

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
SEPTEMBER 11, 2018
8:30 A.M.**

PRESENT: Tim M. Slattery, Chairman
U. Henry Bowlin
Tom Green
Frank S. Ioppolo, Jr.
Clyde H. Robertson, Jr.
Clayton D. Simmons
Stephen P. Smith
Brett Renton, Airport Counsel
Mayor Jeff Triplett, City Liaison

ABSENT: Jennifer T. Dane, Vice Chairman
William R. Miller, Secretary/Treasurer
Commissioner Brenda Carey, County Liaison

STAFF PRESENT: Diane Crews, President & CEO
George Speake, Executive Vice President & COO
Don Poore, Chief Financial Officer
Jerry Crocker, IT Manager
Thomas Fuehrer, SAPD Chief
Lori Hunt, Executive Assistant
Jacqueline Lauterbach, Leasing Manager
Brian Logan, IT Coordinator
Al Nygren, Property Manager
Rachel Walker, Finance Manager

OTHERS PRESENT: Daniel Barsky, Shutts & Bowen
Sonya Brauer, Southeast Ramp
Elizabeth Brown, AWW
Krysty Carr, Sanford Chamber of Commerce
Dave Cattell
Kevin Dillon, Constant Aviation
Luke Frey, Walbridge
David Hand, Atkins
Geoff Lane, Constant Aviation
Brady Lessard, CPH
Jeremy Owens, CPH
Paul Partyka, NAI Realvest
Keith Robinson, AWW
Tim Shea, AVCON
Greg Smith, MillionAir

Kevin Spolski, Spolski Construction
Jason Terreri, AWW

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND INTRODUCTION OF GUESTS

The meeting was called to order at 8:31 a.m. followed by the Pledge of Allegiance and introduction of guests.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON AUGUST 7, 2018 AND THE JOINT MEETING HELD ON AUGUST 13, 2018

Motion by Board Director Smith, seconded by Board Director Robertson, to approve the Minutes of the Regular Meeting held on August 7, 2018 and the Joint Meeting held on August 13, 2018. Vote was taken, none opposed. Motion passed.

4. PRESENTATION TO ANDREW VAN GAALE

5. PRESENTATION TO JAMES WILKES

6. LIAISON REPORTS

A. Seminole County

Commissioner Carey was absent.

B. City of Sanford

Mayor Triplett updated the Board regarding: water issues; consolidation of the Chamber of Commerce and Welcome Center now to be co-located in the old Post Office; RFP to be issued for parking spaces at the old Chamber of Commerce location; Heritage Park project to begin January 2019; and the New Tribes Mission building to be redone as an upscale, 100 room 4-star boutique hotel with construction to commence in the next couple of months. Board Director Robertson inquired if the Sanford Chamber will be blended with Seminole County Chamber. Mayor Triplett responded no, the Sanford Chamber will exist but won't be in their existing building.

7. COMMITTEE REPORTS

A. EDAC

Board Director Green requested an EDAC meeting be scheduled to discuss Gator Dock and Marine, L3, Southeast Ramp potential expansion, and hotel proposal. Following discussion, the committee members concurred to hold the meeting on Friday September 21, 2018 at 7:30 a.m. in the Executive Boardroom.

B. MetroPlan

Board Director Smith updated the Board: Harry Barley retired from MetroPlan and Gary Huttman is the new Executive Director; Ultimate I-4 is on schedule, 2030 is estimated competition date; and Wekiwa Parkway is on schedule. President Crews updated the Board that she and Board Director Smith met with Edward Johnson, CEO Lynx to discuss Lynx service to the Airport.

8. COMMENTS FROM THE PUBLIC

None.

9. PRESIDENT'S REPORT

President Crews updated the Board regarding construction projects and reported that the Gate Needs Study was approved with minimal comments, so the SAA can proceed with applying for PFC#5.

8:47 – Chairman Slattery paused the meeting for a moment of silence and prayer to remember 9/11.

George Speake updated the Board regarding Aviation Day and the Air Show.

Aviation Day

A meeting was held last week with Airport tenants to coordinate what activities they will bring to Aviation Day. Focus is on a career day opposed to promoting individual businesses. NOAA (National Oceanic and Atmospheric Administration) will be attending with the Hurricane Hunter aircraft, the Coast Guard bringing C130 and H16 helicopters, Seminole/Volusia County will have their Life Flight Helicopters, and Air Unlimited, Allegiant, and Avocet will all be bringing aircraft. Keith Leiktieg, based at the Southeast Ramp, will perform an aerobatic display. Last year 2,500 children and adults attended and this year we are anticipating 5,000. Our engineers and Walbridge will have booths, as well as law enforcement and fire. Aviation Day is scheduled January 26, 2019 and all Board Directors are invited to attend.

Air Show

George Speake stated we are moving forward with an Air Show. He also had a discussion with Board Director Robertson after the last Board meeting and we are moving forward with Brian Lilly Production Air Show company. A couple of coordination meetings have been held, and we are working on an agreement which will be forwarded to counsel. A meeting was held with City of Sanford representatives regarding the Friday night show and coordination of efforts. The air show will help put Sanford on the map, we are the 18th largest market in the country without an air show. Sun n' Fun is held in Lakeland and is removed enough that they don't see it as competition. The Tico Air Show in Titusville is more war bird focused.

President Crews updated the Board that during the meeting with the City of Sanford they discussed what it costs the City to put on such an event like the 4th of July Celebration, Mr. Bonaparte shared those figures with us and we will be working with the City on that going forward.

Board Director Robertson informed the Board he met with George Speake and President Crews and stated there is not a better operations man in this field than George. He noted that George had researched so much in between when the Board last met and their meeting, and he appreciated the thorough investigation.

Don Poore presented the quarterly financial report.

Chairman Slattery requested the Board receive the AR report. Chairman Slattery stated we are at the end of the fiscal year, and we are not a government agency that operates under the assumption that if you don't spend all your money you don't get it next year, so he didn't want to see staff spending all their money. President Crews assured the Chairman we have never operated under that philosophy.

Paul Partyka updated the Board regarding leasing activity. Mr. Partyka stated the Airport needs more warehouse space not only for the current tenants that are expanding but also future tenants. Mr. Partyka updated the Board on the press release for the Zyscovich Visioning Plan and noted they have already received numerous calls from that article expressing interest.

Discussion ensued regarding pricing of future development.

President Crews referenced the property report for August, prepared by Rachel Walker, Finance Manager.

Discussion ensued regarding lost revenue from tenant Jetezy.

President Crews referenced occupancy rate and stated this is the highest she's seen it in her 17 years at the Airport.

President Crews referenced Police and ARFF reports. She thanked both Chief Fuehrer and Chief Shippell and stated their staff is the best we've had and are doing a great job. We have a wonderful group of men and women that serve us in that capacity.

President Crews referenced community outreach and the Professional Women's Luncheon to be held September 20th. She noted that Lauren Rowe is the guest speaker and invited the Board Directors to attend.

President Crews informed the Board that Lauren Rowe is attending a crisis communications conference in Colorado and she looks forward to hearing her report.

10. COUNSEL'S REPORT

Brett Renton updated the Board regarding: Shade Session, Jetezy lawsuit regarding eviction and mitigation of damages.

11. AIRPORTS WORLDWIDE REPORT

Elizabeth Brown updated the Board on August statistics: August was yet another record month, 6% over August 2017, year to date 7% over last year. Passenger count 2.2 million and expecting to see 3 million in December. Allegiant's fleet phasing continues to go well, MD80's projected to be gone by the end of November. Allegiant Conference in Savannah, Georgia in October to be attended by Elizabeth Brown and President Crews. Allegiant has announced a new service to Albany, New York commencing the middle of December three times a week; this is a city that was identified as a key market not served by Allegiant.

Allegiant will be celebrating the 40 millionth passenger arriving in Florida; it was to be held this week but was postponed due to the hurricane until the end of September. AWW is continuing air service development efforts and will be attending Take Off in October, with Jason Terreri and Elizabeth Brown attending. AWW has been fully acquired by Vinci, the sale is finalized, and they will be continuing to carry the torch of SFB. Vinci represents another 35 airports in addition to the AWW family platform of airports. Vinci will be attending World Roots and will have information specific to SFB, looking forward to positive efforts. World Roots will be held in China, and AWW will not be attending.

The terminal every day is getting a little cleaner, undergoing a 3 phase-process of pressure washing the exterior every evening, 3rd phase will be concluded in a month. Elevator renovations in the parking garage, including replacement of carpet. Fuel farm was painted. AWW working on capital projects as their fiscal year starts January, and she will be meeting with President Crews to discuss capital projects for 2019.

Discussion ensued regarding loss of international passengers, and if there is anything the Airport can do to help AWW to market and rebuild this area. Discussion ensued regarding loss of TUI Brussels flight; TUI has indicated they will add an additional route that will commence next summer. Discussion ensued regarding specific targeted airlines, facility challenges, and connectivity to attractions. Discussion ensued regarding Via Air routes, new route to Baton Rouge and promoting the airline. Discussion ensued regarding WOW Airlines. Discussion ensued regarding focusing on technology in International Terminal, facial recognition scanners. Discussion ensued regarding updates to CBP.

12. CHAIRMAN'S REPORT

Chairman Slattery updated the Board that it is time for the President's appraisal, and that he and President Crews have agreed to the recommendation. The summary of the Board's appraisal was distributed and discussed. Chairman Slattery recommended 12.47% of her current salary as bonus (\$28,057.50). Along with that she will receive the normal 2% staff increase in her salary. Chairman Slattery stated he believes President Crews has earned this, this year has been a very successful year. He honestly has not seen a more dedicated, loyal, hardworking CEO.

Motion by Board Director Ioppolo, seconded by Board Director Smith, to award President Crews 12.47% of her current salary as a bonus, \$28,057.50 and the normal 2% staff increase. Vote was taken, none opposed. Motion passed.

13. CONSENT AGENDA

- A. Consider approval of Addendum A to Lease No. 2017-033 with VIA AIRLINES, INC. for Building No. 147, located at 1722 Hangar Rd., Sanford, FL 32773. (Aviation).
- B. Consider approval of Banking Resolution No. 2018-03 for the establishment of a banking account for the maintenance of employee flexible spending account.
- C. Consider approval of Addendum C to Lease No. 2015-021 with LEE RICHARDSON for Building No. 520, located at 3933 Moore's Station Rd., Sanford, FL (Residential).
- D. Consider approval of and authorization to execute FAA AIP Grant No. 3-12-0069-079-2018 for Update Master Plan Study.

- E. Consider approval of Addendum A to Lease No. 2016-07 with MAHONEY SUPPLY, LLC. for Building No. 568,569 and Pad, located at 3985 and 3986 Aviation Loop (Commercial).
- F. Consider approval of Addendum I to Lease No. 2009-47 with AVOCET PARTS TRADING, LLC for Building No. 550, located at 550 Don Knight Lane. (MOU).
- G. [Add-on] Consider approval of Lease with Constant Aviation LLC for Hangar No. 543 at 2651 S. Mellonville Ave.

Board Director Green requested moving Consent Agenda Item G to the Discussion Agenda.

Motion by Board Director Smith, seconded by Board Director Bowlin to approve Consent Agenda Items A - F. Vote taken, none opposed. Motion passed.

14. DISCUSSION AGENDA

- A. Consider approval of Resolution No. 2018-04 authorizing the SAA to submit application to the FAA for the imposition and use of Passenger Facility Charge (PFC) No. 5.

Motion by Board Director Robertson, seconded by Board Director Smith to approve Discussion Agenda Item A. Vote taken, none opposed. Motion passed.

- G. [Add-on] Consider approval of Lease with Constant Aviation LLC for Hangar No. 543 at 2651 S. Mellonville Ave.

President Crews stated two representatives were present today General Manager Kevin Dillon, and Operations Manager Geoff Lane. This was one of two hangars that Jetezy had and we took back. Al Nygren has been working diligently with another tenant to lease the hangar, but the tenant couldn't meet the Board's requirements for lease of the property. President Crews stated Constant Aviation had told her they needed additional space. President Crews apologized that this was an add-on item, but she and Kevin Dillon were working on this lease until very late last night. President Crews encouraged the Board to visit Constant Aviation, they are busting at the seams, and they want to get into the building as soon as possible.

Discussion ensued regarding procedure or process established that leases with so many years and so much money would not be placed on the Consent Agenda but would be on the Discussion Agenda.

Discussion ensued regarding the lost revenue from Jetezy and the process to recoup that revenue. Discussion ensued regarding recouping revenue from ARMF. Discussion ensued regarding access control and parking cost for Constant enhancements.

Motion by Board Director Ioppolo, seconded by Board Director Smith to accept Add-on Discussion Agenda Item G. Board Director Green made a friendly amendment that the lease with an effective date upon the Certificate of Occupancy upon completion. Friendly amendment approved and seconded. Kevin Dillon stated he accepted the friendly amendment. Vote taken, none opposed. Motion passed.

15. COMMENTS FROM THE PUBLIC

Mayor Triplett updated the Board that several years ago he had written a letter, that the City had gotten out of the position of Add-on items. He understood upon rare occasions it is necessary, and if it's an Add-on, it shouldn't be placed under Consent Agenda, rather it should be placed under Discussion Agenda.

16. OTHER BUSINESS

Chairman Slattery shared several thank you notes with the Board. Chairman Slattery reminded the Board they are ambassadors of the Airport, and we are doing more and more community events and community outreach. He thanked everyone for attending events and functions that the Airport supports.

17. REMINDER OF NEXT BOARD MEETING (OCTOBER 9, 2018)

16. ADJOURN FOR EXECUTIVE SESSION GREATER ORLANDO AVIATION AUTHORITY V. SANFORD AIRPORT AUTHORITY.

There regular meeting was adjourned at 10:00 a.m. for the executive session.

17. RECONVENE

The Regular meeting reconvened at 11:00 a.m.

18. OTHER BUSINESS

Chairman Slattery updated the Board that after the conclusion of the EDAC Meeting September 21, 2018 there will need to be a brief Board Meeting.

19. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:01 a.m.

Diane H. Crews

Diane H. Crews, President & CEO
/lh