

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
TUESDAY, JANUARY 8, 2013**

PRESENT: Stephen P. Smith, Chairman
Tom Ball, Vice-Chairman
U. Henry Bowlin, Secretary/Treasurer
Jennifer T. Dane
Whitey Eckstein
Frank S. Ioppolo, Jr. – *arrived at 8:47 a.m.*
William R. Miller
Clayton D. Simmons
Tim M. Slattery
Brett R. Renton, Airport Counsel

ABSENT: Mayor Jeffrey C. Triplett, City Liaison
County Liaison (currently vacant)

STAFF PRESENT: Larry A. Dale, President & CEO
Diane Crews, Vice President of Administration
Bryant W. Garrett, Vice President of Finance
George Speake, Vice President of Operations & Maintenance
Diana M. Muñiz-Olson, Executive Secretary
Don Poore, Finance Manager
Jennifer Taylor, Project Coordinator/Land Acquisition Specialist
Patricia Trantum, Staff Accountant

OTHERS PRESENT: Aaron Casey
Margaret Cummins, AHSCG
David Doudney, Doudney Surveyors
Greg Dull, TBI
Larry Gouldthorpe, TBI
Shannon Gravitte, Mears Transportation Group
Geoff Lane, Starport
Kelly Leary, McDirmit Davis & Co., LLC
Brady Lessard, CPH Engineers, Inc.
Christian Mantegna, McDirmit Davis & Co., LLC
Genean H. McKinnon, McKinnon & Associates
Al Nygren, O.R. Colan Associates
Tim Shea, AVCON
Kevin J. Spolski, Spolski Construction
Craig Sucich, ATKINS

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

The meeting was called to order at 8:34 a.m., followed by the Pledge of Allegiance.

Chairman Smith welcomed everyone present.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON DECEMBER 18, 2012

Motion by Board Member Bowlin, seconded by Board Member Dane, to approve the minutes of the regular December meeting held on Tuesday, December 18, 2012. Vote taken, none opposed. Motion passed.

4. OATH OF PUBLIC OFFICERS – Tom Ball

During the December meeting, the Board took the Oath of Public Officers. President Dale, as a sworn police officer, administered the oath to Board Member Ball who was absent at the December meeting.

5. AUDIT PRESENTATION – McDirmit Davis & Co., LLC

Bryant Garrett introduced Kelly Leary and Christian Mantegna with McDirmit Davis & Co., LLC. He noted there is a correction regarding \$38,000 in grant revenue from the K-9 agreement, which is not showing on the current copy of the Audit.

Mr. Mantegna presented the Financial Statements for the years ended September 30, 2012 and 2011. He thanked Bryant Garrett and staff for their assistance in getting them the information in a timely manner.

The Independent Auditor's Report shows the Financial Statement is fairly presented in accordance with Government Auditing Standards.

Passenger counts have increased over the last four years.

Capital assets have increased, due in part to land acquisition for the extension of Runway 9L-27R. Also, as a result of the land acquisition, accounts payable have increased. Deferred revenue decreased (primarily in 2011 – related to FAA grants).

Total operating and non-operating revenues increased (due to land acquisition). Passenger Facility Charges (PFC) increased by \$1.7 million, due to increase in traffic and rate.

Pages 15 through 38 are the notes of the financial statements.

The Authority is in compliance with Government Auditing Standards. The Auditors did not identify any deficiencies in internal controls. Mr. Mantegna noted the Authority has good internal controls established that are improving every year. Test of compliance disclosed no instances of noncompliance; the Authority is in compliance with the laws and regulations.

The Independent Auditor's Report for FAA (federal) and FDOT (state) grants, shows the Authority is in compliance with Federal & State regulations.

The Independent Auditor's Report on PFCs shows the Authority is in compliance with the requirements.

Mr. Mantegna stated there were no recommendations to improve financial management on the Management Letter. There were no findings of any violations of provisions of contracts or grant agreements. There was no disagreement with management in regards to financial accounting, reporting, or auditing matter.

6. PRESIDENT'S REPORT

President Dale reported on the following:

- A. Extension of Runway 9L-27R – The previous night the Runway was closed at 11:00 p.m., when the tower closed. Crews (paint stripers, Hydroblaster pressure washers, and milling machines) worked all night to temporarily relocate the threshold, electrical, and NAVAIDS. One of the Hydroblasters broke down. The Runway is scheduled to be closed all day since traffic is slow on Tuesdays. Currently operations are strictly VFR; there will be days when flights will need to be diverted to other airports. The project is going to 24-7 schedule. Hauling dirt (to raise the safety area) will be done mostly at night for the next three weeks. The FAA shelters are all in place. Discussion ensued. President Dale noted the airlines are aware of the VFR operations, they have known about it for the last two years. The PAPI path indicator lights have been tested and certified.
- B. Aerials – Distributed during Item A.
- C. Land Acquisition – The Authority has title to all the required properties. The Hoke property will likely go to trial; pretrial conference is set for May 1, 2013. Regarding the Adesa parking lot, storage area and pond, the project is substantially completed. The walkthrough was done the previous day.

D. T-Hangar Repairs – The repairs (on Buildings 430, 431, and 441) are progressing well.

E. Buildouts – Regarding the Orange Air buildout, construction is expected to be completed by the end of January 2013.

The Synergy Wood Products buildout is complete.

F. Domestic Baggage Claim Improvements – The baggage claim was load tested and it is working fine. Operations should commence on Thursday, January 10, 2013. Work on the carousel on baggage claim #1 will start as soon as baggage claim #3 is completed.

G. Property Acquisition with Noise Mitigation Grant – Al Nygren is still working with two owners (voluntary purchases).

H. Year-to-date Financial Statements – The Fiscal Year 2012-2013 Unaudited Financial Results for the month ended November 30, 2012 was presented by President Dale and CFO Bryant Garrett.

I. SPP Program – President Dale noted the SPP pre-solicitation package was received, stating the RFP for private screening is anticipated to be released on January 23, 2013, and that the Authority will have to notify the TSA if it is interested in participating/bidding. He noted Covenant Aviation has changed considerably and lost its contract at the San Francisco Airport. The San Francisco contract is going out to bid the same time as SFB. President Dale briefed the new Board members on the SPP process and the presentations previously made to the Board by the private screening companies. He asked for direction from the Board. Discussion ensued. It was the consensus of the Board to allow President Dale to meet with the three original top ranked screening companies and American Homeland, to discuss the teaming concept and the bid.

J. Traffic Counts – There is a 28% increase in operations, compared to 2011.

K. Vacant properties – President Dale briefed the Board on the vacant properties. Discussion ensued regarding rent and funding for future improvements. President Dale noted the Authority is required to use revenues for the operation, security and maintenance of the Airport; if not, it is considered revenue diversion.

L. Passenger Boarding Bridges Replacement – President Dale briefed the Board on the cost of the project; a line of credit will be needed to do the phases. Discussion ensued regarding funding options.

The meeting adjourned at 10:22 a.m. for a break.

The meeting reconvened from break at 10:29 a.m.

President Dale distributed the engineer recommendations. Discussion ensued. Mr. Garrett stated the existing CNL \$4.5 million line of credit has a \$2.8 million balance, to be paid this year with entitlement funds.

Motion by Board Member Ioppolo, seconded by Board Member Simmons, authorizing staff to modify the existing CNL Line of Credit to include as collateral the PFC fees and modify the purpose of the loan to include the baggage claim modification and passenger boarding bridges. Following discussion, vote was taken, Board Member Slattery opposed. Motion passed with eight (8) votes.

M. Metroplan Orlando Presentation – President Dale stated he will give a brief presentation on the Airport at the Metroplan Orlando meeting on January 9, 2013, and showed the PowerPoint presentation to the Board. Board Member Bowlin recommended President Dale brief the Board on the Master Plan during the February meeting.

7. COUNSEL'S REPORT

Counsel anticipates conferences for the eminent domain cases will be set by the Court.

Regarding Millwork International, the final judgment has been recorded and we are in the final collection phase.

8. TBI REPORT

TBI President Larry Gouldthorpe introduced Greg Dull, Director of Marketing, to the new Board members, and reported on the following:

A. Monthly Statistics for December 2012

- i. UK traffic total
December 2012 – **2,552** passengers
- ii. International traffic total
December 2012 – **10,969** passengers
- iii. Domestic traffic total
December 2012 – **127,608** passengers
- iv. Total traffic
December 2012 – **138,577** passengers
- v. Year-to-date traffic
2012 – **1,816,474** passengers

vi. Percentage

UK traffic is up 8% compared to December 2011. International traffic is up 22% compared to December 2011. Domestic traffic is up 11% compared to December 2011. Total traffic is up 11% compared to December 2011; an all-time high for any December. Year-to-date traffic is up 15% compared to 2012.

Mr. Gouldthorpe noted 2012 is the second busiest year since the opening of the Airport (barely missing the first). He noted the Airport is leaving the 100% international airport model, and is getting to look more like the overall market. In 2000, international traffic before 9-11 was 73% of the Airport's total, domestic was only 13%, with the remainder being transit traffic. In 2012, traffic has shifted to 25% international, 75% domestic, and less than 1% transit.

B. Miscellaneous Updates

- i. Holiday Update – Even with a few cancellations due to the Midwest snow storm, holiday operations went on smoothly. The Secret Santa vouchers worked out very well at that time. The parking operations went smoothly as well, and 210 vehicles were parked in the overflow-parking.
- ii. Brazilian Charter Program – The Brazilian program will now run until February; and later in mid-summer.
- iii. Gulfport-Biloxi – Flights to Gulfport-Biloxi, MS will commence on February 6, 2013.
- iv. Allegiant – The new fleet of A319 aircraft will start flying on February 11, 2013 (to be paired with Las Vegas, NV).
- v. Advertising Program – OSI completed negotiations with the Orlando Solar Bears for advertising. A banner will be displayed on the parking garage (next to the UCF banner), and Solar Bears information will be shown on the screens at the terminal. In turn, the Solar Bears will show Airport information during their games and as part of their radio programming.

Regarding the advertising program with UCF, the Airport information will be displayed at the UCF basketball arena. Mr. Gouldthorpe invited the Board to a game on January 24, 2013. Members will have the opportunity to tour the athletic facilities before the game starts at 7:00 p.m.

Board Member Eckstein distributed information on Allegiant and briefed the Board on the company's stock performance.

9. LIAISON REPORTS

City of Sanford

None

10. CHAIRMAN'S REPORT

Chairman Smith recommended the tour be rescheduled to the following month. It was the consensus of the Board to do the tour at the end of the February Board meeting.

Chairman Smith congratulated Board Member Bowlin on his upcoming birthday, and noted Mayor Triplett's birthday is in January as well.

11. CONSENT AGENDA

None

12. DISCUSSION AGENDA

None

13. COMMENTS FROM THE PUBLIC

Kevin Spolski stated The Sanford Herald named him Contractor of the Year in Seminole County, primarily for the work he has done at the Airport.

14. OTHER BUSINESS

[Discussed out of order after Discussion Agenda] President Dale questioned the use of the water cabinets for the boarding bridges. Mr. Gouldthorpe clarified they are a potable water supply.

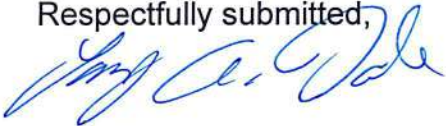
15. REMINDER OF NEXT BOARD MEETING (FEBRUARY 5, 2013)

16. BOARD TOUR OF RUNWAY 9L-27R EXPANSION (FEBRUARY 5, 2013)

17. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:22 a.m.

Respectfully submitted,



Larry A. Dale, President & CEO
/dmm



SANFORD AIRPORT AUTHORITY
1200 Red Cleveland Boulevard
Sanford, Florida 32773
(407) 585-4001 • Fax (407) 585-4045
www.orlandosanfordairport.com

December 26, 2012

Via email: legals@mysanfordherald.com

The Sanford Herald
P. O. Box 1657
Sanford, Florida 32772 1657

Attn: Patti, Legal Classified

Please publish the following Public Notice one (1) time in the **Sunday edition (December 30, 2012) of the Sanford Herald Classifieds.** Please confirm receipt of this advertisement by email to dmuniz@osaa.net.

PUBLIC NOTICE

SANFORD AIRPORT AUTHORITY

Notice is hereby given that the Sanford Airport Authority will conduct its January meeting on Tuesday, January 8, 2013, at 8:30 a.m., at the Sanford Airport Authority Executive Offices Board Room, A.K. Shoemaker Domestic Terminal, 1200 Red Cleveland Boulevard, Sanford, Florida. Information may be obtained by contacting the executive offices during normal business hours at (407) 585-4002.

Please take notice that if any person decides to appeal any decision made by the Sanford Airport Authority with respect to any matter considered at the meeting or hearing scheduled herein, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based, per Section 286.0105, Florida Statutes. Persons with disabilities needing assistance to participate in any of these proceedings should contact the executive offices 48 hours in advance of the meeting at (407) 585-4002.

Larry A. Dale
President & CEO

Certified proof of publication and invoice should be sent to:

Attn: Diana M. Muñiz-Olson
Sanford Airport Authority
1200 Red Cleveland Boulevard
Sanford, FL 32773

Please do not hesitate to call me at (407) 585-4002 if you have any questions.

Sincerely,

Diana M. Muñiz-Olson
Executive Assistant

PUBLIC NOTICE

BOARD MEETING

The regular meeting of the Sanford Airport Authority will be held on Tuesday, January 8, 2013, at 8:30 a.m., at the Sanford Airport Authority Executive Offices Board Room, A.K. Shoemaker Domestic Terminal, 1200 Red Cleveland Boulevard, Sanford, Florida. Information may be obtained by contacting the executive offices during normal business hours at (407) 585-4002.

SANAC

The Sanford Airport Noise Abatement Committee (SANAC) meeting will be held on Tuesday, January 15, 2013, at 9:00 a.m., in the Sanford Airport Authority Executive Offices Board Room, A. K. Shoemaker Domestic Terminal, 1200 Red Cleveland Boulevard, Sanford, Florida. Scheduling and information is available by contacting the Vice President of Operations at (407) 585-4006.

USER GROUP

The Airport User Group meeting will be held on Tuesday, January 15, 2013, at 10:00 a.m., in the Sanford Airport Authority Executive Offices Board Room, A. K. Shoemaker Domestic Terminal, 1200 Red Cleveland Boulevard, Sanford, Florida. Scheduling and information is available by contacting the Vice President of Operations at (407) 585-4006.

DESIGN REVIEW COMMITTEE (DRC)

The Sanford Airport Design Review Committee (DRC) meeting scheduled for Wednesday, January 2, 2013, has been cancelled. Information may be obtained by calling (407) 585-4002.

Please take notice that if any person decides to appeal any decision made by the Sanford Airport Authority with respect to any matter considered at the meeting or hearing scheduled herein, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based, per Section 286.0105, Florida Statutes. Persons with disabilities needing assistance to participate in any of these proceedings should contact the executive offices 48 hours in advance of the meeting at (407) 585-4002.

Larry A. Dale
President & CEO