

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
TUESDAY, JANUARY 8, 2008**

- PRESENT:** G. Geoffrey Longstaff, Chairman
Clyde H. Robertson, Jr., Vice Chairman
Tim Donihi, Secretary/Treasurer
Whitey Eckstein
Colonel Charles H. Gibson
William R. Miller
Brindley B. Pieters
Brett Renton, Airport Counsel
John A. Williams
- ABSENT:** David L. Cattell
Comm. Jack T. Bridges, City Liaison
- 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:** Chris Albertson
Rusty Beavers, Starport
Mitch Collins, Mitch Collins P.E., Inc.
David Doudney
Larry Gouldthorpe, OSI
Krysty Kress, S.E. Ramp Development
Kelly Leary, McDirmit Davis & Co., LLC
Bill McGrew, PBS&J
Hilary Maull, HTA
John Nadjafi, Shutts & Bowen LLP
Stan Poloski
Jack Reynolds, JRA, Inc.
Sandeep Singh, AVCON
Kevin Spolski, Spolski Construction
Ernest Stallings
Bob Tunis, City of Sanford Economic Dev. Director

1. INTRODUCTION OF GUESTS AND CALL TO ORDER

The meeting was called to order at 8:35 a.m.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON TUESDAY, DECEMBER 4, 2007.

Motion by Secretary/Treasurer Donihi, seconded by Board Member Gibson, to approve the minutes from the regular meeting held on Tuesday, December 4, 2007.

Motion passed.

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

Kelly Leary, from McDirmit Davis & Co., LLC, presented the Financial Statements for the years ended September 30, 2007 and 2006. Total liabilities decreased over \$2 million, while capital assets increased to almost \$20 million, resulting in a net increase of \$22.5 million. Operating revenue increased by approximately \$250,000.00, while operating expenses increased about \$750,000.00. As a result, before depreciation, the operating income decreased to \$500,000.00. The Airport hopes the operating income will increase once the legal issues are resolved. The Airport is complying with all grant requirements. Ms. Leary also commented the Authority kept good records, and that overall, the Airport had a good economic year.

Board Member Robertson had a question about the “bad” debt. Ms. Leary assured him that it is minute when compared to the gain. President Dale stated than in about 2 years the Airport should be out of debt.

Motion by Secretary/Treasurer Donihi, seconded by Board Member Williams, to approve the Audit Report/Financial Statements for the years ended September 30, 2007 and 2006.

Motion passed.

Chairman Longstaff commended the Staff for keeping expenses down. Board Member Miller commended the work done by Diane Crews, Bryant Garrett, and George Speake.

5. BEST WESTERN HOTEL PRESENTATION – Mitch Collins

Mitch Collins, project engineer for the Best Western Hotel briefed the Board on Phase I of the project. Chairman Longstaff inquired about the status of the site plan and permitting. Mr. Collins stated it had been submitted to St. Johns River Water Management District (SJRWMD) a month and a half ago; he received their comments

the previous week. Another engineer is modifying the overflow. Mr. Collins submitted the permits to the City of Sanford the day after it was approved by the Design Review Committee (meeting on December 11, 2007). Permits from the City of Sanford will not be issued until SJRWMD issue their permit.

6. PRESIDENT'S REPORT

President Dale reported on the following:

- A. Extension of Runway 9R-27L – Project is ahead of schedule. Opening the second week of February for Visual Flight Rules (VFR) operations only. Operation of the ILS is delayed due to scheduling problems with the ILS components from the FAA; it will be operational later this year.
- B. Extension of Runway 9L-27R – Benefit Cost Analysis was submitted. The Airport received a lengthy request for additional information. AVCON is working on the request. The FAA is asking the Airport to commit what is left of entitlement funds to that project. The Airport has submitted 12 requests for grants; one of them is for land purchase for noise mitigation within the 65 DNL Noise Contours, extending west beyond Sanford Avenue (29 properties).
- C. 84-Lumber – Construction completed.
- D. ARMF General Aviation Hangar – FPL line relocation is complete. Block work is complete. Hangar doors being delivered the week of the meeting. Interior framing starts the day of the meeting. Project is ahead of schedule. Anticipated completion date is April 2008.
- E. Wildlife Management – Mr. Renton coordinated a meeting with various agencies to discuss wildlife management issues (mainly with eagles). The meeting will take place at 2:00 p.m. today. Regulations regarding eagles were still being written at the time of the meeting.
- F. Attorneys' Fees – Discussion of December attorneys' fees.
- G. FAC Conference Reminder – Reminder that the Annual FAC Legislative Conference will take place on February 6th and 7th.
- H. Consumptive Use Permit for two wells - St. Johns River Water Management District (SJRWMD) contacted the City of Sanford questioning if they wanted to keep the consumptive use permit for two wells (on Airport property) or abandon use. Chairman Longstaff questioned if the Airport needed to show a need in order to keep the permit. Board Member Pieters questioned when the permit expires. President Dale stated the permit had not expired, but it needed to be transferred. Board Member Eckstein stated it would be in the Airport's best interest to keep the well, and suggested that President Dale bring

recommendations to the Board. The Board might have to have a special meeting.

- I. HTA invoices – After Craggs Construction left the Bravo project and Hewitt Construction took over, HTA had some expenses, totaling \$25,190.69, which were not paid. Motion by Board Member Robertson, seconded by Secretary/Treasurer Donihi, to approve payment to HTA in the amount of \$25,190.69, to be paid from the settlement agreement. Motion passed.
- J. Florida Department Of Transportation (FDOT) – Sale of Right-of-Way
 1. Resolution No. 2008-01 – Staff recommends approval of Resolution No. 2008-01 for the FDOT purchase of Airport-owned Right-of-Way on State Road 46; revenue to be used exclusively for the development, improvement, operation or maintenance of the Orlando Sanford International Airport. Motion by Board Member Eckstein, seconded by Board Member Robertson, to approve Resolution No. 2008-01. Motion passed.
 2. FDOT Purchase Agreement – Staff recommends approval of Offer and Purchase Agreement with the FDOT for the purchase of 14.669 acres of Airport-owned Right-of-Way on State Road 46 for the four-laning of that roadway, in the amount of \$2,053,600.00. Motion by Board Member Robertson, seconded by Board Member Eckstein, to approve Offer and Purchase Agreement with the FDOT for the purchase of 14.669 acres of Airport-owned Right-of-Way on State Road 46, subject to review by counsel, and approval by the City of Sanford and FAA. Since counsel has represented FDOT in the past, they are requesting a waiver from each party. Motion passed.

President Dale will ask the City of Sanford to pass a similar resolution and approve the purchase agreement.

- K. Florida Department of Law Enforcement – Bryant Garrett briefed the Board on the Criminal Justice Professionalism Program Salary Incentive Report. The program gives an additional \$80.00 monthly to those officers with advanced education. It is not mandatory, but almost all police departments have the program. Currently, only three officers are eligible. Since it will require a change in policy, a motion is required. Motion by Secretary/Treasurer Donihi, seconded by Board Member Gibson, to approve the Criminal Justice Professionalism Program at the Sanford Airport Police Department. Motion passed.
- L. Jett Aire Lawsuit – (Discussed out of order, after Counsel's Report) President Dale stated that the trial will take place the second week of February 2008.

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7. COUNSEL'S REPORT

John Nadjafi briefed the Board on the Parking Garage mediation. He stated 7 lawyers, representing the various parties, will meet for a second mediation on Thursday, January 10, 2008. The clients will later meet and mediate within 30 days.

Brett Renton briefed the Board on the following:

- A. Eminent domain – Titles for the Kondracki, Poloski, and Annett parcels have been received; the issue is with the amount offered to the previous owners. Three lawsuits will proceed to trial, and one will be filed the week of the meeting.

(Discussed out of order, after Jett Aire Lawsuit) In regards to the eminent domain lawsuits, Board Member Robertson questioned if the Airport could not offer the amount the previous owners requested. Mr. Renton clarified they had ongoing discussions regarding the price. However, there was an absurd difference between the requested and the appraised amounts. President Dale clarified that since it is a grant, the Airport cannot pay more than the appraised value. The owners could get another appraisal, but the FAA must approve it in order to get the amount requested. Secretary/Treasurer Donihi stated he had seen the appraisals and believed them to be more than fair for the current market and the area.

- B. Eagles – The Endangered Species Act has emergency procedures; the new Eagles Act does not. As previously stated, at 2:00 p.m. various agencies will meet with the Sanford Airport Authority to discuss wildlife issues. Mr. Renton recommended that depending on what actions are taken at that meeting, the Airport should consider sending a letter to the agencies if no help is provided. President Dale suggested the letter should state that the Authority has asked for help, and fears a strike that will cause danger to life and property damage. Board Member Pieters reiterated the importance of stressing that the life of humans and eagles are important. Board Member Robertson questioned how eagles nests are identified. President Dale stated the wildlife biologist determines that, and assured the Board that the Airport is doing all that it can legally do.

8. TBI REPORT

TBI President Larry Gouldthorpe reported on the following:

- A. Monthly Statistics for December 2007

- i. UK traffic total
December 2007 – **21,571** passengers
Year – **879,552** passengers
- ii. International traffic total
December 2007 – **25,786** passengers
Year – **929,293** passengers
- iii. Domestic traffic total
December 2007 – **88,591** passengers
Year – **842,219** passengers
- iv. Transit traffic total
December 2007 – **2,040** passengers
Year – **17,400** passengers
- v. Total passengers
December 2007 – **116,417** passengers
- vi. Total passengers for 2007 – **1,788,912** passengers
- vii. Percentage
UK traffic is down 30% compared to December 2006. International traffic is down 30% from December 2006. Domestic traffic is up 38% compared to December 2006. Transit traffic is up 158% from December 2006. Total traffic for the month is up 14% compared to December 2006. Total UK traffic is down 10% compared to previous year. Total International traffic is down 8% compared to previous year. Total Domestic traffic is up 32% compared to previous year. Total Transit traffic is up 130% compared to previous year. Yearly passenger count is up 8% compared to previous year.

Board Member Eckstein questioned the percentage of people flying here that take cruises at Port Canaveral. Mr. Gouldthorpe believed not many people did. Board Member Eckstein stated Port Canaveral is second only to Miami, and it could be used to market the area and the Airport. Mr. Gouldthorpe clarified it had been discussed in the past; however, the airlines did not have enough flights in the week to coincide with the ship schedules.

B. Airlines/Tour Operators Update

- i. Allegiant – New service to Plattsburgh, NY beginning in February 2008 is expected to attract the Canadian market.

C. Miscellaneous Updates

- i. Peak Activity during Holiday – The traffic increased about 40-45% during the Holidays. It gives the Airport an opportunity to request more services.
- ii. Holiday Parking – On the peak day, there were 2,072 cars, approximately 1,800 were on the grass area. The economy and value lots were filled to capacity; two levels of the Parking Garage were full as well. Short-term parking was full as well; more people were dropped off this Holiday than previously. Statistics did not reflect the Thanksgiving Holiday parking. Board Member Miller questioned if the signage and traffic lanes caused any confusion. President Dale clarified that the new parking signs went up before the Christmas Holiday. Mr. Gouldthorpe was aware of only two complaints: one person complained because the parking was not opened early enough; another person complained because it was not opened late enough.
- iii. Destinations - Mr. Gouldthorpe commented they are under discussion with the Continental Europe market, South American market (Brazil in particular), and Caribbean market. There might be some domestic services expansion.
- iv. Fuel Supply – Mr. Gouldthorpe is already making arrangements for the fuel supply needed in the summer.
- v. Latin America market – Board Member Williams requested an update on the Latin American Conference (at Monterrey, Mexico), which Greg Dull attended. Mr. Gouldthorpe stated that two of the carriers show some promise.
- vi. Energy Conservation Program – OSI received approval to proceed with improvements to the A/C and chill water systems. The project will cost approximately \$3.5 million dollars in improvements. President Dale reminded the Board of the Green Earth Expo taking place on May 2008. Chairman Longstaff stated he would like to attend the expo.

9. LIAISON REPORTS

City of Sanford

None

Seminole County

None

10. CHAIRMAN'S REPORT

None

11. CONSENT AGENDA

- A. Consider approval of Addendum A to Lease No. 2006-24 with JAMES LEFILS for 26.44 acres of land (Grazing land).

Staff recommends approval of Addendum A to Lease No. 2006-24 with JAMES LEFILS for 26.44 acres of land on the south side of Moores Station Road, east of Cameron Avenue and south of Richmond Avenue (Grazing land). Addendum A extends the lease term for one (1) additional year, effective December 1, 2007. The annual rental rate is \$800.00; the monthly payment is \$66.67 exclusive of taxes.

- B. Consider approval of Addendum E to Lease No. 2003-01 with DONALD and LAURA NOLETTE for Building No. 299, located at 3114 Rudder Circle (Residence).

Staff recommends approval of Addendum E to Lease No. 2003-01 with DONALD and LAURA NOLETTE for Building No. 299, located at 3114 Rudder Circle (Residence). Addendum E extends the lease term for one (1) additional year, effective January 1, 2008. The annual rental rate is \$9,600.00, an increase of \$300.00; the monthly payment is \$800.00.

- C. Consider approval of Addendum A to Lease No. 2003-06 with PAULUCCI INTERNATIONAL LTD., INC. for Building No. 333-A, located at 1620 Hangar Road (Commercial Hangar).

Staff recommends approval of Addendum A to Lease No. 2003-06 with PAULUCCI INTERNATIONAL LTD., INC. for Building No. 333-A, located at 1620 Hangar Road (Commercial Hangar). Addendum A extends the lease term for five (5) additional years, effective January 18, 2008. The building consists of 8,572 square feet, at \$5.08 per square foot. The annual rental rate is \$43,545.76, an increase of \$5,400.36*; the monthly payment is \$3,628.82 exclusive of taxes.

* Increase based on lease rate of \$4.45 per square foot. Tenant was given a credit of \$1.45 per square foot over the initial 5-year lease term for a tenant-funded re-roof.

- D. Consider approval of Addendum A to Lease No. 2006-38 with O.R. COLAN ASSOCIATES, INC. for Building No. 515-3, located at 2836 Mellonville Avenue (Office space).

Staff recommends approval of Addendum A to Lease No. 2006-38 with O.R. COLAN ASSOCIATES, INC. for Building No. 515-3, located at 2836 Mellonville Avenue (Office space). Addendum A extends the lease term for one (1) additional year, effective January 1, 2008. The office consists of 1,500 square feet, at \$8.24 per square foot. The annual rental rate is \$12,360.00, an increase of \$360.00; the monthly payment is \$1,030.00, exclusive of taxes.

- E. Consider approval of Addendum E to Lease No. 2003-07 with WHISPER JET, INC. for Building No. 401-A, located at 1173 29th Street (Warehouse/Office).

Staff recommends approval of Addendum E to Lease No. 2003-07 with WHISPER JET, INC. for Building No. 401-A, located at 1173 29th Street (Warehouse/Office). Addendum E extends the lease term for one (1) additional year, effective February 1, 2008. The building consists of 6,300 square feet, at \$4.79 per square foot. The annual rental rate is \$30,177.00, an increase of \$882.00; the monthly payment is \$2,514.75 exclusive of taxes.

- F. Consider appointment of Richard Gazda to the Sanford Airport Noise Abatement Committee (SANAC).

Staff recommends appointment of Richard Gazda to the Sanford Airport Noise Abatement Committee (SANAC). Mr. Gazda will be replacing George Moss, representing Boston Maine Airways, Corp. (Pan Am).

Motion by Secretary/Treasurer Donihi, seconded by Board Member Robertson, to approve Consent Agenda Items A through F.

Motion passed.

12. DISCUSSION AGENDA

- A. Consider approval of:

1. Lease No. 2007-33 with MEDIATECH, INC. for Building No. 132, located at 2805 Carrier Avenue (Warehouse/Office); and
2. Waiver of personal guarantee at tenant's request.

1. Staff recommends approval of Lease No. 2007-33 with MEDIATECH, INC. for Building No. 132, located at 2805 Carrier Avenue (Warehouse/Office). The lease shall have a one (1) year term, commencing on January 1, 2008. The lease consists of 2,152 square feet, at \$6.70 per square foot. The annual rental rate is \$14,418.40; the monthly payment is \$1,201.53, exclusive of taxes; and
2. Tenant is a manufacturer of electrical equipment/supplies and custom computer programming, and has been active since 1990. The D&B reports shows a "prompt" payment history rating with \$0 past due. Further, the tenant has paid

rent for the entire year in advance, and has asked for a waiver of the personal guaranty. Staff recommends approval of the waiver of the personal guarantee in consideration of the tenant's payment history and advance rent payment.

Motion by Board Member Miller, seconded by Secretary/Treasurer Donihi, to approve Discussion Agenda Item A.

Motion passed.

B. Consider approval of letter by Miro Hospitality Management requesting extension of timeline.

Upon consultations with architects, engineers and various other departments involved in the Best Western Hotel project, Mr. Nash Hooda requested an extension of the timeline, as follows:

Submission to SJRWMD <u>*COMPLETED*</u>	Week of December 3, 2007
Airport DRC Review <u>*COMPLETED*</u>	Week of December 10, 2007
SJRWMD Approval <u>*PENDING*</u>	February 2008
Final Architectural Plans Complete <u>*SUBMISSION TO CITY*</u>	May 2008
Site/Building Permit Issued	July 2008
Construction To Begin	August 2008

Staff recommends approval of letter by Miro Hospitality Management requesting extension of timeline.

Board Member Miller questioned what the projected completion date was. Diane Crews stated the hotel is expected to be completed on December 2008. Board Member Robertson questioned if this item changed the rent extension as well. Ms. Crews clarified the rent effective date remained the same. Chairman Longstaff questioned how long is Mr. Hooda committed to Best Western. Ms. Crews stated Mr. Hooda was committed for one year. Chairman Longstaff questioned what would the Authority's position be if Mr. Hooda does not commit. Ms. Crews stated that Mr. Hooda would then be in breach of contract.

Motion by Secretary/Treasurer Donihi, seconded by Board Member Williams, to approve Discussion Agenda Item B.

Motion passed.

President Dale commented he might request the City of Sanford to co-sign the hotel lease.

- C. Consider acceptance of the quote from McLane Excavating to provide drainage ditch clearing in ten areas as shown in the attached proposal.

In order to comply with our St. Johns Water Management Permit, our Storm Water Pollution Prevention Plan, and in order to guarantee proper drainage of much of the airfield, it is necessary to have many of our ditches cleared of silt and overgrowth. An additional benefit of this work would be the elimination of numerous areas that are attractive to wildlife.

The proposal submitted delineated ten separate areas that require cleaning/clearing. The ten areas begin behind the new parking garage and progress across the airport east and south, ultimately ending south of Marquette Avenue with the cleaning/clearing of the Navy Canal that runs through the pasture owned by the airport.

Many of the areas that are part of this proposal are so silted over that only a small trickle of water is able to pass by and other areas contain ditches in which the ditch banks have slid into the ditch bottom. Others are overgrown to the point that there are trees growing out of them.

McLane Excavating specializes in this type of work, owning equipment that most other excavating companies cannot provide. They have proposed to perform the work indicated for a price of \$63,620.00.

Staff recommends approval of the attached proposal and authorization to proceed with the work. Funding for this project would come from airport reserves. President Dale stated the Airport will “piggy-back” on Seminole County’s contract with McLane Excavating.

Motion by Board Member Williams, seconded by Secretary/Treasurer Donihi, to approve Discussion Agenda Item C.

Motion passed.

Board Member Miller commented the drawings (made by hand) in the proposal were not detailed. George Speake assured the Board that McLane Excavating is the same company Seminole County uses.

13. OTHER BUSINESS

None

14. COMMENTS FROM THE PUBLIC

None

15. REMINDER OF NEXT BOARD MEETING (TUESDAY, FEBUARY 5, 2008)

16. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:45 a.m.

Respectfully submitted,

Larry A. Dale, President & CEO
/dmm



SANFORD AIRPORT AUTHORITY
1200 Red Cleveland Boulevard
Sanford, Florida 32773
(407) 585-4000 • Fax (407) 585-4045
www.orlandosanfordairport.com

January 2, 2008

Via email: legals@mysanfordherald.com

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

Attn: Legal Classified

Please publish the following Public Notices one (1) time in the Sunday edition (January 6, 2008) of the Seminole 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, 2008, 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, 2008, 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 scheduled for the month of January has been cancelled. Scheduling and information is available by contacting the Vice President of Operations at (407) 585-4006.

USER GROUP

The Airport User Group meeting scheduled for the month of January has been cancelled. 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 the month of January has been cancelled. Information may be obtained by calling (407) 585-4000.

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