

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
MONDAY, OCTOBER 5, 2009**

PRESENT: G. Geoffrey Longstaff, Chairman
Tim Donihi, Secretary/Treasurer
David L. Cattell
Whitey Eckstein
William T. Litton
William R. Miller
Stephen P. Smith
Brindley B. Pieters
Brett R. Renton, Airport Counsel
Michael McLean, County Liaison

ABSENT: 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: Krysty Carr, S.E. Ramp Development
Jim Cawthon
Alex Good, United HealthCare
Larry Gouldthorpe, TBI
Geoff Lane, Starport
Bill Lutrick
Bill McGrew, PBS&J
Daryl McLain, McLain, Pierce & Associates
Amanda Meadows, McLain, Pierce & Associates
D'Anne Mica, Mica Strategic Planning
Jack Reynolds, JRA, Inc.
Kevin Spolski, Spolski Construction

1. INTRODUCTION OF GUESTS AND CALL TO ORDER

The meeting was called to order at 10:02 a.m.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE SPECIAL MEETING HELD ON AUGUST 27, 2009; THE REGULAR MEETING HELD ON SEPTEMBER 1, 2009; AND THE SPECIAL MEETING HELD ON SEPTEMBER 17, 2009

Motion by Board Member Miller, seconded by Board Member Litton, to approve the minutes from the special meeting held on Thursday, August 27, 2009; minutes from the regular meeting held on Tuesday, September 1, 2009; and minutes from the special meeting held on Thursday, September 17, 2009. Motion passed.

4. PRESIDENT'S REPORT

President Dale reported on the following:

- A. Chaplain – President Dale introduced Chaplain Jim Cawthon. Chaplain Cawthon will volunteer as the Airport's chaplain.
- B. Extension of Runway 9L-27R – Application for the \$8 million land acquisition grant and the design-planning grant has been submitted.
- C. Runway 18-36 Rehabilitation – Grant 58 for \$1.54 million was received August 21, 2009. Grant 61 for widening of blast pads, moving threshold and runway end lights from outboard to inboard, and gopher tortoise relocation was received September 18, 2009. Notice to Proceed was issued. The 122-day project will start October 19, 2009.
- D. Improvements for the upgrade for the airfield signage – This is a force account project funded with \$1,060,253 grant. The project is scheduled to be finished by the end of February 2010; 55% of the project has been completed.
- E. Bldg. 310 Improvements – Diane Crews briefed the Board on the renovation. For the most part the renovation is complete, but the Authority has decided to tile some areas. Of the 144 beds, 111 are occupied. The monthly revenue is almost \$43,000.00. Approximately \$570,000.00 has been spent to date on the renovation.
- F. Cargo Building Buildout for TSA – The Authority has signed the contract with TSA for the buildout to be used for the inspection of cargo, at TSA's expense. This is a force account job.
- G. Membrane Hangar – The Authority is working with Avocet Capital, LLC and AVCON on final specifications for design build. Mr. Dale met with St. Johns River Water Management District to discuss the permitting issues. Construction could begin prior

to the first quarter of next year. The bank is prepared to issue a Letter of Commitment. Avocet is still working on the Letter of Credit from the bank.

- H. TBI Cargo parking spaces – TBI Cargo had some parking space issues at the Cargo building parking lot. The problem was solved by TBI Airport Management, Inc. allowing TBI Cargo to use some of their spaces at the adjacent maintenance building (Building No. 415) and SAA pouring a connecting sidewalk.
- I. Attorneys' Fees – Distribution and discussion of September's attorneys' fees.
- J. Noise grant – The Authority received a \$4.46 million 30-parcel noise land acquisition grant. Currently working on task order; should be ready the following week. President Dale recommended the contract be extended, specific to this task order and this grant. Part 150 is funded through discretionary grants; an airport cannot receive grants unless a Part 150 noise study was done. The properties will be prioritized based on the safety of the community and the airplanes. It is the Airport's responsibility, under FAA rule, to meet the needs of the community. If the Airport does not have the need for the property, it will not be grant eligible. Three ways to get grants for properties needed for projects are: legislative grants, noise grants, and grants through AIP (entitlement or discretionary).
- K. Miro Hospitality Properties, LLC – The previous year, the Board decided to wait on making a decision in regards to the lease agreement with Miro Hospitality Properties, LLC. The lease commencement date was September 1, 2009, and no payment has been made. Mr. Hooda will meet with SAA Staff on October 7, 2009 to discuss the issue. The Authority has a right to cancel because of breach of non-payment. President Dale will update the Board after meeting with Mr. Hooda. Board Member Miller stated he would like to know what properties Mr. Hooda currently manages in Central Florida.
- L. Budget stabilization plan – The Airport has been doing well overall. International traffic is down; however, domestic traffic is up. The Board authorized President Dale to restore the 2% salary. Motion by Board Member Cattell, seconded by Secretary/Treasurer Donihi to restore vacation leave with some restrictions, and original scheduled paid holidays. Motion passed.
- M. Metroplan 2030 Long Range Transportation Plan – George Speake attended the FDOT District Five Strategic Intermodal System (SIS) Connectors Assessment Study meeting. The #1 priority in Seminole County is improving I-4 at SR 46. The #6 priority is the four-laning of SR 46, from Mellonville Avenue to East of SR 415.
- N. Orlando advisory activity report – Fuel flowage is up 18.4% over last yr.; up 2.7% year to date. President Dale stated he had discussed operations/forecasting with John O'Brien and Jason Dauderman. They are optimistic their operations will go back up.

- O. Airport Revenue News – In the 2009 Top 50 Performing North American Airports listing, for revenues on concessions per passengers, the Airport ranks #39. In the 2009 International Airport by Performance listing (includes duty-free sales) the Airport ranks #1. Larry Gouldthorpe stated in two weeks the retail expansion will be completed. A tour of the stores will be done during the next board meeting.
- P. Airport Insurance – All coverages are in place.
- Q. Success in Seminole magazine – President Dale discussed an article with Diane, Crews, Larry Gouldthorpe, Michael Caires and himself about the Airport. He also discussed an article about the retail expansion.
- R. Healthcare Insurance – The new healthcare insurance policy will be effective November 1, 2009. The current plan has gone up considerably. Daryl McLain discussed the plans and benefits. The life and dental policies will not increase, the rates were guaranteed by United HealthCare for two years. If the Board kept the current plan, the premiums would increase by \$117,000.00; the increase is based on the loss ratio. The other options have a deductible of \$2,000.00 for a single person, with a maximum out of pocket of \$4,000.00. A hospital supplement can be offered to help employees with the cost. Board Member Eckstein questioned if it was covered by the budget. President Dale clarified the projected budget was not accurate; the calculations were off by \$52,000.00. However, the Authority saved \$118,000.00 from what was budgeted for the Airport's insurance. If both insurances are combined, the Airport can still have savings and be under budget. Mr. McLain stated more and more companies are moving towards the high deductible model. Since it is a considerably higher deductible, President Dale suggested the Board share the risk with the employees and allow the Authority to reimburse the second half of the deductible in cases of hospitalization. Alex Good stated the disadvantage to paying the employee directly is taxes; however, the HRA is not taxed. The Authority can set up an HRA and be strict with how it is used. Mr. McLain clarified the Authority would not be paying anything directly and there is no additional charge for the HRA. Counsel stated specific language would have to be added, and questioned to whom the employees would appeal if needed. Chairman Longstaff questioned if the HRA is done, can the Authority make it distinct and state the amount be paid after the event. Mr. Good stated the account can be added at any time.

Mr. McLain stated the price for the supplemental plan is \$15 per pay period. The company will wave pre-existing conditions if the Authority takes it for all employees.

President Dale recommended PLZ Option 1. Motion by Board Member Smith, seconded by Secretary/Treasurer Donihi, to approve PLZ Option 1, under discussion. Secretary/Treasurer Donihi does not think they can choose without the supplemental option. Motion passed.

President Dale recommended the Board consider the HRA to share risk with the employees, and provide the supplemental plan as an option with half of the premiums

to be paid by the Authority. Motion by Secretary/Treasurer Donihi, seconded by Board Member Eckstein, to approve HRA plan for hospital stay or surgical event; and to pay half of the premiums for supplemental plan. Vote was taken, all members agreed, none opposed. Motion passed.

- S. Delta Airlines - Delta had a subsidy to fly to Tallahassee and they pulled out once it ran out.

5. LIAISON REPORTS

City of Sanford

None.

Seminole County

Commissioner McLean requested permission to give the report out of order, he had to leave early.

The County Commission had two meetings regarding the Stormwater issue. The Commission decided to vote it down.

Regarding budget, the millage was raised from 4.513 to 4.9. The County is looking at a \$25 million deficit in 2010-2011. Staffing levels are the same as 1999, the millage is less than in 1999. He believes the options are limited.

Board Member Eckstein expressed his concern about Bright House Networks; the infrastructure leaves a lot to be desired. Commissioner McLean stated they are in discussions with Bright House Networks.

6. CONSENT AGENDA

- A. Consider approval of Resolution No. 2009-07 to honor Colonel Charles H. Gibson.

Staff recommends approval of Resolution No. 2009-07 to honor Colonel Charles H. Gibson for his years of service to the Sanford Airport Authority Board; from March 22, 1993 through September 30, 2009.

- B. Consider approval of Resolution No. 2009-08 to honor Clyde "Robbie" Robertson, Jr.

Staff recommends approval of Resolution No. 2009-08 to honor Clyde "Robbie" Robertson, Jr. for his years of service to the Sanford Airport Authority Board; from September 1, 1997 through September 30, 2009.

- C. Consider approval of correction to Minutes of August 10, 2009 SAA Board joint meeting with City of Sanford.

Staff recommends approval of correction to Minutes of August 10, 2009 SAA Board joint meeting with City of Sanford. Scrivenor's error on page 2, Item 3 - Motion says "to approve the SAA Comprehensive Annual Budget Fiscal Year 2008-2009." Motion should read "SAA Comprehensive Annual Budget Fiscal Year 2009-2010."

- D. Consider approval of Third Amended Employment Agreement between Sanford Airport Authority and Larry A. Dale, President/CEO.

The SAA and Larry Dale previously entered into an Employment Agreement on June 5, 2001; a First Amended Employment Agreement on June 18, 2001; and a Second Amended Employment Agreement on September 21, 2006. Pursuant to SAA Board direction on September 1, 2009, the Employment Agreement is now being amended for the third time to provide Mr. Dale with a deferred compensation plan in the maximum amount allowed by law per year for his age, rather than a set amount. Note: The original agreement provided a deferred compensation plan in the amount of \$12,000 per year, which was the maximum amount allowed by law per year for Mr. Dale for his age at that time. This did not provide for changes in the maximum contributable amount. The new amended agreement will allow his deferred compensation plan to keep pace with such changes.

Staff recommends approval of the Third Amended Employment Agreement between the Sanford Airport Authority and Larry A. Dale, President/CEO.

- E. Consider revised term for Lease No. 2009-38 with CRUMS CLIMATE CONTROL, INC. for Building No. 262, located at 2751 Flightline Avenue (Warehouse/Office).

On September 1, 2009 the Board approved Lease No. 2009-38 with CRUMS CLIMATE CONTROL, INC. for Building No. 262, located at 2751 Flightline Avenue (Warehouse/Office). The lease has a one (1) year term, with two (2) successive terms for one (1) year each, commencing on August 1, 2009 and ending July 31, 2010.

The tenant is requesting for Lease No. 2009-38 to run concurrent with Lease No. 2009-45, approved by the Board on July 30, 2009. Lease No. 2009-45 has a two (2) year term, with one (1) three-year option, commencing on August 1, 2009 and ending July 31, 2011.

Staff recommends revised term for Lease No. 2009-38, commencing on August 1, 2009 and ending July 31, 2011.

- F. Consider approval of Addendum C to Lease No. 2006-27 with PAUL M. EVANS for Building No. 520, located at 3933 Moores Station Road (Residence).

Staff recommends approval of Addendum C to Lease No. 2006-27 with PAUL M. EVANS for Building No. 520, located at 3933 Moores Station Road (Residence). Addendum C extends the lease term for one (1) additional year, effective October 1, 2009. The annual rental rate is \$11,400.00; the monthly payment is \$950.00.

G. Sanford Airport Noise Abatement Committee (SANAC) appointments.

Staff recommends the appointment of Mrs. Bernice Brim to the Sanford Aviation Noise Abatement Committee. Mrs. Brim is the Station Manager for Allegiant Air and will fill the vacant Commercial Aviation position as a voting member of the committee.

H. Consider approval of Addendum B to Lease No. 2002-04 with MILLWORK INTERNATIONAL, LLC for Building No. 400, located at 3017 Mellonville Avenue (Warehouse/Office).

Consider approval of Addendum B to Lease No. 2002-04 with MILLWORK INTERNATIONAL, LLC for Building No. 400, located at 3017 Mellonville Avenue (Warehouse/Office). Addendum B extends the lease for an additional five (5) year term, commencing on November 1, 2009. The lease consists of 57,600 square feet of warehouse/office space as follows:

Year 1	57,600 sf @ \$2.35 per sf	=	\$135,360.00
	Annually	=	\$135,360.00
	Monthly	=	\$ 11,280.00
	7% sales Tax	=	\$ 789.60
	Total Monthly	=	\$ 12,069.60
Year 2	57,600 sf @ \$2.9435 per sf	=	\$169,545.60
	Annually	=	\$169,545.60
	Monthly	=	\$ 14,128.80
	7% sales Tax	=	\$ 989.02
	Total Monthly	=	\$ 15,117.82
Year 3	57,600 sf @ \$3.25 per sf	=	\$187,200.00
	Annually	=	\$187,200.00
	Monthly	=	\$ 15,600.00
	7% sales Tax	=	\$ 1,092.00
	Total Monthly	=	\$ 16,692.00

Should Tenant permanently cease doing business as a going concern then, in such circumstances only, Tenant shall have the right to terminate the Lease by giving written notice to Landlord, which notice shall contain a sworn affidavit from an officer of Tenant that a Cessation of Operations has occurred ("Notice of Termination").

Staff recommends approval of Addendum B to Lease No. 2002-04 with MILLWORK INTERNATIONAL, INC. for Building 400, contingent upon final negotiation of all lease terms.

Board Member Cattell questioned if the Authority is forgiving any debt from Millwork International, Inc. Ms. Crews clarified that up until September they leased a 10,832 square foot building [Building No. 142-W] they did not use. At this point, the tenant is making regular payments. The tenant would like the Authority to forgive the rent for the last two

months on the 10,832 square foot building lease, which would reduce debt by approximately \$8,000.00.

Motion by Secretary/Treasurer Donihi, seconded by Board Member Eckstein, to approve Consent Agenda Items A through G, and Add-on Agenda Item H, to include waving rent for the last two months on the 10,832 square foot building [Building No. 142-W] leased by Millwork International, Inc. Motion passed.

7. DISCUSSION AGENDA

- A. Consider approval of Resolution No. 2009-09 in opposition to Amendment 4 (Hometown Democracy).

Amendment 4, generally referred to as "Hometown Democracy", is a proposed constitutional amendment that will appear on the ballot during the 2010 November elections. Amendment 4, amending Article II, Section 7, of the Florida Constitution, will require that, before a local government can amend its comprehensive plan, the plan amendment must first be approved by the voters within that local jurisdiction. If approved by the voters in November 2010, Amendment 4 will become effective immediately and will apply to all plan amendments.

Staff recommends approval of Resolution No. 2009-09 in opposition to Amendment 4 to the Florida Constitution (Hometown Democracy).

Motion by Board Member Eckstein, seconded by Secretary/Treasurer Donihi, to approve Resolution No. 2009-09. Motion passed.

8. COUNSEL'S REPORT

There are two lawsuits regarding HTA. The first is the lawsuit against ACI, where HTA was added as a third party when it was in Federal court. All certified pleading from Federal court have been re-submitted. Notice for Trial has been submitted for the second lawsuit directly with HTA, and Counsel is waiting on trial date.

President Dale presented Counsel with the certified receipts for the waterproofing repair job. Motion by Board Member Miller, seconded by Board Member Litton, to file suit against ACI, Moss Waterproofing, and the bonding company for reimbursement in regards to the parking garage waterproofing repair. Motion passed.

9. TBI REPORT

TBI President Larry Gouldthorpe reported on the following:

- A. Monthly Statistics for September 2009
 - i. UK traffic total
September 2009 – **56,474** passengers

- ii. International traffic total
September 2009 – **58,474** passengers
- iii. Domestic traffic total
September 2009 – **44,603** passengers
- iv. Traffic total (inclusive of transit passengers)
September 2009 – **104,210** passengers
- v. Year-to-date
2009 – **1,374,169** passengers
- vi. Percentage
UK traffic is down 34% compared to September 2008. International traffic is down 35% compared to September 2008. Domestic traffic is up 45% compared to September 2008. Total traffic is down 14% compared to September 2008. Year-to-date traffic is down 9% compared to 2008.

B. Airlines/Tour Operators Update

- i. Cargo – Activity is still weak.
- ii. Allegiant – Allegiant announced two new destinations: Bentonville, AR starting November 19, 2009; and Duluth, MN starting November 20, 2009.
- iii. Flyglobespan – The OSI marketing team has done good job in convincing Flyglobespan to add two new cities: Cardiff, Wales and Edinburgh, Scotland. OSI and the airline are currently under discussion for the addition of a third city.
- iv. Icelandair - Icelandair will commence operations on October 2, 2009.

C. Miscellaneous Updates

- i. Concessions – Cinnabon and Edy's Icecream are doing well. The Bud Light bar should be completed in two weeks. Mr. Gouldhtorpe would like to schedule a tour during next board meeting.

10. CHAIRMAN'S REPORT

None

11. COMMENTS FROM THE PUBLIC

None

12. OTHER BUSINESS


None

13. REMINDER OF NOVEMBER BOARD MEETING (NOVEMBER 3, 2009)

14. ADJOURNMENT

There being no further business, the meeting was adjourned at 12:00 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Larry A. Dale". The signature is written in a cursive style with a large initial "L" and "D".

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 9, 2009 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 (September 16, 2009) 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 Monday, October 5, 2009, 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



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

September 24, 2009 Via email: legals@mysanfordherald.com

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

Attn: Scott, Legal Classified

Please publish the following Public Notice one (1) time in the **Wednesday edition (September 30, 2009) of the Seminole Herald Classifieds.** Please confirm receipt of this advertisement by email to dmuniz@osaa.net.

PUBLIC NOTICE
SANFORD AIRPORT AUTHORITY

The time for the October 2009 meeting that was previously advertised to be held on Monday, October 5, 2009 at 8:30 a.m. has been changed. Please note that the Sanford Airport Authority will conduct its October meeting on Monday, October 5, 2009, at 10:00 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.

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Larry A. Dale
President & CEO

Certified proof of publication and invoice should be sent to:

Attn: Diana M. Muñoz-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. Muñoz-Olson
Executive Assistant

PUBLIC NOTICE

BOARD MEETING

The regular meeting of the Sanford Airport Authority will be held on Monday, October 5, 2009, at 10:00 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 13, 2009, 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 13, 2009, 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) meetings are conducted on the first Wednesday of each month unless otherwise posted. The next meeting will be held on Wednesday, October 7, 2009 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) 585-4002.

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