

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
TUESDAY, OCTOBER 2, 2007**

PRESENT: G. Geoffrey Longstaff, Chairman
Clyde H. Robertson, Jr., Vice Chairman
Whitey Eckstein
Colonel Charles H. Gibson
William R. Miller
Brindley B. Pieters
Paul Hechenberger, Airport Counsel
Comm. Bob Dallari, County Liaison

ABSENT: Tim Donihi, Secretary/Treasurer
David L. Cattell
John A. Williams
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: Jack Adkins, FDOT
Tommy Barnes, SAA ARFF
Rusty Beavers, Starport
Stephen Boylan
James B. Byrne, Jr., Esq.
Greg Dull, OSI
Kathy Enot, FDOT
Lloyd Gurr, EarthTech
Alex Kracun, SAA ARFF
Krysty Kress, S.E. Ramp Development
Yasmin Moreno, PBS&J
John Nadjafi, Shutts & Bowen LLP
Stan Poloski
Jack Reynolds, JRA, Inc.
Kevin Spolski, Spolski Construction
Ernie Stallings
Jennifer Taylor, SAA
Bob Tunis, City of Sanford Economic Dev. Director

1. INTRODUCTION OF GUESTS AND CALL TO ORDER

The meeting was called to order at 8:36 a.m.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON TUESDAY, SEPTEMBER 11, 2007.

Motion by Board Member Robertson, seconded by Board Member Gibson, to approve the minutes from the regular meeting held on Tuesday, September 11, 2007.

Motion passed.

4. PRESENTATION

Presentation by Stephen A. Boylan, P.E., with Earth Tech Consulting, Inc., discussing the status of FDOT SR 46 Widening Project.

5. PRESIDENT'S REPORT

President Dale reported on the following:

- A. Appraisal report - Appraisal report done by the Department of Transportation. Is being billed as an advanced acquisition project. The DOT does not have the money for the right-of-way. There is a visual runway, which has a runway protection zone; since nothing can be built there, the DOT does not want to pay for it. The DOT has \$1 million they can give the Airport. President Dale asked for direction from the Board, he wondered if the Board would like him to take the \$1 million as a start. Consensus of the Board for President Dale to take the \$1 million, then negotiate any additional funds. Board Member Miller questioned if the Airport had a fair market appraised value. President Dale stated the Airport had an FDOT approved appraisal. Since the Airport does not have an independent appraisal, Board Member Miller suggested the Authority conducted one. When questioned by Chairman Longstaff if an independent appraisal would be beneficial during the negotiating process, President Dale stated it might be prudent to get the appraisal done. However, President Dale cautioned the Board that the appraisal might be expensive. Jack Reynolds commented the FAA might require it anyway. Motion by Board Member Miller, seconded by

Board Member Eckstein allowing an appraisal be done, not to exceed \$7,000.00. Motion passed.

- B. Parking Garage – The grand opening is scheduled for October 11, 2007.
- C. Extension of Runway 9R-27L – Regarding the Poloski and Kondracki properties, they were provided extended possession until November 11. Still need the Annett property for noise mitigations. All four cul-de-sacs have been paved. Demolition of structures (owned by the Airport) is done. Some clearing still needs to be done in November.
- D. Extension of Runway 9L-27R/Benefit Cost Analysis (BCA) – The Benefit Cost Analysis has been forwarded to the FAA.
- E. 84-Lumber – Progressing well with no issues.
- F. Delta Connection Academy – Last month of construction (for the simulator hangar). The remodeling of the Operation Center has been completed.
- G. S.E. Ramp Development – Working on getting the Certificate of Occupancy this month.
- H. ARMF Hangar – Waiting on results of chlorination tests. Pre-construction meeting held on October 1, 2007. Notice to Proceed has been issued for this 210-day project. Construction might start before Thanksgiving.
- I. Starport 33,000 square foot expansion (Phase 3) – Project was approved by the DRC and Airport Zoning Board. President Dale does not anticipate any problems with the permit plans to be submitted to St. Johns River Water Management District.
- J. Attorneys' Fees – Had not been received at the time of the meeting. President Dale assured the Board that the Finance Department was inspecting them meticulously for any errors.
- K. Jett Aire Lawsuit – A continuance of this trial, moving it from November 2007 to January 2008, will be requested on Friday, October 5, 2007. The delay will be requested because the Authority could not get Jett Aire's tax returns for review.
- L. Craggs Construction Lawsuit – Final judgment entered in the favor of the Authority. Judgment in favor for the net verdict amount of \$551,830.50 and in pre-judgment from September 15, 2004 in the amount of \$148,010.03, total of \$699,840.53. Still leaves the motion for attorney fees and cost. Evidentiary hearing will take place in December 2007. Craggs Construction may offer some kind of settlement agreement. Craggs Construction has not posted the supersedeas bond equal to \$850,000.00. They have 30 days from when the judgment was entered (September 20, 2007).

- M. Hotel – Pre-application meeting at St. Johns River Water Management District took place, going well.
- N. ARFF Department – Chief Alex Kracun is serving as new ARFF Chief. Tommy Barnes will act as Operations Chief. Chief Barnes has served with the Airport for 14 years. Rodney Tatro joins Jeff McFarland and Jason Nadeau as a Battalion Commander.
- O. No Smoking Policy – About four years ago, a complaint was made about smoking in a sterile area in Customs. At the time, the Authority did not have any control over that area in particular. Another complaint was made recently. However, Customs does not fall under the law of Florida. The Authority did not have a written Smoking Policy in effect. Staff recommends adoption of Smoking Policy [Attached]. Motion by Board Member Miller, seconded by Board Member Robertson, to approve SAA Smoking Policy. Motion passed.
- P. Pay Grade Adjustments – Budgeted pay increases for some employees will exceed current maximum limit of their pay grades. Motion by Board Member Eckstein, seconded by Board Member Robertson to raise the maximum limit of those affected pay grades. Motion passed.
- Q. Health Insurance – United Healthcare increased their rates by 49%. The Airport will now offer Blue Cross/Blue Shield to its employees for their health and dental insurance. Staff request approval to: change healthcare insurance carrier from United Healthcare to Blue Cross/Blue shield; change dental insurance carrier from Guardian to Blue Cross/Blue Shield; and change life insurance carrier from The Hartford to Blue Cross/Blue Shield. Motion by Board Member Eckstein, seconded by Board Member Gibson to approve Blue Cross Blue Shield as health, dental, and life insurance provider; to be administered by McLain & Pierce. Motion passed.

6. COUNSEL'S REPORT

- A. Southeast Airlines – Paul Hechenberger questioned if any fees had been collected from the owner. President Dale clarified that from the time of sale, only \$2,900.00 could be charged for storage fees.
- B. Eagles Nest – Paul Hechenberger questioned if David Shontz had contacted President Dale regarding the status of the \$5,000.00 bond (for removal of the eagles nests on the Howard property).

7. TBI REPORT

On behalf of Larry Gouldthorpe, Greg Dull reported that International traffic is down 3% from September 2006. Domestic traffic is up 100% compared to September 2006. Total traffic is up 9% compared to September 2006. Year-to-date international traffic is down. Year-to-date domestic traffic is up 27%. Year-to-date-total traffic is up 7%.

A. Airlines/Tour Operators Update

- i. Allegiant – Reminder of three new destinations to: Bangor, ME; Huntsville, AL; and Peoria, IL. Board Member Robertson commented he enjoyed flying with Allegiant.

B. Miscellaneous Updates

- i. Open Skies Agreement – The Open Skies Agreement is starting to stimulate carriers to fly places they could not before. Board Member Eckstein suggested OSI should pursue business with the Canadian market.

8. LIAISON REPORTS

City of Sanford

None

Seminole County

None

9. CHAIRMAN'S REPORT

None

10. CONSENT AGENDA

- A. Consider approval of Addendum D to Lease No. 2001-20 with THE HERTZ CORPORATION for Building No. 519, located at 3050 Carrier Avenue (Service Facility).

Staff recommends approval of Addendum D to Lease No. 2001-20 with THE HERTZ CORPORATION for Building No. 519, located at 3050 Carrier Avenue (Service Facility). The lease consists of 261,360 square feet of land at \$0.25 per square foot. The annual rental rate is \$65,340.00, an increase of \$10,454.40; the monthly payment is \$5,445.00, exclusive of taxes.

Motion by Board Member Gibson, seconded by Board Member Eckstein, to approve the Consent Agenda Item A.

Motion passed.

11. DISCUSSION AGENDA

- A. Consider approval of Annual Funding Agreement between the Sanford Airport Authority and METROPLAN ORLANDO for FY 2007-2008.

Staff recommends approval of Annual Funding Agreement between the Sanford Airport Authority and METROPLAN ORLANDO FOR FY 2007-2008. The Funding Agreement follows the same format as in previous years, with the exception that the funding amount for FY 2007-2008 will be \$31,000.00, an increase of \$3,000. Motion by Board Member Eckstein, seconded by Board Member Miller, to approve the Annual Funding Agreement between the Sanford Airport Authority and METROPLAN ORLANDO for FY 2007-2008. Motion passed.

- B. Consider request from FC Flight Services, LLC to terminate Ground Lease No. 2006-02.

On July 6, 2005, the SAA approved Lease No. 2005-14 with GP Aircraft Holding LLC for 3.875 acres of land on the east side of Starport Aviation for the construction of a 10,000 square foot aircraft hangar. It was anticipated that construction would commence in the fall of 2005. However, one of the principals withdrew from the project, and the parent company, First Credit Commercial Capital Corporation, formed a new company, FC Flight Services LLC for the purpose of continuing forward with construction of the hangar. The request was made to cancel Lease No. 2005-14 and replace with Lease No. 2006-02 with the newly formed FC Flight Services LLC, under the same terms and conditions. On June 6, 2006, the SAA considered and approved this request.

Note: The lease consists of 3.875 acres of land \$0.21 per square foot. The lease term is for thirty (30) years. The tenant was also granted a First Right of Refusal to lease the adjacent 1.627 acres of land to the east for future building construction, and the adjacent 1.627 acres of land to the south for additional ramp construction. The annual rent is \$35,446.95; the monthly rent is \$2,953.91, commencing on May 1, 2006. To date, the tenant has paid \$53,170.43 over the past 18 months. The remaining 28.5 years of the lease represent a minimum of \$1,010,237.22, an amount that does not take into account the scheduled rate increases every five years.

On September 7, 2007, the SAA received a request from Gary Lind Johnson, President of First Credit Commercial Capital Corporation, asking to terminate the current lease due to several setbacks in their business plans that have forced them to sell their corporate aircraft. Mr. Johnson is the personal guarantor for the existing lease.

In the past, similar requests have been approved provided a replacement tenant has been found, resulting in no loss of revenue for the Authority. At the time of the meeting, a replacement tenant had not been identified, and this lease was included in the anticipated revenue for the recently approved FY 2007-2008 Budget.

President Dale recommended the Airport work with tenant to find replacement tenant. Motion by Board Member Eckstein, seconded by Board Member Pieters, for the Authority to assist the tenant in finding a replacement tenant; until then, the tenant will be responsible for the lease. Motion passed.

12. OTHER BUSINESS

None

13. COMMENTS FROM THE PUBLIC

None

14. REMINDER OF RE-ELECTION OF OFFICERS (TUESDAY, NOVEMBER 6, 2007)

15. ADJOURN FOR EXECUTIVE SESSION

The regular meeting was adjourned at 10:10 a.m. for a break before the executive session.

16. EXECUTIVE SESSION – JETT AIRE VS. SAA

17. EXECUTIVE SESSION – SAA. VS. ACI CONSTRUCTION SERVICES, INC. & CONTINENTAL CASUALTY COMPANY

18. RECONVENE

The regular meeting reconvened after the executive session.

19. ADJOURNMENT

There being no further business, the regular meeting was adjourned after the executive session.

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

September 21, 2007

Via email: legals@mysanfordherald.com

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

Attn: Legal Classified

Please publish the following Public Notice one (1) time in the **Wednesday's edition (September 26, 2007) 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 October meeting on Tuesday, October 2, 2007, 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.

Notice is hereby given that the two final agenda items for the meeting will be the following:

- 1) **An Executive Session to discuss "Jett Aire vs. Sanford Airport Authority" [Case No. 99-CA-2155-15]. Participants in the Executive Session will be SAA Board Members G. Geoffrey Longstaff, Clyde H. Robertson, Tim Donihi, David L. Cattell, Whitey Eckstein, Charles H. Gibson, William R. Miller, Brindley B. Pieters, and John A. Williams; SAA President/CEO Larry A. Dale; Paul A. Hechenberger, Esq., SAA General Counsel; James B. Byrne, Jr., Esq., SAA Litigation Counsel, Sherry Kern, Esq.; and a court reporter. All others will be excluded during this Executive Session.**

- 2) **An Executive Session to discuss "Sanford Airport Authority vs. ACI Construction Services, Inc. and Continental Casualty Company" [Case No. 07-CA-2717-15-6]. Participants in the Executive Session will be SAA Board Members G. Geoffrey Longstaff, Clyde H. Robertson, Tim Donihi, David L. Cattell, Whitey Eckstein, Charles H. Gibson, William R. Miller, Brindley B. Pieters, and John A. Williams; SAA President/CEO Larry A. Dale; Paul A. Hechenberger, Esq., John H. Dannecker, Esq., John Nadjafi, Esq., SAA General Counsel; and a court reporter. All others will be excluded during the Executive Session.**

**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

PUBLIC NOTICE

BOARD MEETING

The regular meeting of the Sanford Airport Authority will be held on Tuesday, October 2, 2007, 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, October 9, 2007, 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, October 9, 2007, at 10:30 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) meetings are conducted on the first Wednesday of each month unless otherwise posted. The next meeting will be held on Wednesday, October 3, 2007, 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 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

PUBLIC NOTICE

Executive Sessions after Board Meeting

Notice is hereby given that the two final agenda items for the meeting will be the following:

- 1) An Executive Session to discuss “Jett Aire vs. Sanford Airport Authority” [Case No. 99-CA-2155-15]. Participants in the Executive Session will be SAA Board Members G. Geoffrey Longstaff, Clyde H. Robertson, Tim Donihi, David L. Cattell, Whitey Eckstein, Charles H. Gibson, William R. Miller, Brindley B. Pieters, and John A. Williams; SAA President/CEO Larry A. Dale; Paul A. Hechenberger, Esq., SAA General Counsel; James B. Byrne, Jr., Esq., SAA Litigation Counsel, Sherry Kern, Esq.; and a court reporter. All others will be excluded during this Executive Session.

- 2) An Executive Session to discuss “Sanford Airport Authority vs. ACI Construction Services, Inc. and Continental Casualty Company” [Case No. 07-CA-2717-15-6]. Participants in the Executive Session will be SAA Board Members G. Geoffrey Longstaff, Clyde H. Robertson, Tim Donihi, David L. Cattell, Whitey Eckstein, Charles H. Gibson, William R. Miller, Brindley B. Pieters, and John A. Williams; SAA President/CEO Larry A. Dale; Paul A. Hechenberger, Esq., John H. Dannecker, Esq., John Nadjafi, Esq., SAA General Counsel; and a court reporter. All others will be excluded during the Executive Session.

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 work-session 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