construction of the Project, including safety of all persons and property, and that this responsibility shall be continuous and not be limited to normal working hours.

1.6. The Services shall be performed by CONSULTANT with reasonable care, skill and diligence in accordance with generally accepted professional practice. Other than as expressly set forth herein, CONSULTANT makes no warranties or guarantees whatsoever, whether expressed or implied, of merchantability or fitness for a particular purpose, with respect to any services performed under this agreement.

1.7. Sub-Consultants. If the CONSULTANT, as part of its Statement of Qualifications leading to its selection by TCAA, submitted the qualifications of any Sub-Consultant designated to provide specialized expertise as a member of the CONSULTANT's team, CONSULTANT agrees to engage the appropriate Sub-Consultant team member as part of the performance of its Services hereunder. The CONSULTANT's failure to engage its Sub-Consultants that are qualified, capable, and available to do specialized work for which it was included in the SOQ may be found to have misrepresented its qualifications and experience which may result in termination of this agreement. If the CONSULTANT intends to engage the services of a Sub-Consultant, the following provisions shall apply:

1.7.1. CONSULTANT shall obtain the TCAA's written consent prior to engaging the services of any proposed Sub-Consultant not specifically included in the SOQ ;

1.7.2. TCAA shall not be liable to CONSULTANT in any manner arising out of the TCAA's non-consent to a proposed Sub-Consultant;

1.7.3. All Sub-Consultants shall be qualified and properly licensed to perform any services contemplated by this Agreement and any Sub-Consultant agreement between CONSULTANT and the Sub-Consultant;

1.7.4. CONSULTANT shall direct and coordinate the services and work product of any and all Sub-Consultants commissioned by CONSULTANT, including, but not limited to, reviewing and approving any designs, surveys, maps, drawings, specifications, shop drawings, submittals, test results, reports, or other services produced or furnished by any and all Sub-Consultants before furnishing same to the TCAA;

1.7.5. CONSULTANT shall bear full responsibility under this Agreement for all Services performed by or for CONSULTANT and any Sub-Consultant(s) of any tier, including, but not limited to, each Sub-Consultant 's errors, omissions, and deficiencies, and nothing herein or any Sub-Consultant agreement shall in any way relieve CONSULTANT from any of its duties under this Agreement;

1.7.6. The costs of all Sub-Consultants' services in the performance of any Services performed on a time-and-materials, lump sum, or cost-reimbursable basis shall be billed without CONSULTANT markup;

1.7.7. The TCAA shall have no obligation to pay, or be responsible in any way, for the payment of any monies to any Sub-Consultant, except as may otherwise be required by applicable law;

1.7.8. CONSULTANT shall, at a minimum, incorporate into all Sub-Consultant agreements provisions that are substantially similar to those provisions contained herein, and, to the extent of the Services to be performed by the Sub-Consultant, to assume toward CONSULTANT all obligations that the CONSULTANT assumes toward the TCAA in this Agreement; and

1.7.9. TCAA shall be a third party beneficiary of all obligations under any Subconsultant agreement between CONSULTANT and any Sub-Consultant; however, nothing contained herein or therein shall create any contractual relationship between the TCAA and any Sub-Consultant or any obligation of the TCAA to any Sub-Consultant.

2. TCAA'S RESPONSIBILITIES.

2.1. TCAA shall provide full information regarding its requirements for the Services or Project and shall arrange for CONSULTANT's, its agents' and subconsultants' access to the site of work.

2.2. TCAA shall designate a representative authorized to act in its behalf with respect to the Services or Project. TCAA's authorized representative shall examine all studies, reports, sketches, estimates, drawings, specifications, proposals, and other documents submitted by CONSULTANT or furnish information required of TCAA and shall render in writing decisions pertaining thereto promptly so as not to delay the progress of CONSULTANT's Services.

2.3. TCAA shall provide CONSULTANT, its agents and subconsultants reasonable access to its records to the extent necessary to perform CONSULTANT's obligations hereunder. If any off-site investigations are required, it shall be TCAA's responsibility to secure the required access rights from site owners.

3. TERM OF AGREEMENT.

3.1. Term. This Agreement shall be effective upon the Effective Date set forth above and, unless previously terminated as set forth below, shall continue in effect for three (3) years from that date.

This Agreement may be renewed by the TCAA and CONSULTANT, effective upon the anniversary date of the Effective Date, each year for a total of no more than two (2), one (1)-year periods. Any renewal of this Agreement is contingent upon satisfactory performance evaluations by the TCAA and subject to the availability of funds. Costs for renewal may not be charged. The initial three (3)-year term of this Agreement, along with any renewals, is referred to in this Agreement as the "Term" of this Agreement. Any assigned project started after the Effective Date and not completed prior to the termination date shall be completed by the CONSULTANT, subject to the termination provisions below.

3.2. Termination.

3.2.1. The TCAA may terminate this Agreement for convenience, without cause and without prejudice to any other right or remedy of the TCAA, upon thirty (30) calendar days' written notice to CONSULTANT.

3.2.2. The TCAA may terminate this Agreement for cause, without prejudice to any other right or remedy of the TCAA, if CONSULTANT: (1) fails to substantially perform its obligations in accordance with this Agreement; the applicable professional standard(s) of care; all applicable laws, regulations, rules, or all requirements, codes, policies, or procedures of any public entity having jurisdiction over any improvements for which CONSULTANT's Services are furnished; or all lawful and reasonable directives or instructions of the TCAA, and (2) if any such nonperformance can be corrected, CONSULTANT fails to commence correction of such nonperformance within five (5) calendar days of receipt of written notice of such nonperformance and fails to diligently and completely correct the nonperformance within no more than thirty (30) days after receipt of said written notice or by such later time as may be agreed by the TCAA.

3.2.3. CONSULTANT may terminate this Agreement for cause, without prejudice to any other right or remedy of CONSULTANT, if the TCAA fails to substantially perform its obligations under this Agreement and fails to cure any such nonperformance within thirty (30) days of TCAA's receipt of written notice of said nonperformance.

3.2.4. Upon termination, CONSULTANT will be paid for all authorized Services satisfactorily performed and authorized expenses incurred up to the termination date. The TCAA will thereafter have no further obligation to CONSULTANT for payment of compensation under this Agreement. CONSULTANT shall not be paid on account of any loss of anticipated profits or revenue or other economic loss arising out of or resulting from the termination.

3.2.5. Any Task Order issued pursuant to this Agreement may also be terminated as set forth herein. Unless otherwise stated in any written notice of termination of a Work Order, the termination of the Task Order shall not operate to terminate this Agreement. Unless stated otherwise herein or in any written notice of termination of this Agreement, any termination of this Agreement shall also constitute a termination of any Task Order issued pursuant to this Agreement.

4. COMPENSATION AND METHOD OF PAYMENT. TCAA shall pay CONSULTANT for Services authorized by a Task Order and satisfactorily completed and furnished to the TCAA, in accordance with the following:

4.1. The Fee Schedule of CONSULTANT, attached hereto as Exhibit "B". No additional fee shall be payable to CONSULTANT under this Agreement or any Task Order for Services for an assigned project

if the actual cost of the Services exceeds the amount in CONSULTANT's proposal for the assigned project. No overtime payment shall be approved by the TCAA unless authorized by the TCAA prior to the performance of the overtime work. Overtime rates shall be agreed upon prior to the performance of the work. At the discretion of the TCAA, cost of living increases may be considered. If authorized by the TCAA, increases shall not exceed the rate established annually by the Federal Bureau of Labor Statistics. The rate schedule may be adjusted for cost of living expenses each January 1, beginning in 2024, upon review and approval of the TCAA. The Fee Schedule may be modified only by a written Change Order to this Agreement executed by the TCAA and CONSULTANT.

4.2. Upon receipt of written approval of the TCAA, the CONSULTANT will engage the services of other professionals when necessary to complete the CONSULTANT's Work Orders. In these circumstances, CONSULTANT shall bill the TCAA only for the actual and reasonable amounts that CONSULTANT paid to such other professionals, and CONSULTANT shall not be entitled to any mark-up on the fee for services of other professionals.

4.3. Reimbursable Expenses. Reimbursable Expenses are defined as actual expenditures made by CONSULTANT or its subconsultants in the interest of the Services or Project including but not limited to:

4.3.1. Reproduction and printing charges of all types for project-specific documents, overnight express shipping charges, project-specific fees paid by CONSULTANT to permitting authorities and utilities, and miscellaneous items purchased by CONSULTANT for the project which are specifically authorized in advance by TCAA.

4.3.2. For CONSULTANT, travel within Brevard and adjacent counties, mail, telephone, internet, computer time, and minor office photocopying for general correspondence are normal business expenses included in general overhead, and are not Reimbursable Expenses. For subconsultants, arrangements for reimbursement of expenses may vary. Such arrangements shall be described in detail in the description of subconsultant fees in the Task Order or other written amendment, including attachments to the same.

4.3.3. CONSULTANT shall also be reimbursed at cost, without mark-up, other actual and necessary costs and expenses reasonably and properly incurred by CONSULTANT in furtherance of furnishing Services under this Agreement, provided that CONSULTANT furnishes to the TCAA supporting documentation and/or receipts.

4.4. Task Order Limits. If the total amount to be paid to CONSULTANT in connection with any assigned project exceeds the threshold amount provided in section 287.017, Florida Statutes, as may be amended, for CATEGORY FOUR purchases (which threshold amount at the time of executing this Agreement is \$195,000.00), CONSULTANT shall execute and furnish to the TCAA a Truth-in-Negotiation certificate stating that wage rates and other factual unit costs supporting the compensation are accurate, complete, and current at the time of the issuance of each Work Order. The original Task Order price and any additions thereto will be adjusted to exclude any significant sums that the TCAA determines the Task Order amount was increased due to inaccurate, incomplete, or noncurrent wage rates and other factual unit costs.

4.5. Billing. For each assigned project, CONSULTANT shall submit an invoice on a monthly basis covering the Services for the assigned project and describing the Services performed and expenses incurred during the applicable period. CONSULTANT's invoices shall be submitted with

detail satisfactory to the TCAA and sufficient for a proper pre-audit and post-audit of said invoices.

- 4.6. Records. CONSULTANT agrees to keep and maintain all of its direct personnel expense records, CONSULTANT expense records and other expense records pertaining to Continuing Service Projects and its record of accounts between CONSULTANT and the TCAA pertaining to Continuing Service Projects on a generally recognized and acceptable accounting basis. CONSULTANT further agrees to keep and maintain accurate time records to within the nearest one-half (1/2) of an hour for each time entry, of all Services performed by employees of CONSULTANT. All of the foregoing records and documentation shall be retained by CONSULTANT for a minimum of three (3) years from the date of termination of this Agreement or the date a Task Order is completed, or such longer time as may be required by this Agreement or law, whichever is later. These records and documentation shall be available to the TCAA or the TCAA's designated representatives for inspection and copying at all reasonable times.
- 4.7. Invoicing and Payment CONSULTANT shall invoice TCAA not more often than every four weeks for all Services rendered and Reimbursable Expenses incurred pursuant to this Agreement, and each invoice shall be due and payable within 30 calendar days unless other arrangements have been made in advance.
- 4.8. Remittances. Compensation due CONSULTANT under this Agreement is due and payable to its corporate offices, whose address is 110 Midlands Court, Columbia, SC 29169, or at such other location as may be specified by CONSULTANT in writing.

5. DELAYS/CHANGES.

5.1. Any delay or default in the performance of any obligation of CONSULTANT under this Agreement resulting from any cause beyond CONSULTANT's reasonable control shall not be deemed a breach of this Agreement.

5.2. During the performance of the Services hereunder, TCAA shall have the right, by written instrument, to make changes in, deletions from, or to require additions to the Services (hereinafter collectively referred to as "Changes"). In the event that such Changes require the preparation of additional drawings and/or specifications, or require additional services by CONSULTANT, then, upon completion of such additional services, CONSULTANT shall be entitled to an equitable increase in compensation for additional services rendered due to such Changes. The compensation for additional services shall be agreed upon in writing by the Parties prior to the performance of the additional services. The compensation may be a lump-sum payment of a specific amount, compensation on an hourly-rate basis, or other method of compensation agreed upon by the Parties.

6. ERRORS AND OMISSIONS.

6.1. CONSULTANT shall, at its own expense and without any expense to the TCAA, promptly correct or revise any errors, omissions, or deficiencies in the tests, reports, or other Services produced pursuant to this Agreement and any Task Order and shall, promptly thereafter, provide to the TCAA such corrected or revised tests, reports, or other Services.

6.2. CONSULTANT shall be obligated and responsible to the TCAA for, and CONSULTANT shall promptly and forthwith pay to the TCAA upon demand of the TCAA, any and all damages and additional costs and/or expenses incurred, sustained, or paid by the TCAA, or for which the TCAA may otherwise become liable, caused by or on account of any and all errors, omissions, or deficiencies

made by CONSULTANT or any Sub-Consultant of any tier in the performance of the Services under this Agreement and any Work Order.

7. INDEMNIFICATION.

CONSULTANT shall indemnify and hold harmless TCAA and its officers, directors, employees and agents from any and all liability, losses or damages, including reasonable attorneys' fees and costs of defense, that TCAA or its officers, board members, employees, agents, or instrumentalities may incur as a result of claims, demands, suits, causes of action or proceedings of any kind or nature arising out of, relating to or resulting from this Agreement and stemming from or related to the acts or omissions, whether intentional or unintentional, of CONSULTANT or its employees, agents, servants, partners, principals, contractors, subcontractors, subconsultants or invitees. CONSULTANT shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or action of any kind or nature in the name of TCAA, including appellate proceedings, and CONSULTANT shall pay all costs, judgments and reasonable attorney 's fees which may be incurred in relation thereto. CONSULTANT expressly understands and agrees that any insurance protection required by this Agreement or otherwise provided by CONSULTANT shall in no way limit the responsibility to indemnify, hold harmless TCAA and its officers, employees, agents, and instrumentalities as provided herein. CONSULTANT's obligations hereunder shall survive the termination of this Agreement. Nothing in this paragraph is intended to or does limit or modify TCAA's right to assert sovereign immunity or any other form of governmental immunity in any claim or action against it, including without limitation the rights of TCAA under section 768.28, Florida Statutes. The defense obligations of this section do not apply to professional liability claims, suits, or actions.

8. INSURANCE.

CONSULTANT shall procure and maintain insurance of the types and to the limits specified herein as a mandatory condition precedent to performing Services under this Agreement. Except as otherwise stated, the amounts and types of insurance shall conform to the following minimum requirements:

8.1. Commercial General Liability – commercial general liability (“CGL”) insurance coverage for all operations by or on behalf of CONSULTANT and all Sub-Consultants of any tier and providing insurance for bodily injury liability and property damage liability for the limits of liability indicated below and including coverage for:

- a) premises and operations;
- b) products and completed operations;
- c) broad form property damage;
- d) contractual liability insuring the obligations, including, but not limited to, the indemnity obligations, assumed by CONSULTANT in this Agreement;
- e) explosion, collapse and underground hazards;
- f) personal injury and advertising liability; and
- g) products completed operations extension endorsement extending products and completed operations through any applicable statute(s) of repose.

The commercial general liability insurance policy shall be written on an occurrence basis (not a "claims made" basis) in a form at least as broad as CG 00 01 and, if not part of such policy, an

endorsement deleting any employee exclusion as to personal injury coverage. Commercial general liability shall be written on a per project basis. Endorsements restricting, limiting or eliminating Product or Completed Operations coverages above shall be identified and approved in writing by TCAA. A Total Pollution exclusion shall have a Hostile Fire Exception. A waiver of subrogation endorsement is required to be issued in favor of the TCAA.

Limits of Liability shall not be less than:

- \$1,000,000 Each Occurrence
- \$1,000,000 Personal and Advertising Injury
- \$2,000,000 General Aggregate
- \$2,000,000 Products and Completed Operations Aggregate
- \$5,000,000 Umbrella

8.2. Business Auto Liability. Coverage for bodily injury and property damage liability arising out of any automobile (including owned, leased, hired, and non-owned automobiles) having limits of liability of not less than \$1,000,000 combined single limit for each accident for bodily injury and property damage combined. The automobile liability insurance policy shall be written on a form that provides coverage equal or greater than that provided in ISO Form CA 0001.

8.3. Professional Liability Insurance. Professional liability coverage limits of not less than \$2,000,000 per claim. Said professional liability insurance shall provide insurance coverage for all sums that CONSULTANT shall be obligated to pay as damages for claims or damages arising out of the Services provided or performed by CONSULTANT in conjunction with this Agreement, including, but not necessarily limited to, any acts or omissions of CONSULTANT or its Subconsultants of any tier. CONSULTANT's professional liability insurance shall apply on a primary basis, and any other insurance maintained by the TCAA shall be in excess of and shall not contribute with CONSULTANT's insurance. The professional liability insurance shall also be maintained for a minimum of three (3) years after completion of the Services under the scope of any Task Order pursuant to this Agreement, including any modification(s) thereto. A waiver of subrogation endorsement is required to be issued in favor of the TCAA.

8.4. Workers' Compensation and Employer's Liability – Workers' compensation insurance coverage to apply for all employees of CONSULTANT and anyone for whom CONSULTANT may be liable for workers' compensation claims arising out of or relating to the Services performed under this Agreement or any Task Order for statutory limits in compliance with all applicable state and federal laws and regulations. Companies with three (3) or fewer employees shall be required to have worker's compensation coverage meeting the minimum requirements of this section. CONSULTANT shall require:

- a) All Sub-Consultants to similarly provide workers' compensation insurance for their employees and anyone for whom such Subconsultants may be liable for workers' compensation claims arising out of or relating to the Services performed under this Agreement.
- b) Employer's liability insurance coverage in the amount of not less than \$1,000,000 for each accident for bodily injury and not less than One Million and No/100 Dollars \$1,000,000 for each employee for bodily injury or disease.
- c) Worker's Compensation Leasing shall not be an approved coverage without prior written approval from the TCAA. A Waiver of Subrogation Endorsement is required.

8.5. Commercial Umbrella/Excess Liability – follow form commercial umbrella/excess liability insurance, which will be identified to TCAA, in the amount of \$10,000,000. The commercial follow form umbrella/excess liability insurance shall have the same inception and expiration dates as the underlying liability policies and shall provide coverage no less broad than those in the primary policies.

8.6. TCAA to be Additional Insured: Each liability insurance policy required by this Agreement shall designate or name the TCAA and the TCAA's officers, directors, employees, representatives, and agents as additional insureds. The liability insurance shall apply on a primary and non-contributory basis with respect to any other liability insurance maintained by the TCAA. CONSULTANT's insurance shall contain a severability of interest provision, providing that, except with the respect to the total limits of liability, the insurance shall apply to each insured or additional insured in the same manner as if separate policies had been issued to each. The form of additional insured endorsement shall be at least as broad as ISO Form CG 2010 (11/85). If the GC 2010 (11/85) is not available, then the combination of CG 2010 (10/01) with CG 2037 (10/01) or their equivalent will be acceptable.

8.7. Evidence of Insurance: The insurance procured and maintained by CONSULTANT shall be subject to approval of the TCAA. CONSULTANT shall file with the TCAA prior to commencing any Services under this Agreement and at such other times requested by the TCAA, a Certificate(s) of Insurance evidencing the insurance coverage required herein. The required Certificates of Insurance shall: name the types of policies provided, refer specifically to this Agreement and section and the above paragraphs in accordance with which insurance is being furnished, and state that such insurance is required by this Agreement. All additional insured and waiver of subrogation endorsements shall be provided to the TCAA along with the Certificate of Insurance. Any Acceptance of Certificates of Insurance by the TCAA shall in no way relieve CONSULTANT of any duty or responsibility under this Agreement. Prior to commencing any Services under this Agreement and thereafter upon the TCAA's request, CONSULTANT shall promptly furnish or cause to be furnished to the TCAA complete copies of all policies of insurance procured and maintained by CONSULTANT and its Sub-Consultants of any tier in connection with CONSULTANT's insurance obligations under this Agreement.

8.8. Sub-Consultants' Insurance: CONSULTANT shall require and ensure that its Sub-Consultants of any tier procure and maintain insurance in like form and amounts, including the additional insured and waiver of subrogation requirements, as is required by CONSULTANT in this Agreement. CONSULTANT shall require its Sub-Consultants of any tier to furnish to the TCAA, prior to said Sub-Consultants performing any Services contemplated by this Agreement and thereafter upon the TCAA's request to CONSULTANT, Certificates of Insurance evidencing the insurance procured and maintained by said Sub-Consultants of any tier.

8.9. Waiver of Subrogation: Any policy of insurance issued pursuant to the requirements of this Agreement covering the CONSULTANT or its Sub-Consultants of any tier shall include an endorsement providing that the insurers waive their rights of subrogation against the TCAA and the TCAA's officers, directors, agents, representatives, employees, assigns, insurance carriers, and attorneys. CONSULTANT hereby waives and shall require its Sub-Consultants of any tier to waive, any and all rights of recovery which they or any of them may now have or subsequently may have against the TCAA and the TCAA's officers, directors, agents, representatives, employees, assigns, insurance carriers, and attorneys in connection with any insured loss arising out of or relating to the Services.

8.10. Notice of Cancellation and Renewal of Insurance: The insurance policies shall provide that the insurance shall not be canceled or reduced in an amount or coverage below the requirements of this Agreement, without at least thirty (30)-days' written notice to the TCAA as additional insured. In the

event any insurance coverage expires prior to the completion of the Services, renewal Certificates of Insurance shall be furnished to TCAA by no later than thirty (30) days prior to the date of expiration.

8.11. The Certificates of Insurance shall be forwarded directly to the following:

Deputy Director of Finance & Administration
Titusville-Cocoa Airport Authority
51 Bristow Way
Titusville, Florida 32780

9. USE OF DOCUMENTS AND ELECTRONIC DELIVERABLES.

9.1. All documents are instruments of service in respect to this Project, and CONSULTANT shall retain an ownership and property interest therein (including the right of reuse at the discretion of CONSULTANT) whether or not the Project is completed. Electronic files of text, data, graphics, or other types ("Electronic Deliverables ") that are furnished by CONSULTANT to TCAA are furnished for the convenience of TCAA. However, the Electronic Deliverables are subject to error and can be modified or corrupted without the knowledge or authorization of the CONSULTANT. Therefore, in the event of any discrepancy between the Electronic Deliverables and the signed and sealed printed copies (the "Hard Copies") of the documents furnished to TCAA, the Hard Copies shall govern and TCAA's use of the Electronic Deliverables is at TCAA's own risk.

9.2. When transferring Electronic Deliverables, CONSULTANT makes no representations as to long term compatibility, usability, or readability of documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by CONSULTANT during the project.

9.3. TCAA may make and retain copies of Electronic Deliverables for information and reference in connection with use on the Project by TCAA. Such Electronic Deliverables are not intended or represented to be suitable for reuse by TCAA or others on extensions of the Project or on any other project. CONSULTANT retains ownership of all documents and Electronic Deliverables and is providing such documents and Electronic Deliverables for TCAA's use only for this Project. TCAA is not authorized to use, reuse, or modify the documents or Electronic Deliverables for any other use or purpose. Any such reuse or modification without written verification or adaptation by The CONSULTANT, as appropriate for the specific purpose intended, shall be at TCAA's sole risk and without liability or legal exposure to CONSULTANT or its subconsultants.

9.4. TCAA shall have the unconditional right to receive, at any time upon request, a copy of all electronic files stored on CONSULTANT's principal computer that pertain specifically to the TCAA. Such files generally consist of AutoCAD drawings; Word, WordPerfect, Excel, and PDF documents, and image files. These files are backed up regularly and the back-up copies are stored off-premises, but all of the files reside in the principal computer hard drive. In the event that CONSULTANT personnel are unable to provide a copy of the electronic files to the TCAA (due to accident, injury, or other limitation), TCAA is authorized to retain and utilize a third party of its choosing to assist in obtaining and delivering the files to the TCAA.

9.5. Nothing in this section shall supplant or otherwise modify TCAA 's obligations to maintain and produce for inspection public records as set forth in chapter 119, Florida Statutes. Additionally, as a contractor/consultant for TCAA, CONSULTANT itself is or may be subject to the provisions of chapter 119, Florida Statutes, regarding public records. TCAA makes no representations to CONSULTANT

regarding the application of chapter 119, Florida Statutes, to CONSULTANT, and CONSULTANT acknowledges and represents that it is familiar with and will comply with all of its obligations under chapter 119, Florida Statutes. To the extent they are able, the Parties agree to assist one another with fulfilling any obligations under chapter 119, Florida Statutes, that either may have as a result of or related to this Agreement.

10. HAZARDOUS SITE CONDITIONS.

TCAA recognizes that the Project site may involve the presence of hazardous, toxic or pollutive substances. Unless specifically agreed to in a specific amendment hereto, CONSULTANT has no responsibility for the condition of the Project site or the handling, storage or disposal of any substance or materials from any Project site or otherwise.

11. CONFIDENTIALITY.

Subject to Section 8.5, above, and chapter 119, Florida Statutes, CONSULTANT agrees to keep confidential and not to disclose to any person or entity, other than CONSULTANT's employees, subconsultants and the general contractor and subcontractors, if appropriate, any data and information not previously known to and generated by The CONSULTANT or furnished to CONSULTANT and marked "Confidential" by TCAA. These provisions shall not apply to information in whatever form that comes into the public domain, nor shall it restrict CONSULTANT from giving notices required by law or complying with an order to provide information or data when such order is issued by a court, administrative agency or other authority with proper jurisdiction, or if it is reasonably necessary for CONSULTANT to defend itself from any suit or claim. TCAA agrees that the technical methods, techniques and pricing information contained in any proposal submitted by CONSULTANT pertaining to the Project or in this Agreement or any amendment hereto, are to be considered confidential and proprietary, and shall not be released or otherwise made available to any third party without the express written consent of the CONSULTANT.

12. EQUAL OPPORTUNITY EMPLOYER.

CONSULTANT is an equal opportunity employer. CONSULTANT does not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, disability or veteran status and will take affirmative action to employ and advance in employment qualified minorities, women, disabled veterans, veterans of the Vietnam Era or disabled individuals.

13. CONTINGENT FEES.

CONSULTANT warrants that it has not employed or retained any person or entity, other than bona fide employees working solely for CONSULTANT, whose fee, commission, percentage, gift, or other consideration from CONSULTANT is contingent upon, or results from, that person's or entity's procuring this Agreement.

14. CONTROLLING LAW/VENUE.

This Agreement, the rights and obligations of the Parties hereto, and any claims or disputes relating thereto shall be governed by, interpreted, construed and enforced in accordance with the laws of the State of Florida. Venue for any disputes arising from this agreement shall be Brevard County, Florida to the exclusion of all other jurisdictions and venues.

15. WAIVER OF JURY TRIAL.

TCAA and CONSULTANT hereby knowingly, voluntarily, and intentionally waive the right either of them have to a trial by jury with respect to any litigation based hereon, or arising out of, under or in connection with this Agreement and any agreement contemplated to be executed in conjunction herewith, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of either party.

16. DISPUTE COSTS.

In any litigation arising from this Agreement, the prevailing party may recover costs, expenses and attorneys' fees from the non-prevailing party including without limitation reasonable attorneys' fees incurred on appeal and in litigating entitlement to and/or amount of attorneys' fees to be awarded.

17. SUCCESSORS AND ASSIGNS.

Except as otherwise expressly provided, all provisions herein shall be binding upon and shall inure to the benefit of the Parties, their legal representatives, successors and assigns.

18. ENTIRE AGREEMENT.

This Agreement together with each separate Task Order and/or the exhibits thereto or other written amendment, constitute the entire and integrated Agreement between CONSULTANT and TCAA and supersedes all prior negotiations, representations or agreements, either written or oral as to the subject matter hereof. This Agreement and said attachments may only be amended, supplemented, modified, or canceled by written instrument signed by an authorized representative of each party. The captions and numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe or describe scope or intent of any paragraph nor in any way affect this Agreement.

19. SEVERABILITY.

If any provision of this Agreement or any application thereof to any person or circumstances shall, to any extent, be invalid, the remainder of this Agreement or the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby and each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

20. NOTICES.

Any notice, demand, request or other instrument which may be or required to be given under this Agreement shall be sent via electronic delivery, delivered in person, sent by United States First Class Certified or Registered Mail, Return Receipt Requested, postage prepaid, or sent by a reputable overnight courier service, and shall be addressed to either party at the address as herein above given, or at the current e-mail address for electronic delivery. Any notice shall be deemed delivered upon hand delivery, receipt of an acknowledging reply for electronic delivery, three (3) days after depositing such notice in postal receptacles, return receipt requested, or one (1) day after depositing such notice with a reputable overnight courier service. Either party may designate such other address as shall be given by written notice.

21. NO PARTNERSHIP.

Nothing contained in this Agreement shall, or shall be deemed or construed so as to create the relationship of employer-employee, principal-agent, joint ventures, co-ventures, or partners

between TCAA and CONSULTANT, and they are and shall remain independent contractors one as to the other.

22. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION (49 CFR PART 29).

CONSULTANT certifies, by submission of its proposal and acceptance of this Agreement, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any department or agency. It further agrees that by executing this Agreement, it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts, and subcontracts. Where CONSULTANT or any lower tier participant is unable to certify this statement, it shall attach an explanation to the salient document which shall remain a part thereof.

23. CERTIFICATION REGARDING FOREIGN TRADE RESTRICTIONS (49 CFR PART 30).

CONSULTANT and any subconsultant, by submission of an offer and/or execution of a contract related to any Task Order or other amendment hereto, certifies that it:

23.1. Is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);

23.2. Has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list.

23.3. Has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list.

23.4. Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to CONSULTANT or any subconsultant who is unable to certify to the above. If CONSULTANT knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the project, the Federal Aviation Administration may direct, through the TCAA, cancellation of the contract at no cost to the government.

23.5. Further, CONSULTANT agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. CONSULTANT may rely upon the certification of a prospective subconsultant unless it has knowledge that the certification is erroneous.

23.6. CONSULTANT shall provide immediate written notice to the TCAA if it learns that its certification or that of a subconsultant was erroneous when submitted or has become erroneous by reason of changed circumstances. The subconsultant agrees to provide immediate written notice to CONSULTANT, if at any time it learns that its certification was erroneous by reason of changed circumstances.

23.7. This certification is a material representation of fact upon which reliance was placed when making the award. If it is later determined that CONSULTANT or any subconsultant knowingly rendered an erroneous certification, the Federal Aviation Administration may direct, through the TCAA, cancellation of the contract or subcontract for default at no cost to the government.

23.8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of CONSULTANT is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

23.9. This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

24. VETERANS PREFERENCE.

In the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to veterans of the Vietnam era and disabled veterans as defined in Section 515(c)(1) and (2) of the Airport and Airway Improvement Act of 1982. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

25. BREACH OF CONTRACT TERMS.

Any violation or breach of the terms of this Agreement on the part of the CONSULTANT or its subconsultants and/or agents may result in the suspension or termination of this Agreement or such other action that may be necessary to enforce the terms of the parties hereto. The duties and obligations imposed by this Agreement and the rights and remedies available hereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law. (49 CFR Part 18).

26. ACCESS TO RECORDS AND REPORTS.

CONSULTANT shall maintain an acceptable cost accounting system. CONSULTANT agrees to provide the TCAA, the Federal Aviation Administration, and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers, and records of CONSULTANT which are directly pertinent to the specific contract for the purposes of making audit, examination, excerpts and transcriptions. CONSULTANT agrees to maintain all books, records and reports required under this contract for a period of not less than three (3) years after final payment is made and all other pending matters are closed. (49 CFR Part 18.36(i)).

27. RIGHTS TO INVENTIONS.

All rights to inventions and materials generated under this contract are subject to regulations issued by the FAA and the TCAA of the federal grant under which this contract is executed, if any. Information regarding these rights is available from the FAA and the TCAA. (49 CFR Part 18.36(i)(8)).

28. AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 - GENERAL CIVIL RIGHTS PROVISIONS.

CONSULTANT assures that it will comply with pertinent statutes, executive orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from federal assistance. This provision obligates the CONSULTANT or its transferee for the period during which federal assistance is extended to TCAA, except where federal assistance is monetary, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases the provision obligates CONSULTANT or any transferee for the

longer of the following periods: (a) the period during which the property is used by the airport sponsor or any transferee for a purpose for which federal assistance is extended, or for another purpose involving the provision of similar services or benefits or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property. In the case of contractors, this provision binds the contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

29. CIVIL RIGHTS ACT OF 1964, TITLE VI- CONTRACTOR CONTRACTUAL REQUIREMENTS (49 CFR PART 21).

During the performance of this Agreement, CONSULTANT, for itself, its assignees and successors in interest (hereinafter referred to as the "Contractor") agrees as follows:

30. COMPLIANCE WITH REGULATIONS.

Contractor shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

30.1. Nondiscrimination. Contractor, with regard to the work performed by it during the Agreement, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subconsultants, including procurements of materials and leases of equipment. Contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the regulations, including employment practices when the contract covers a program set forth in Appendix B of the regulations.

30.2. Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subconsultant or supplier shall be notified by Contractor of its obligations under this Agreement and the regulations relative to nondiscrimination on the grounds of race, color, or national origin.

30.3. Information and Reports. Contractor shall provide all information and reports required by regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the TCAA or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such regulations, orders, and instructions. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to the TCAA or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.

30.4. Sanctions for Noncompliance. In the event of Contractor's noncompliance with the nondiscrimination provisions of this Agreement, the TCAA shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

30.4.1. Withholding of payments to Contractor under the Agreement until the Contractor complies, and/or

30.4.2. Cancellation, termination, or suspension of the Agreement, in whole or in part.

30.5. Incorporation of Provisions. Contractor shall include the provisions of paragraphs 28.1 through 28.5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the regulations or directives issued pursuant thereto. Contractor shall take such action with respect to any subcontract or procurement as the TCAA or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event Contractor becomes involved in, or is threatened with, litigation with a subconsultant or supplier as a result of such direction from TCAA, Contractor may request the TCAA to enter into such litigation to protect the interests of the TCAA and, in addition, Contractor may request the United States to enter into such litigation to protect the interests of the United States.

31. TERMINATION OF CONTRACT.

31.1. This Agreement may be terminated without cause by either party upon thirty (30) days written notice. In the event of termination, CONSULTANT shall be compensated, as provided herein, for Services performed through the effective date of such written notice of termination, together with Reimbursable Expenses due and for all expenses directly attributable to termination.

31.2. If the Project is suspended for more than thirty (30) consecutive days, CONSULTANT shall be compensated, as provided herein, for Services performed through receipt of written notice of such suspension, together with Reimbursable Expenses then due. When the Project is resumed, CONSULTANT's compensation shall be equitably adjusted to provide for expenses incurred in the interruption and resumption of the CONSULTANT's Services.

32. DISADVANTAGED BUSINESS ENTERPRISES.

32.1. Contract Assurance (49 CFR Part 26.13). CONSULTANT or its subconsultants shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. CONSULTANT shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by CONSULTANT to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy, as the recipient deems appropriate.

32.2. Prompt Payment (49 CFR Part 26.29). CONSULTANT agrees to pay each subconsultant under this Agreement for satisfactory performance of its contract no later than 30 days from the receipt of each payment CONSULTANT receives from the TCAA. CONSULTANT agrees further to return any retainage payments to each subconsultant within 30 days after the subconsultant's work is satisfactorily completed and receipt of final payment CONSULTANT receives from the TCAA for the services of said subconsultant's satisfactorily completed work. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the TCAA. This clause applies to both DBE and non-DBE subconsultants.

33. LOBBYING AND INFLUENCING FEDERAL EMPLOYEES (49 CFR PART 20, APPENDIX A)

33.1. No federal appropriated funds shall be paid, by or on behalf of CONSULTANT, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any federal grant or any modification(s) thereof.

33.2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in

connection with any federal grant, CONSULTANT shall complete and submit Standard Form - LLL, "Disclosure of Lobby Activities," in accordance with its instructions.

34. COUNTERPARTS.

This Agreement may be executed in two or more counterparts, each of which may be executed by one or both of the Parties hereto, but all of which, when delivered and taken together, shall constitute but one Agreement binding upon both of the Parties hereto.

35. WAIVER OF CONSEQUENTIAL DAMAGES.

In no event shall either CONSULTANT or TCAA have any claim or right against the other, whether in contract, warranty, tort (including negligence), strict liability or otherwise, for any indirect, incidental or consequential damages of any kind or nature whatsoever, such as but not limited to loss of revenue, loss of profits on revenue, loss of customers or contracts, loss of use of equipment or loss of data, work interruption, increased cost of work or cost of any financing, howsoever caused, even if same were reasonably foreseeable.

36. FORCE MAJEURE.

In no event shall either CONSULTANT or TCAA have any claim or right against the other for any failure of performance where such failure of performance is caused by or is the result of causes beyond the reasonable control of the other party due to any occurrence commonly known as a "force majeure," including but not limited to: acts of God; fire, flood, or other natural catastrophe; acts of any governmental body; labor dispute or shortage; national emergency; insurrection; riot; or war.

37. GOOD FAITH.

This Agreement imposes an obligation of good faith, fair dealings and the mitigation of damages among the Parties in all matters relating to this Agreement. Good faith, for this purpose, includes honesty in fact and the observance of reasonable commercial standards of fair dealings and in the mitigation of damages even in situations where a decision is left to the sole discretion of a single party.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed on their behalf by their duly authorized representatives, under seal, all as of the day and year first above written.

TITUSVILLE-COCOA AIRPORT AUTHORITY

INFRASTRUCTURE CONSULTING & ENGINEERING, PLLC

By: _____

Name: Kevin Daugherty, AAE

Title: Director of Airports

Date: _____

By: Douglas Hambrecht

Name: Douglas Hambrecht

Title: Vice President

Date: 4/17/23

ATTEST

By: _____

Name: _____

Title: _____

Date: _____

By: Racheal Bennett

Name: Racheal Bennett

Title: Admin. Assistant

Date: 4/17/2023

{Corporate Seal}

{Corporate Seal}



Approved as to form and legality
this ____ day of _____, 2023

By: _____

Name: Adam M. Bird, Esq

Title: TCAA Legal Counsel

Infrastructure Consulting & Engineering Rate Calculator

Overhead: 180.01%
 Operating Margin: 15%
 FCCM (Facilities Capital Cost Money): 27.20%
 Expenses: home 9.31% field 12.76%



Classification	Rate	Times Overhead	Sum	Times OM	FCCM	Expenses (Home)	Total Burdened (Home)	Expenses (Field)	Total Burdened (Field)
Senior Project Manager	\$69.71	\$125.49	\$195.20	\$10.46	\$18.96	\$6.49	\$231.00		
Project Manager	\$64.90	\$116.83	\$181.74	\$9.74	\$17.65	\$6.04	\$215.00		
Senior Engineer	\$62.50	\$112.51	\$175.01	\$9.38	\$17.00	\$5.82	\$207.00		
Engineer	\$57.69	\$103.85	\$161.54	\$8.65	\$15.69	\$5.37	\$191.00		
Senior Planner	\$79.33	\$142.80	\$222.12	\$11.90	\$21.58	\$7.39	\$263.00		
Senior Architect	\$69.71	\$125.49	\$195.20	\$10.46	\$18.96	\$6.49	\$231.00		
Architect	\$57.69	\$103.85	\$161.54	\$8.65	\$15.69	\$5.37	\$191.00		
Junior Architect	\$36.06	\$64.91	\$100.97	\$5.41	\$9.81	\$3.36	\$120.00		
Environmental Scientist	\$69.71	\$125.49	\$195.20	\$10.46	\$18.96	\$6.49	\$231.00		
Designer	\$43.27	\$77.89	\$121.16	\$6.49	\$11.77	\$4.03	\$143.00		
Cad Tech	\$37.50	\$67.50	\$105.00	\$5.63	\$10.20	\$3.49	\$124.00		
Admin	\$26.44	\$47.60	\$74.04	\$3.97	\$7.19	\$2.46	\$88.00		
Senior Inspector	\$38.46	\$69.23	\$107.70	\$5.77	\$10.4615	3.58	\$128.00	\$4.91	\$128.83
Inspector	\$31.25	\$56.25	\$87.50	\$4.69	\$2.9094	2.91	\$98.00	\$3.99	\$99.09



The following invoices are presented to the Board for approval at the Regular Board Meeting being held April 20, 2023:

Arthur Dunn Airport

X21 – Master Plan Update

Ricondo & Associates - Request #4 – (2/1/2023 – 2/28/2023) - **\$15,525.70**

Space Coast Regional Airport

TIX – Master Plan Update

Ricondo & Associates - Request #4 – (2/1/2023 – 2/28/2023) - **\$15,005.28**

TIX – 1 Bristow Way

US Aviation Training Solutions, Inc. – (April 2023) - Purchase 1 Bristow Way - **\$1,000,000.00**

Merritt Island Airport

COI – North Area Security and Infrastructure Project

Carr & Collier – Pay App #8 – (11/1/2022 – 12/31/2022) – **\$7,505.00**

Carr & Collier – Pay App #9 – (1/1/2023 – 2/28/2023) - **\$162,282.85**

COI – Master Plan Update

Ricondo & Associates - Request #4 – (2/1/2023 – 2/28/2023) - **\$14,623.99**

John Craig, Chairman

Roger Molitor, Secretary

Airport Project Updates

Legacy Projects

- COI Corporate Hangar
- COI NASI

FLY SPACE COAST
TITUSVILLE-COCOA AIRPORT AUTHORITY
TIX, COI, X21



PROJECT: CORPORATE HANGAR – MERRITT ISLAND AIRPORT

BUDGET: \$700K (\$0 LOCAL MATCH)

CURRENT STATUS: **County Preconstruction meeting held 4/12/23. Obtained site permit, site work has begun.**

SCHEDULE: 7 MONTHS OF CONSTRUCTION PLUS 1 MONTH OF CLOSEOUT



PROJECT: NORTH AREA SECURITY AND INFRASTRUCTURE – MERRITT ISLAND AIRPORT

BUDGET: \$949K (\$189,800 LOCAL MATCH)

CURRENT STATUS: **Work continuing with contractor. Expect substantial completion in June.**

SCHEDULE: 5 MONTHS OF CONSTRUCTION PLUS 1 MONTH OF CLOSEOUT



COAST
RT AUTHORITY

Airport Project Updates

New Projects

- X21 AWOS
- COI AWOS
- TIX ATCT Design

FLY SPACE COAST
TITUSVILLE COCOA AIRPORT AUTHORITY
TIX, COI, X21

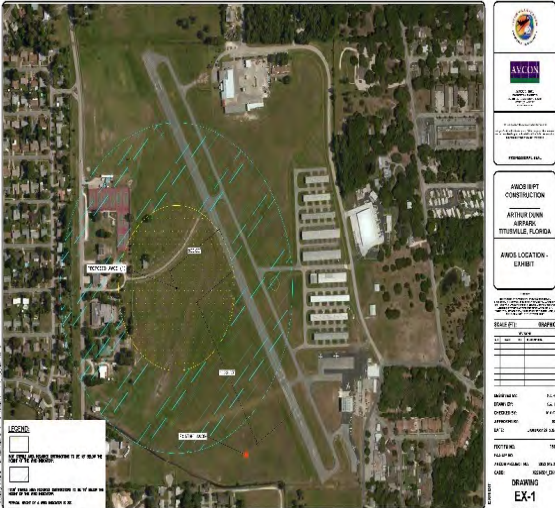


PROJECT: Automated Weather Observation System (AWOS) Replacement – Arthur Dunn Airpark

BUDGET: \$365,000 (80/20 FDOT Grant)

CURRENT STATUS: AVCON has approved submittals, AWOS equipment order will be placed this week.

SCHEDULE: Design will commence once the location is determined. Design and bidding is anticipated to take 90 days. Construction will commence upon award of bid. Equipment procurement is taking 6+ months from date of purchase.

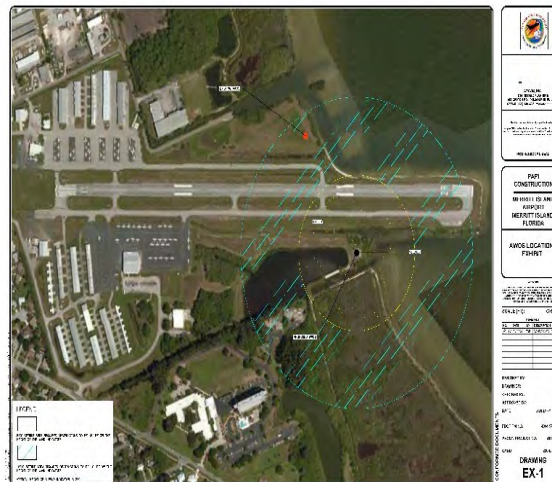


PROJECT: Automated Weather Observation System (AWOS) Replacement – Merritt Island Airport

BUDGET: \$500,000 (80/20 FDOT Grant)

CURRENT STATUS: AVCON has approved submittals, AWOS equipment order will be placed this week.

SCHEDULE: Design will commence once the location is determined. Design and bidding is anticipated to take 90 days. Environmental permitting on the alternative site might take an additional 120 days. Construction will commence upon award of bid. Equipment procurement is taking 6+ months from date of purchase.



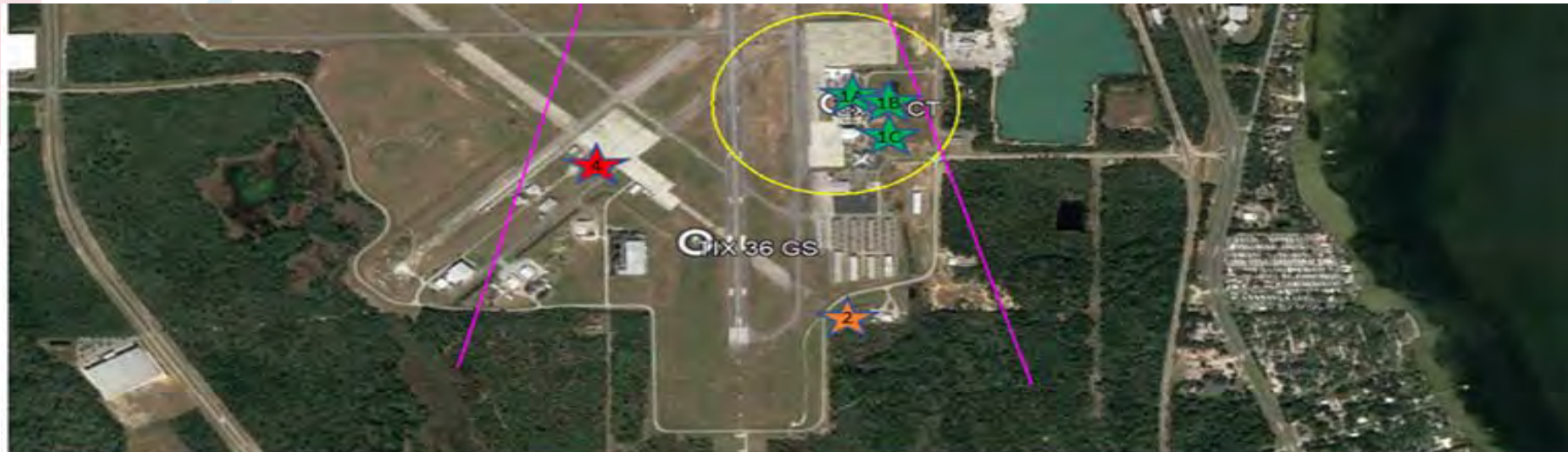
PROJECT: Design of the Replacement Airport Traffic Control Tower – Space Coast Regional Airport

BUDGET: \$960,000 (80/20 FDOT Grant)

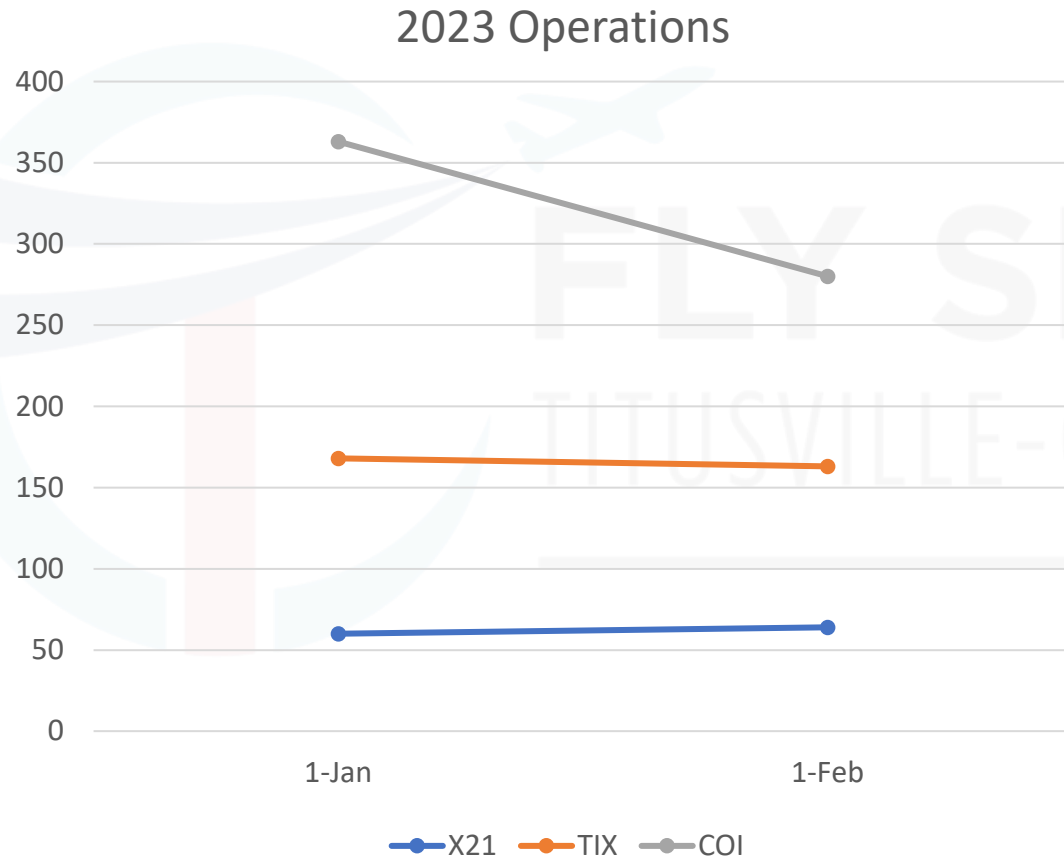
CURRENT STATUS: 90% design submittal received. Exploring additional options for funding.

SCHEDULE: 12 months

FLY SPACE COAST
TITUSVILLE-COCOA AIRPORT AUTHORITY



February 2023 Operations



X21 - 64
TIX - 163
COI - 280



Titusville-Cocoa Airport Authority, Florida
FINANCIAL STATEMENTS
September 30, 2022





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**Titusville-Cocoa Airport Authority
Board of Directors and Authority Officials
As of September 30, 2022**

Chairman
John Craig

Vice Chairman/Treasurer
Donn Mount

Board Members
Jessica Curry
Mark Grainger
Roger Molitor
Brad Whitmore
Albert Voss

Director of Airports
Kevin Daugherty, AAE

Attorney
Adam Bird



FINANCIAL SECTION



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Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

321.255.0088
386.336.4189 (fax)
CRIcpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Titusville-Cocoa Airport Authority

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Titusville-Cocoa Airport Authority (the "Authority"), a component unit of Brevard County, Florida, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Titusville-Cocoa Airport Authority, as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Titusville-Cocoa Airport Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As described in Note 2 to the financial statements, in fiscal year 2022, the District adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair

presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Titusville-Cocoa Airport Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Titusville-Cocoa Airport Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Titusville-Cocoa Airport Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the defined benefit pension plan information and the other postemployment benefits information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Titusville-Cocoa Airport Authority's basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, Rules of the Florida Auditor General is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, the accompanying budgetary comparison information and the capital projects summary but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.

If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 30, 2023, on our consideration of the Titusville-Cocoa Airport Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Titusville-Cocoa Airport Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Titusville-Cocoa Airport Authority's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 30, 2023

Titusville-Cocoa Airport Authority Management Discussion and Analysis

This section of the Titusville-Cocoa Airport Authority's (the Authority) annual financial report presents our discussion and analysis of the Authority's financial performance during the year ended September 30, 2022. Please read it in conjunction with the Authority's financial statements, which follows this section.

FINANCIAL HIGHLIGHTS (all dollar values rounded)

- The Authority's net position increased \$3,159,000 or 1%. In comparison, last year's net position increased \$853,000 or 1%.
- Operating revenues increased \$728,000 or 27%, and operating expenses increased \$1,789,000 or 46%. Operating expenses exceeded revenues by \$2,310,000, compared to \$1,249,000 in the prior year.
- Total non-operating expenses increased \$164,000. This change is primarily due to losses on disposition of assets in the current year.
- Capital contributions from federal, state, and other third parties totaled \$5,582,000, compared to \$2,191,000 in the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual financial report consists of three parts: management's discussion and analysis (this section); the financial statements and notes to the financial statements; and supplementary information. The notes to the financial statements explain some of the information in the financial statements and provide more detailed data. The financial statements are followed by required and other supplementary information that further explains and supports the information in the financial statements.

The financial statements include information about the Authority using accounting methods similar to those used by private sector companies. The statement of net position includes all of the Authority's assets, deferred outflows, liabilities, and deferred inflows. All of the current year's revenues and expenses are accounted for in the statement of revenues, expenses, and changes in net position, regardless of when cash is received or paid (accrual method of accounting). These two statements report the Authority's net position and how it has changed. Net position is the difference between the Authority's assets and deferred outflows, and liabilities and deferred inflows, and is one way to measure the Authority's financial health or position.

Over time, increases or decreases in the Authority's net position is an indicator of whether its financial position is improving or deteriorating, respectively. To assess the overall financial position of the Authority, one must consider additional nonfinancial factors, such as the condition of the Authority's significant assets such as runways and buildings.

FINANCIAL ANALYSIS

A. Net Position

The Authority's net position increased \$3,159,000 or 1%. In comparison, last year's net position increased \$853,000 or 1%. The following table summarizes these results.

Titusville-Cocoa Airport Authority Management Discussion and Analysis

FINANCIAL ANALYSIS *(continued)*

**Table A-1
Net Position**

	2022	2021 (Restated)	Change
Assets			
Current and other assets	\$ 4,046,589	\$ 4,669,730	-13%
Capital assets, net	63,336,816	59,563,344	6%
Other noncurrent assets	4,487,433	4,220,057	6%
Total assets	71,870,838	68,453,131	5%
Deferred outflows of resources	277,837	345,035	-19%
Liabilities			
Current liabilities	2,357,447	1,310,364	80%
Noncurrent liabilities	1,086,341	1,595,126	-32%
Total liabilities	3,443,788	2,905,490	19%
Deferred inflows of resources	4,738,251	5,085,395	-7%
Net position			
Net investment in capital assets	62,453,521	57,953,427	8%
Restricted for airport improvements	995,081	1,310,700	0%
Unrestricted net position	518,034	1,543,154	-66%
Total net position	\$ 63,966,636	\$ 60,807,281	5%

B. Changes in Net Position

Operating revenues increased \$728,000 or 27%, and operating expenses increased \$1,789,000 or 46%. Operating expenses exceeded revenues by \$2,310,000, compared to \$1,249,000 in the prior year.

Non-operating expenses increased \$164,000. This change is primarily due to the increase in loss on disposition of assets of \$196,000 offset by a decrease in interest expense as long-term debt is paid down.

Capital contributions from federal, state, and other third parties totaled \$5,582,000, compared to \$2,191,000 in the prior year. The increase is a result of an increase in grant-funded capital activity, as large projects were started in the current year, including master planning projects.

The following table summarizes these results.

Titusville-Cocoa Airport Authority Management Discussion and Analysis

FINANCIAL ANALYSIS *(continued)*

**Table A-2
Changes in Net Position**

	2022	2021	Change
Operating revenues			
T-hangars	\$ 1,228,893	\$ 1,168,352	5%
Fixed base operations	681,368	481,701	41%
Building, land, and other leases	1,264,053	1,028,578	23%
Other revenues	233,525	1,120	20750%
Total operating revenues	3,407,839	2,679,751	27%
Operating expenses			
Wages and benefits	1,259,860	603,389	109%
Repairs, maintenance, and other services	1,357,908	1,218,277	11%
Materials and supplies	601,680	54,164	1011%
Bad debt expense	32,751	80,258	0%
Uncollectible capital contributions	-	20,392	0%
Depreciation	2,465,786	1,952,749	26%
Total operating expenses	5,717,985	3,929,229	46%
Operating loss	(2,310,146)	(1,249,478)	85%
Nonoperating revenues (expenses):			
Interest income	139,757	6	2329183%
Loss on disposal of assets	(224,891)	(28,551)	688%
Interest	(27,694)	(60,091)	-54%
Total nonoperating revenues (expenses)	(112,828)	(88,636)	27%
Loss before contributions	(2,422,974)	(1,338,114)	81%
Capital contributions			
Other governmental	5,582,329	2,191,162	155%
Change in net position	3,159,355	853,048	270%
Total net position, beginning of year	60,807,281	59,954,233	1%
Total net position, end of year	\$ 63,966,636	\$ 60,807,281	5%

Titusville-Cocoa Airport Authority Management Discussion and Analysis

FINANCIAL ANALYSIS *(continued)*

C. Budgetary Highlights

The Authority prepares their budget on the cash basis. The budgetary comparison presented as required supplementary information removes accruals in order to present actual results on the same basis as the budgeted amounts. There were no amendments to the fiscal year 2022 budget from what was originally adopted.

T-Hangar revenues exceeded budget by \$41,000 due to demand and the ability to turn vacancies in a timely manner. Fixed base operations revenues exceeded budget by \$236,000 primarily from increased fuel flowage fees. Overall revenues were more than budgeted by \$587,000 due primarily to T-Hangar rentals and fixed based operations. Other rental activity increased as vacancies were filled, including Mini Sales (Airport Storage) at Merritt Island that contributed to the increased other rental income of \$78,000.

The following expenditure categories were over (under) budget, but full results are available at “Operating Budget to Actual Comparison, Budgetary Basis” on page 55.

	Budget	Actual	Difference
Salaries	\$ 837,919	\$ 918,455	9%
Employee benefits	252,902	258,658	2%
Repairs and maintenance	258,000	304,688	15%
Insurance	330,124	313,168	-5%

Employee salaries and benefits were over-budget due to hiring of additional personnel and pay adjustments that occurred during the fiscal year.

Professional services exceeded the budget by \$274,000 as a result of the need for temporary contract labor in the implementation of the new accounting software and for litigation support. However, these excess expenses were offset in part with Contingency funds totaling \$86,000. Full results are available at “Operating Budget to Actual Comparison, Budgetary Basis” on page 55.

CAPITAL ASSETS AND DEBT ADMINISTRATION

A. Capital Assets

The following is a summary of large construction projects in progress as of September 30, 2022.

Major projects in progress:

Project Name:	Costs to Date
TIX Runway 9-27 Rehab	\$ 3,772,603
TiX Taxilane and Apron	952,298
COI North Area Security	639,976
	<u>\$ 5,364,877</u>

Titusville-Cocoa Airport Authority Management Discussion and Analysis

CAPITAL ASSETS AND DEBT ADMINISTRATION *(continued)*

The following is a summary of capital assets shown net of related accumulated depreciation/amortization.

**Table A-3
Summary of Changes in Capital Assets**

	2022	2021	Change
Land	\$ 10,341,428	\$ 9,819,667	5%
Buildings and improvements	19,549,439	20,606,999	-5%
Runways and lighting	25,483,200	23,619,582	8%
Furniture, fixtures, and equipment	975,358	1,028,194	-5%
Vehicles	141,475	200,139	-29%
Construction in process	6,845,916	4,288,763	60%
Total	\$ 63,336,816	\$ 59,563,344	6%

B. Long-term Debt

During the current fiscal year, the Authority paid off all notes outstanding resulting in a decrease of \$1,296,000 in long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

As of September 30, 2022, the Authority has several on-going projects which include the AWOS project at Arthur Dunn, AWOS project at Merritt Island, North Area Security and Infrastructure Project at Merritt Island, Runway 11-29 rehabilitation project at Merritt Island, South Apron Project at Merritt Island, Corporate Hangar project at Merritt Island, Hangar 52 Demo project at Space Coast Regional, Valiant Air Command Ramp at Space Coast Regional, Design and Construction of Runway 09/27 Rehab at Space Coast Regional, and updates to the Master Plan for all three (3) airports. These projects receive funding assistance from the Federal Aviation Administration (FAA), the Florida Department of Transportation (FDOT) and from private sources.

For fiscal year ending September 30, 2022, the Authority expects to complete the North Area Security and Infrastructure project at Merritt Island, AWOS project at Merritt Island, the Runway 9/27 project at Space Coast Regional, the VAC Apron and East Side Apron projects at Space Coast Regional and the AWOS project at Arthur Dunn. These projects are essential to the backbone of our airports and provide much needed improvements to our facilities, which in turn benefits our tenants and traveling public.

Titusville-Cocoa Airport Authority Management Discussion and Analysis

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This annual financial report is designed to provide citizens, taxpayers, customers, and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Authority's office at (321) 267-8780, or write them at 355 Golden Knights Boulevard, Titusville, Florida 32780.



TITUSVILLE-COCOA AIRPORT AUTHORITY

Basic Financial Statements

Titusville-Cocoa Airport Authority
Statement of Net Position

<i>September 30,</i>	2022
ASSETS	
Current assets	
Cash and cash equivalents	\$ 2,036,711
Restricted cash and cash equivalents	233,030
Accounts receivable	238,763
Leases receivable	240,319
Due from other governments	1,277,145
Prepaid expenses	20,621
Total current assets	4,046,589
Noncurrent assets	
Capital assets:	
Land	10,341,428
Buildings and improvements	34,205,899
Runways and lighting	42,252,914
Furniture, fixtures, and equipment	3,259,070
Vehicles	1,211,698
Construction in process	6,845,916
Accumulated depreciation	(34,780,109)
Leases receivable	4,487,433
Total noncurrent assets	67,824,249
Total assets	71,870,838
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	272,270
Deferred outflows related to other post-employment benefits	5,567
Total deferred outflows of resources	277,837

The accompanying notes are an integral part of this financial statement.

September 30,

2022

LIABILITIES

Current liabilities

Accounts payable	826,672
Retainage payable	369,218
Accrued expenses and other liabilities	60,978
Legal settlement	470,000
Refundable deposits	233,030
Unearned revenue	348,869
Compensated absences	48,680
Total current liabilities	2,357,447

Noncurrent liabilities

Net pension liabilities	1,069,387
Other post-employment benefits liability	16,954
Total noncurrent liabilities	1,086,341

Total liabilities **3,443,788**

DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to pensions	198,131
Deferred inflows related to leases	4,540,120
Total deferred inflows of resources	4,738,251

NET POSITION

Net investment in capital assets	62,453,521
Restricted for airport improvements	995,081
Unrestricted	518,034

Total net position **\$ 63,966,636**

Titusville-Cocoa Airport Authority
Statement of Revenues, Expenses, and Changes in Net Position

<i>For the years ended September 30,</i>	2022
Operating revenues	
T-hangars	\$ 1,228,893
Fixed base operations	681,368
Building, land, and other leases	1,264,053
Miscellaneous revenue	233,525
Total operating revenues	3,407,839
Operating and maintenance expenses	
Wages and benefits	1,259,860
Repairs, maintenance, and other services	1,357,908
Materials and supplies	601,680
Depreciation	2,465,786
Bad debt expense	32,751
Total operating and maintenance expenses	5,717,985
Operating loss	(2,310,146)
Non-operating revenues (expenses)	
Interest income	139,757
Loss on disposal of assets	(224,891)
Interest expense	(27,694)
Total non-operating revenues (expenses)	(112,828)
Loss before contributions	(2,422,974)
Capital contributions	5,582,329
Change in net position	3,159,355
Net position, beginning of year	60,807,281
Net position, end of year	\$ 63,966,636

The accompanying notes are an integral part of this financial statement.



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Titusville-Cocoa Airport Authority
Statement of Cash Flows

For the years ended September 30, **2022**

Cash flows from operating activities	
Cash received from tenants	\$ 2,468,624
Cash received from other sources	233,525
Cash paid to employees for services	(1,191,250)
Cash paid to suppliers for goods and services	(1,925,505)
Net cash provided by (used in) operating activities	(414,606)
 Cash flows from capital and related financing activities	
Cash received from capital grants and contributions	5,260,255
Cash paid for acquisition and construction of capital assets	(5,292,739)
Cash received from sale of capital assets	73,164
Cash paid for principal on notes	(1,296,141)
Cash paid for interest on notes	(27,694)
Net cash provided by (used in) capital and related financing activities	(1,283,155)
 Cash flows from investing activities	
Cash received from sale of land held for investment	1,105,645
Cash received for interest income	139,757
Net cash provided by (used in) investing activities	1,245,402
 Increase (decrease) in cash and cash equivalents	 (452,359)
 Cash and cash equivalents, beginning of year	 2,722,100
Cash and cash equivalents, end of year	\$ 2,269,741

<i>Following is a reconciliation of the cash as of September 30,</i> 2022	
Cash and cash equivalents	\$ 2,036,711
Cash and cash equivalents, restricted	233,030
Total cash and cash equivalents, end of year	\$ 2,269,741

The accompanying notes are an integral part of this financial statement.

For the years ended September 30,

2022

**RECONCILIATION OF OPERATING LOSS TO NET CASH
PROVIDED BY (USED IN) OPERATING ACTIVITIES**

Operating loss	\$ (2,310,146)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:	
Depreciation	2,465,786
Bad debt expense	32,751
Change in assets, deferred outflows, liabilities and deferred inflows:	
(Increase) decrease in assets and deferred outflows:	
Accounts receivable	(240,786)
Leases receivable	(507,695)
Prepaid expenses	(20,621)
Deferred outflows related to pensions	66,474
Deferred outflows related to other postemployment benefits	724
Increase (decrease) in liabilities and deferred inflows:	
Accounts payable	91,875
Accrued expenses and other liabilities	(4,420)
Refundable deposits	(310,023)
Net pension liabilities	672,701
Other postemployment benefits liability	(4,082)
Deferred inflows related to pensions	(667,207)
Deferred inflows related to leases	320,063
Total adjustments	1,895,540
Net cash provided by (used in) operating activities	\$ (414,606)

Supplemental non-cash disclosures

2022

Land reclassified to held for resale	\$ 93,000
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Titusville-Cocoa Airport Authority Notes to Financial Statements

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Titusville-Cocoa Airport Authority (the "Authority"), a component unit of Brevard County, Florida, operates and maintains three general aviation airports within the Titusville-Cocoa Airport District (the "District") in Brevard County, Florida. The three airports served by the District are Space Coast Regional Airport, Arthur Dunn Airpark, and Merritt Island Airport. The District is bound on the north and west by the Brevard County line, the east by the Atlantic Ocean, and on the south by the Township 25 line, which is approximately three and three-quarter miles north of the Pineda Causeway. The Authority and the District were created under the Titusville-Cocoa Airport District Act of 1963, Chapter 63- 1143, Laws of Florida, Special Acts of 1963 (the Act).

A. REPORTING ENTITY

The Authority is a dependent, special district of Brevard County, Florida under Chapter 189.403, Florida Statutes, and as such, Brevard County approves the Authority's annual budget. The Authority is governed by a 7 member Board of Directors which consists of two members appointed by each of the respective County Commissioners of Districts 2 and 4, one member appointed by the District 1 County Commissioner, one member appointed by the City of Titusville, and one member-at-large appointed by the Brevard County Board of County Commissioners. The Authority does not exercise control over other government agencies or authorities.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The Authority uses the *economic resources measurement focus* and the *accrual basis of accounting* for its financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The following is a description of the sole proprietary fund of the Authority.

Enterprise Fund – The Authority operates as an enterprise fund that accounts for the construction, operation and maintenance of the Authority.

This fund is used to account for the acquisition, operation and maintenance of Authority facilities and services that are entirely or predominantly self-supported by user fees. The operations of enterprise funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises.

C. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The budgetary policy for the Board of Directors of the Authority involves establishing an annual operating expense budget. A tentative annual operating expense budget is to be adopted prior to July 1 of each year, and approved by the Brevard County Board of County Commissioners. Brevard County Board of Commissioners action is required for the approval of a supplemental or amended budget.

Titusville-Cocoa Airport Authority Notes to Financial Statements

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Budgetary control is maintained at the line item level. The budget is prepared on an accrual basis of accounting, which is consistent with generally accepted accounting principles. All appropriations that are not expensed or committed lapse at year end.

Actual results of operations presented in accordance with generally accepted accounting principles (GAAP basis) and the Authority's accounting policies do not recognize encumbrances as expenditures until the period in which the actual goods or services are received and a liability is incurred.

D. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

E. DEPOSITS AND INVESTMENTS

Cash and Cash Equivalents

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Deposits

As of September 30, 2022, \$500,000 of the Authority's bank balances is covered by federal depository insurance (FDIC). Monies invested in amounts greater than the insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the Authority pursuant to Section 280.08, Florida Statutes.

F. RECEIVABLES

Accounts receivable – The Authority has hangar and aeronautical (regulated) lease agreements and other receivables accrued at year-end. The Authority's hangar and aeronautical lease agreements are billed in advance on the 1st of each month, and the Authority pursues collections for those accounts in arrears. The Authority deems all amounts collectable therefore an allowance for doubtful accounts is not necessary. The Authority charges interest on delinquent accounts.

Titusville-Cocoa Airport Authority Notes to Financial Statements

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. RECEIVABLES (Continued)

Leases receivable – The Authority has commercial lease agreements for building and land. The Authority's commercial lease receivables are measured at the present value of lease payments expected to be received during the lease term at a discount of 3.25%, which is the Authority's estimated incremental borrowing rate. Subsequently, the lease receivable is reduced by the principal portion of lease payments received over the life of the lease term. Most leases include increases of a minimum percentage or escalate with CPI or fair value adjustments.

Due from other governments – The Authority has recorded amounts due from other governments, primarily related to capital contributions due to the Authority arising from grant agreements with the State of Florida and the Federal Aviation Administration. Due from other governments at September 30, 2022 and 2021 was comprised of amounts which had been submitted for reimbursement (billed) as well as amounts which had been earned but not yet submitted for reimbursement (unbilled). Unbilled receivables related to grant funded projects included in due from other governments was \$512,572 and \$347,257 at September 30, 2022 and 2021, respectively.

G. RESTRICTED ASSETS

Certain assets of the Authority are classified as restricted cash and cash equivalents on the statement of net position because their use is limited by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors or laws or regulations of other governments. Special restricted asset accounts have been established in the Authority's book and records to account for the sources and uses of these limited use assets as follows:

Customer deposit accounts – Customer deposits are deposited in non-interest bearing accounts and refunded upon termination of rental agreement with the Authority and satisfaction of all obligations due.

H. DEFERRED OUTFLOWS OF RESOURCES

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then.

The deferred outflows reported by the Authority are an aggregate of items related to pensions as calculated in accordance with GASB Codification (GASBC) Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria* and GASB Codification P52: *Post-employment Benefits Other Than Pensions – Reporting Benefits Not Provided Through Trusts That Meet Certain Criteria*. The deferred outflows related to pensions and other post-employment benefits will be recognized as either pension expense or a reduction in the net pension liabilities or the other post-employment benefits liability in future reporting years.

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. UNEARNED REVENUE

Unearned revenue recorded on the statement of net position represents amounts received by the Authority, but for which the Authority has not yet completed the eligibility requirements to recognize the revenue.

J. RETAINAGE PAYABLE

Retainage payable consists of amounts due to construction contractors for construction in process under retainage provisions of construction contracts.

K. CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, runways, taxiways, buildings, and similar items), are reported in the financial statements. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost, if purchased or constructed, and at acquisition value at the date of donation, if donated. Major additions are capitalized while maintenance and repairs, which do not improve or materially extend the life of the respective assets are charged to expense. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets are depreciated or amortized using the straight-line method over the following average useful lives:

Buildings and improvements	5 – 39 years
Runways, lighting, and ramps	7 – 33 years
Furniture, fixtures, equipment, and vehicles	3 – 10 years

L. LONG-TERM DEBT

Long-term debt and other long-term obligations are reported as liabilities in the statement of net position. In accordance with GASB Codification Section I30: *Interest Costs – Imputation*, debt issuance costs are expensed in the period incurred except for prepaid insurance costs.

M. COMPENSATED ABSENCES

The Authority’s policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for compensated absences includes salary-related benefits, where applicable. Thirty-three percent (33%) of any unused accumulated sick leave earned – not to exceed 240 hours – is payable when an employee properly resigns, is laid off, or otherwise separates from service in good standing.

Titusville-Cocoa Airport Authority Notes to Financial Statements

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

The Authority participates in a cost-sharing multiple-employer post-employment health plan administered by Brevard County, Florida. The Authority's proportionate share of OPEB amounts were further allocated to each participating employer based on the contributions paid by each employer. There are no investments as this is a pay-as you-go plan.

O. PENSIONS

The Authority participates in cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State Board of Administration, the Florida Retirement System.

For purposes of measuring the net pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan.

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. DEFERRED INFLOWS OF RESOURCES

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The deferred inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria*. The deferred inflows related to pensions will be recognized as a reduction to pension expense in future reporting years.

The deferred inflows related to other post-employment benefits (OPEB) are an aggregate of items related to other post-employment benefits as calculated in accordance with GASB Codification P52: *Postemployment Benefits other Than Pensions – Reporting for Benefits not Provided through Trusts that Meet Specified Criteria*. The deferred inflows related to OPEB will be recognized as a reduction to employee benefit expense in future reporting years.

The deferred inflows of resources related to leases are associated with amounts owed to the Authority, as lessor, by entities leasing the Authority's capital assets as calculated in accordance with GASB Codification L20: *Leases*. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is recognized as revenue on a straight-line basis over the term of the lease.

Titusville-Cocoa Airport Authority Notes to Financial Statements

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. NET POSITION

Categories and Classification of Net Position

Net position flow assumption – Sometimes the Authority will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted and as net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Authority's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

The provisions of GASB Codification P80: *Proprietary Fund Accounting and Financial Reporting*, specifies the following classifications:

Net investment in capital assets – Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position.

Restricted net position – Restricted net position are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. There was no restricted net position at September 30, 2022.

Unrestricted net position – Unrestricted net position is the residual classification.

R. REVENUES AND EXPENSES

The Authority distinguishes operating revenues and expenses from nonoperating items in accordance with GASB Codification P80: *Proprietary Fund Accounting and Financial Reporting*. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Authority are charges to customers for hangar rentals, building leases, rent and fuel flowage fees from fixed base operators, revenue from mini warehouses. Operating expenses for enterprise funds and include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

S. GRANTS/CAPITAL CONTRIBUTIONS

Grants restricted for capital asset acquisition and construction are recorded as capital contributions. Grant revenue that can be used for operating purposes is classified as nonoperating revenue. They are considered earned when all applicable eligibility requirements have been met and it is earned by the Authority.

Titusville-Cocoa Airport Authority Notes to Financial Statements

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

T. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 30, 2023. See Note 16 for relevant disclosure(s). No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

U. FUTURE ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 96, *Subscriptions-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset an intangible asset-and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 100, *Accounting Changes and Error Corrections*, This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

U. FUTURE ACCOUNTING PRONOUNCEMENTS (Continued)

GASB Statement No. 101, *Compensated Absences*, The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

The Authority is evaluating the requirements of the above statements and the impact on reporting.

Note 2 – CHANGE IN ACCOUNTING PRINCIPLE

In fiscal year 2022, the Authority implemented GASB Statement No. 87, *Leases*. The statement required the restatement of the September 30, 2021 net position to record the difference in the deferred inflows under the new standard. This change is in accordance with generally accepted accounting principles.

Net position, September 30, 2021, as previously reported	\$ 60,807,281
Lease receivable	4,220,057
Deferred inflow of resources related to leases	(4,220,057)
<hr/>	
Net position, September 30, 2021, as restated	<u>\$ 60,807,281</u>

Note 3 – DEPOSITS

As discussed in Note 1E, the Authority maintains its cash deposits in Qualified Public Depositories as defined and in accordance with Florida Statutes. At September 30, 2022 the Authority reported a carrying amount of deposits of \$2,269,741 and a bank balance of \$2,125,676.

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 4 – CAPITAL ASSETS

The following is a summary of changes in capital assets during the year ended September 30, 2022.

	Beginning Balance	Increases and transfers	Decreases and transfers	Ending Balance
Capital assets not being depreciated:				
Land	\$ 9,819,667	\$ 621,761	\$ (100,000)	\$ 10,341,428
Construction in process	4,288,763	5,617,094	(3,059,941)	6,845,916
Total capital assets not being depreciated	14,108,430	6,238,855	(3,159,941)	17,187,344
Capital assets, being depreciated:				
Runways and lighting	39,236,932	3,015,982	-	42,252,914
Buildings and improvements	34,116,136	89,763	-	34,205,899
Furniture, fixtures, and equipment	3,204,471	54,599	-	3,259,070
Vehicles	1,273,675	-	(61,977)	1,211,698
Total capital assets being depreciated	77,831,214	3,160,344	(61,977)	80,929,581
Less accumulated depreciation for:				
Runways and lighting	15,617,350	1,152,364	-	16,769,714
Buildings and improvements	13,509,137	1,147,323	-	14,656,460
Furniture, fixtures, and equipment	2,176,277	107,435	-	2,283,712
Vehicles	1,073,536	58,664	(61,977)	1,070,223
Total accumulated depreciation	32,376,300	2,465,786	(61,977)	34,780,109
Total capital assets, being depreciated, net	45,454,914	694,558	-	46,149,472
Total capital assets, net	\$ 59,563,344	\$ 6,933,413	\$ (3,159,941)	\$ 63,336,816

Depreciation expense was \$2,465,786 for the year ended September 30, 2022.

Note 5 – NOTE PAYABLE

Revenue and refunding note series 2015 - In February 2015, the Authority entered into a note payable with a bank in the principal amount of \$2,000,000 at an interest rate, of 3.69% multiplied by one minus one times the highest corporate income tax rate divided by 0.65, payable in equal installments over 15 years. The note is secured by a pledge of all income, rates, fees, rentals, other charges, and any investment income. The note includes a penalty for prepayment. In January 2018, due to a reduction of the maximum corporate income tax rate the interest rate was adjusted by the note holder from 3.69% to 4.485% effective January 1, 2018. The note was issued to refund the Authority's Capital Improvement Refunding Note, Series 2003 and to pay for the cost of issuance. In October 2021, the Authority paid off the remaining balance of this note for the amount of \$1,116,712 which included a prepayment penalty of \$22,857.

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 6 – CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended September 30, 2022, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes from direct borrowings:					
Note payable	\$ 1,296,141	\$ -	\$(1,296,141)	\$ -	\$ -
Total notes from direct borrowings	1,296,141	-	(1,296,141)	-	-
Compensated absences	51,092	45,427	(47,839)	48,680	48,680
Total long-term liabilities	\$ 1,347,233	\$ 45,427	\$(1,343,980)	\$ 48,680	\$ 48,680

Note 7 – NET INVESTMENT IN CAPITAL ASSETS

The details of the Authority's investment in capital assets, net of related debt, accounts payable, and retainage payable is as follows:

<i>September 30,</i>	2022
Capital assets, net	\$ 63,336,816
Accounts payable related to capital assets	(514,077)
Retainage payable	(369,218)
Net investment in capital assets	\$ 62,453,521

Note 8 - RETIREMENT PLANS

A. DESCRIPTION OF PLANS

The Authority participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries.

Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature.

The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees.

Note 8 - RETIREMENT PLANS (Continued)

The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

B. PLAN BENEFITS

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

C. CONTRIBUTIONS

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan.

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 8 - RETIREMENT PLANS (Continued)

C. CONTRIBUTIONS (Continued)

The employer's contribution rates as of September 30, 2022, were as follows:

<i>September 30,</i>	2022	
	FRS	HIS
Regular class	11.91%	1.66%
Special risk class	27.83%	1.66%
Senior management service class	31.57%	1.66%
Elected officials	57.00%	1.66%
DROP from FRS	18.60%	1.66%

The employer's contributions for the year ended September 30, 2022 were \$98,708 to the FRS Pension Plan and \$11,922 to the HIS Program.

D. PENSION LIABILITIES, PENSION EXPENSE, DEFERRED OUTFLOWS, AND DEFERRED INFLOWS

In its financial statements for the year ended September 30, 2022, the Authority reported liabilities for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2022. The Authority's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

<i>September 30,</i>	2022	
	FRS	HIS
Net Pension Liability	\$ 860,693	\$ 208,694
Proportion at:		
Measurement date, respectively	0.0023%	0.0020%
Pension expense (benefit)	\$ 80,164	\$ 2,840

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 8 – RETIREMENT PLANS (Continued)

D. PENSION LIABILITIES, PENSION EXPENSE, DEFERRED OUTFLOWS, AND DEFERRED INFLOWS (Continued)

At September 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 40,878	\$ -	\$ 6,334	\$ (918)
Change of assumptions	105,998	-	11,962	(32,285)
Net difference between projected and actual earnings on pension plan investments	56,831		302	-
Employer specific amounts due to changes in Authority's proportionate share	-	(124,602)	16,919	(40,326)
Authority pension plan contribution subsequent to the measurement date	29,263	-	3,783	-
Total	\$ 232,970	\$ (124,602)	\$ 39,300	\$ (73,529)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liabilities in the reporting period ending September 30, 2023.

Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<i>Year Ending September 30:</i>	FRS		HIS	
2023	\$ 19,130		\$ (9,103)	
2024		7,219		(4,909)
2025		(6,460)		(2,244)
2026		56,211		(4,968)
2027		3,005		(11,532)
Thereafter		-		(5,256)
Total	\$ 79,105		\$ (38,012)	

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 8 – RETIREMENT PLANS (Continued)

E. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

The total pension liability for each of the defined benefit plans was measured as of June 30, 2022. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2022. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2021.

The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary increases, including inflation	3.25%	3.25%
Investment rate of return	6.70%	N/A
Discount rate	6.70%	3.54%

2022

Mortality assumptions	
FRS	PUB-2010 with projected generations with scale MP-2018
HIS	PUB-2010 with projected generations with scale MP-2018
Actuarial experience study FRS and HIS	Period July 1, 2013 through June 30, 2018

The following key changes in actuarial assumptions occurred in:

2022

FRS	The long-term expected rate of return and the discount rate used to determine the total pension liability was decreased from 6.80% to 6.70%.
HIS	The municipal bond index rate and the discount rate used to determine the total pension liability was adjusted from 2.16% to 3.54%. The demographic assumptions for the Special Risk class were updated to reflect plan changes due to HB5007, HB689, and SB838. The election assumption for vested terminated members was updated from 20% to 50% to reflect recent experience.

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 8 – RETIREMENT PLANS (Continued)

E. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (Continued)

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption of 2.4%.

For the FRS Pension Plan, the table below summarizes the consulting actuary’s assumptions based on the long-term target asset allocation at July 1, 2022:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return
Cash	1.0%	2.60%	2.60%
Fixed income	19.8%	4.40%	4.40%
Global equity	54.0%	8.80%	7.30%
Real estate	10.3%	7.40%	6.30%
Private equity	11.1%	12.00%	8.90%
Strategic investments	3.8%	6.20%	5.90%
Total	100%		

Discount Rate – The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.70% for the year ended June 30, 2022. FRS’ fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return for both years.

Because the HIS Program is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.54% at June 30, 2022, was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis – The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer’s proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

	FRS			HIS		
	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Authority's proportionate share of the net pension liability (asset)	\$ 1,488,510	\$ 860,693	\$ 355,764	\$ 238,763	\$ 208,694	\$ 183,812

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 8 – RETIREMENT PLANS (Continued)

E. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (Continued)

Detailed information about the pension plans' fiduciary net position is available in the Plan's separately issued financial reports.

Note 9 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

A. PLAN DESCRIPTION

As a dependent Special District of Brevard County, Florida (the "County"), the Authority is a member of the County's benefit plan. The Brevard County Board of County Commissioners (the "Board") administers a single employer defined benefit healthcare plan (the "Plan") that provides health care benefits including medical coverage and prescription drug benefits to its employees and their eligible dependents.

Pursuant to Section 112.0801 Florida Statutes, the Authority is required to provide eligible retirees (as defined in the County's pension plan) the opportunity to participate in this Plan at the same cost that is applicable to active employees. Employees who are active participants in the Plan at the time of retirement and are either age 62 with completion of six years of service or have 30 years of service are eligible to receive benefits.

Plan membership was as follows:

<i>Year ended September 30,</i>	2022
Active participants	13
Inactive retirees	2

Benefit provisions can only be amended by the Board. On at least an annual basis, and prior to the enrollment process, the Board approves the rates for the coming year for the retiree, employee and County contributions. The Board or Authority does not issue stand-alone financial statements for this Plan. All financial information related to the Plan is accounted for in the Authority's basic financial statements.

B. FUNDING POLICY

For the year ended September 30, 2022, the maximum employer contribution target is 56% of the annual premium cost of the Plan. The annual premium costs are between \$7,711 and \$12,921 for retirees and spouses under age 65 and between \$1,933 and \$5,945 for retirees and spouses over age 65. Employees hired prior to January 1, 2006 are eligible to receive 100% of the earned percentage of benefits for their lifetime upon attainment of age 62 and completion of six years of service or upon completing 30 years of service, if earlier. Employees hired on or after January 1, 2006 are eligible to receive a graduated earned percentage of benefits upon retirement based on years of service.

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 9 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (Continued)

B. FUNDING POLICY (Continued)

For the year ended September 30, 2022, the portion of contribution attributed to the Authority is \$1,532, which includes both an estimate of the implied subsidy described above and the explicit subsidy paid on behalf of eligible retirees.

C. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

These calculations are based on the Entry Age Normal cost method required by GASB Codification P52: *Other Postemployment Benefits*. The total OPEB liability in the September 30, 2022, actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

	2022
Salary increases	2.00%
Discount Rate	4.77%
Healthcare cost trend rates	
Decreasing by 0.5% per year to 5% in 2024	7.00%
Retirees' share of benefit-related costs	44%

The discount rate was based on the December average of the Municipal Bond Index Rate used is of the Bond Buyer GO 20-year Municipal Bond Index published by The Bond Buyer.

2022	
Mortality rates	PUB-2010 General Headcount-Weighted Mortality, projected using MP-2021
Valuation date	October 1, 2022
Measurement date	September 30, 2022
Disability rates	None assumed.
Participation	75% of active participants are assumed to participate at retirement, and will remain in the same plan as they currently are enrolled.
Claims cost	\$12,494 - \$13,969
Retirement marriage assumptions	70% are assumed to be married with husbands three years older than wives. Actual spouse data used for retirees not missing spouse date of birth and the assumptions that husbands are three years older than wives used for retirees missing spouse date of birth.

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 9 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (Continued)

C. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (Continued)

2022

Administrative expenses Implicitly included in premiums for all the fully-insured plans and not included in Per Capita Costs for the self-insured plans.

Changes since last valuation

- The discount rate was changed from 2.43% to 4.77%.
- The healthcare trend rate was changed from 6.00% to 7.00%.
- The Per Capita Claim Costs were updated as shown above.

The Authority reported an OPEB liability of \$16,954 at September 30, 2022.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance as of October 1, 2021 for FYE 2021	\$ 21,036	\$ -	\$ 21,036
Changes for the year:			
Service cost	1,532	-	1,532
Interest	501	-	501
Changes of assumptions	(2,775)	-	(2,775)
Difference between expected and actual experience	(2,518)	-	(2,518)
Benefit payments	(822)	-	(822)
Net changes in total OPEB liability	(4,082)	-	(4,082)
Balance as of October 1, 2022 for FYE 2022	\$ 16,954	\$ -	\$ 16,954

Sensitivity of the OPEB liability – The following table represents the Authority’s total OPEB liability calculated using the current discount rate as well as what the Authority’s total OPEB liability would be at September 30, 2022 if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (3.77%)	Discount Rate (4.77%)	1% Increase (5.77%)
<i>September 30, 2022</i>			
Total OPEB Liability	\$ 18,060	\$ 16,954	\$ 15,952

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 9 – OTHER POST-EMPLOYMENT BENEFITS PLANS (Continued)

C. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (Continued)

The following table represents the Authority’s total and net OPEB liability calculated using the current healthcare cost trend rate as well as what the Authority’s net OPEB liability would be if it were calculated using a health care cost trend rate that is one percentage point lower or one percentage point higher than the current rate:

<i>September 30, 2022</i>	Healthcare Cost		
	1% Decrease	Trend Rate	1% Increase
Total OPEB Liability	\$ 15,875	\$ 16,954	\$ 18,156

D. OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

For the fiscal year ended September 30, 2022, the Authority recognized an OPEB benefit of \$3,358. In addition, the Authority reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

<i>September 30, 2022</i>	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,873	\$ -
Change of assumptions	694	-
Total	\$ 5,567	\$ -

Other amounts reported as deferred inflows of resources related to the OPEB plan will be recognized in expenses as follows:

<i>Year ending September 30,</i>	
2023	\$ 743
2024	743
2025	743
2026	743
2027	1,099
Thereafter	1,496
Total	\$ 5,567

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 10 – LEASING ARRANGEMENTS

Leases receivable – The Authority accounts for leases in accordance with GASB Codification L20: *Leases*. The Authority’s operations consist of agreements for use of land, buildings and other facilities. The agreements are made up of various noncancellable agreements which expire between the years 2023 and 2053. The Authority recognized \$330,830 of lease revenue and \$139,754 of lease interest for the year ended September 30, 2022.

The following is a schedule by years of minimum future revenues from noncancellable agreements:

<i>Year ending September 30,</i>	Principal	Interest	Total Future Minimum Lease Payments
2023	\$ 240,319	\$ 150,136	\$ 390,455
2024	261,253	141,990	403,243
2025	270,976	133,341	404,317
2026	212,405	125,036	337,441
2027	151,616	119,362	270,978
2028 - 2032	730,996	527,564	1,258,560
2033 - 2037	965,907	392,239	1,358,146
2038 - 2042	1,364,182	205,061	1,569,243
2043 - 2047	303,214	53,854	357,068
2048 - 2052	211,524	20,433	231,957
2053	15,360	104	15,464
Total	\$ 4,727,752	\$ 1,869,120	\$ 6,596,872

Regulated leases – The Authority’s operations include certain lease agreements that are classified as regulated leases under paragraphs 137 – 140 of GASB Codification L20: *Leases*. These agreements consist of aeronautical lease agreements, as defined by the Federal Aviation Administration, which are made up of land or facility agreements that directly or substantially relate to aircraft storage, flight training and other aeronautical use. Regulated leases provide for the exclusive use of the premises for the term of the agreement. Upon conclusion of the lease and options, or upon default, ownership of the premises reverts to the Authority. For these agreements, lease rates cannot exceed a reasonable amount and the Authority cannot deny potential lessees the right to enter into leases if facilities are available, provided that the potential lessee’s use of the facilities complies with use restrictions. The Authority recognized the revenues from these leases agreements as inflows each year based on the payment provisions of each lease contract. The Authority recognized \$966,754 of regulated lease revenue principal and \$318,385 of regulated lease interest for the year ended September 30, 2022.

Titusville-Cocoa Airport Authority
Notes to Financial Statements

Note 10 – LEASING ARRANGEMENTS (Continued)

The following is a schedule by years of minimum future revenues from regulated leases:

<i>Year ending September 30,</i>	Principal	Interest	Total Future Minimum Lease Payments
2023	\$ 737,494	\$ 325,979	\$ 1,063,473
2024	596,221	303,951	900,172
2025	603,877	284,602	888,479
2026	632,902	264,449	897,351
2027	664,383	243,479	907,862
2028 - 2032	2,859,154	907,870	3,767,024
2033 - 2037	2,451,994	503,132	2,955,126
2038 - 2042	1,710,012	149,603	1,859,616
2043 - 2047	61,273	12,573	73,846
2048 - 2051	46,356	2,683	49,039
Total	\$ 10,363,667	\$ 2,998,321	\$ 13,361,988

Note 11 – RISK MANAGEMENT

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority purchases separate commercial insurance coverage for workers' compensation, liability, and property damage. Coverage for workers' compensation and automobile claims are limited to the maximum liability exposure the Authority faces under Florida statutes. Coverage for general liability claims is a maximum of \$1,000,000 combined single limit.

The commercial insurance carried is a claims incurred policy for which the Authority is covered for claims originating against the Authority during the policy period. The amount of coverage is dependent on the date of the liability-imposing event. The Authority has maintained continuous coverage and does not believe it has any exposure to events which occurred prior to the year ended September 30, 2022.

During the ordinary course of its operation, the Authority is party to various claims, legal actions, and complaints. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the Authority, except as noted below, the liabilities which may arise from such actions would not result in losses which would exceed the liability insurance limits in effect at the time the claim arose or otherwise materially affect the financial condition of the Authority or results of activities. Subsequent to year-end, the Authority reached a settlement agreement, which has been accrued in the statement of net position at September 30, 2022. See Note 16.

Titusville-Cocoa Airport Authority Notes to Financial Statements

Note 12 – COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund(s). The amount, if any, of expenditures from current or prior years which may be disallowed by the grantor cannot be determined at this time although the Authority expects such amounts not recorded, if any, to be immaterial.

The Authority has active construction projects as of September 30, 2022. At year-end, the Authority's commitments with contractors are as follows:

<i>September 30,</i>	2022
Space Coast Regional Airport Authority	\$ 2,393,362
Merritt Island Airport	1,734,162
Arthur Dunn Airpark	457,473
Total outstanding commitments	<u>\$ 4,584,997</u>

Note 13 – DEFERRED COMPENSATION PLAN

The Authority offers its employees a deferred compensation plan, created in accordance with Internal Revenue Code Section 457, which is administered by the International City Managers Association. The plan is available to all Authority employees and permits them to defer a portion of their salary until future years. Participation in the plan is optional. Deferred compensation balances are not available to employees until termination, retirement, death, or an unforeseeable emergency. All assets and income of the plan are held in trust for the exclusive benefit of the participants in the plan; therefore, assets of the plan are not reported in the accompanying financial statements.

Note 14 – AD-VALOREM TAXES

The Authority has statutory authority to levy ad valorem taxes up to 1 mil annually on all taxable property within the Authority's district boundaries. The Authority has not levied a property tax since 2005.

Titusville-Cocoa Airport Authority Notes to Financial Statements

Note 15 – RELATED PARTY TRANSACTIONS

The Authority has entered into a construction and leasing agreement with a Company whose primary shareholder is also a Board member of the Authority. The terms of the agreement require the related party to match 50% of a grant from the Florida Department of Transportation and required an up-front payment of \$337,235 which was received by the Authority in May 2021. The Authority commenced construction in fiscal year 2021 and revenue of \$5,227 from the related party was recognized during the year ended September 30, 2022. At September 30, 2022, \$289,905 of the up-front payment remained and was included in unearned revenue.

The lease commenced on June 1, 2021 and terminates 20 years from that date with two five-year extension options.

The annual base rent for the hangar and surrounding site is \$8,101 paid in 12 equal monthly installments. Annual base rent increases annually based on the CPI and there will be fair market value readjustments every five years. During the period of construction (or the first 12 months of the lease) base rent is abated in consideration of the construction contribution.

NOTE 16 – SUBSEQUENT EVENTS

In November 2022, the Authority entered in to a settlement agreement with a vendor in the amount of \$470,000. The settlement check was delivered in January 2023 and a satisfaction of judgement was filed to conclude the matter. The Authority has accrued the settlement amount at September 30, 2022.



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REQUIRED SUPPLEMENTARY INFORMATION

Titusville-Cocoa Airport Authority
Schedule of Proportionate Share of Net Pension Liability
Last Nine Fiscal Years

	Florida Retirement System (FRS)			
	2022	2021	2020	2019
Authority's proportion of the net pension liability	0.0023%	0.0023%	0.0027%	0.0029%
Authority's proportionate share of the net pension liability	\$ 860,693	\$ 176,586	\$ 1,166,299	\$ 1,010,082
Authority's covered payroll	738,147	662,926	664,225	824,093
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	116.60%	26.64%	175.59%	122.57%
Plan fiduciary net position as a percentage of the total pension liability	82.89%	96.40%	78.85%	82.61%
	Health Insurance Subsidy (HIS)			
	2022	2021	2020	2019
Authority's proportion of the net pension liability	0.0020%	0.0018%	0.0020%	0.0023%
Authority's proportionate share of the net pension liability	\$ 208,694	\$ 220,100	\$ 240,785	\$ 252,041
Authority's covered payroll	738,147	662,926	664,225	824,093
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	28.27%	33.20%	36.25%	30.58%
Plan fiduciary net position as a percentage of the total pension liability	4.81%	3.56%	3.00%	2.63%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the Authority is presenting information for only the years for which information is available.

Note 2: The Plan's fiduciary net position as a percentage of the total pension liability is published in Note 2 of the Plan's Comprehensive Annual Financial Report.

Note 3: Amounts presented for each fiscal year were determined as of 6/30.

Note 4: GASB Statement No. 82, was implemented during fiscal year 2017. Covered payroll shown includes the payroll for defined benefit actives, members in DROP, and investment plan members.

	2018	2017	2016	2015	2014
	0.0031%	0.0033%	0.0033%	0.0033%	0.0270%
\$	923,794	\$ 958,751	\$ 823,542	\$ 422,590	\$ 167,042
	790,921	776,263	797,929	792,257	768,559
	116.80%	123.51%	103.21%	53.34%	21.73%
	84.26%	83.89%	84.88%	92.00%	96.09%
	2018	2017	2016	2015	2014
	0.0023%	0.0025%	0.0025%	0.0026%	0.0024%
\$	246,459	\$ 263,220	\$ 296,470	\$ 260,186	\$ 225,462
	790,921	776,263	797,929	792,257	768,559
	31.16%	33.91%	37.15%	32.84%	29.34%
	2.15%	1.64%	0.97%	0.50%	0.99%

Titusville-Cocoa Airport Authority
Schedule of Contributions
Last Nine Fiscal Years

Florida Retirement System (FRS)				
	2022	2021	2020	2019
Contractually required contribution	\$ 120,561	\$ 85,252	\$ 89,409	\$ 90,944
Contributions in relation to the contractually required contribution	(120,561)	(85,252)	(89,409)	(90,944)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Authority's covered payroll	807,506	620,189	679,566	739,555
Contributions as a percentage of covered payroll	14.93%	13.75%	13.16%	7.84%
Health Insurance Subsidy (HIS)				
	2022	2021	2020	2019
Contractually required contribution	\$ 13,386	\$ 9,653	\$ 11,364	\$ 12,508
Contributions in relation to the contractually required contribution	(13,386)	(9,653)	(11,364)	(12,508)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Authority's covered payroll	807,506	620,189	679,566	739,555
Contributions as a percentage of covered payroll	1.66%	1.56%	1.67%	1.62%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the Authority is presenting information for only the years for which information is available.

	2018	2017	2016	2015	2014
\$	87,407	\$ 84,379	\$ 79,538	\$ 79,768	\$ 59,968
	(87,407)	(84,379)	(79,538)	(79,768)	(59,968)
\$	-	\$ -	\$ -	\$ -	\$ -
	790,971	776,273	797,929	792,257	768,559
	7.50%	7.62%	7.48%	8.18%	7.80%

	2018	2017	2016	2015	2014
\$	12,730	\$ 13,028	\$ 13,039	\$ 9,752	\$ 8,260
	(12,730)	(13,028)	(13,039)	(9,752)	(8,260)
\$	-	\$ -	\$ -	\$ -	\$ -
	790,971	776,263	797,929	792,257	768,559
	1.66%	1.66%	1.63%	1.26%	1.07%

Titusville-Cocoa Airport Authority
Schedule of Changes in Other Post-Employment Benefits
Liability and Related Ratios - Last Five Fiscal Years

<i>Fiscal year ending September 30,</i>	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$ 1,532	\$ 2,152	1,310,700	\$ 1,102	\$ 725
Interest	501	763	1,736	2,102	3,939
Differences between expected and actual experience	(2,518)	(15,985)	(21,453)	56	(55,812)
Changes of assumptions	(2,775)	(934)	12,436	2,333	(2,362)
Benefit payments	(822)	(1,209)	(10,683)	(4,247)	(6,633)
Net changes in total OPEB liability	(4,082)	(15,213)	(16,787)	1,346	(60,143)
Total OPEB liability - beginning	21,036	36,249	53,036	51,690	111,833
Total OPEB liability - ending	\$ 16,954	\$ 21,036	\$ 36,249	\$ 53,036	\$ 51,690

Covered-employee payroll for the measurement period	\$ 753,613	\$ 579,167	\$ 679,565	\$ 790,921	\$ 790,921
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Total OPEB liability as a percentage of covered-employee payroll	2.25%	3.63%	5.33%	6.71%	6.54%
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Notes to the schedule:

The District implemented GASB 75 for the fiscal year ended September 30, 2018. As a result, this information is only available for the past 5 years.



ADDITIONAL SUPPLEMENTARY INFORMATION



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Titusville-Cocoa Airport Authority
Operating Budget to Actual Comparison
Budgetary Basis

<i>For the year ended September 30, 2022</i>	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operating revenues			
T-hangars	\$ 1,187,527	\$ 1,228,893	\$ 41,366
Fixed base operations	445,011	681,368	236,357
Building, land and other leases	1,186,003	1,264,053	78,050
Miscellaneous	2,500	233,525	231,025
Total operating revenues	2,821,041	3,407,839	586,798
Operating expenses			
Wages and benefits			
Salaries	837,919	918,455	(80,536)
Workers compensation insurance	12,593	14,137	(1,544)
Employee benefits	252,902	258,658	(5,756)
Total wages and benefits	1,103,414	1,191,250	(87,836)
Repairs, maintenance, and other services			
Repairs and maintenance	258,000	304,688	(46,688)
Insurance	330,124	313,168	16,956
Communications and utilities	209,400	201,052	8,348
Professional services	120,200	393,746	(273,546)
Advertising and marketing	29,000	17,043	11,957
Taxes and other obligations	-	74,803	(74,803)
Travel and training	10,000	8,020	1,980
Dues and subscriptions	5,000	45,388	(40,388)
Total repairs, maintenance, and other services	961,724	1,357,908	(396,184)
Materials and supplies	64,700	601,680	(536,980)
Depreciation	-	2,465,786	(2,465,786)
Bad debt expense	-	32,751	(32,751)
Contingencies	85,855	-	85,855
Total operating expenses	2,215,693	5,649,375	(3,433,682)
Operating income (loss)	605,348	(2,241,536)	(2,846,884)
Non-operating revenues (expenses)			
Interest income	-	139,757	139,757
132383	-	(27,694)	(27,694)
Loss on disposal of assets	-	(224,891)	(224,891)
Debt payments	(174,445)	(1,323,835)	(1,149,390)
Property, plant, equipment and fees	(332,116)	(578,141)	(246,025)
Total non-operating revenues (expenses)	(506,561)	(2,014,804)	(1,508,243)
Income (loss) before contributions	\$ 98,787	\$ (4,256,340)	\$ (4,355,127)

Titusville-Cocoa Airport Authority
Budgetary Notes to Supplementary Information

Note 1 – BUDGETARY INFORMATION

The Authority prepares its annual budget on the cash basis of accounting. Reconciliations to amounts reported on the Statement of Revenues, Expenses and Changes in Net Position are as follows:

Wages and benefits	
As reported in the financial statements	\$ 1,259,860
Accruals related to:	
Other post-employment benefits	3,358
Pension benefits	(71,968)
Wages and benefits - budgetary basis	\$ 1,191,250
 Non-operating revenues (expenses)	
As reported in the financial statements	\$ (112,828)
Accruals related to:	
Debt principal payments	(1,323,835)
Property, plant, equipment and fees	(578,141)
Non-operating revenues (expenses) - budgetary basis	\$ (2,014,804)

Titusville-Cocoa Airport Authority Schedule of Capital Projects Summary

Project	Funding Source	Item Number	Funding				Expenditures			
			Balance 9/30/2021	Additions and Adjustments	Transfers and Adjustments	Balance 9/30/2022	Balance 9/30/2021	Additions and Adjustments	Adjustments	Balance 9/30/2022
COI North Area Security & Infrastructure	FDOT	435310-1-94-01	\$ 173,678	\$ 244,837	\$ -	\$ 418,515	\$ 217,256	\$ 422,720	\$ -	\$ 639,976
Status: OPEN	FDOT	435310-2-94-01	-	93,339	-	93,339	-	-	-	-
	TCAA		43,578	84,544	-	128,122	-	-	-	-
COI Runway 11/29 Rehabilitation	FAA	3-12-0013-021-2019	58,550	-	(58,550)	-	65,056	-	(65,056)	-
Status: Closed	FDOT design	443338-1	3,253	-	(3,253)	-	-	-	-	-
	FDOT construction	443338-2	-	-	-	-	-	-	-	-
	TCAA		3,253	-	(3,253)	-	-	-	-	-
COI South Apron Rehabilitation	FAA	3-12-0013-021-2019	2,434,579	8,866	(2,443,445)	-	2,705,088	9,851	(2,714,939)	-
Status: Closed	FDOT design	438462-1	14,216	-	(14,216)	-	-	-	-	-
	FDOT construction	438462-2	195,559	-	(195,559)	-	-	-	-	-
	TCAA		60,734	985	(61,719)	-	-	-	-	-
COI Replace Precision Approach Path Indicator (PAPI)	FDOT	409457-2-94-01	188,790	1,951	(190,741)	-	235,988	2,439	(238,427)	-
Status: Closed	TCAA		47,198	488	(47,686)	-	-	-	-	-
COI AWOS	FDOT	450522-1-94-01	-	14,529	-	14,529	-	18,161	-	18,161
Status: OPEN	TCAA		-	3,632	-	3,632	-	-	-	-
COI COI Master Plan	FAA	3-12-0013-26-2022	-	7,196	-	7,196	-	7,996	-	7,996
Status: OPEN	FDOT	438464-1-94-01	-	640	-	640	-	-	-	-
	TCAA		-	160	-	160	-	-	-	-
X21 AWOS	FDOT	442480-1-94-01	-	13,023	-	13,023	-	16,279	-	16,279
Status: Open	TCAA		-	3,256	-	3,256	-	-	-	-
X21 Master Plan	FAA	3-12-0101-018-2022	-	2,449	-	2,449	-	2,721	-	2,721
Status: Open	FDOT	4384011-94-01	-	218	-	218	-	-	-	-
	TCAA		-	54	-	54	-	-	-	-

(Continued)

Titusville-Cocoa Airport Authority Schedule of Capital Projects Summary

Project	Funding Source	Item Number	Funding				Expenditures			
			Balance 09/30/2021	Additions and Adjustments	Transfers and Adjustments	Balance 09/30/2022	Balance 09/30/2021	Additions and Adjustments	Transfers and Adjustments	Balance 09/30/2022
TIX VAC East Side Apron Status: OPEN	FDOT	447540-1-94-01	59,171	272,554	-	331,725	118,342	545,108	-	663,450
	Private sources		59,171	272,554	-	331,725	-	-	-	-
TIX Taxilane and Apron Status: OPEN	FDOT	447540-2-94-01	66,131	695,707	-	761,838	82,665	869,633	-	952,298
	Private Sources		-	173,926	-	173,926	-	-	-	-
	TCAA		16,534	-	-	16,534	-	-	-	-
TIX Runway 9/27 Status: OPEN	FAA	3-12-0080-032-2021	-	3,371,277	-	3,371,277	414,051	3,371,277	(12,725)	3,772,603
	FDOT	447533-1-94-01	331,241	-	-	331,241	-	-	-	-
	TCAA		82,810	-	(12,725)	70,085	-	-	-	-
TIX Hangar 52 Demolition Status: OPEN	FDOT	437021-1-94-01	255,321	-	-	255,321	319,153	-	-	319,153
	TCAA		63,832	-	-	63,832	-	-	-	-
TIX ATCT Site Study Status: OPEN	FDOT	438494-1-94-01	-	147,057	-	147,057	-	183,821	-	183,821
	TCAA		-	36,764	-	36,764	-	-	-	-
TIX Fuel Farm Status: OPEN	FDOT	446673-1-94-01	-	62,290	-	62,290	-	77,862	-	77,862
	TCAA		-	15,572	-	15,572	-	-	-	-
TIX Update Master Plan Status: OPEN	FAA	3-12-0080-035-2022	-	3,348	-	3,348	-	3,721	-	3,721
	FDOT	451369-1-94-01	-	298	-	298	-	-	-	-
	TCAA		-	75	-	75	-	-	-	-
COI Cares Act Grants Status: Closed	FAA	3-12-0013022-2020	39,458	69,000	(108,458)	-	39,458	69,000	(108,458)	-
TIX Cares Act projects Status: Closed	FAA	3-12-0013022-2020	4,500	30,000	(34,500)	-	4,500	30,000	(34,500)	-
COI Grainger Corporate Hangar Status: OPEN	FDOT	438461-1-94-01	42,103	5,227	-	97,660	87,206	10,454	-	97,660
	Private sources		42,103	5,227	-	-	-	-	-	-
	TCAA		3,000	-	-	-	-	-	-	-

(Continued)

Titusville-Cocoa Airport Authority Schedule of Capital Projects Summary

Project	Funding Source	Item Number	Funding				Expenditures			
			Balance 09/30/2021	Additions and Adjustments	Transfers and Adjustments	Balance 09/30/2022	Balance 09/30/2021	Additions and Adjustments	Transfers and Adjustments	Balance 09/30/2022
COI EA T-Hangar Status: OPEN	FAA	3-12-0013-023-021	-	87,298	-	87,298	-	87,298	-	87,298
TIX Spaceport Master Plan Status: Open	Private sources		-	2,917	-	2,917	-	2,917	-	2,917
TIX CARES Grant	FAA	3-12-0101-015-2020	-	354	(354)	-	-	354	(354)	-
			\$ 4,288,763	\$ 5,731,612	\$ (3,174,459)	\$ 6,845,916	\$ 4,288,763	\$ 5,731,612	\$ (3,174,459)	\$ 6,845,916

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Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

321.255.0088
386.336.4189 (fax)
CRICpa.com

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors
Titusville-Cocoa Airport Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Titusville-Cocoa Airport Authority as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Titusville-Cocoa Airport Authority's basic financial statements, and have issued our report thereon dated March 30, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Titusville-Cocoa Airport Authority's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Titusville-Cocoa Airport Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Titusville-Cocoa Airport Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item MW 2022-001 to be a material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with

governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items SD 2022-002 and SD 2022-003 to be significant deficiencies

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Titusville-Cocoa Airport Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying schedule of findings and questioned costs as item SD 2022-005.

Titusville-Cocoa Airport Authority's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Titusville-Cocoa Airport Authority's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. Titusville Cocoa Airport Authority's response was not subject to the other auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

March 30, 2023



Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

321.255.0088
386.336.4189 (fax)
CRIcpa.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE FLORIDA AUDITOR GENERAL

To the Board of Directors
Titusville-Cocoa Airport Authority

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited the Titusville-Cocoa Airport Authority's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Titusville-Cocoa Airport Authority's major federal program and state project for the year ended September 30, 2022. The Titusville-Cocoa Airport Authority's major federal program and state project are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Titusville-Cocoa Airport Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal program and state project for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Florida Auditor General. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Titusville-Cocoa Airport Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of Titusville-Cocoa Airport Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Titusville-Cocoa Airport Authority's federal programs and state projects.

Auditors' Responsibilities for the Audit Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Titusville-Cocoa Airport Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Titusville-Cocoa Airport Authority's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550 we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Titusville-Cocoa Airport Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Titusville-Cocoa Airport Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of Titusville-Cocoa Airport Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit

Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item MW 2022-004 to be a material weakness. We also identified deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questions costs as SD 2022-005 and SD 2022-006 that we consider to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on Titusville-Cocoa Airport Authority's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Titusville-Cocoa Airport Authority's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550. Accordingly, this report is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 30, 2023

Titusville-Cocoa Airport Authority
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2022

Federal Agency, Pass-through Entity, Federal Program	Assistance Listing Number	Grant/Contract No.	Federal Expenditures	Transfers to Subrecipients
U.S. Department of Transportation				
Federal Aviation Administration				
Airport Improvement Program	20.106	3-12-0013-021-2019	\$ 8,866	-
Airport Improvement Program	20.106	3-12-0013-023-2021	87,298	-
Airport Improvement Program	20.106	3-12-0013-026-2022	7,196	-
Airport Improvement Program	20.106	3-12-0101-018-2022	2,449	-
Airport Improvement Program	20.106	3-12-0080-035-2022	3,349	-
Airport Improvement Program	20.106	3-12-0080-032-2021	3,422,180	-
COVID-19 Airport Improvement Program	20.106	3-12-0013-022-2020	29,542	-
COVID-19 Airport Improvement Program	20.106	3-12-0080-031-2020	30,000	-
COVID-19 Airport Improvement Program	20.106	3-12-0101-015-2020	354	-
Total US Department of Transportation			3,591,234	-
Total Expenditures of Federal Awards			\$ 3,591,234	\$ -

State Agency, Pass-through Entity, State Project	CSFA No.	Grant/ Contract No.	State Expenditures	Transfers to Subrecipients
Florida Department of Transportation				
Joint Participation Agreements				
Aviation Grant Programs	55.004	435310-1-94-01	\$ 244,837	\$ -
Aviation Grant Programs	55.004	435310-2-94-01	93,339	-
Aviation Grant Programs	55.004	438461-1-94-01	5,227	-
Aviation Grant Programs	55.004	447540-1-94-01	272,554	-
Aviation Grant Programs	55.004	447540-2-94-01	695,707	-
Aviation Grant Programs	55.004	450522-1-94-01	14,529	-
Aviation Grant Programs	55.004	450523-1-94-01	13,023	-
Aviation Grant Programs	55.004	438464-1-94-01	640	-
Aviation Grant Programs	55.004	451369-1-94-01	298	-
Aviation Grant Programs	55.004	438401-1-94-01	218	-
Aviation Grant Programs	55.004	446673-1-94-01	62,290	-
Aviation Grant Programs	55.004	438494-1-94-01	147,057	-
Total Florida Department of Transportation			1,549,719	-
Total Expenditures of State Financial Assistance			\$ 1,549,719	\$ -

Titusville-Cocoa Airport Authority
Notes to the Schedule of Expenditures of Federal Awards
and State Financial Assistance
For the Year Ended September 30, 2022

Note 1:

The Schedule of Expenditures of Federal Awards and State Financial Assistance is a summary of the activity of the Titusville-Cocoa Airport Authority Federal Awards and State Financial Assistance presented on the accrual basis of accounting in accordance with generally accepted accounting principles.

Note 2:

The Uniform Guidance allows the Titusville-Cocoa Airport Authority to elect a 10% de minimis indirect cost rate. For the year ended September 30, 2022, the Titusville-Cocoa Airport Authority elected not to use the rate.

Note 3:

The Titusville-Cocoa Airport Authority did not receive any noncash assistance during the year ended September 30, 2022.

**Titusville-Cocoa Airport Authority
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2022**

Section I—Summary of Auditors’ Results

Financial Statements

- | | |
|--|------------|
| 1. Type of auditors’ report issued: | Unmodified |
| 2. Internal control over major financial reporting: | |
| a. Material weakness identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards

- | | |
|---|-----------------------------|
| 1. Type of auditors’ report issued on compliance for major federal awards | Unmodified |
| 2. Internal control over major programs: | |
| a. Material weakness identified? | Yes |
| b. Significant deficiency identified? | Yes |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | Yes |
| 4. Identification of major federal programs: | |
| <u>Assistance Listing Number</u> | <u>Federal Program</u> |
| 20.106 | Airport Improvement Program |
| 5. Dollar threshold used to distinguish between type A and B programs : | \$750,000 |
| 6. Auditee qualified as a low-risk auditee for federal purpose? | No |

**Titusville-Cocoa Airport Authority
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2022**

State Financial Assistance

- | | |
|--|-------------------------|
| 1. Type of auditors' report issued on compliance for major state project | Unmodified |
| 2. Internal control over major programs: | |
| a. Material weakness identified? | No |
| b. Significant deficiency identified? | Yes |
| 3. Any audit findings disclosed that are required to be reported in accordance with Chapter 10.554(1)(l)(4)? | Yes |
| 4. Identification of major federal programs: | |
| <u>State CSFA Number</u> | <u>State Project</u> |
| 55.004 | Aviation Grant Programs |
| 5. Dollar threshold used to distinguish between type A and B programs : | \$464,916 |
| 6. Auditee qualified as a low-risk auditee for state purpose? | No |

Titusville-Cocoa Airport Authority
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2022

Section II—Financial Statement Findings

MW 2022-001 TRACKING OF CAPITAL ASSETS

Criteria: The Authority must maintain records for compliance with various requirements including Generally Accepted Accounting Principles as promulgated in the GASB Codification 1400: *Reporting Capital Assets*; provisions of Federal awards or state financial assistance, as applicable; Rule 69I-73, Florida Administrative Code, *Tangible Personal Property Owned by Local Governments*; and document retention requirements in Rule 1B-24.003(1)(a), Florida Administrative Code. This finding was previously reported in the 2020 and 2021 audits and has been updated/ revised in the current year.

Condition: Capital asset records maintained by the Authority are deficient due to:

- I. Insufficient detail to identify the specific assets;
- II. Inconsistent description of the capital asset in the asset listing used for financial reporting, the name/number used in billing of tenants, and as they are identified in the asset listing used by Authority personnel to monitor inventory; and
- III. Missing information related to the source of funding used for acquisition.

During the fiscal year, the Authority sold property that was later determined to have been originally acquired in part with funds from federal awards and state financial assistance. Further, the detail of the asset records were not in sufficient detail to identify the specific parcels sold. A combination of information from the asset listing used for monitoring asset inventory and a search of property tax records was used to determine the basis for the entry to record the sale of the properties.

Cause of condition: The Authority has multiple capital asset listings being used for different purposes, such as financial reporting, inventory monitoring, construction budgeting, and insurance. These listings are not reconciled to verify each listing is complete and accurate.

Potential effect of condition: There is potential for a material error in financial reporting of capital assets. Further, there is an increased risk of non-compliance with grantor requirements for those assets purchased with funds from Federal awards or state financial assistance.

Recommendation: The Authority should maintain its asset listing in sufficient detail to readily describe the asset using unique identifiers such as serial number or other identifying number, model name and number, or the legal description for real property. The Authority should reconsider the design of the control to determine if it is more efficient to keep a single listing with all the various attributes required by the standard setting or oversight bodies for which the Authority must comply, or keeping multiple listings and reconciling them no less than annually.

Management's Response: *The Authority acknowledges the audit finding and corrective action is being taken. All capital assets purchased and donated will be recorded in the listing of capital assets and recorded in the accounting software. All assets in the listing of capital will be those at five thousand (\$5,000) dollars or more, and the normal expected life of which is one year or more.*

Titusville-Cocoa Airport Authority
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2022

Attractive items with a value or cost that is less than \$5,000 shall be recorded in the capital asset schedule for inventory purposes.

The Authority will be redesigning the control to be more efficient and deciding whether to keep a single listing with all various attributes required by the standard setting or oversight bodies for which the Authority must comply or keeping multiple listings and reconciling them no less than annually.

SD 2022-002 BOARD REVIEW OF FINANCIAL STATEMENTS AND FINANCIAL REPORTING

Criteria: Fundamental elements of internal control include the review of information prepared by others in sufficient detail to detect and correct an error. With a limited number of staff at the Authority to participate in the financial reporting process, routine review of financial reports by the Board serves as a supplemental (or mitigating) control. This finding was previously reported in the 2021 audit and has been repeated in the current year.

Condition: The Board of Authority did not receive timely relevant financial reporting for review and approval.

Cause of condition: Due to changes in management, staffing, and difficulties in reconciling transactions, the Board did not receive financial statements to review for much of the year.

Potential effect of condition: Without review of financial reports, the Board does not have relevant information in making decisions related to the status of the Authority's spending as compared to the budget, they cannot monitor the status of key accounts, and controls for which review of the financial reports served as a supplemental or mitigating control will not operate as intended.

Recommendation: We acknowledge the Authority is continuing the process of getting the accounting records reconciled, in conjunction with the implementation of new accounting software. We recommend the Authority continue to focus on implementing policies and procedures such that the Authority can generate monthly financial reports to be presented to the Board for their review and approval.

Management's Response: *The Authority acknowledges the audit finding and corrective action has been taken. With the implementation of new accounting software and consolidating five companies into one, the ability to present financial statements to the Board on a consistent basis for their review and approval has been enabled.*

SD 2022-003 LEASES

Criteria: Fundamental elements of internal control include the tracking of key terms in lease agreements to ensure that renewals, escalation clauses and other terms that have an effect on the billing of tenants are executed consistent with the lease agreements.

Titusville-Cocoa Airport Authority
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2022

Condition: During our audit, we noted lease agreements for which the timing and/or the rates applied to escalation clauses were inconsistent with the terms of the lease agreements. Most leases include terms providing for rent escalations (or rent modifications based on an appraisal) to occur on the anniversary of the original lease agreement; however, we noted the escalations on some of the leases were deferred to October 1st and then applied annually thereafter. Further, we noted escalation clauses in some of the leases that called for an increase based on CPI, but for which a rate increase less than CPI was applied to the tenant billing. Management's approval of changes to the timing of the application of rent escalations and/or of the rate of the escalation was not documented.

Cause of condition: The Authority does not have a system of control sufficient to allow for the tracking of key lease terms that allows for management to adequately monitor changes made to the tenant billings. Further, the current system of control does not provide for the documentation of management's approval of any deviations from the lease terms nor the review and approval of rate changes applied to the tenant billings.

Potential effect of condition: Inconsistent application of rent escalations, rent modifications and other key terms could have a significant impact on the lease revenue collected by the Authority.

Recommendation: As the Authority continues the process of implementing new accounting software and getting accounting records caught up to date, we recommend the Authority design and implement a system to track lease agreements, including key terms of the agreements, that management can use to monitor for upcoming renewals, rent escalations, rent modifications and changes to other key terms of the lease agreements. Renewals, rent escalations, rent modifications and other changes to the terms as set forth in the lease agreements should be applied timely and consistent with the lease agreement. Review and approval by management of any changes to tenant billing and/or deviations from key lease terms should be documented.

Management's Response: *The Authority acknowledges the audit finding as a result of past administration implementation errors that carried forward into this fiscal year until all leases and rates could be reviewed. Corrective action has been taken this year to correct anniversary dates, escalation clauses, timing of the application of rent escalations, and rates of rent escalations. All leases have been reviewed and spreadsheets updated and/or implemented to track lease terms, anniversary dates, rent escalations and rent modifications. Procedures are currently in process to document the review and approval by management of any changes to tenant billing and/or deviations from key lease terms.*

**Titusville-Cocoa Airport Authority
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2022**

Section III—Federal Award Findings and Questioned Costs

MW 2022-004 DISPOSITION OF GRANT-PURCHASED PROPERTY

US Department of Transportation – Federal Aviation Administration
ALN: 20.106 Airport Improvement Program
Contract No. Undetermined

Florida Department of Transportation
CSFA: 55.004 Aviation Grant Programs
Contract No. Undetermined

Criteria: 2 CFR section 200.303 and Section 215.97(10), Florida Statutes, require award recipients to establish and maintain effective internal controls over compliance with federal awards and state financial assistance programs. Award recipients under the Airport Improvement Program and the Aviation Grant Program are subject to assurance that proper records are maintained for equipment and real property acquired with federal awards or state financial assistance such that the disposition of any equipment and real property is in accordance with federal and state requirements, and the federal or state awarding agency has appropriately authorized the use of any proceeds from property sold or authorized its conversion to nonfederal or nonstate use.

Condition: In December 2021, the Authority disposed of real property whose acquisition was funded in part with federal awards and state financial assistance. The Authority did not properly maintain records that identified the source of funds used to acquire property and other capital assets. As a result, the properties were sold without prior authorization of the Federal Aviation Authority and the Florida Department of Transportation.

Cause of condition: The properties at issue were originally acquired in and around 2005 and 2006. In the past few years, the Authority has seen turnover in positions key to the grant compliance process. Additionally, as noted in the fiscal year 2021 audit as finding MW 2021-002, the Authority's capital asset records have not been maintained in sufficient detail to identify specific assets or that identified the source of funding used to acquire property and capital assets. As a result, current management initiated the sale of these properties without consulting the FAA or the Florida Department of Transportation.

Questioned costs: None

Potential effect of condition While the Florida Department of Transportation has since retroactively acknowledged the sale of the properties and has released their portion of the proceeds from the sales to the Authority, ultimate resolution of the portion of the proceeds from the sales attributed to funding from the FAA is with the FAA.

Perspective: When the new Director of Airports arrived at the Authority in fiscal year 2021, he was presented with concerns from the Board about the condition of these properties and the decision

**Titusville-Cocoa Airport Authority
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2022**

was made by the Authority to sell them. The proceeds from the sale of the properties was reported as restricted net position as of September 30, 2021, pending investigation into the original source of funding for the purchases. In addition to the lack of detail in the capital asset records, the prior management did not provide an Exhibit A with the Master Plan, which would have documented properties purchased with federal funds.

Recommendation: The Authority should maintain its asset listing in sufficient detail to readily describe the asset using unique identifiers such as the legal description for real property and the source of funding used for the acquisition. For property or equipment acquired using federal or state grant funds, the Authority should ensure compliance with any requirements of the grant(s) related to disposition of property.

Management's Response: *The Authority acknowledges the audit finding and corrective action is being taken. All capital assets purchased and donated will be recorded in the listing of capital assets and recorded in the accounting software.*

The Authority will be redesigning the control to be more efficient and deciding whether to keep a single listing with all various attributes required by the standard setting or oversight bodies for which the Authority must comply or keeping multiple listings and reconciling them no less than annually. The Authority will report restricted net position for the proceeds from the sale of the property referred to in the finding. Research is being conducted into the origin of the funds used for the original property purchases through the Master Plan.

SD 2022-005 PERFORMANCE REPORTS

US Department of Transportation – Federal Aviation Administration
ALN: 20.106 Airport Improvement Program
Contract No. 3-12-0013-023-2021 (for 2021)
3-12-0080-032-2021 (for 2021)

Criteria: 2 CFR section 200.303 requires non-federal entities to establish and maintain effective internal controls. The award agreements require performance reporting and quarterly performance reporting (for construction expenditures), to ensure grant funded projects are progressing timely.

Condition: Annual reports for award 3-12-0013-023-2021 and quarterly reports for award 3-12-0080-032-2021 were not submitted to the Federal Aviation Authority as required.

Cause of condition: After the resignation of both the CEO and the Manager of Finance and Grant Administration in March 2021, the management of Federal awards was assumed by the Deputy Director of Operations on an interim basis. In fiscal year 2022, there was turnover of the project management consultants hired to assist in the grant management process, which was to include the preparation of all required reporting. The Authority did not have adequate controls in place to ensure that required performance reports were being prepared and remitted for review and approval prior to being submitted to the FAA.

**Titusville-Cocoa Airport Authority
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2022**

Questioned costs: None

Potential effect of condition: The Authority was not in-compliance with program requirements and award terms for annual quarterly performance reporting.

Perspective: New personnel was placed in charge of the grant management process, which included the requirements for performance reporting. There was a lapse in knowledge of the performance reports required to be submitted to the FAA.

Recommendation: In the event of changes in key personnel, the person assuming responsibility for a role essential to reporting compliance should consider reaching out to the grantor to ensure that information about the nature and timing of any annual and/or quarterly performance reporting requirements is clarified. The Authority should implement controls to ensure that all required reports are prepared by the project management consultants and reviewed by the Authority prior to being submitted to the FAA on a timely basis.

Management's Response: *The Authority acknowledges the audit finding and corrective action is in process. Management is currently working with our project management consultants requesting quarterly reports on active projects for timely filings with the FAA. Once performance reports are received, the reports will be reviewed by management and submitted on a quarterly and/or annual basis.*

SD 2022-006 REVIEW OF REIMBURSEMENT REQUESTS

Florida Department of Transportation
CSFA No. 55.004 Aviation Grant Programs
Contract No. 447540-2-94-01 (for 2020)
446673-1-94-01 (for 2022)

Criteria: Section 215.97(10), Florida Statutes, *the Florida Single Audit Act*, requires auditors to perform tests of controls over compliance with the provisions of laws, regulations, and other rules pertaining to state awards to determine whether the program recipient has controls in place to provide for reasonable assurance of compliance. To provide for effective internal controls over the completeness, accuracy, validity and timeliness of reporting, requests for reimbursement should be subject to independent review by someone other than the preparer. Independent review of the requests for reimbursement also provides for internal control over grant matching requirements.

Condition: Two of the reimbursement requests tested as part of our sample did not have documentation that the requests were subjected to independent review prior to submission.

Cause of condition: During fiscal year 2022, there was turnover in the consultant hired to be the grant program manager. During this time of transition to a new grant program manager, documentation of independent review of reimbursement requests was not consistent.

**Titusville-Cocoa Airport Authority
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2022**

Questioned costs: None.

Potential effect of condition: Reimbursement requests not subject to review may contain errors or include ineligible expenses. Further, the calculation (reporting) of local match funds may be inaccurate.

Perspective: Management maintains that reimbursement requests were reviewed, although the documentation of that review was not consistently retained.

Recommendation: The Authority should review their procedures to ensure that documentation of an independent review of reimbursement requests prior to submission is retained.

Management's Response: *The Authority acknowledges the audit finding and correction action was taken with current administration. Current management practices include the required process of an independent review of reimbursement requests prior to submission.*

Section IV—Prior Findings and Questioned Costs

MW 2021-001 Journal Entries

Status: Resolved

MW 2021-002 Tracking of Capital Assets

Status: Revised and repeated as MW 2022-001

MW 2021-003 Accounting Software and Fund Accounting

Status: Resolved

SD 2021-004 Requests for Reimbursements

Status: Resolved

SD 2021-005 Board Review of Financial Statements and Financial Reporting

Status: Repeated as SD 2022-002

SD 2021-006 Segregation of Duties

Status: Resolved

**Titusville-Cocoa Airport Authority
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2022**

MW 2021-007 Review of Reimbursement Requests

Status: Revised and repeated as MW 2022-006

SD 2021-008 Annual Reports

Status: Revised and repeated as SD 2022-005

MW 2021-009 Wage Rate Compliance

Status: Resolved




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Titusville-Cocoa Airport Authority
Corrective Action Plan
For the Year Ended September 30, 2022



MEMO TO: Titusville-Cocoa Airport Authority Board of Directors
The State Auditor General

FROM: Kevin Daugherty, Director of Airports 

DATE: March 30, 2023

SUBJECT: Corrective Action Plan

The Titusville-Cocoa Airport Authority respectfully submits the following corrective action plan for the year ended September 30, 2022.

Name and address of independent public accounting firm:
Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, FL 32940

Audit Period:
Fiscal Year October 1, 2021 – September 30, 2022

The Findings from the Schedule of Findings and Questioned Costs is discussed below. The finding number corresponds to the number assigned in the schedule.

MW 2022-001 TRACKING OF CAPITAL ASSETS

Criteria: The Authority must maintain records for compliance with various requirements including Generally Accepted Accounting Principles as promulgated in the GASB Codification 1400: *Reporting Capital Assets*; provisions of Federal awards or state financial assistance, as applicable; Rule 69I-73, Florida Administrative Code, *Tangible Personal Property Owned by Local Governments*; and document retention requirements in Rule 1B-24.003(1)(a), Florida Administrative Code. This finding was previously reported in the 2020 audit and has been updated/revise in the current year.

Condition: Capital asset records maintained by the Authority are deficient due to:

- I. Insufficient detail to identify the specific assets;
- II. Inconsistent description of the capital asset in the asset listing used for financial reporting, the name/number used in billing of tenants, and as they are identified in the asset listing used by Authority personnel to monitor inventory; and
- III. Missing information related to the source of funding used for acquisition.

During the fiscal year, the Authority sold property that was later determined to have been originally

**Titusville-Cocoa Airport Authority
Corrective Action Plan (continued)
For the Year Ended September 30, 2022**

acquired in part with funds from federal awards and state financial assistance. Further, the detail of the asset records were not in sufficient detail to identify the specific parcels sold. A combination of information from the asset listing used for monitoring asset inventory and a search of property tax records was used to determine the basis for the entry to record the sale of the properties.

Cause of condition: The Authority has multiple capital asset listings being used for different purposes, such as financial reporting, inventory monitoring, construction budgeting, and insurance. These listings are not reconciled to verify each listing is complete and accurate.

Potential effect of condition: There is potential for a material error in financial reporting of capital assets. Further, there is an increased risk of non-compliance with grantor requirements for those assets purchased with funds from Federal awards or state financial assistance.

Recommendation: The Authority should maintain its asset listing in sufficient detail to readily describe the asset using unique identifiers such as serial number or other identifying number, model name and number, or the legal description for real property. The Authority should reconsider the design of the control to determine if it is more efficient to keep a single listing with all the various attributes required by the standard setting or oversight bodies for which the Authority must comply, or keeping multiple listings and reconciling them no less than annually.

Management's Response: *Acknowledges the audit finding and corrective action is being taken. All capital assets purchased and donated will be recorded in the listing of capital assets and recorded in the accounting software. All assets in the listing of capital will be those at five thousand (\$5,000) dollars or more, and the normal expected life of which is one year or more. Attractive items with a value or cost that is less than \$5,000 shall be recorded in the capital asset schedule for inventory purposes.*

The Authority will be re-designing the control to be more efficient and deciding whether to keep a single listing with all various attributes required by the standard setting or oversight bodies for which the Authority must comply or keeping multiple listings and reconciling them no less than annually. The Authority will report restricted net position for assets held for resale. Research is being conducted into the origin of the funds used for the original property purchases through the Master Plan.

Implementation Timeline: *No later than FYE 9/30/2023*

Responsible Parties: *Kevin Daugherty, Director of Airports, Justin Hopman, Deputy Director of Operations and Maintenance, Christina Kinard, Deputy Director of Finance & Administration.*

SD 2022-002 BOARD REVIEW OF FINANCIAL STATEMENTS AND FINANCIAL REPORTING

Criteria: Fundamental elements of internal control include the review of information prepared by others in sufficient detail to detect and correct an error. With a limited number of staff at the Authority to participate in the financial reporting process, routine review of financial reports by the Board serves as a supplemental (or mitigating) control. This finding was previously reported in the

**Titusville-Cocoa Airport Authority
Corrective Action Plan (continued)
For the Year Ended September 30, 2022**

2021 audit and has been repeated in the current year.

Condition: The Board of Authority did not receive timely relevant financial reporting for review and approval.

Cause of condition: Due to changes in management, staffing, and difficulties in reconciling transactions, the Board did not receive financial statements to review for much of the year.

Potential effect of condition: Without review of financial reports, the Board does not have relevant information in making decisions related to the status of the Authority's spending as compared to the budget, they cannot monitor the status of key accounts, and controls for which review of the financial reports served as a supplemental or mitigating control will not operate as intended.

Recommendation: We acknowledge the Authority is continuing the process of getting the accounting records reconciled, in conjunction with the implementation of new accounting software. We recommend the Authority continue to focus on implementing policies and procedures such that the Authority can generate monthly financial reports to be presented to the Board for their review and approval.

Management's Response: *Acknowledges the audit finding and corrective action has been taken. With the implementation of new accounting software and consolidating five companies into one, the ability to present financial statements to the Board on a consistent basis for their review and approval has been enabled.*

Implementation Timeline: *1st Quarter, FY 2022-2023*

Responsible Parties: *Kevin Daugherty, Director of Airports & Christina Kinard, Deputy Director of Finance & Administration*

SD 2022-003 LEASES

Criteria: Fundamental elements of internal control include the tracking of key terms in lease agreements to ensure that renewals, escalation clauses and other terms that have an effect on the billing of tenants are executed consistent with the lease agreements.

Condition: During our audit, we noted lease agreements for which the timing and/or the rates applied to escalation clauses were inconsistent with the terms of the lease agreements. Most leases include terms providing for rent escalations (or rent modifications based on an appraisal) to occur on the anniversary of the original lease agreement; however, we noted the escalations on some of the leases were deferred to October 1st and then applied annually thereafter. Further, we noted escalation clauses in some of the leases that called for an increase based on CPI, but for which a rate increase less than CPI was applied to the tenant billing. Management's approval of changes to the timing of the application of rent escalations and/or of the rate of the escalation was not documented.

Cause of condition: The Authority does not have a system of control sufficient to allow for the tracking of key lease terms that allows for management to adequately monitor changes made to the

**Titusville-Cocoa Airport Authority
Corrective Action Plan (continued)
For the Year Ended September 30, 2022**

tenant billings. Further, the current system of control does not provide for the documentation of management's approval of any deviations from the lease terms nor the review and approval of rate changes applied to the tenant billings.

Potential effect of condition: Inconsistent application of rent escalations, rent modifications and other key terms could have a significant impact on the lease revenue collected by the Authority.

Recommendation: As the Authority continues the process of implementing new accounting software and getting accounting records caught up to date, we recommend the Authority design and implement a system to track lease agreements, including key terms of the agreements, that management can use to monitor for upcoming renewals, rent escalations, rent modifications and changes to other key terms of the lease agreements. Renewals, rent escalations, rent modifications and other changes to the terms as set forth in the lease agreements should be applied timely and consistent with the lease agreement. Review and approval by management of any changes to tenant billing and/or deviations from key lease terms should be documented.

Management's Response: *Acknowledges the audit finding as a result of past administration implementation errors that carried forward into this fiscal year until all leases and rates could be reviewed. Corrective action has been taken this year to correct anniversary dates, escalation clauses, timing of the application of rent escalations, and rates of rent escalations. All leases have been reviewed and spreadsheets updated and/or implemented to track lease terms, anniversary dates, rent escalations and rent modifications. Procedures are currently in process to document review and approval by management of any changes to tenant billing and/or deviations from key lease terms.*

Implementation Timeline: FY 2022-2023

Responsible Parties: *Kevin Daugherty, Director of Airports & Christina Kinard, Deputy Director of Finance & Administration*

Federal Award Findings and Questioned Costs

MW 2022-004 DISPOSITION OF GRANT-PURCHASED PROPERTY

US Department of Transportation – Federal Aviation Administration
ALN: 20.106 Airport Improvement Program
Contract No. Undetermined

Florida Department of
Transportation CSFA: 55.004
Aviation Grant Programs Contract
No. Undetermined

Criteria: 2 CFR section 200.303 and Section 215.97(10), Florida Statutes, require award recipients to establish and maintain effective internal controls over compliance with federal awards and state financial assistance programs. Award recipients under the Airport Improvement Program and the

**Titusville-Cocoa Airport Authority
Corrective Action Plan (continued)
For the Year Ended September 30, 2022**

Aviation Grant Program are subject to assurance that proper records are maintained for equipment and real property acquired with federal awards or state financial assistance such that the disposition of any equipment and real property is in accordance with federal and state requirements, and the federal or state awarding agency has appropriately authorized the use of any proceeds from property sold or authorized its conversion to nonfederal or nonstate use.

Condition: In fiscal year 2021, the Authority disposed of real property whose acquisition was funded in part with federal awards and state financial assistance. The Authority did not properly maintain records that identified the source of funds used to acquire property and other capital assets. As a result, the properties were sold without prior authorization of the Federal Aviation Authority and the Florida Department of Transportation.

Cause of condition: The properties at issue were originally acquired in and around 2005 and 2006. In the past few years, the Authority has seen turnover in positions key to the grant compliance process. Additionally, as noted in the fiscal year 2021 audit as finding MW 2021-002, the Authority's capital asset records have not been maintained in sufficient detail to identify specific assets or that identified the source of funding used to acquire property and capital assets. As a result, current management initiated the sale of these properties without consulting the FAA or the Florida Department of Transportation.

Questioned costs: None

Potential effect of condition While the Florida Department of Transportation has since retroactively acknowledged the sale of the properties and has released their portion of the proceeds from the sales to the Authority, ultimate resolution of the portion of the proceeds from the sales attributed to funding from the FAA is with the FAA.

Perspective: When the new Director of Airports arrived at the Authority in fiscal year 2021, he was presented with concerns from the Board about the condition of these properties and the decision was made by the Authority to sell them. The proceeds from the sale of the properties was reported as restricted net position as of September 30, 2021, pending investigation into the original source of funding for the purchases. In addition to the lack of detail in the capital asset records, the prior management did not provide an Exhibit A with the Master Plan, which would have documented properties purchased with federal funds.

Recommendation: The Authority should maintain its asset listing in sufficient detail to readily describe the asset using unique identifiers such as the legal description for real property and the source of funding used for the acquisition. For property or equipment acquired using federal or state grant funds, the Authority should ensure compliance with any requirements of the grant(s) related to disposition of property.

Management's Response: *Acknowledges the audit finding and corrective action is in process. The Authority will review legal descriptions for real property and the source of funding used for the acquisition and will comply with any requirements of the grant(s) related to disposition of property or equipment acquired using federal or state grant funds.*

**Titusville-Cocoa Airport Authority
Corrective Action Plan (continued)
For the Year Ended September 30, 2022**

Implementation Timeline: *FY 2022-2023*

Responsible Parties: *Kevin Daugherty, Director of Airports, Justin Hopman, Deputy Director of Operations, and Christina Kinard Deputy Director of Finance & Administration*

SD 2022-005 PERFORMANCE REPORTS

US Department of Transportation – Federal Aviation Administration
ALN: 20.106 Airport Improvement Program
Contract No. 3-12-0013-023-2021 (for 2021)
3-12-0080-032-2021 (for 2021)

Criteria: 2 CFR section 200.303 requires non-federal entities to establish and maintain effective internal controls. The award agreements require performance reporting and quarterly performance reporting (for construction expenditures), to ensure grant funded projects are progressing timely.

Condition: Annual reports for award 3-12-0013-023-2021 and quarterly reports for award 3-12-0080-032-2021 were not submitted to the Federal Aviation Authority as required.

Cause of condition: After the resignation of both the CEO and the Manager of Finance and Grant Administration in March 2021, the management of Federal awards was assumed by the Deputy Director of Operations on an interim basis. In fiscal year 2022, there was turnover of the project management consultants hired to assist in the grant management process, which was to include the preparation of all required reporting. The Authority did not have adequate controls in place to ensure that required performance reports were being prepared and remitted for review and approval prior to being submitted to the FAA.

Questioned costs: None

Potential effect of condition: The Authority was not in-compliance with program requirements and award terms for annual quarterly performance reporting.

Perspective: New personnel were placed in charge of the grant management process, which included the requirements for performance reporting. There was a lapse in knowledge of the performance reports required to be submitted to the FAA.

Recommendation: In the event of changes in key personnel, the person assuming responsibility for a role essential to reporting compliance should consider reaching out to the grantor to ensure that information about the nature and timing of any annual and/or quarterly performance reporting requirements is clarified. The Authority should implement controls to ensure that all required reports are prepared by the project management consultants and reviewed by the Authority prior to being submitted to the FAA on a timely basis.

**Titusville-Cocoa Airport Authority
Corrective Action Plan (continued)
For the Year Ended September 30, 2022**

Management's Response: *Acknowledges the audit finding and corrective action is in process. Management is currently working with our project management consultants requesting quarterly reports on active projects for timely filings with the FAA. Once performance reports are received, the reports will be reviewed by management and submitted on a quarterly and/or annual basis.*

Implementation Timeline: *FY 2022-2023*

Responsible Parties: *Kevin Daugherty, Director of Airports & Justin Hopman, Deputy Director of Airport Operations, & Christina Kinard, Deputy Director of Finance & Administration*

SD 2022-006 REVIEW OF REIMBURSEMENT REQUESTS

Florida Department of Transportation
CSFA No. 55.004 Aviation Grant
Programs Contract No. 447540-2-94-
01 (for 2020)

446673-1-94-01 (for 2022)

Criteria: Section 215.97(10), Florida Statutes, *the Florida Single Audit Act*, requires auditors to perform tests of controls over compliance with the provisions of laws, regulations, and other rules pertaining to state awards to determine whether the program recipient has controls in place to provide for reasonable assurance of compliance. To provide for effective internal controls over the completeness, accuracy, validity and timeliness of reporting, requests for reimbursement should be subject to independent review by someone other than the preparer. Independent review of the requests for reimbursement also provides for internal control over grant matching requirements.

Condition: Two of the reimbursement requests tested as part of our sample did not have documentation that the requests were subjected to independent review prior to submission.

Cause of condition: During fiscal year 2022, there was turnover in the consultant hired to be the grant program manager. During this time of transition to a new grant program manager, documentation of independent review of reimbursement requests was not consistent.

Questioned costs: None.

Potential effect of condition: Reimbursement requests not subject to review may contain errors or include ineligible expenses. Further, the calculation (reporting) of local match funds may be inaccurate.

Perspective: Management maintains that reimbursement requests were reviewed, although the documentation of that review was not consistently retained.

Implementation Timeline: *FY 2022-2023*

**Titusville-Cocoa Airport Authority
Corrective Action Plan (continued)
For the Year Ended September 30, 2022**

Responsible Parties: *Kevin Daugherty, Director of Operations & Justin Hopman, Deputy Director of Airport Operations, & Christina Kinard, Deputy Director of Finance & Administration*



Carr, Riggs & Ingram, LLC
 215 Baytree Drive
 Melbourne, Florida 32940

 321.255.0088
 386.336.4189 (fax)
 CRICpa.com

INDEPENDENT AUDITORS’ MANAGEMENT LETTER

To the Board of Directors
 Titusville-Cocoa Airport Authority

Report on the Financial Statements

We have audited the financial statements of the Titusville-Cocoa Airport Authority, as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated March 30, 2023.

Auditors’ Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors’ Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors’ Report on Compliance for Each Major Federal and State Program and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants’ Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 30, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report as noted below.

2021-001 Review of Journal Entries	Comment cleared
2021-002 Tracking of Capital Assets	Revised and repeated as 2022-001
2021-003 Use of Accounting Software and Fund Accounting	Comment cleared

2021-004 Requests for Reimbursements	Comment cleared
2021-005 Board Review of Financial Statements and Financial Reporting	Repeated as 2022-002
2021-006 Segregation of Duties	Comment cleared
2021-007 Review of Reimbursement Requests	Revised and repeated as 2022-006
2021-008 Annual Reports	Revised and repeated as 2022-005
2021-009 Wage Rate Compliance	Comment cleared
2021-010 Review of Payroll Expenses	Revised and repeated as 2022-007

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority of the Titusville-Cocoa Airport Authority is disclosed in the footnotes. Titusville-Cocoa Airport Authority has no component units.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Titusville-Cocoa Airport Authority has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the Titusville-Cocoa Airport Authority did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Titusville-Cocoa Airport Authority. It is management's responsibility to monitor the Titusville-Cocoa Airport Authority's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we have the following recommendation:

OM 2022-007 REVIEW OF PAYROLL EXPENSES

Criteria: 2 CFR section 200.303 requires non-federal entities to establish and maintain effective internal controls. Award recipients under the Airport Improvement Program are subject to Revenue Diversion compliance requirements, which mandate the use of all revenues generated by a public airport for the capital or operating costs of the airport, the local airport system, or other local facilities that are owned or operated by the owner or operator of the airport and are directly and substantially related to the actual air transportation of passengers or property. The Authority's policies and

procedures provide for a review and approval process such that only expenses that support the capital or operating needs of the Authority are incurred.

Condition: During our testing, we noted payroll registers for which the Authority did not document their review and approval process. This finding was originally reported in the fiscal year 2021 audit and identified as OM 2021-010.

Cause of condition: The management team implemented a process to document the review and approval of the payroll registers to ensure controls over compliance were operating effectively once the fiscal year 2021 audit was complete. However, there was no documentation of the approval of the payroll registers prior to April 2022.

Potential effect of condition: Payroll expenses may contain errors, be unauthorized, or in violation of the Revenue Diversion rules for permitted use of airport revenue.

Perspective: The audit findings were isolated to before the change in controls by the Authority. Once the controls were implemented (in April 2022), the Authority has documented the review and approval of the payroll registers.

Recommendation: The Authority should continue to document the review and approval of payroll registers to help ensure compliance with grant requirements.

Management's Response: *The Authority acknowledges the audit finding and the finding is not the current administration's standard operating procedure. Current administration will ensure all expenses including payroll will be reviewed and approved prior to payment.*

Specific Information (Unaudited)

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6-8, Rules of the Auditor General, the Titusville Cocoa Airport Authority reported the information below. This information has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Titusville Cocoa Airport Authority reported:

- a. The total number of Authority employees compensated in the last pay period of the Authority's fiscal year as **13**

- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Authority's fiscal year as **4**

- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency. **\$ 918,455**

- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency. **\$ 106,180**

- e. Each construction project with a total cost of at least \$65,000 approved by the Authority that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such projects as

The Authority has does not have any new Construction Projects set to start in Fiscal Year 23.

- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Authority amends a final adopted budget under Section 189.016(6), Florida Statutes.

See page 55

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the Titusville Cocoa Airport Authority reported:

- a. The millage rate or rates imposed by the Authority. **None**

- b. The total amount of ad valorem taxes collected by or on behalf of the Authority. **None**

- c. The total amount of outstanding bonds issued by the Authority and the terms of such bonds as **None**

Information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General: The Titusville Cocoa Airport Authority has not imposed any special assessments and therefore no reporting is required by Section 218.39(3)(c), Florida Statutes.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have

occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Directors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

March 30, 2023



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Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

321.255.0088
386.336.4189 (fax)
CRIcpa.com

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

To the Board of Directors
Titusville-Cocoa Airport Authority

We have examined Titusville-Cocoa Airport Authority's compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2022. Management of Titusville-Cocoa Airport Authority is responsible for Titusville-Cocoa Airport Authority's compliance with the specified requirements. Our responsibility is to express an opinion on Titusville-Cocoa Airport Authority's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether Titusville-Cocoa Airport Authority complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether Titusville-Cocoa Airport Authority complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements related to the examination engagement.

Our examination does not provide a legal determination on Titusville-Cocoa Airport Authority's compliance with specified requirements.

In our opinion, Titusville-Cocoa Airport Authority complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2022.

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida
March 30, 2023



Required Communications



Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, Florida 32940

321.255.0088
386.336.4189 (fax)
CRIcpa.com

March 30, 2023

To the Honorable Board of Directors
Titusville-Cocoa Airport Authority

We are pleased to present the results of our audit of the financial statements of the Titusville-Cocoa Airport Authority (the "Authority") for the year ended September 30, 2022.

This report to the Board of Directors summarizes our audit, the reports issued and various analyses and observations related to the Authority's accounting and reporting. The document also contains the communications required by our professional standards.

Our audit was designed, primarily, to express an opinion on the Authority's basic financial statements for the year ended September 30, 2022. We considered the Authority's current and emerging needs, along with an assessment of risks that could materially affect the financial statements, and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that you, the Board, expect. We received the full support and assistance of Authority personnel.

At Carr, Riggs & Ingram, LLC (CRI), we are continually evaluating the quality of our professionals' work in order to deliver audit services of the highest quality that will meet or exceed your expectations. We encourage you to provide any feedback you believe is appropriate to ensure that we do not overlook a single detail as it relates to the quality of our services.

This report is intended solely for the information and use of the Board of Directors and management and should not be used by anyone other than these specified parties.

We appreciate this opportunity to work with you. If you have any questions or comments, please contact me at 321.255.0088 or yclaybone@cricpa.com.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Yvonne Clayborne', written over a light blue circular stamp.

Yvonne Clayborne, CPA
Partner
Carr, Riggs & Ingram, LLC



As discussed with management during our planning process and communicated to the Board of Directors in our engagement letter to you dated May 3, 2022, our audit plan represented an approach responsive to the assessment of risk for the Authority. Specifically, we planned and performed our audit to:

- Perform audit services, as required by Section 218.39 of the Florida Statutes, in accordance with auditing standards generally accepted in the United States of America, the standards applicable to *Government Auditing Standards* issued by the Comptroller General of the United States and Chapter 10.550 of the Rules of the Florida Auditor General, in order to express an opinion on the Authority's financial statements for the year ended September 30, 2022;
- Report on internal controls over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*; Uniform Guidance 2 CFR Part 200; and Chapter 10.550, Rules of the Auditor General in order to express an opinion on compliance with requirements applicable to the major federal program and state project;
- Report on internal control over compliance with the types of compliance requirements described in the Uniform Guidance 2 CFR Part 200, the OMB Compliance Supplement, Chapter 10.550, Rules of the Auditor General and the Florida State Projects Compliance Supplement;
- Communicate directly with the Board of Directors and management regarding the results of our procedures;
- Address with the Board of Directors and management any accounting and financial reporting issues;
- Anticipate and respond to concerns of the Board of Directors and management; and
- Other audit-related projects as they arise and upon request.



We have audited the financial statements including the related notes to the financial statements of the Titusville-Cocoa Airport Authority for the year ended September 30, 2022, and have issued our report thereon dated March 30, 2023. Professional standards also require that we communicate to you the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Auditors' responsibility under Generally Accepted Auditing Standards, <i>Government Auditing Standards</i> and Chapter 10.550, Rules of the Florida Auditor General</p>	<p>As stated in our engagement letter dated May 3, 2022 our responsibility, as described by professional standards, is to express an opinion about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP) and to report on the fairness of supplementary information as described in the engagement letter when considered in relation to the financial statements as a whole. Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>Required supplementary information, such as management's discussion and analysis, is required by generally accepted accounting principles and will be subject to limited procedures, but will not be audited.</p> <p>As part of our audit, we considered the internal control of the Authority, and internal controls related to major federal and state programs and an opinion on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have direct and material effect on each federal program and state project in accordance with Title 2 <i>U.S. Code of Federal Regulations</i> (CFR) Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (Uniform Guidance), and Chapter 10.550, Rules of the Florida Auditor General. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.</p>
<p>Client's responsibility</p>	<p>Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position and results of operations in conformity with the applicable framework. Management, with</p>



MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
	<p>oversight from those charged with governance, is responsible for the design and implementation of programs and controls to prevent and detect fraud.</p> <p>Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.</p>
<p>Planned scope and timing of the audit</p>	<p>Our initial audit plan was not significantly altered during our fieldwork.</p>
<p>Management judgments and accounting estimates <i>The process used by management in forming particularly sensitive accounting estimates and the basis for the auditors' conclusion regarding the reasonableness of those estimates</i></p>	<p>Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates and CRI Comments on Quality."</p>
<p>Potential effect on the financial statements of any significant risks and exposures <i>Major risks and exposures facing the Authority and how they are disclosed/.</i></p>	<p>No such risks or exposures were noted.</p>
<p>Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditors' judgment about the quality of accounting principles</p> <ul style="list-style-type: none"> • <i>The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</i> • <i>Alternative treatments within GAAP for accounting policies and practices related to material items, including recognition, measurement, presentation and disclosure alternatives, that have been discussed with client management during the current audit period, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor.</i> 	<p>The significant accounting policies used by the Authority are described in Note 1 to the financial statements. New accounting policies were adopted during the fiscal year as a result of the following recently issued accounting pronouncements:</p> <ul style="list-style-type: none"> • Statement No. 87, <i>Leases</i> (GASB 87) <p>The adoption of GASB Statement No. 87 had an impact on the financial statements. See note 2 in the financial statements.</p> <p>We noted no transactions entered into by the Authority unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.</p> <p>Further, the disclosures in the Authority's financial statements are neutral, consistent, and clear.</p>
<p>Significant difficulties encountered in the audit <i>Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.</i></p>	<p>We encountered no significant difficulties in dealing with management in performing and completing our audit.</p>



MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Disagreements with management <i>Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditors' report. This does not include those that came about based on incomplete facts or preliminary information.</i></p>	<p>We are pleased to report no such disagreements arose during the course of our audit.</p>
<p>Other findings or issues <i>Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.</i></p>	<p>None noted.</p>
<p>Matters arising from the audit that were discussed with, or the subject of correspondence with, management <i>Conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.</i></p>	<p>None noted.</p>
<p>Corrected and uncorrected misstatements <i>All significant audit adjustments arising from the audit, whether or not recorded by the Authority, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform the Board of Directors about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements.</i></p>	<p>See "Summary of Audit Adjustments" section.</p>
<p>Major issues discussed with management prior to retention <i>Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.</i></p>	<p>Discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.</p>
<p>Consultations with other accountants <i>When management has consulted with other accountants about significant accounting or auditing matters.</i></p>	<p>To our knowledge, there were no such consultations with other accountants.</p>
<p>Written representations <i>A description of the written representations the auditor requested (or a copy of the representation letter).</i></p>	<p>See "Draft Management Representation Letter" section.</p>
<p>Internal control deficiencies <i>Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditors' attention during the audit.</i></p>	<p>See "Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards" and the "Independent Auditors' Management Letter" in the Authority's financial statements.</p>



MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
<p>Fraud and illegal acts <i>Fraud involving senior management or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditors' attention involving senior management and any other illegal acts, unless clearly inconsequential.</i> <i>We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.</i></p>	<p>We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.</p>
<p>Other information in documents containing audited financial statements <i>The external auditors' responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.</i></p>	<p>Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether:</p> <ul style="list-style-type: none"> • Such information is materially inconsistent with the financial statements; and • We believe such information represents a material misstatement of fact.
<p>Supplementary Information in relation to the financial statements as a whole. <i>The auditor's responsibility for supplementary information accompanying the financial statement, as well as any procedures performed and the results.</i></p>	<p>We made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.</p>
<p>Required Supplementary Information <i>The auditor's responsibility for required supplementary information accompanying the financial statements, as well as any procedures performed and the results.</i></p>	<p>We applied certain limited procedures to the required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquiries with management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion on the RSI.</p>
<p>Significant unusual accounting transactions <i>Auditor communication with governance to include auditors' views on policies and practices management used, as well as the auditors' understanding of the business purpose.</i></p>	<p>No significant unusual accounting transactions were noted during the year.</p>

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



We are required to communicate our judgments about the quality, not just the acceptability, of the Authority's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The Board of Directors and management may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Depreciation of Capital Assets	<p>Based on the audit procedures we performed with respect to the Authority's capital assets, we noted that the Authority estimates the useful lives of capital assets in accordance with all applicable standards and guidelines of GASB.</p> <p>The Authority follows the provisions of Section 1400: <i>Reporting Capital Assets</i>, of the GASB Codification when reporting depreciation of its capital assets.</p>	Yes	Management's estimate of the useful lives of capital assets is based on the historical lives of similar assets and market prices.	We evaluated the key factors and assumptions used to develop the estimated useful lives in determining that they are reasonable in relation to the financial statements taken as a whole.
Compensated Absences	<p>Liabilities for compensated absences attributable to services already rendered are accrued as employees earn the rights to those benefits.</p> <p>The Authority follows the provisions of Section C60: <i>Compensated Absences</i>, of the GASB Codification when reporting these liabilities.</p>	Yes	The Authority estimates the accrued liabilities for compensated absences and the current portion using leave balances based on tenure and the current portion is based on those that will be paid out with current financial resources.	The Authority's policies are in accordance with all applicable accounting guidelines and GASB.

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Net Pension Liability and Related Deferred Outflows and Deferred Inflows of Resources	The Authority follows the provisions of Section P20: <i>Reporting for Benefits Provided through Trusts That Meet Specified Criteria</i> , of the GASB Codification when reporting net pension liabilities.	Yes	The Authority relies on valuations from the Pension Plan's actuary for the estimated value of the Authority's net pension liability. The actuarial valuation is based on financial information, utilizing assumptions developed by management.	The Authority's policies are in accordance with all applicable accounting guidelines and GASB.
Other Post-Employment Benefits (OPEB) and related Deferred Outflows and Deferred Inflows of Resources.	The Authority follows the provisions of Section P52: <i>Postemployment Benefits Other Than Pensions – Reporting for Benefits Not Provided through Trusts That Meet Specified Criteria</i> , of the GASB Codification when reporting its OPEB liability and related costs.	Yes	Management's estimate of the other postemployment benefit liability is based on healthcare costs and employment assumptions developed by management. A third party actuary utilized these assumptions to calculate the year-end liability.	We evaluated the key factors and assumptions in determining they are reasonable in relation to the financial statements taken as a whole.
Lease receivables and related Deferred Inflows of Resources	<p>Lease receivables are initially measured at the net present value of lease payments expected to be received during the lease term, reduced by any provision for estimated uncollectible amounts.</p> <p>The Authority follows the provisions of Section L20: <i>Leases</i>, of the GASB Codification when reporting the net present value on leases.</p>	X	Management's estimate of the lease receivables are based the net present value calculated based on the lease terms.	We evaluated the key factors and assumptions used to develop the estimated net present values in determining that they are reasonable in relation to the financial statements taken as a whole.

Summary of Audit Adjustments



During the course of our audit, we accumulate differences between amounts recorded by the Authority and amounts that we believe are required to be recorded under GAAP reporting guidelines. For the fiscal year ended September 30, 2022, the Authority has elected to record the following adjustments:

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
Reduce compensated absences for termination benefits			
21230	Accrued Vacation & Sick	\$ 25,633	
70100	Salaries & Wages		\$ 25,633
Total		\$ 25,633	\$ 25,633

Adjusting Journal Entries JE # 2			
To record change in FRS			
29250	Deferred Inflows of Pension	\$ 667,207	
53000	Retirement	71,968	
19050	Pension Costs - Unamortized		\$ 66,474
28750	Net Pension Liability		672,701
Total		\$ 739,175	\$ 739,175

Adjusting Journal Entries JE # 3			
OPEB entry			
28760	Post-Employment Benefits	\$ 4,082	
19060	OPEB DO		\$ 724
52010	Health & Dental		3,358
Total		\$ 4,082	\$ 4,082

Adjusting Journal Entries JE # 4			
To reclassify beginning net position for NCIA & restricted NA			
35000	Retained Earnings	\$ 1,310,700	
34000	Restricted for airport improvements		\$ 1,310,700
Total		\$ 59,264,127	\$ 59,264,127

Adjusting Journal Entries JE # 5			
To adjust restricted net position for current year releases from restriction and to correct loss on sale of properties for cost basis of vacant lot included in the sales			
34000	Restricted for airport improvements	\$ 315,619	
79500	Gain/Loss Dispose Fixed Assets	100,000	
14100	Land Improvements		\$ 100,000
35000	Retained Earnings		315,619
Total		\$ 415,619	\$ 415,619

Summary of Audit Adjustments



Adjusting Journal Entries JE # 6

To adjust for purchase of dump trailer (asset #634) & adjust to agree to depreciation sch

14405	Heavy Equipment	\$	9,795	
14405	Heavy Equipment			\$ 29
77011	R&M Equipment			9,766
Total		\$	9,795	\$ 9,795

Adjusting Journal Entries JE # 7

Adjust depreciation expense for the current year to actual

79100	Depreciation	\$	83,840	
16200	Accum Dep Buildings			\$ 83,840
Total		\$	83,840	\$ 83,840

Adjusting Journal Entries JE # 8

To record lease receivables / deferred inflows as of 9.30.21

19300	Lease Receivables	\$	4,220,057	
29270	Deferred Inflows of Leases			\$ 4,220,057
Total		\$	4,220,057	\$ 4,220,057

Adjusting Journal Entries JE # 9

To record new lease receivables

19300	Lease Receivables	\$	650,893	
29270	Deferred Inflows of Leases			\$ 650,893
Total		\$	650,893	\$ 650,893

Adjusting Journal Entries JE # 10

GASB 87 adjustment to lease receivables

29270	Deferred Inflows of Leases	\$	330,830	
41300	Bldg Leases			282,952
19300	Lease Receivables			\$ 143,198
41300	Bldg Leases			330,830
80100	Interest Income			139,754
Total		\$	613,782	\$ 613,782

For the fiscal year ended September 30, 2022, the Authority has elected to not record the following adjustments:

- Capital contributions in the amount of \$69,000 that should have been recognized in fiscal year 2021 was recognized in fiscal year 2022.
- Capital asset additions of \$37,655 that were placed in service in fiscal year 2021 were not capitalized and added to the depreciation schedule until fiscal year 2022.

The Authority considers these amounts, individually and in the aggregate, to be immaterial and has elected not to record an adjustment to beginning net position or current year expenses.



QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to addition, or vice versa.
- Whether the difference concerns an area of the Authority's operating environment that has been identified as playing a significant role in the Authority's operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management's compensation – for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.



March 30, 2023

Carr, Riggs & Ingram, LLC
215 Baytree Drive
Melbourne, FL 32940

This representation letter is provided in connection with your audit of the financial statements of the Titusville-Cocoa Airport Authority (the "Authority"), which comprise the respective financial position as of September 30, 2022, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of March 30, 2023, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 3, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements or in the schedule of findings and questioned costs.



- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole for each opinion unit. A list of uncorrected misstatements is attached to the representation letter. In addition, you have proposed adjusting journal entries that have been posted to the entity's accounts. We are in agreement with those adjustments.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the Authority is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 11) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Authority Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements and in the schedule of expenditures of federal awards and state financial assistance.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the Authority and involves—
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the Authority's financial statements communicated by employees, former employees, regulators, or others.
- 16) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 18) We have disclosed to you the names of the Authority's related parties and all the related party relationships and transactions of which we are aware, including any side agreements.



Government-specific

- 19) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 20) We have taken timely and appropriate steps to remedy noncompliance with provisions of laws, regulations, contracts, and grant agreements that you have reported to us.
- 21) We have a process to track the status of audit findings and recommendations.
- 22) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 23) We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- 24) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- 25) The Authority has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 26) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 27) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 28) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 29) In regard to the assistance with the preparation of the financial statements and disclosures, the schedule of expenditures of federal awards and state financial assistance, and the data collection form; preparing journal entries to record year-end accruals from Authority-prepared schedules; preparation of the depreciation schedule from information provided by the Authority; and any other non-attest services performed by you, we have—
 - 1) Assumed all management responsibilities.
 - 2) Designated Christy Kinard, who has suitable skill, knowledge, or experience to oversee the services.
 - 3) Evaluated the adequacy and results of the services performed.
 - 4) Accepted responsibility for the results of the services.
- 30) The Authority has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 31) The Authority has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.



- 32) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 33) The financial statements properly classify all funds and activities in accordance with GASB Statement No. 34, as amended.
- 34) The Authority has one fund for financial reporting.
- 35) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- 36) Investments are properly valued.
- 37) Provisions for uncollectible receivables have been properly identified and recorded.
- 38) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 39) Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
- 40) Intra-entity activity and balances have been appropriately classified and reported.
- 41) Deposits and investment securities are properly classified as to risk and are properly disclosed.
- 42) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- 43) We have appropriately disclosed the Authority's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 44) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 45) With respect to the budgetary comparison schedule and schedule of capital projects summary ("supplementary information")
 - a) We acknowledge our responsibility for presenting the supplementary information in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.



- 46) The Authority is responsible for and we are in compliance with 218.39(3)(c), Florida Statutes. We acknowledge our responsibility for the information required by Section 218.39, Florida Statutes, and its presentation is within prescribed guidelines.
- 47) The Authority has not entered into any conduit debt agreements
- 48) With respect to federal award programs:
- a) We are responsible for understanding and complying with and have complied with, the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), including requirements relating to preparation of the schedule of expenditures of federal awards.
 - b) We acknowledge our responsibility for preparing and presenting the schedule of expenditures of federal awards and state financial assistance (SEFA) and related disclosures in accordance with the requirements of the Uniform Guidance, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance. The methods of measurement or presentation of the SEFA have not changed from those used in the prior period and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SEFA.
 - c) If the SEFA is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the SEFA no later than the date we issue the SEFA and the auditors' report thereon.
 - d) We have identified and disclosed to you all of our government programs and related activities subject to the Uniform Guidance compliance audit, and have included in the SEFA, expenditures made during the audit period for all awards provided by federal agencies in the form of federal awards, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
 - e) We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, regulations, and the terms and conditions of federal awards related to each of our federal programs and have identified and disclosed to you the requirements of federal statutes, regulations, and the terms and conditions of federal awards that are considered to have a direct and material effect on each major program.
 - f) We are responsible for establishing, designing, implementing, and maintaining, and have established, designed, implemented, and maintained, effective internal control over compliance for federal programs that provides reasonable assurance that we are managing our federal awards in compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a material effect on our federal programs. We believe the internal control system is adequate and is functioning as intended.
 - g) We have made available to you all federal awards (including amendments, if any) and any other correspondence with federal agencies or pass-through entities relevant to federal programs and related activities.
 - h) We have received no requests from a federal agency to audit one or more specific programs as a major program.
 - i) We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB*

Draft Management Representation Letter



Compliance Supplement (including its Addendum), relating to federal awards and confirm that there were no amounts questioned and no known noncompliance with the direct and material compliance requirements of federal awards.

- j) We have disclosed any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.
- k) We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditor's report.
- l) Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2CFR part 200, subpart E).
- m) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- n) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- o) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- p) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- q) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the period covered by the auditor's report.
- r) Federal program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- s) The copies of federal program financial reports provided you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- t) We have charged costs to federal awards in accordance with applicable cost principles.
- u) We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.
- v) We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- w) We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.



- x) We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance.

49) With respect to state programs:

- a) We are responsible for understanding and complying with and have complied with, the requirements of Chapter 10.550, (Florida Single Audit Act) including requirements related to preparation of the schedule of expenditures of state financial assistance.
- b) We acknowledge our responsibility for preparing and presenting the schedule of expenditures of state financial assistance (SEFSA) and related notes in accordance with the requirements of the Florida Single Audit Act, and we believe the SESFA, including its form and content, is fairly presented in accordance with the Florida Single Audit Act. The methods of measurement or presentation of the SESFA have not change from those used in prior periods and we have disclosed to you any significant assumptions and interpretations underlying the measurement or presentation of the SESFA.
- c) We have identified and disclosed to you all of our government programs and related activities subject to the Florida Single Audit Act compliance audit, and have included in the SESFA, expenditures made during the audit period for all awards provided by state agencies in the form of state awards, state cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance and state financial assistance.
- d) We are responsible for understanding and complying with, and have complied with, the requirements of state statutes, regulations, and the terms and conditions of state awards related to each of our state programs and have identified and disclosed to you the requirements of state statutes, regulations, and the terms and conditions of state awards that are considered to have a direct and material effect on each major program.
- e) We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for state programs that provides reasonable assurance that we are managing our state awards in compliance with state statutes, regulations, and the terms and conditions of state awards, that could have a material effect on our state programs. We believe the internal control system is adequate and is functioning as intended.
- f) We have made available to you all state awards (including amendments, if any) and any other correspondence with state agencies or pass-through entities relevant to state programs and related activities.
- g) We have received no requests from a state agency to audit one or more specific projects as a major project.
- h) We have complied with the direct and material compliance requirements (except for noncompliance disclosed by you), including when applicable, those set forth in the *Chapter 10.550 Rules of the Florida Auditor General*, related to state awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the requirements of state projects.
- i) We have disclosed any communications from grantors and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditor's report.



- j) Amounts claimed or used for matching were determined in accordance with relevant guidelines in the *Florida Single Audit Act*.
- k) We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- l) We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to compliance requirements, including information related to state project financial reports and claims for advances and reimbursements.
- m) We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- n) There are no such known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditor's report.
- o) No changes have been made in internal control over compliance or other factors that might significantly affect internal control, including any corrective actions we have taken regarding significant deficiencies or material weaknesses in internal control over compliance, subsequent to the date as of which compliance was audited.
- p) State program financial reports and claims for advances and reimbursements are supported by the books and records from which the financial statements have been prepared.
- q) The copies of state programs financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective state agency or pass-through entity, as applicable.
- r) We have charged the cost of state projects in accordance with applicable cost principles.

Compliance with Florida Statute 218.415

- 50) We are responsible for complying with Florida Statute 218.415, *Local Government Investment Policies*.
- 51) We are responsible for establishing and maintaining effective internal control over compliance.
- 52) We have performed an evaluation of the Authority's compliance with Florida Statute 218.415, *Local Government Investment Policies*.
- 53) All relevant matters are reflected in the measurement or evaluation of the Authority's compliance with specified requirements.
- 54) We are responsible for selecting the specified requirements and for determining that the specified requirements are appropriate for our purposes.
- 55) We have disclosed to you all known noncompliance with Florida Statute 218.415, *Local Government Investment Policies*.
- 56) We have provided you with all relevant information and access to information and personnel in connection with your examination of compliance with Florida Statute 218.415, *Local Government Investment Policies*.
- 57) Our interpretation of Florida Statute 218.415, *Local Government Investment Policies* is as follows:

Draft Management Representation Letter



a) As the Authority has elected to invest surplus funds in compliance with section 218.415(7) of the Florida Statutes, the provisions of section 218.415(14) requiring a minimum number of hours of completion of continuing professional education do not apply.

58) We have disclosed to you all known matters that may contradict the Authority's compliance with the specified requirements and we have disclosed to you all communications from the regulatory agencies, consultants and others regarding possible noncompliance with Florida Statute 218.415, *Local Government Investment Policies*, including communications received between October 1, 2022 and the date of this letter.

Signature: _____ Signature: _____

Title: Director of Airports

Title: Finance Manager

March 2023 Check Register

Vendor	Type	Num	Date	Amount
Florida State Disbursement Unit	Bill Pmt -Check	5000	03/10/2023	95.31
MISSION SQUARE - 303301	Bill Pmt -Check	5001	03/10/2023	283.54
ACF STANDBY SYSTEMS	Bill Pmt -Check	5002	03/10/2023	1,039.41
AT&T	Bill Pmt -Check	5003	03/10/2023	452.65
AT&T	Bill Pmt -Check	5004	03/10/2023	824.37
AT&T Internet	Bill Pmt -Check	5005	03/10/2023	53.50
AMAZON CAPITAL SERVICES	Bill Pmt -Check	5006	03/10/2023	851.76
BREVARD UNIFORM CO	Bill Pmt -Check	5007	03/10/2023	86.88
CARR, RIGGS & INGRAM	Bill Pmt -Check	5008	03/10/2023	12,910.00
CITY OF TITUSVILLE	Bill Pmt -Check	5009	03/10/2023	787.93
CULLIGAN	Bill Pmt -Check	5010	03/10/2023	65.99
DISH	Bill Pmt -Check	5011	03/10/2023	75.09
FASTER THAN SOUND, INC	Bill Pmt -Check	5012	03/10/2023	1,780.00
FPL	Bill Pmt -Check	5013	03/10/2023	1,326.58
FPL	Bill Pmt -Check	5014	03/10/2023	661.12
Home Depot Credit Services	Bill Pmt -Check	5015	03/10/2023	1,999.87
Konica Minolta Business Solutions	Bill Pmt -Check	5016	03/10/2023	209.13
Lacey's Lock Service	Bill Pmt -Check	5017	03/10/2023	113.00
NIX PEST MANAGEMENT	Bill Pmt -Check	5018	03/10/2023	85.00
Parks CDJR of Titusville	Bill Pmt -Check	5019	03/10/2023	81.45
ROBERTSON'S LAWNS INC	Bill Pmt -Check	5020	03/10/2023	1,000.00
Staples	Bill Pmt -Check	5021	03/10/2023	145.31
WASTE MANAGEMENT	Bill Pmt -Check	5022	03/10/2023	500.37
Brevard County Emergency Mgmt	Bill Pmt -Check	5023	03/10/2023	2,310.00
Brown & Brown of Florida, Inc	Bill Pmt -Check	5024	03/10/2023	2,945.75
T's Handyman Service	Bill Pmt -Check	5025	03/10/2023	5,399.00
TEN-8 FIRE & SAFETY, LLC	Bill Pmt -Check	5026	03/10/2023	1,494.30
Texas Trailers	Bill Pmt -Check	5027	03/10/2023	13,810.00
Thorne Site Development	Bill Pmt -Check	5028	03/10/2023	5,000.00
Wolen, L.L.C.	Bill Pmt -Check	5029	03/10/2023	6,406.66
Tami & Manny Oviedo	Bill Pmt -Check	5030	03/10/2023	258.52
William T. Dodson	Bill Pmt -Check	5031	03/10/2023	329.28
Donald Pataky	Bill Pmt -Check	5032	03/10/2023	4.46
Donald Pataky	Bill Pmt -Check	5033	03/10/2023	318.15
Marco Rodrigues	Bill Pmt -Check	5034	03/10/2023	200.00
Raymond Jenkins	Bill Pmt -Check	5035	03/10/2023	200.00
Mike Pinnock	Bill Pmt -Check	5036	03/10/2023	200.00
Roberto Gimenez	Bill Pmt -Check	5037	03/10/2023	200.00
Lisa Nicholas	Bill Pmt -Check	5038	03/10/2023	119.88
Christina Kinard	Bill Pmt -Check	5039	03/10/2023	253.62
Stine Fredheim	Bill Pmt -Check	5040	03/10/2023	58.91
Whitebird Attorneys at Law	Bill Pmt -Check	5041	03/10/2023	8,179.50

Karl Thorne Trucking & Land Clearing	Bill Pmt -Check	5042	03/10/2023	114,198.54
MISSION SQUARE - 303301	Bill Pmt -Check	5043	03/24/2023	283.54
A&B Fence Co, LLC	Bill Pmt -Check	5044	03/24/2023	3,420.08
AT&T	Bill Pmt -Check	5045	03/24/2023	600.82
AT&T Mobility	Bill Pmt -Check	5046	03/24/2023	350.24
Allen Enterprises, Inc.	Bill Pmt -Check	5047	03/24/2023	389.08
Amazon Capital services	Bill Pmt -Check	5048	03/24/2023	2,290.33
AVCON	Bill Pmt -Check	5049	03/24/2023	4,648.12
AVCON	Bill Pmt -Check	5050	03/24/2023	3,400.00
AVCON	Bill Pmt -Check	5051	03/24/2023	41,942.15
Award Trophy	Bill Pmt -Check	5052	03/24/2023	209.36
Brevard Uniform Co	Bill Pmt -Check	5053	03/24/2023	86.88
City of Cocoa	Bill Pmt -Check	5054	03/24/2023	246.09
City Of Titusville	Bill Pmt -Check	5055	03/24/2023	368.31
Crawford Brothers Enterprises, LLC	Bill Pmt -Check	5056	03/24/2023	6,171.00
Dynafire	Bill Pmt -Check	5057	03/24/2023	1,005.00
Deutz	Bill Pmt -Check	5058	03/24/2023	3,347.34
Florida Alarm & Security Technologies	Bill Pmt -Check	5059	03/24/2023	71.00
FPL	Bill Pmt -Check	5060	03/24/2023	588.34
FPL	Bill Pmt -Check	5061	03/24/2023	522.78
FPL	Bill Pmt -Check	5062	03/24/2023	1,028.98
FPL	Bill Pmt -Check	5063	03/24/2023	1,682.17
FPL	Bill Pmt -Check	5064	03/24/2023	2,130.55
FPL	Bill Pmt -Check	5065	03/24/2023	890.89
IRC Roofing & Construction, LLC	Bill Pmt -Check	5066	03/24/2023	1,500.00
Konica Minolta Business Solutions	Bill Pmt -Check	5067	03/24/2023	357.09
Quadrex Aviation, LLC	Bill Pmt -Check	5068	03/24/2023	3,627.00
Nix Pest Management	Bill Pmt -Check	5069	03/24/2023	171.00
Staples	Bill Pmt -Check	5070	03/24/2023	141.47
Susan Hall Landscape Architecture, Inc.	Bill Pmt -Check	5071	03/24/2023	3,000.00
T's Handyman Service	Bill Pmt -Check	5072	03/24/2023	6,650.00
The Quotient Group	Bill Pmt -Check	5073	03/24/2023	350.00
The Sherwin Williams Co	Bill Pmt -Check	5074	03/24/2023	81.87
Tuttle-Armfield-Wagner Appraisal	Bill Pmt -Check	5075	03/24/2023	3,000.00
Watkins Oil	Bill Pmt -Check	5076	03/24/2023	1,920.65
Windstream	Bill Pmt -Check	5077	03/24/2023	636.04
AT&T	Bill Pmt -Check	5078	03/24/2023	824.37
Medfast Urgent Care Centers, LLC	Bill Pmt -Check	5079	03/24/2023	150.00
BOARD OF COUNTY COMMISSSIONERS	Bill Pmt -Check	5080	03/24/2023	15,997.91
Florida State Disbursement Unit	Bill Pmt -Check	5081	03/24/2023	95.31
STANDARD INSURANCE COMPANY	Bill Pmt -Check	5082	03/24/2023	837.41
CHLIC	Bill Pmt -Check	5083	03/24/2023	489.08
DAVIS VISION	Bill Pmt -Check	5084	03/24/2023	81.12
Shelrie Houlton	Check	5085	03/24/2023	25.00
Catherine Jacob	Check	5086	03/24/2023	353.06
David Blackburn	Check	5087	03/24/2023	25.00
TCAA Petty Cash	Bill Pmt -Check	5088	03/24/2023	203.89

TRUIST ITEM PROCESSING CENTER

Bill Pmt -Check	5089	03/24/2023	<u>10,104.89</u>
TOTAL			<u><u>313,610.04</u></u>