

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
TUESDAY, JUNE 4, 2013**

PRESENT: Stephen P. Smith, Chairman
Tom Ball, Vice-Chairman
U. Henry Bowlin, Secretary/Treasurer
Jennifer T. Dane – *arrived at 8:47 a.m.*
Whitey Eckstein
Frank S. Ioppolo, Jr.
William R. Miller
Clayton D. Simmons
Tim M. Slattery
Mayor Jeffrey C. Triplett, City Liaison
Commissioner Lee Constantine – *arrived at 8:48 a.m.*
David A. Shontz, Airport Counsel

ABSENT: None

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

OTHERS PRESENT: Margaret Cummins, AHSCG
Larry Gouldthorpe, TBI
Brian Holsneck, ATKINS
Geoff Lane, Starport
Genean H. McKinnon, McKinnon & Associates
Al Nygren, O.R. Colan Associates
Jack Reynolds, JRA, Inc.
Kevin J. Spolski, Spolski Construction
Craig Sucich, ATKINS
Steven J. Zucker, Shutts & Bowen LLP

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.

Chairman Smith welcomed everyone present.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MAY MEETING HELD ON MAY 7, 2013; AND MINUTES FROM THE SPECIAL MEETING HELD ON MAY 14, 2013

Motion by Board Member Ball, seconded by Board Member Bowlin, to approve the minutes of the regular May meeting held on Tuesday, May 7, 2013. Vote taken, none opposed. Motion passed.

Motion by Board Member Ball, seconded by Board Member Bowlin, to approve the minutes of the special meeting held on Tuesday, May 14, 2013. Vote taken, none opposed. Motion passed.

4. DISCUSSION AGENDA [Out of order]

President Dale requested the Board discuss Discussion Agenda Item C at this time, so that Steven Zucker (Airport Counsel), who only attended the meeting to brief the Board, answer any questions, and to acquire signatures needed to execute the loan modification, would not have to wait until the end of the meeting.

- C. Consider approval and execution of CNL Bank Loan documents to fund the purchase and installation of twelve (12) Passenger Boarding Bridges, using a modification to an existing SAA Line of Credit through CNL Bank.

Staff recommends approval and execution of CNL Bank Loan documents to fund the purchase and installation of twelve (12) Passenger Boarding Bridges, using a modification to an existing Line of Credit (LOC) through CNL Bank.

Mr. Zucker briefed the Board on the LOC.

Following discussion, motion by Board Member Ball, seconded by Board Member Bowlin, to approve Discussion Agenda Item C, inclusive of Resolution Number 2013-07, and authorizing the Chairman to execute the closing documents. Vote taken, Board Member Slattery opposed. Motion passed with eight votes.

5. PRESIDENT'S REPORT

Chairman Smith congratulated Board Member Eckstein and Board Member Slattery on their upcoming birthdays.

President Dale reported on the following:

- A. Extension of Runway 9L-27R – The Runway opened on March 31, 2013. There have been delays in opening the 27R ILS, because it had to be published (published on May 30, 2013). The DME for 9L and the declared distances on the directory will be published on June 27, 2013. Staff is waiting on record drawings and correct as-builts. There is an issue with the 27R localizer and ILS system. Daytona Tech Operations has objected to the way this one was built. President Dale briefed the Board on the ILS localizer issue and distributed an agreement with the FAA, as required by Daytona Tech Operations, in order to turn on the localizer. The FAA is going to procure a new ILS, and new localizer equipment, at no additional cost to the Airport. Discussion ensued regarding the FAA agreement and the equipment for which the FAA is responsible. Board Member Ball questioned how it will affect the Airport's operations. President Dale stated he does not want to install the new equipment until November, and noted 9L is in operation and will remain so. He further noted that it could impact operations if the Airport does not have a localizer and there were strong winds from the northwest. However, President Dale noted that most likely it will not be an issue.
- B. T-Hangar Repairs – Repairs continue. Repairs have been completed on Buildings 427, 428, 429, and 431. Repairs have begun on Building 441. Repairs have not started on Building 430.
- C. Runway 18-36 extension Benefit Cost Analysis (BCA) – Jack Reynolds stated the BCA is 90% complete. He ran the numbers based on the current cost estimate (the cost estimate is approximately \$10 million more than the final cost estimate); even then, the benefit cost ratio is 2.25. He clarified only 1.0 is needed. President Dale noted it does not mean the FAA will approve it. However, Mr. Reynolds believes the BCA is very approvable. The day after the meeting, President Dale will be meeting with AVCON to discuss the cost estimate. If the FAA approves the BCA, the Authority will move forward with the Environmental Assessment.
- D. Passenger Boarding Bridges – The contract has been signed. The bid opening for the installation of the bridges will be held on June 16, 2013, and the mandatory pre-bid conference is the day after the meeting.
- E. Property Acquisition with Noise Mitigation Grant – The Authority has closed on the properties, and will be closing the grant soon. Three owners have declined to sell.
- F. Year-to-date Financial Statements – The Board reviewed the 7th Monthly Period Interim Financial Results for the month ended April 30, 2013.
- G. SPP Program – President Dale received information from the TSA that they will give a tour of the Airport to those companies that might wish to bid on any

upcoming bid. The TSA will put a cap on the cost, and the bidders cannot bid any higher than what it is costing the TSA to do it at the Airport. President Dale is continuing his discussions with the four security companies.

H. Attorneys' Fees – Distribution of attorneys' fees.

I. Truss Plant tenant – President Dale stated American Builders Supply, Inc. offered a letter of credit in lieu of the personal guarantee. Discussion ensued regarding the motion made during the May meeting (to waive the personal guarantee, but to include the guarantee from the company's equity firm in lieu of the personal guarantee; and for President Dale to explore the possibility of getting a UCC). Motion by Board Member Simmons, seconded by Board Member Ball, to accept the letter of credit in lieu of the equity firm's guarantee, subject to review and approval by President Dale and Counsel. Vote taken, none opposed. Motion passed.

J. Public meetings Bill – President Dale briefed the Board on a new Senate Bill that passed, regarding public meeting access and comments by the public on agenda items. Discussion ensued regarding the new bill, add-on items on the agenda and the President's Report. Following discussion, Board consensus was to have Counsel come back with a recommendation to comply with the new Senate Bill, and to have the President's Report distributed to all Board members at future meetings.

K. SFB Statistics – Operations in 2012 were 301,388; 25th busiest in the country; 5th busiest in the Southern Region; and 3rd busiest in Florida (behind MIA and MCO). The number of operations through April 20, 2013 is 104,565; 23rd busiest in country; 4th busiest in the Southern Region; and 2nd busiest in Florida (behind MIA). Regarding enplanements, SFB is 98th busiest in the country, out of 500 airports. In 2011 there were 769,000 enplanements, a 38% increase from 2010. Traffic record for April 2013 is 27,241 operations.

L. Four-laning of SR 46 – President Dale briefed the Board on a letter from Noranne Downs to Commissioner Dallari, regarding funding of the SR 46 widening.

M. Aerials – The aerials were not available at the time. Regarding getting updated large aerials, Bryant Garrett stated funds could be requested through the noise grant.

6. COUNSEL'S REPORT

Counsel briefed the Board on the following:

A. Skyblue – Judgment was obtained. The documents responsive to Counsel's request to produce are due June 21, 2013; and the deposition and Aid of Execution are scheduled for June 27, 2013.

- B. Inverse Condemnation – Regarding the McDonnell case, depositions for President Dale, Diane Crews, and George Speake occurred the week before. Their (McDonnell) expert disclosures are due Friday, June 7, 2013. The two-week trial is set for September (September 9, 2013).
- C. Eminent Domain – Regarding the Fertakis property, the motion for case management was filed with the court, and Counsel is waiting for the trial coordinator to contact him. Regarding the Driscoll property, the trial is set for October 28, 2013; and in the process of entering in to a case management order (expert disclosures, reports, etc). The Artzner, Hoke, and Delphini cases have been settled in mediation.
- D. Millwork International – Judgment was obtained. Depositions were made and Counsel is looking to see which assets (if any) they have.

7. TBI REPORT

TBI President Larry Gouldthorpe reported on the following:

A. Monthly Statistics for May 2013

- i. UK traffic total
May 2013 – **40,200** passengers
Year-to-date – **86,550** passengers
- ii. International traffic total
May 2013 – **47,894** passengers
Year-to-date – **131,559** passengers
- iii. Domestic traffic total
May 2013 – **128,274** passengers
Year-to-date – **701,454** passengers
- iv. Total traffic
May 2013 – **176,500** passengers
- v. Year-to-date traffic
2013 – **833,681** passengers
- vi. Percentage
UK traffic is down 7% compared to May 2012; down 4% year-to-date. International traffic is down 2% compared to May 2012; down 1% year-to-date. Domestic traffic is up 27% compared to May 2012; up 20% year-to-date. Total traffic is up 18% compared to May 2012. Year-to-date traffic is up 16% compared to 2012.

Discussion ensued regarding the airlines and future expectations. Board Member Ioppolo questioned how the Airport is doing in diversifying its client base. Mr. Gouldthorpe noted the industry is contracting fewer carriers, and that airlines are pretty much all committed to other airports in terms of leases and capital improvements. The economy would have to be more robust for an airline to relocate or even serve two (local) airports at the same time.

Board Member Eckstein noted he still believes the Authority needs to develop the Industrial Park. Board Member Ioppolo recommended a Board committee be formed, that examines specifically the economic development and expansion aspects of the Airport. President Dale noted the first step was already taken by the Board when it approved the task order to develop the properties. He likes the idea of the committee; however, he noted that since more than one member would be attending, the meeting would have to be advertised.

Discussion ensued regarding potential uses for the land (health care, pharmaceutical, or manufacturing) and the Airport's economic development. President Dale noted the Airport does not have large sites for development, and reiterated the task order must be done first to determine their use. Mayor Triplett noted the City has a new Economic Development Director, Bob Turk, and the City Commission is funding (projects) and moving forward.

Mr. Gouldthorpe clarified that when it comes to seeking out new airlines, TBI is not waiting around for the airlines to come to them. TBI staff attends at least four (4) matchmaking meetings around the world annually. In the course of the year, they talk to approximately 50 airlines, and also meet with investors thinking about developing new airlines.

B. Miscellaneous Updates

- i. Hurricane season – Staff is doing hurricane planning in preparation for the 2013 season.
- ii. Capital projects – The six (6) recharging stations have been installed. Each module will charge approximately six (6) devices. The electrical & data infrastructure for the mobile phones boarding pass scanners has been installed as well.
- iii. New shuttle bus – The new parking lot shuttle bus has arrived. The shuttle will be wrapped in the Airport's (SFB) marketing and will begin service in two weeks.
- iv. Allegiant – Mr. Gouldthorpe noted the Little Rock, Arkansas service starts June 6, 2013, and distributed cards with information on the destinations/airlines.
- v. Abertis announcement – Mr. Gouldthorpe stated that earlier in the year, Abertis decided they would do a strategic review of all their business units.

The airports business unit was identified for possible sale. TBI's business will be largely unaffected, even with a new owner. There could always be personnel changes based on the buyer and their plan. Due diligence has started and four (4) potential bidders will visit the Airport the following week. Board Member Slattery questioned if the sale gave the owner any right to renegotiate agreements (between TBI and the Authority). President Dale clarified this is not the first time it has happened, and noted the Authority does due diligence on the company (buyer). He will be meeting with the interested parties as they come in. Mr. Gouldthorpe stated that he has been through it once before, and noted that from a business standpoint the Authority will not see a change, other than the possibility of change in the senior management.

8. LIAISON REPORTS

City of Sanford

None. Mayor Triplett had to leave early due to previous engagement.

Seminole County

None. Commissioner Constantine had to leave early due to previous engagement.

9. CHAIRMAN'S REPORT

Chairman Smith stated he did not have a report.

President Dale announced Chairman Smith is a member of the 2013 Great Lakes Sporting Arms All-State Team, and congratulated him for making the team. President Dale would like to frame the certificate and hang it on the Board Room behind the Chairman's chair, during his term as chairman.

10. CONSENT AGENDA

- A. Consider approval of Addendum B to Lease No. 2011-26 with DESIGN BUILD TECHNOLOGIES, LLC for Building No. 141, located at 2774 Carrier Avenue (Warehouse/Office).

Staff recommends approval of Addendum B to Lease No. 2011-26 with DESIGN BUILD TECHNOLOGIES, LLC for Building No. 141, located at 2774 Carrier Avenue (Warehouse/Office). Addendum B extends the lease term for ~~two (2) additional years~~ one (1) additional year, effective June 17, 2013, with two (2) one-year options to renew. The lease consists of 7,940 square feet of office and warehouse space at \$4.00 per square foot, an increase from \$3.75 per square foot. The annual rental rate has increased from \$29,775.00 to \$31,760.00, an increase of \$1,985.00; the monthly

payment has increased from \$2,481.25 to \$2,646.67, an increase of \$165.42, exclusive of taxes.

- B. Consider approval of Addendum D to Lease No. 2009-12 with AIR ESSENTIALS, INC. d/b/a FLORIDA CLAY ART, CO. for Building No. 256, located at 1645 Hangar Road (Warehouse/Office).

Staff recommends approval of Addendum D to Lease No. 2009-12 with AIR ESSENTIALS, INC. d/b/a FLORIDA CLAY ART, CO. for Building No. 256, located at 1645 Hangar Road (Warehouse/Office). Addendum D extends the lease term for one (1) additional year, effective July 1, 2013. The lease consists of 4,020 square feet of office and warehouse space at \$3.40 per square foot, an increase from \$3.25 per square foot; and 10,890 square feet of land at \$0.20 per square foot, an increase from \$0.18 per square foot. The annual rental rate has increased from \$15,025.20 to \$15,846.00, an increase of \$820.80; the monthly payment has increased from \$1,252.10 to \$1,320.50, an increase of \$68.40, exclusive of taxes.

- C. Consider approval of Lease No. 2013-20 with APOLLO'S CHARIOTS for Building No. 515-5, located at 2824 Mellonville Avenue (Warehouse/Office), contingent upon final execution.

Staff recommends approval of Lease No. 2013-20 with APOLLO'S CHARIOTS for Building No. 515-5, located at 2824 Mellonville Avenue (Warehouse/Office), contingent upon final execution of the lease by both parties. The lease shall have a one (1) year term, with two (2) successive one-year renewal options. The lease consists of 1,500 square feet of office and warehouse space at \$5.00 per square foot. The annual rental rate is \$7,500.00; the monthly payment is \$662.50, including sales tax.

Motion by Board Member Slattery, seconded by Board Member Simmons, to approve Consent Agenda Items A (as amended) and B, and add-on Consent Agenda Item C. Vote taken, none opposed. Motion passed.

11. DISCUSSION AGENDA

- A. Consider approval of official bid tabulation and authorization to award contract for the Southwest Apron Rehabilitation – BP 1 (Bid Package No. 1), subject to availability of FAA AIP grant funding.

Bids for the Southwest Apron Rehabilitation – BP 1 were opened on Friday, May 24, 2013 at 2:00 p.m. in the SAA Board Room. A total of three (3) bids were received from the following bidders:

Gibbs & Register, Inc.	Bid Total: \$13,097,478.00
GLF Construction Corporation	Bid Total: \$10,789,035.59
Halifax Paving, Inc.	Bid Total: \$11,784,078.55

GLF Construction Corporation submitted the low bid for the anticipated project award in the amount of \$10,789,035.59, an amount within 10% (9.68%) of the Engineer's

estimate of probable construction costs. After carefully reviewing the proposal and qualification documents submitted by GLF Construction Corporation, Atkins finds that everything appears to be in order and the bid has been deemed responsive. Subject to SAA and FAA review and approval, it is their recommendation that you award the Southwest Apron Rehabilitation – Bid Package 1 to GLF Construction Corporation, as the lowest responsive bidder.

Staff recommends approval of the official bid tabulation as submitted and authorization to award the contract for the Southwest Apron Rehabilitation – BP 1 to the lowest responsive bidder, GLF Construction Corporation, subject to availability of FAA AIP grant funding.

Following discussion, motion by Board Member Eckstein, seconded by Board Member Dane, to approve Discussion Agenda Item A, subject to funding. Vote taken, none opposed. Motion passed.

- B. Consider acceptance of a Joint Participation Agreement (JPA) with the Florida Department of Transportation (FDOT) and Resolution Number 2013-06, for the purchase of up to \$2.2 million of land adjacent to the south end of Runway 18-36 to Lake Mary Boulevard to be used for future aviation purposes.

The Authority is annually allocated large sums of funding through FDOT. These funds must be obligated to a mutually agreeable project before the end of the fiscal year (June 30, 2013). This year, there is approximately \$1.6 million to obligate. Approximately \$575,000 will go to the Rehabilitation of the Southwest Ramp, Phase One. A total of \$100,000 will be obligated towards the purchase of a replacement Runway Sweeper. The balance, approximately \$1.1 million, would be obligated towards the purchase of land as described above (land adjacent to the south end of Runway 18-36).

The JPA is both a grant and a loan. The total land purchase will be approximately \$2.2 million. The Authority will pay the full \$2.2 million and then file with FDOT to have 75% (\$1.65 million) returned to the Authority. Of this \$1.65 million, \$1.1 million will be a grant and the remaining \$550,000 will be a 0.0% interest loan that will be due in ten (10) years.

The FDOT requirement is that the land must be adjacent to the existing airfield, so that it will be used for future aeronautical expansion. The proposed priority targeted land will be land that has no improvements first and those that can be acquired through voluntary sales/purchase, without condemnation.

Staff recommends acceptance of a Joint Participation Agreement (JPA) with the Florida Department of Transportation (FDOT) and Resolution Number 2013-06, for the purchase of up to \$2.2 million of land adjacent to the south end of Runway 18-36 to Lake Mary Boulevard to be used for future aviation purposes.

Following discussion, motion by Board Member Miller, seconded by Board Member Simmons, to approve Discussion Agenda Item B. Vote taken, none opposed. Motion passed.

- C. Consider approval and execution of CNL Bank Loan documents to fund the purchase and installation of twelve (12) Passenger Boarding Bridges, using a modification to an existing SAA Line of Credit through CNL Bank.

Discussed out of order at the beginning of the meeting.

12. COMMENTS FROM THE PUBLIC

Regarding comments made previously about developing Airport land for health care/medical use, Kevin Spolski stated he started a medical manufacturing company in Atlanta, and will convert a 35,000 square feet building (adjacent to the Airport) into a medical facility. He expects the local operation will start in September with approximately twenty (20) employees; however, depending on growth, the facility may have approximately one hundred (100) employees by the beginning of 2014. By the end of the year, he hopes to come back to the Board with a lease for a corporate hangar for his aircraft.

13. OTHER BUSINESS

Board Member Ioppolo stated he would like to propose the Board move to form a Board committee to evaluate the Airport's economic development and the various ideas for Airport development. The Committee would be open to all Board members. Following discussion, it was the consensus of the Board to form the Committee and for Board Member Ioppolo to chair the Committee. Chairman Smith requested Board Member Ioppolo contact Ms. Crews and him to schedule the committee meeting. President Dale clarified a quorum is not required in an advisory committee; however, the meeting has to be advertised since more than one Board member may attend.

14. REMINDER OF BUDGET WORK SESSION (JUNE 20, 2013 – 2:00 P.M.)

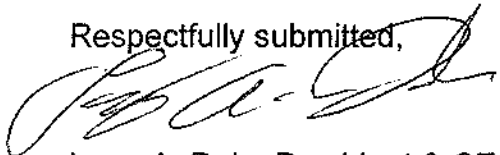
15. REMINDER OF NEXT BOARD MEETING (JULY 2, 2013)

It was the consensus of the Board to reschedule the July meeting to July 9, 2013, in observance of the 4th of July Holiday.

16. ADJOURNMENT

There being no further business, the meeting adjourned at 11:08 a.m.

Respectfully submitted,



Larry A. Dale, President & CEO
/dmo



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

May 10, 2013

Via email: legals@mysanfordherald.com

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

Attn: Scott, Legal Classified

Please publish the following Public Notice one (1) time in the **Sunday edition (May 19, 2013) 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 June meeting on Tuesday, June 4, 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, June 4, 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 regular business hours at (407) 585-4002.

Notice is hereby given that the Sanford Airport Authority will conduct a regular special called meeting on Thursday, June 20, 2013, at 2:00 p.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 regular business hours at (407) 585-4002.

SANAC

The Sanford Airport Noise Abatement Committee (SANAC) meeting will be held on Tuesday, June 18, 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. Information may be obtained by contacting the Vice President of Operations during regular business hours at (407) 585-4006.

USER GROUP

The Airport User Group meeting will be held on Tuesday, June 18, 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. Information may be obtained by contacting the Vice President of Operations during regular business hours at (407) 585-4006.

DESIGN REVIEW COMMITTEE (DRC)

The Sanford Airport Design Review Committee (DRC) meetings are conducted on the first Wednesday of each month unless otherwise posted. The next meeting will be held on Wednesday, June 5, 2013, at 10:00 a.m., in the Authority's 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 regular 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