

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
TUESDAY, JULY 3, 2012**

- PRESENT:** Tim Donihi, Chairman
Stephen P. Smith, Vice-Chairman
U. Henry Bowlin, Secretary/Treasurer
Tom Ball
David L. Cattell
Whitey Eckstein
William R. Miller
Clayton D. Simmons
Commissioner Dick Van Der Weide, County Liaison
Brett R. Renton, Airport Counsel
- ABSENT:** Mayor Jeffrey C. Triplett, City Liaison
Tim M. Slattery
- 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
Jennifer Taylor, Project Coordinator/Land Acquisition Specialist
Diana M. Muñiz-Olson, Executive Secretary
- OTHERS PRESENT:** Krysty Carr, S.E. Ramp Hangar Development
David Doudney, Doudney Surveyors
Michael Doudney, Doudney Surveyors
Larry D. Gouldthorpe, TBI
Geoff Lane, Starport
Brady Lessard, CPH Engineers, Inc.
Jeremy Lupa, AFGE
Genean H. McKinnon, McKinnon & Associates
Mike Mikkola, Executive Jet Design, Inc.
Al Nygren, O.R. Colan Associates
Jeremiah Owens, CPH Engineers, Inc.
Jack Reynolds, JRA, Inc.
Tim Shea, AVCON
Kevin J. Spolski, Spolski Construction
Craig Sucich, ATKINS
Steven J. Zucker, Esq., Shutts & Bowen, LLP

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

The meeting was called to order at 8:30 a.m., followed by the Pledge of Allegiance.

Chairman Donihi welcomed the guests.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON JUNE 5, 2012; AND MINUTES FROM THE SPECIAL MEETING HELD ON JUNE 26, 2012

Motion by Board Member Smith, seconded by Board Member Bowlin, to approve the minutes of the regular June meeting held on Tuesday, June 5, 2012. Vote taken, none opposed. Motion passed.

Motion by Board Member Smith, seconded by Board Member Ball, to approve the minutes of the special meeting held on Tuesday, June 26, 2012. Vote taken, none opposed. Motion passed.

4. PRESIDENT'S REPORT

President Dale reported on the following:

- A. CNL Revolving Tax Exempt Advised Line of Credit (CRA) – During the June 5, 2012 meeting, the Board approved the CNL Loan proposal to allow for the purchase of the Adesa property, and a new Line of Credit in the amount of \$4 million. Bryant Garrett stated Steven Zucker brought the final closing documents to the meeting for execution. He noted the bank also offered to lower the floor on the \$1 million Line of Credit (not tax exempt), which he accepted. Mr. Zucker clarified that in conjunction with the previous approval of a new Line of Credit in the amount of \$4 million, CNL Bank offered to lower the floor rate on the \$1 million working capital Line of Credit, from 4.75 to 4.0 percent. As a result, an amended note will be issued, which requires a motion from the Board on the note and any associated documents.

Staff recommends action by motion of the Board to approve the lower Floor Rate and authorize Chairman Donihi to execute and deliver, and Secretary/Treasurer Bowlin attest, to the execution of the amended 2010-B Note in the form attached hereto as Exhibit A and to all such other documents deemed necessary by the Chairman, Chief Financial Officer (Bryant Garrett) or General Counsel in connection with the issuance and exchange of the amended 2010-B Note, which, when executed and delivered shall be the legal, valid and binding obligation of the Authority, enforceable in accordance with their respective terms. Such execution and delivery by Chairman Donihi and Secretary/Treasurer Bowlin shall be conclusive evidence of the approval and effectiveness of all such documents.

Motion in the form recommended by staff was made by Board Member Ball, seconded by Board Member Smith. Vote taken, none opposed. Motion passed.

- B. Corrected Resolution No. 2012-12 – Resolution No. 2012-12 was approved by the Board during the special meeting held June 26, 2012. The Resolution allowed Lawrence S. Gendzier (counsel representing the Authority in this matter) to take necessary actions and proceedings as may be proper for the acquisition of the IAA (Auto Auction/Adesa) property for the Runway 9L-27R Extension project. The Resolution was corrected to include the legal description. Motion by Board Member Ball, seconded by Board Member Eckstein, to approve corrected Resolution No. 2012-12. Vote was taken, none opposed. Motion passed.
- C. Year-to-date Financial Statements – President Dale briefed the Board on the financial report.
- D. Extension of Runway 9L-27R – The grant has been forwarded to the Appropriators through the U.S. Secretary of Transportation. The Authority will receive the grant after Congressman Mica makes the announcement. Pre-construction meeting is scheduled for July 11, 2012. Now with the corrected Resolution No. 2012-12, President Dale anticipates Counsel will file for the lawsuit regarding Adesa, on Thursday, July 6, 2012. It is believed IAA (Auto Auction/Adesa) will stipulate to the Order of Taking. There are two other parcels (Fertakis properties) needed for the RPZ. The owner did not want to take the offer and the Authority could not justify an entire taking. Staff has the survey and legal description for a partial taking and will be working with Counsel on this issue. The Hoke property will go to jury trial.
- E. T-Hangar Repairs – The project is progressing well. Board Member Bowlin requested before and after pictures.
- F. Buildout – Staff has received the drawings for the buildouts. Orange Air is still in the process of getting its Part 121 certification. Bids are coming in for the Synergy Woods buildout.
- G. Property Acquisition with Noise Mitigation Grant – Staff is still working on the noise mitigation land acquisition for voluntary purchases, approximately \$1.8 million grant. The Authority is awaiting receipt on some review appraisals.
- H. Voluntary Purchases with FDOT Grant – The houses on Cameron Avenue and Beardall Avenue have been demolished.
- I. Wildlife Management – Regarding the eagle nest removal, President Dale anticipates the State permit will be issued. A State permit is required when a nest is located off Airport property; the nest in question is located on the Piloian property. Another nest, on the Steele property, has not been used (for years). U.S Fish and Wildlife considers any remnants of it as a nest. George Speake

clarified Counsel is working on getting the U.S. Fish and Wildlife permit for the second nest. He noted the Authority has not been able to get a Federal permit on the one that has not been used in years (Steele property); however, it did get a U.S. Fish and Wildlife permit for the one that was recently used (Piloian property). President Dale directed Counsel to follow-up on the letter they wrote to U.S. Fish and Wildlife, and noted the agency disagreed with him about the removal of the nest being an emergency.

The osprey nest on approach to Runway 36 was removed. Staff had to wait until the nest was vacant and the birds had fledged to remove it.

- J. Conference and Training – The Airport Commissioners Public Policy and Leadership Academy is scheduled for October 28 – 30, 2012. The annual Florida Airports Council Conference is scheduled for July 22 – 25, 2012, at Naples, Florida. Board members interested in attending need to contact Diana M. Muñoz-Olson.
- ~~K. Police Vehicle Donation – Mr. Garret stated a request was made by the Florida Police Chiefs Association for surplus equipment that could be donated to the Coleman Police Department. Motion by Board Member Smith, seconded by Board Member Simmons, to donate a used canine vehicle to the Coleman Police Department. Vote taken, none opposed. Motion passed.~~
- L. Aerials – Distribution of aerials.
- M. Attorneys' Fees – Distribution of attorneys' fees
- N. Title opinion – The FAA requires the Board Attorney to do the title opinion. President Dale stated he forwarded the executed title opinion to the FAA, and confirmed the Airport has title to all of its properties.
- O. Screening Check Points – In order to keep up with the Airport's growth and screening demands, staff is under discussions with OSI and TSA regarding the short-term and long-term upgrades to the screening check points.
- P. TSA Opt-Out Update – President Dale noted that since it is a government RFP, he does not know how long the process will take. On a previous meeting, the Board authorized President Dale to inform the TSA that the Authority will be the prime. President Dale stated Counsel reviewed the insurance program required if the Authority wins the bid. Counsel discussed the Safety Act, and clarified the Authority would apply to do it regardless whether or not it was the prime. Approval for the insurance is a 60-day process.

5. COUNSEL'S REPORT

Motions for Summary Judgment Hearing for the McDonnell property and Millwork International will be held on July 25, 2012. Motion to Strike Affirmative Defenses and Motion to Compel will be held later on that day.

Regarding Eminent Domain, Counsel is moving forward in getting the Case Management Orders in each of the cases, set a trial date, and getting mediations scheduled for those properties deemed beneficial.

6. TBI REPORT

TBI President Larry Gouldthorpe reported on the following:

A. Monthly Statistics for June 2012

- i. UK traffic total
June 2012 – **52,797** passengers
- ii. International traffic total
June 2012 – **57,542** passengers
- iii. Domestic traffic total
June 2012 – **126,151** passengers
- iv. Total traffic
June 2012 – **183,985** passengers
- v. Year-to-date traffic – UK traffic
2012 – **143,269** passengers
- vi. Year-to-date traffic – International traffic
2012 – **190,190** passengers
- vii. Year-to-date traffic – Domestic traffic
2012 – **709,905** passengers
- viii. Year-to-date traffic
2012 – **903,902** passengers
- ix. Percentage
UK traffic is up 8% compared to June 2011. International traffic is up 15% compared to June 2011. Domestic traffic is up 11% compared to June 2011. Total traffic is up 11% compared to June 2011. Year-to-date UK traffic is up 3% compared to 2011. Year-to-date International traffic is up 21% compared to 2011. Year-to-date Domestic traffic is up 24%

compared to 2011. Year-to-date traffic is up 20% compared to 2011. Cargo is up 50,490 metric tons due to the Olympics.

Discussion ensued regarding marketing the Airport in Seminole County and adjacent areas. President Dale noted the Airport's signage at The Villages needs to be changed; he has received reports that people are getting lost and not finding the Airport. Board Member Smith discussed marketing at universities for graduations and special events. Mr. Gouldthorpe noted TBI is involved with UCF on behalf of Allegiant.

B. Miscellaneous Updates

- i. Brazilian program – The Brazilian program started the previous week, for approximately 22 additional rotations during the summer.
- ii. Allegiant – The 163-seat expansion will start in November 2012.
- iii. Rental car relocation project – The relocation of the car rental counters into the new area went flawlessly. There is still some work to be completed in the bottom of the parking garage. Project should be completed by the end of the week. Mr. Gouldthorpe stated they have been getting positive feedback from the customers regarding the new location.
- iv. PC Air Installation – The PC Air installation on Gates 6 and 7 is complete. This is a \$750,000.00 project.
- v. Website – The Airport's website is now offering tabs for Spanish and Portuguese speakers. In the future, the website might include tabs in Dutch for the ArkeFly traffic.
- vi. Marketing video – The Airport's video has been updated. TBI uses the video when they meet with other airports/airlines. Mr. Gouldthorpe noted the 12-minute video could be shown at community events/speaking engagements.
- vii. FAC Conference dinner – Mr. Gouldthorpe noted the invitations to the TBI/AVCON dinner have been distributed.

7. LIAISON REPORTS

City of Sanford

None

Seminole County

Commissioner Van Der Weide commented things are well at the County, and congratulated the Board for what they do. Discussion ensued regarding the school board referendum and the four-laning of SR 46.

8. CHAIRMAN'S REPORT

Chairman Donihi reported on the following:

- A. Evaluations – President Dale's evaluations were distributed. Chairman Donihi requested evaluations be returned to Diane Crews prior to the August meeting for tabulation. Chairman Donihi will meet with President Dale sometime in August to discuss President Dale's bonus/salary.
- B. November Meeting – Chairman Donihi requested to move the November 6, 2012 meeting to November 13, 2012 since it conflicts with Election Day. It was the consensus of the Board to reschedule the meeting to November 13, 2012.

9. CONSENT AGENDA

- A. Consider approval of Addendum C 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).

Consider approval of Addendum C 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 C extends the lease term for one (1) additional year, effective July 1, 2012. The lease consists of 4,020 square feet of office and warehouse space, at \$3.25 per square foot; and 10,890 square feet of land, at \$0.18 per square foot. The annual rental rate is \$15,025.20, an increase of \$1,010.10; the monthly payment is \$1,252.10 exclusive of taxes.

- B. Consider approval of Task Order No. 9 with CPH Engineers, Inc. for Runway 9L-27R Extension Post Design Services.

As part of Task Order No. 9, CPH will furnish the following services in regards to the Runway 9L-27R Extension: 1) Contract Document Revisions, Repackaging, and Rebidding; 2) Non-RPR Services; and 3) RPR Services. This Task Order is in the amount of \$1,091,010.00.*

Staff recommends acceptance of Task Order No. 9 with CPH Engineers, Inc.

*Note: Reimbursement will come from the FAA/FDOT grant for the Runway 9L-27R Extension.

- C. Consider approval of Task Order No. 10 with CPH Engineers, Inc. for Domestic Baggage Claim design and RPR Services.

CPH has teamed with JSM & Associates and Matern Professional Engineering, Inc. to perform the design for the proposed upgrade and modifications of the Domestic and International Baggage Claim Systems. This Task Order is specifically for the Domestic Baggage Claim design and RPR Services, in the amount of \$377,005.00.*

Staff recommends acceptance of Task Order No. 10 with CPH Engineers, Inc.

*Note: Reimbursement will come from future Passenger Facility Charge (PFC) fees.

- D. Consider approval of Addendum B to Lease No. 2008-23 with AMI AVIATION SERVICES, LLC for Building No. 130, located at 2747 Carrier Avenue (Office/Warehouse).

Staff recommends approval of Addendum B to Lease No. 2008-23 with AMI AVIATION SERVICES, LLC for Building No. 130, located at 2747 Carrier Avenue (Office/Warehouse). The tenant's current lease expires one July 31, 2012. The tenant is also leasing hangar space at Southeast Ramp and that lease expires in November 2012. The tenant wishes to relocate to one location to combine both office and aviation operations under one roof. The tenant is in the midst of negotiations with another SAA tenant to sublease a large hangar which will provide him with both office and hangar space. Addendum B extends the lease on a month-to-month basis, commencing on August 1, 2012. The lease consists of 7,901 square feet of office/warehouse space at \$5.62 per square foot. The annual rental rate is \$44,403.62; the monthly payment is \$3,922.32 including taxes.

- E. Consider approval of Lease No. 2012-04 with TODD DRISCOLL and SHIRLEY G. DRISCOLL for the property located at 2585 S. Cameron Avenue (Residential – Runway Extension Land Acquisition Program Leaseback).

Staff recommends approval of Lease No. 2012-04 with TODD DRISCOLL and SHIRLEY G. DRISCOLL for the property located at 2585 S. Cameron Avenue (Residential – Runway Extension Land Acquisition Program Leaseback). The SAA acquired the Driscoll property through a Stipulated Order of Taking on June 4, 2012, with eight (8) months extended possession to January 31, 2013 at no cost. This is one of the properties needed for the extension of Runway 9L-27R. The lease term is for eight (8) months, commencing on June 4, 2012 and ending at midnight on January 31, 2013.

Motion by Board Member Ball, seconded by Board Member Smith, to approve Consent Agenda Items A through C, and Add-on Items D and E. Vote taken, none opposed. Motion passed.

10. DISCUSSION AGENDA

- A. Consider approval of Fiscal Year 2012-2013 Proposed Operating and Capital Budget for transmittal to the City of Sanford.

Staff recommends approval of Fiscal Year 2012-2013 Proposed Operating and Capital Budget for transmittal to the City of Sanford. Motion by Board Member Smith, seconded

and noted the Authority has checked their references. Mr. Speake noted Halifax did the runway overlay project at the Daytona Beach Airport, and the airport was happy with their work.

President Dale noted time of completion is critical; it must start in August 2012. He stated starting January 2013 the Airport will be without an ILS for four months; it must be operational by April 1, 2013. FAA Tech Operations is in charge of the ILS, and will not authorize the job until the Authority pays them \$2 million, once the grant is received. Time is critical on this job; there is a 9 months window for work to be done.

Board Member Miller questioned who will be the construction manager. President Dale clarified he is the Construction Manager and Frank Liberatore is the Resident Project Representative (RPR). The force account work (approximately \$380,000.00) has been approved for the Authority to oversee the project. However, he noted that because of the aggressive schedule the construction management contract includes two additional RPRs from CPH (in the event President Dale and/or Mr. Liberatore cannot be present).

Board Member Miller questioned who at CPH will work with President Dale. President Dale stated Jeremy Owens and two RPRs will work on this project. Board Member Miller noted the construction managers are critical, and stated he would like to see the names of the managers. He cautioned the Authority must make sure these people understand how critical it is. President Dale reiterated he is the Construction Manager for the Airport, Mr. Liberatore has been the RPR since he started, Jennifer Taylor as Project Coordinator has done several projects over the years, and Mr. Owens has been involved in this project since before last year.

Regarding the motion to approve Discussion Agenda Item B, subject to funding, and authorizing President Dale to sign on behalf of Board, vote taken, none opposed. Motion passed.

11. OTHER BUSINESS

[Out of order, after Reminder of Next Board Meeting] Board Member Miller discussed the Supreme Court's decision regarding Obamacare and hoped staff will share with the Board any concerns on how this ruling is going to affect the Authority.

12. REMINDER OF NEXT BOARD MEETING (AUGUST 7, 2012)

13. ADJOURN FOR BREAK

The meeting was adjourned for a break at 9:51 a.m.

14. RECONVENE

The meeting reconvened from break at 10:00 a.m.

15. COMMENTS FROM THE PUBLIC

None

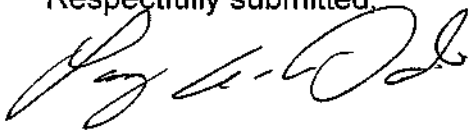
16. BOARD TRAINING: Airport Industry Familiarization and Training for Part-Time Policy Makers [by Airport Cooperative Research Program] – (The Airport – Sections 10-12)

President Dale briefed the Board on the PowerPoint training presentation.

17. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:50 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

June 15, 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 **Wednesday edition (June 20, 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 July meeting on Tuesday, July 3, 2012, 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 for will be held on Tuesday, July 3, 2012, 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, July 10, 2012, 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, July 10, 2012, 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, July 4, 2012, 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

UNITED STATES OF AMERICA
STATE OF FLORIDA
SANFORD AIRPORT AUTHORITY NOTE, SERIES 2010-B

MAXIMUM PRINCIPAL SUM

\$1,000,000.00

ORIGINAL DATE OF ISSUANCE

February 4, 2010
Amended Effective as of July 12, 2012

The SANFORD AIRPORT AUTHORITY ("Authority"), for value received, hereby promises to pay to the order of CNLBank, or its successors or assigns (the "Noteholder" or "Bank"), solely from the sources of payment hereinafter described, the Principal Sum specified above, or such lesser sum as is advanced hereunder in accordance with that certain Loan and Security Agreement dated as of February 4, 2010, by and between CNLBank and the Authority (the "Agreement"), and interest on each advance hereunder from the date of such advance until payment in full at the rate set forth below. The Principal Sum and interest are payable in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts.

Subject to adjustment as hereinafter provided, the interest on this Note shall be payable, at a variable rate per annum simple interest equal to the Prime Rate. The term "Prime Rate" shall mean the annual rate of interest as listed in the "Money Rate" column of the Wall Street Journal published on the day the funds are advanced. The variable rate applied to this loan will be adjusted on the date the Prime Rate changes. In no event shall the interest rate on this Note be less than four percent (4.00%). Interest shall be calculated based on the actual number of days that principal is outstanding.

Interest on this Note as calculated above shall be payable monthly in arrears on the 25th day of each month commencing February 25, 2010 and continuing on the same day of each month thereafter until the Maturity Date. All entire unpaid principal balance together with any accrued interest is due and payable on demand (the "Maturity Date").

This Note is issued under the authority of and in full compliance with the Constitution and laws of the State of Florida, including, particularly, Chapter 71-924, Laws of Florida, and a resolution duly adopted by the Authority on February 2, 2010 (the "Resolution"), as the Resolution may be amended and supplemented from time to time, and is subject to all terms and conditions of the Resolution and the Agreement. Any term used in this Note and not otherwise defined shall have the meaning assigned to such term in the Agreement.

This Note is being issued to finance working capital of the Authority or other lawful purposes of the Authority as described in the Agreement and the Resolution. This Note is secured by and payable from the Pledged Funds, all in the manner and to the extent described in the Agreement.

This Note shall bear interest from the date of each advance at the interest rate specified above on the basis of a 360-day year for the actual number of days in the interest period. The Noteholder shall provide to the Authority upon request such documentation to evidence the amount of interest due on this Note.

The Authority may borrow, repay and reborrow hereunder at any time, up to a maximum aggregate amount outstanding at any one time equal to the principal amount of this Note, provided that the Authority is not in default under any provision of this Note, any other documents executed in connection with this Note, or any other note or other loan documents now or hereafter executed in connection with any other obligation of the Authority to Noteholder.

Notwithstanding any provision in this Note to the contrary, in no event shall the interest contracted for, charged or received in connection with this Note (including any other costs or considerations that constitute interest under the laws of the State of Florida which are contracted for, charged or received) exceed the maximum rate of interest allowed under the State of Florida as presently in effect. If the maturity of this Note is accelerated or prepaid in accordance with the provisions hereof or of the Agreement, then such amounts that constitute payments of interest together with any costs or considerations which constitute interest under the laws of Florida, may never exceed an amount which would result in payment of interest at a rate in excess of (a) the applicable maximum rate of interest allowed by Sections 215.84 and 159.825(1)(d), Florida Statutes, as amended, or (b) the nonusurious interest allowed by the laws of the State of Florida or the United States, to the extent applicable, as presently in effect and to the extent an increase is allowable by such laws; and excess interest, if any, shall be cancelled automatically as of the date of such acceleration, or, if theretofore paid, shall be credited on the principal amount of this Note unpaid, but such crediting shall not cure or waive any default under this Agreement.

All payments made by the Authority hereon shall apply first to accrued interest, and then to the principal amount then due on this Note.

Failure of the Authority to pay the installments of interest or principal (if applicable) within ten (10) days after any due date provided for herein, then the Authority further promises to pay a late payment charge equal to five percent (5%) of the amount of the unpaid installment as liquidated compensation to Noteholder for the extra expense to Noteholder to process and administer the late payment, the Authority agreeing, by execution hereof, that any other measure of compensation for a late payment is speculative and impossible to compute. This provision for late charges shall not be deemed to extend the time for payment or be a "grace period" or "cure period" that gives the Authority a right to cure a default hereunder or under the Agreement. Imposition of late charges is not contingent upon the giving of any notice or lapse of any cure period provided for in the Agreement and shall not be deemed a waiver of any right or remedy of Noteholder, including without limitation, acceleration of this Note.

The Authority may prepay this Note, pursuant to Section 3.2 of the Agreement, in a whole or in part, at any time or from time to time, without penalty or premium, by paying to the Noteholder all or part of the Principal Sum of this Note, together with the unpaid interest accrued on the amount of principal so prepaid to the date of such prepayment. Each prepayment of this Note shall be made on such date and in such principal amount as shall be specified by the Authority in a written notice delivered to the Noteholder not less than ten (10) Business Days prior thereto. Notice having been given as aforesaid, the Principal Sum of this Note stated in such notice or the whole thereof, as the case may be, shall become due and payable on the prepayment date stated in such notice, together with interest accrued and unpaid to the prepayment date on the principal amount then being paid; and the amount of principal and interest then due and payable shall be paid (a) in case the entire unpaid balance of the principal of this Note is to be paid, upon presentation and surrender of this Note at the office of the Authority, and (b) in case only part of the unpaid balance of principal of this Note is to be paid, upon presentation of this Note at the office of the Authority for notation thereon of the amount principal and interest on this Note then paid. If on the prepayment date moneys for the payment of the principal amount to be prepaid on this Note, together with interest to the prepayment date on such principal amount, shall have been paid to the Noteholder as above provided and if notice of prepayment shall have been given to the Noteholder as

above provided, then from and after the prepayment date interest on such principal amount of this Note shall cease to accrue. If said moneys shall not have been so paid on the prepayment date, such principal amount of this Note shall continue to bear interest until payment thereof at the rate or rates provided for in the Agreement.

This Note, when delivered by the Authority pursuant to the terms of the Agreement and the Resolution, shall not be or constitute an indebtedness of the Authority, the City, or the State of Florida or any political subdivision or agency thereof, within the meaning of any constitutional, statutory or charter limitations of indebtedness, but shall be payable solely from the Pledged Funds, as provided in the Agreement and the Resolution. No Noteholder shall ever have the right to compel the exercise of the ad valorem taxing power of the City or the State, or taxation in any form on any property therein to pay this Note or the interest thereon. The Authority has no taxing power.

Upon the occurrence of an Event of Default relating to this Note, the Principal Sum of this Note may become or be declared due and payable before the maturity date hereof in the manner, with the effect and subject to the conditions set forth in the Agreement and the Resolution. The Noteholder shall also have such other remedies as described in the Agreement.

If this Note shall be declared to be immediately due and payable or any amounts due on this Note shall remain unpaid past any scheduled payment date, this Note shall bear interest at the maximum rate permitted by law until all amounts then due under this Note are paid in full.

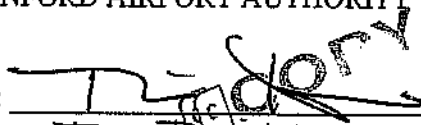
The Authority hereby waives demand, protest and notice of dishonor.

No obligation under the Agreement or this Note shall be or be deemed to be an obligation of any member of the Authority or any officer, employee or agent of the Authority in his or her individual capacity, and none of such persons executing the Agreement or this Note shall be liable personally thereon or hereon by reason thereof.

It is certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in connection with the execution and delivery of the Agreement and the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by law, and that the issuance of this Note, together with all other obligations of the Authority under the Agreement, does not exceed or violate any constitutional or statutory limitation.


IN WITNESS WHEREOF, the Sanford Airport Authority caused this Note to be signed by the manual signature of its Chairman and its official seal to be affixed hereto or imprinted or reproduced hereon, and attested by the manual signature of its Secretary, and this Note to be dated the Date of Issuance set forth above.

SANFORD AIRPORT AUTHORITY

By: 
Name: Tim Donohi
Title: Chairman

(OFFICIAL SEAL)

ATTEST:


Name: U. Henry Bowlin
Title: Secretary

RESOLUTION NO. 2010-03

A RESOLUTION APPROVING THE TERMS OF A LINE OF CREDIT IN AN AMOUNT NOT TO EXCEED ONE MILLION DOLLARS EXTENDED TO THE SANFORD AIRPORT AUTHORITY BY CNLBANK AND AGREEING TO AND ACCEPTING SUCH TERMS AS SET FORTH IN THE FINANCING COMMITMENT LETTER FROM CNLBANK; AUTHORIZING AND DIRECTING THE CHAIRMAN OF THE SANFORD AIRPORT AUTHORITY TO EXECUTE AND DELIVER THE FINANCING COMMITMENT LETTER; AUTHORIZING THE NEGOTIATION, EXECUTION AND DELIVERY OF A LOAN AND SECURITY AGREEMENT WITH CNLBANK IN RELATION THERETO PURSUANT TO WHICH THE AUTHORITY WILL ISSUE A NOTE TO SECURE PAYMENT OF THE LOAN AND WILL PLEDGE CERTAIN REVENUES TO SECURE THE REPAYMENT OF THE NOTE; AUTHORIZING THE ISSUANCE OF THE SANFORD AIRPORT AUTHORITY NOTE, SERIES 2010-B IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED ONE MILLION DOLLARS PURSUANT TO THE LOAN AND SECURITY AGREEMENT; SPECIFYING THE APPLICATION OF THE PROCEEDS DRAWN ON SAID LINE OF CREDIT; ESTABLISHING THE SECURITY FOR REPAYMENT OF THE PRINCIPAL AND INTEREST ON THE NOTE; AUTHORIZING AND DIRECTING THE CHAIRMAN OF THE SANFORD AIRPORT AUTHORITY TO APPROVE AND EXECUTE ALL DOCUMENTS DEEMED NECESSARY IN CONNECTION WITH THE LINE OF CREDIT AND THE LOAN AND SECURITY AGREEMENT BASED ON ADVICE OF THE CHIEF FINANCIAL OFFICER AND GENERAL COUNSEL; PROVIDING GENERAL AUTHORIZATION FOR CERTAIN OFFICIALS AND EMPLOYEES OF THE SANFORD AIRPORT AUTHORITY TO TAKE ALL ACTIONS REQUIRED AND TO EXECUTE AND DELIVER ALL DOCUMENTS, INSTRUMENTS AND CERTIFICATES NECESSARY IN CONNECTION WITH THE CNLBANK LINE OF CREDIT AND THE LOAN AND SECURITY AGREEMENT; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT TO SAID LINE OF CREDIT; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

Recitals:

WHEREAS, CNLBank (the "Bank") has issued and the Governing Board for the Sanford Airport Authority (the "Board") has received the financing commitment letter attached hereto as Exhibit A (the "Commitment Letter") setting forth the terms of Line of Credit (the "Line of Credit") in the principal amount of not to exceed One Million and No/100 Dollars (\$1,000,000.00) to the Sanford Airport Authority (the "Authority"), the proceeds of which will be applied to working capital needs of the Authority and other lawful purposes of the Authority, all in accordance with the terms and provisions of this Resolution and the Loan and Security Agreement between the Bank and the Authority substantially in the form attached hereto as Exhibit B (the "Loan Agreement"); and

WHEREAS, the Board has determined at this time that it is in the best interest of the Authority to enter into the Loan Agreement with the Bank for draws on the Line of Credit (the "Loan") in an amount not to exceed One Million and No/100 Dollars (\$1,000,000); and

WHEREAS, the Authority will issue to the Bank its Sanford Airport Authority Note, Series 2010-B (the "Note") to secure the repayment of the Loan; and

WHEREAS, the Board desires to approve the Loan from the Bank, approve the issuance of the Note, and approve the terms set forth in the Commitment Letter and authorize the Chairman to execute and deliver the Commitment Letter in the form attached hereto as Exhibit A; and

WHEREAS, the Board, in the interest of time and efficiency and due to the volatile nature of the interest rate markets, desires to authorize and direct the Chairman to approve and execute all documents deemed necessary in connection with the Line of Credit and the Loan based on advice of the Chief Financial Officer and General Counsel that such documents are consistent with this Resolution and are within the parameters set forth in the Commitment Letter.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF THE SANFORD AIRPORT AUTHORITY that:

Section 1. Authority for this Resolution. This Resolution is adopted pursuant to the provisions of Chapter 71-924, Laws of Florida, and other applicable provisions of law.

Section 2. Recitals. The above recitals are true and accurate and are hereby incorporated as part of this Resolution.

Section 3. Definitions. Unless the context otherwise requires, the terms used in this Resolution in capitalized form and not otherwise defined herein shall have the meanings specified in the Commitment Letter. Words importing singular number shall include the plural number in each case and vice versa, and words importing persons shall include firms and corporations.

Section 4. Interpretation. Whenever in this Resolution any governmental unit or body, including the Sanford Airport Authority, or any officer, director, board, department, commission, or agency of a governmental unit or body is defined or referred to, such definition or reference shall be deemed to include the governmental unit or body or officer, director, board, department, commission or agency succeeding to, or in whom or which is vested, the functions, rights, powers, duties and obligations of such governmental unit or body or officer, director, board, department, commission or agency, as the case may be, encompassed by this Resolution.

Unless the context shall clearly indicate otherwise in this Resolution: (i) references to sections and other subdivisions, whether by number or letter or otherwise, are to the respective or corresponding sections and subdivisions of this Resolution; (ii) the terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, refer to this Resolution only and to this Resolution as a whole and not to any particular section or subdivision hereof; and (iii) the term "heretofore" means before the date of adoption of this Resolution; the word "now" means at the time of enactment of this Resolution; and the term "hereafter" means after the date of adoption of this Resolution.

Section 5. Approval of Line of Credit and Acceptance of Commitment Letter. The Line of Credit from the Bank is hereby approved upon the terms, conditions and parameters set forth in the Commitment Letter attached hereto as Exhibit A in an amount not to exceed One Million and No/100 Dollars (\$1,000,000) and the Commitment Letter is hereby agreed to and accepted by the Authority. The Chairman is hereby authorized and directed to execute and

deliver and the Board Secretary is hereby authorized to attest to such execution of the Commitment Letter in the form attached hereto as Exhibit A.

Section 6. Authorization for Negotiation, Execution and Delivery of Loan Agreement with Bank. The repayment of the Line of Credit by the Authority shall be pursuant to the terms and provisions of the Loan Agreement. The Authority hereby authorizes its Chairman and/or the Vice Chairman (the "Chairman"), its Board Secretary and/or the Assistant Secretary (the "Secretary"), its Executive Director and Chief Financial Officer to negotiate with the Bank the final terms and conditions of the Loan Agreement in accordance with the terms of the Commitment Letter and this Resolution. The Chairman and Secretary are hereby authorized to execute and deliver on behalf of the Authority the Loan Agreement by and between the Authority and the Bank substantially in the form attached hereto as Exhibit B subject to such final negotiated terms and conditions, and with such insertions, as they may approve, the execution thereof by the Chairman and Secretary being conclusive evidence of such approval.

Section 7. Authorization of Issuance and Execution of Note. The Authority does hereby authorize the issuance of the Sanford Airport Authority Note, Series 2010-B in the principal amount of not to exceed One Million and No/100 Dollars (\$1,000,000.00) for the purposes described in Section 8 of this Resolution, the Commitment Letter and the Loan Agreement. The Chairman and the Secretary are hereby authorized to execute, seal and deliver on behalf of the Authority the Note and other documents, instruments, agreements and certificates necessary or desirable to effectuate the Loan as provided in this Resolution, the Commitment Letter and the Loan Agreement. The Note shall be issued in the principal amount of not to exceed One Million and No/100 Dollars (\$1,000,000.00) and shall be at such interest rate, have such final maturity date, and shall have such other terms, all as set forth in the Loan Agreement authorized herein and consistent with the Commitment Letter.

Section 8. Application of Proceeds. The proceeds from the Loan are needed by the Authority to (i) fund certain working capital needs of the Authority from time to time and (ii) cover certain anticipated asset timing differences related to the receipt of rent payments under that certain Lease to be entered into in 2010 by and between the Authority and Avocet Capital, LLC, for the lease of a 44,000 square foot hangar (the "Lease"), the receipt of grant funds from the Florida Department of Transportation to pay for a portion of the construction cost of such hangar and anticipated schedule of payments related principal and interest on that certain Two Million Five Hundred Thousand No/100 Dollars (\$2,500,000) Loan from the Bank to pay for a portion of the construction cost of such hangar (the "Hangar Loan"). The Chairman and the Chief Financial Officer of the Authority are hereby authorized to add to or change the application of proceeds from the Loan for any lawful purpose of the Authority as they deem necessary to enable the Authority to obtain the most efficient and cost effective use of funds.

Section 9. Security for Payment of Principal and Interest. The principal and interest payments on the Note shall be payable from and secured by a pledge of revenues from the Airport Customer Facility Charges as and when received and deposited to the accounts of the Authority, which pledge shall create a first lien on the Airport Customer Facility Charges in favor of the Bank pari passu with the pledge and lien of the Airport Customer Facility Charges in favor of the Bank securing the repayment of the Hangar Loan. The Airport Customer Facility Charges are those charges by the Authority imposed by Resolution 2006-09, as supplemented and amended, on each rental car transaction for both retail contract customer transactions and wholesale customer contract transactions with rental car companies doing business with the Authority (whether onsite or offsite).

Section 10. Limited Obligations. Neither the principal nor the interest payments or any late charges with respect to the Loan and Note shall be or constitute a general indebtedness of the Authority, the City of Sanford, the State of Florida or any political subdivision thereof within the meaning of any state constitutional provisions or statutory limitation, nor shall the same ever constitute or give rise to a pecuniary liability of the Authority, the City of Sanford, the State of Florida or any political subdivision thereof or a charge against their general credit. The obligation of the Authority to make principal and interest payments on the Loan and Note shall not be deemed a pledge of the faith and credit of the Authority, the City of Sanford, the State of Florida or any political subdivision thereof and such obligation shall not create a lien on any property whatsoever of the Authority other than the Airport Customer Facility Charges received and deposited to the accounts of the Authority. The Bank shall have no right to compel the Authority to adjust or raise the rate of the Airport Customer Facility Charges to pay the principal, interest or any late charges due on the Loan or Note, nor shall the Bank be entitled to payment of such principal and interest, or any late charges, from any other funds of the Authority. The Authority has no ad valorem taxing power.

Section 11. Negotiated Terms. The Board hereby determines that, because of prevailing market conditions and because the delays caused by soliciting competitive bids could adversely affect the Authority's ability to timely and efficiently acquire the needed Line of Credit for the purposes set forth herein, it is in the best interest of the Authority to have negotiated with the Bank the terms of the Line of Credit as described in the Commitment Letter and the Loan Agreement.

Section 12. Authorization of the Chairman. The Chairman is hereby authorized to execute and deliver and the Board Secretary is hereby authorized to attest to such execution of all documents deemed necessary by the Chairman, the Chief Financial Officer, or General Counsel to the Authority or by the Bank or its legal counsel in connection with the Line of Credit, the Loan Agreement and the issuance of the Note, which, when executed and delivered, assuming the due execution by and genuine signatures of the Bank, shall be the legal, valid and binding obligations of the Authority, enforceable in accordance with their respective terms. Such execution by the Chairman and the Board Secretary shall be conclusive evidence of the approval and effectiveness of all such documents.

Section 13. General Authorization. The Chairman, the Board Secretary, and the other officers and employees of the Authority are hereby authorized and directed to take all actions required hereby or as may be necessary in connection with the Line of Credit, the Loan Agreement and the issuance of the Note and the consummation of all transactions in connection therewith, including the execution of all necessary or desirable certificates, documents, papers, agreements and closing documents to undertake the transactions referred to in or contemplated by this Resolution, the Loan Agreement and the Commitment Letter.

Section 14. Open Meetings. It is hereby found and determined that all official acts of this Board concerning and relating to the Line of Credit, the Loan Agreement and the Note, including but not limited to adoption of this Resolution, were taken in open meetings of the members of the Board and all deliberations of the Members of the Board that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements including, but not limited to, the requirements of Florida Statutes, Section 286.011.

Section 15. No Personal Liability. No recourse under or upon any obligation, covenant or agreement contained in this Resolution, the Loan Agreement, the Note, the Commitment Letter, or any other document or under any judgment obtained against the Authority, or by the enforcement of any assessment or by legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, under or independent of this Resolution, shall be had against any member of the Authority Board, its employees, officers or agents, past, present or future, either directly or through the Authority, or otherwise, for the payment for or to the Authority or any receiver thereof, or for or to the Bank or otherwise of any sum that may be due and unpaid by the Authority under the Loan Agreement or upon the Note. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any member, officer or employee, as such, to respond by reason of any act or omission on his or her part or otherwise, for the payment for or to the Authority or any receiver thereof, or for or to the Bank or otherwise, of any sum that may remain due and unpaid under the Loan Agreement or upon the Note is hereby expressly waived and released as a condition of and in consideration for the execution of this Resolution, the Loan Agreement and the Commitment Letter and the issuance of the Note.

Section 16. Governing Law. This Resolution shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Florida.

Section 17. No Third Party Beneficiaries. Nothing in this Resolution is intended or shall be construed to confer upon any Person any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof other than the Authority and the Bank.

Section 18. Severability. If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof.

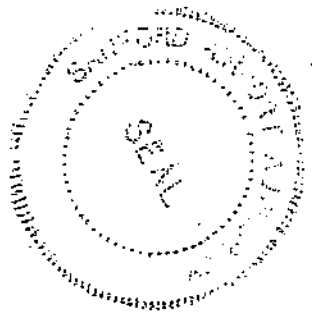
Section 19. Repeal of Inconsistent Documents. All ordinances or resolutions or parts thereof of the Authority in conflict herewith, to the extent of such conflict, are hereby superseded and repealed.

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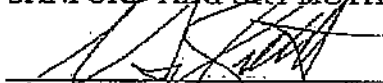
Section 20. Effective Date. This Resolution shall take effect immediately upon its adoption.

ADOPTED by the Governing Board of the Authority this 2nd day of February, 2010.

(CORPORATE SEAL)



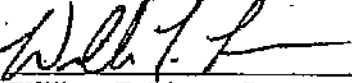
SANFORD AIRPORT AUTHORITY



G. Geoffrey Longstaff, Chairman



Tim Donihi, Vice-Chairman



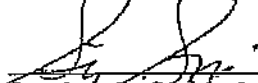
William T. Litton, Secretary/Treasurer

ABSENT

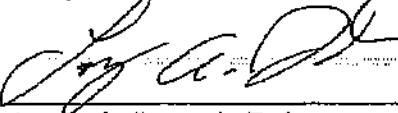
David L. Cattell, Member



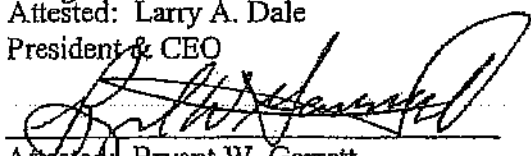
William R. Miller, Member



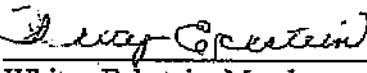
Stephen P. Smith, Member



Attested: Larry A. Dale
President & CEO



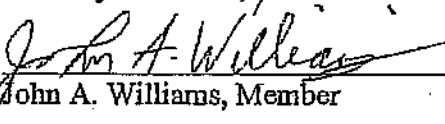
Attested: Bryant W. Garrett
Vice President Finance & CFO



Whitey Eckstein, Member



Brindley B. Pieters, Member



John A. Williams, Member