

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
TUESDAY, NOVEMBER 4, 2008**

- PRESENT:** G. Geoffrey Longstaff, Chairman
Clyde H. Robertson, Jr., Vice Chairman
David L. Cattell
Whitey Eckstein
Colonel Charles H. Gibson
William R. Miller
Brindley B. Pieters
Brett Renton, Airport Counsel
- ABSENT:** Tim Donihi, Secretary/Treasurer
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:** Joe Betzler, Starport
Jim Byrne, Esq.
Krysty Carr, S.E. Ramp Development
Tracy Forrest, S.E. Ramp Development
Larry Gouldthorpe, OSI
Jeffrey Grishom
Geoff Lane, Starport
Al Nygren, O.R. Colan Associates
Jack Reynolds, JRA, Inc.
Keith Robinson, OSI
Kevin Spolski, Spolski Construction
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.

Chairman Longstaff acknowledged the reappointment of Secretary/Treasurer Donihi, Board Member Eckstein, and Board Member Cattell.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON OCTOBER 14, 2008

Motion by Board Member Gibson, seconded by Board Member Cattell, to approve the minutes from the regular meeting held on Tuesday, October 14, 2008. Motion passed.

4. RECOGNITION

Chairman Longstaff congratulated President Dale on the future publication of his manuscript (“Personal liability in the aftermath of bird strikes—a costly consideration”) in *Human-Wildlife Conflicts*. Only half of all manuscripts submitted to the journal are accepted for publication.

5. ELECTION OF OFFICERS

Chairman Longstaff turned the meeting over to Counsel for the election of officers.

Counsel questioned if there were any nominations for the Chairman position.

Motion by Board Member Miller, seconded by Board Member Eckstein, to nominate Board Member Longstaff as Chairman. Motion by Board Member Eckstein, seconded by Board Member Gibson, to close the nomination. Board Member Longstaff was re-elected Chairman by acclamation, for fiscal year 2008-2009.

Counsel returned the meeting over to Chairman Longstaff for the election of Vice-Chairman and Secretary/Treasurer.

Chairman Longstaff questioned if there were any nominations for the Vice-Chairman position.

Motion by Board Member Eckstein, seconded by Board Member Cattell, to nominate Board Member Robertson as Vice-Chairman. Motion by Board Member Eckstein, seconded by Board Member Gibson, to close the nomination. Board Member Robertson was re-elected Vice-Chairman by acclamation, for fiscal year 2008-2009.

Chairman Longstaff questioned if there were any nominations for the Secretary/Treasurer position.

Motion by Board Member Eckstein, seconded by Board Member Robertson, to nominate Board Member Donihi as Secretary/Treasurer. Motion by Board Member Cattell, seconded by Board Member Eckstein, to close the nomination. Board Member Donihi was re-elected Secretary/Treasurer by acclamation, for fiscal year 2008-2009.

Board Member Longstaff was unanimously re-elected Chairman; Board Member Robertson was unanimously re-elected Vice Chairman; and Board Member Donihi was unanimously re-elected Secretary/Treasurer, for fiscal year 2008-2009.

6. PRESIDENT'S REPORT

President Dale reported on the following:

- A. Extension of Runway 9R-27L – Flight check commenced the day before the meeting and will take most of the remainder of the week. There were a few minor issues, but they are expected to be fixed on the day of the meeting. Still hopes to meet the publishing date of January 2009. Still waiting on response for the request of deviation of standards for declared distances.
- B. Extension of Runway 9L-27R – The draft Environmental Assessment has been submitted. Regarding the Benefit Cost Analysis (BCA), President Dale had a conference call with SAA Consultant Jack Reynolds and Kirk Shaffer, FAA Associate Administrator for Airport, to discuss the issue.
- C. Overlay of Runway 9L-27R – The 210 day project started on Sunday, October 19, 2008, at 11:00 p.m. There were some minor issues, but were later corrected. At the time of the meeting, 3,800 linear ft (150 ft wide) had been paved, and 8,148.8 tons of Superpave P-401 had been applied. This project includes the Bravo I Taxiway, the grass island, and gopher tortoise removal. Project is progressing well.
- D. Parking Lot C – Finally received permit from St. Johns River Water Management District. Project will go out to bid soon. Construction to start after the first of the year.
- E. Energy Saving Project – Project is ahead of schedule. The chillers for the Domestic Terminal will arrive in mid November. There will be an article in Aviation Weekly discussing the project.
- F. Storm Damage – All damage to the hangars (from the storm on October 9, 2008) has been repaired. President Dale commended Tony Russi for his assistance with the claims. One sign has not been replaced because it is not covered by the insurance and would cost \$30,000.00 to replace.
- G. Attorneys' Fees – Distribution and discussion of October's attorneys' fees.

- H. Kondraki trial – Pre-trial conference will take place on June 2, 2009. Trial will start on June 22, 2009.
- I. Request from Avion Jet Center, LLC - Request from Avion Jet Center, LLC to terminate their lease for building 516. The tenant is current in regards to this building, and there are two prospective tenants. Motion by Board Member Robertson, seconded by Board Member Eckstein to terminate Lease No. 2007-28, effective November 1, 2008. Motion passed.
- J. Request from FC Flight Services, LLC – Request from FC Flight Services, LLC to terminate their land lease, contingent upon receipt of a lump sum payment of \$10,000.00. Motion by Board Member Eckstein, seconded by Board Member Robertson to terminate Lease No. 2006-02. Motion passed.
- K. Model Port Initiative – The Airport is one of twenty airports in the country selected to be part of this initiative, based on the number of non-residents clearing U.S. Customs. Because of the initiative, the airport received ten additional inspectors. The next work group meeting will be held on November 13, 2008.
- L. Avion’s Parking lot – A motorcycle school would like to lease Avion’s parking lot for training. The school is regulated by the State, and the area is outside the AOA. Consensus of the Board to authorize the use of the parking lot by the motorcycle school.
- M. Best Western Hotel – President Dale stated Mr. Hooda had been invited to the meeting but was unable to attend. Discussion ensued. Counsel requested an executive session to discuss the issue and seek direction. Motion by Board Member Cattell, seconded by Board Member Gibson, to have an executive session to discuss the hotel issue, after the December regular Board meeting.
- N. Wildlife Management – President Dale stated he was advised by John Horan to accept all the permits given to the Airport. President Dale instructed George Speake to write a letter to Fish and Wildlife stating the Airport staff will use the permits at their disposal, under Fish and Wildlife rules.
- O. Pictures – Distribution and discussion of construction pictures.
- P. Congressional Bill - Congress passed a spending bill through March 2009. The Airport will get 30% of its entitlement fund (\$1.2 million). If the funds are not used, they will become discretionary funds. President Dale would like to use the funds to pay for: interactive computer training video (from AAAE); noncompliance fencing, gates, and emergency egress/ingress devices on access controlled doors (needed in order to be in compliance with the Airport’s security manual); marking and lighting (for the 27C overrun area); and FAR 139 signs. Motion by Board Member Robertson, seconded by Board Member

Pieters, allowing the use of the entitlement funds for interactive computer training video; fencing, gates, and emergency egress/ingress devices on access controlled doors; marking and lighting; and FAR 139 signs. Motion passed.

- Q. General Aviation Activity – GA Activity has decreased this month. GA operations are down 7% from the same time last year, with a Year-to-date decrease of 30%. Fuel flow is down 25% from the same time last year, with a Year-to-date decrease of 21%. The decrease in GA operations and fuel sales is due in part to Delta Connection Academy changing their education program.

Board Member Miller questioned if there were any updates regarding the CPU. President Dale stated he had talked to Mayor Kuhn, and that she would be meeting with the City Manager to discuss the issue.

7. COUNSEL'S REPORT

In regards to the Zaccour property, Counsel advised the Board to accept the land purchase settlement proposal in the amount of \$210,000.00, inclusive of legal fees (attorney's fees and costs; and expert fees and costs). Motion by Board Member Miller, seconded by Board Member Gibson, to accept land purchase settlement proposal in regards to the Zaccour property. Motion passed.

In regards to the Youngblood property, Counsel advised the Board to accept the land purchase settlement proposal in the amount of \$1,025,000.00 (there are no legal fees). Motion by Board Member Robertson, seconded by Board Member Cattell, to accept land purchase settlement proposal in regards to the Youngblood property. Motion passed.

In regards to the Kondraki case, as previously discussed, trial will be on June 22, 2009. No appraisal reports have been submitted to Counsel.

In regards to the Brown case, no appraisal reports have been submitted to Counsel.

8. TBI REPORT

TBI President Larry Gouldthorpe reported on the following:

A. Monthly Statistics for October 2008

- i. UK traffic total
October 2008 – **64,321** passengers
- ii. International traffic total
October 2008 – **67,538** passengers
- iii. Domestic traffic total

October 2008 – **46,419** passengers

iv. Total traffic
October 2008 – **113,957** passengers

v. Percentage
Traffic is down partly due to the failure of XL Airways. Total traffic is down 29% compared to October 2007. Domestic traffic is down 8% compared to October 2007. Year-to-date traffic is up 4%.

Mr. Gouldthorpe stated there is a recession in the UK and further consolidation of the tour operators could decrease travel.

Board Member Pieters questioned how the Airport's traffic compared to that at Orlando International Airport (MCO). Traffic at Orlando International Airport is down 18%. Mr. Gouldthorpe stated the Airport is ahead of other airports similar in size.

Chairman Longstaff questioned Allegiant Air's status. Mr. Gouldthorpe stated Allegiant Air has the highest system wide load factor in the country.

B. Airlines/Tour Operators Update

i. Tour Operators – TBI negotiations with TUI and Thomas Cook/My Travel will conclude by the end of the year.

C. Miscellaneous Updates

i. Hudson News – Construction at Alpha Duty Free has started.

ii. Concessionaire program – TBI is under discussions with SSP America to improve the concessionaire program.

Board Member Robertson questioned if there were any fees the Airport needed to consider in order to make sure it retains the airlines. Mr. Gouldthorpe clarified the Airport already provides a significant amount of discounts.

9. LIAISON REPORTS

City of Sanford

None.

Seminole County

None

10. CHAIRMAN'S REPORT

None

11. CONSENT AGENDA

- A. Consider approval of Lease No. 2008-34 with HARRY'S TOWING SERVICES, INC. for Building No. 515-5, located at 2824 South Mellonville Avenue (Warehouse/Office).

Staff recommends approval of Lease No. 2008-34 with HARRY'S TOWING SERVICES, INC. for Building No. 515-5, located at 2824 South Mellonville Avenue (Warehouse/Office). The lease shall have a one (1) year term, commencing on October 14, 2008. The lease consists of 1,500 square feet of office and warehouse space at \$6.50 per square foot. The annual rental rate is \$9,750.00; the monthly payment is \$812.50, exclusive of taxes.

Note: The tenant is a towing company.

- B. Consider approval of Addendum A to Lease No. 2007-27 with KATCO DISTRIBUTORS, INC. for Building No. 515-1, located at South Mellonville Avenue (Warehouse/Office).

Staff recommends approval of Addendum A to Lease No. 2007-27 with KATCO DISTRIBUTORS, INC. for Building No. 515-1, located at South Mellonville Avenue (Warehouse/Office). Addendum A extends the lease term for one (1) additional year, effective November 6, 2008. The building consists of 1,500 square feet of office and warehouse space, at \$8.00 per square foot. The annual rental rate is \$12,000.00, an increase of \$375.00; the monthly payment is \$1,000.00 exclusive of taxes.

- C. Consider approval of:

- i. Addendum B to Lease No. 2002-13 with THE TORO COMPANY d/b/a TORO AG for Building No. 422, and Building No. 438, located at 3000 Mellonville Avenue (Warehouse/Office).
- ii. Letter of Agreement between SANFORD AIRPORT AUTHORITY and THE TORO COMPANY d/b/a TORO AG for construction of 1,466 square feet metal building addition and a third additional supply container.

- i. Staff recommends approval of Addendum B to Lease No. 2002-13 with THE TORO COMPANY d/b/a TORO AG for Building No. 422, and Building No. 438, located at 3000 Mellonville Avenue (Warehouse/Office). Addendum B extends the lease term for five (5) additional years, effective October 1, 2008. Building 422 consists of 13,700 square feet, and Building 438 consists of 11,400 square feet, both at a rate of \$4.87, which includes a 3% real estate commission. The annual rental rate is \$122,237.00, an increase of \$6,463.25; the monthly payment is \$10,186.42, exclusive of taxes. The tenant is an irrigation supply manufacturer, and also leases Building 9. The rental rate of \$4.87 is derived from a rate of \$4.73 plus a 3% real estate commission. Upon execution of Addendum B to Lease No. 2002-13, the 3%

commission is to be paid in full to the designee identified by THE TORO COMPANY d/b/a TORO AG.

- ii. Staff recommends approval of the Letter of Agreement between SANFORD AIRPORT AUTHORITY and THE TORO COMPANY d/b/a TORO AG for construction of 1,466 square feet metal building addition and one (1) additional supply container. THE TORO COMPANY d/b/a TORO AG will soon begin construction of a 1,464 square foot metal building addition and a third supply container on their leasehold. Approximate cost of improvements is \$126,000. The tenant has requested a letter of agreement from the SAA stating that the SAA will not assess any rental rate for the proposed additional improvements for a period of twenty (20) years from the date of issuance of the Certificate of Occupancy. At the end of the twenty (20) years, should THE TORO COMPANY still be in possession of the building, the improvements will be appraised by a certified appraiser and a rental rate based on fair market value will be established.

Motion by Board Member Miller, seconded by Board Member Robertson, to approve Consent Agenda Items A through C. Motion passed.

12. DISCUSSION AGENDA

None

13. COMMENTS FROM THE PUBLIC

None

14. OTHER BUSINESS

None at this time

15. REMINDER OF NEXT BOARD MEETING (TUESDAY, DECEMBER 2, 2008)

16. ADJOURN FOR EXECUTIVE SESSION – JETT AIRE GROUP, INC. VS. SANFORD AIRPORT AUTHORITY

The regular meeting was adjourned at 9:45 a.m. for a break before the Jett Aire Group executive session.

17. EXECUTIVE SESSION – JETT AIRE GROUP, INC. VS. SANFORD AIRPORT AUTHORITY

The Jett Aire Group executive session started at 10:04 a.m.

18. RECONVENE

The regular meeting reconvened after the Jett Aire Group executive session at 11:00 a.m.

19. POTENTIAL ACTION ON JETT AIRE GROUP, INC. VS. SANFORD AIRPORT AUTHORITY

No action to be taken at this time.

20. ADJOURN FOR EXECUTIVE SESSION – SANFORD AIRPORT AUTHORITY VS. ACI CONSTRUCTION SERVICES, INC., AND CONTINENTAL CASUALTY COMPANY; THIRD-PARTY PLAINTIFF, ACI CONSTRUCTION SERVICES, INC. VS. THIRD-PARTY DEFENDANTS, DURA-STRESS, INC. AND AMERICAN CONTRACTORS INDEMNITY COMPANY; THIRD-PARTY PLAINTIFF, SANFORD AIRPORT AUTHORITY VS. THIRD-PARTY DEFENDANT, HOYLE, TANNER & ASSOCIATES, INC.

The regular meeting was adjourned at 11:02 a.m. for the ACI Construction Services, Inc. executive session.

21. EXECUTIVE SESSION – SANFORD AIRPORT AUTHORITY VS. ACI CONSTRUCTION SERVICES, INC., AND CONTINENTAL CASUALTY COMPANY; THIRD-PARTY PLAINTIFF, ACI CONSTRUCTION SERVICES, INC. VS. THIRD-PARTY DEFENDANTS, DURA-STRESS, INC. AND AMERICAN CONTRACTORS INDEMNITY COMPANY; THIRD-PARTY PLAINTIFF, SANFORD AIRPORT AUTHORITY VS. THIRD-PARTY DEFENDANT, HOYLE, TANNER & ASSOCIATES, INC.

22. RECONVENE

The regular meeting reconvened after the ACI Construction Services, Inc. executive session at 11:18 a.m.

23. POTENTIAL ACTION ON SANFORD AIRPORT AUTHORITY VS. ACI CONSTRUCTION SERVICES, INC., AND CONTINENTAL CASUALTY COMPANY; THIRD-PARTY PLAINTIFF, ACI CONSTRUCTION SERVICES, INC. VS. THIRD-PARTY DEFENDANTS, DURA-STRESS, INC. AND AMERICAN CONTRACTORS INDEMNITY COMPANY; THIRD-PARTY PLAINTIFF, SANFORD AIRPORT AUTHORITY VS. THIRD-PARTY DEFENDANT, HOYLE, TANNER & ASSOCIATES, INC.

No action to be taken at this time.

24. OTHER BUSINESS

Motion by Board Member Cattell, seconded by Board Member Gibson, to approve resolutions for the following sole source projects: sign faces by Siemens; training system by AAAE; and Motorola public safety radio system. Motion passed.

25. ADJOURNMENT

There being no further business, the regular meeting was adjourned at 11:22 a.m.

Respectfully submitted,

Larry A. Dale, President & CEO
/dmm



SANFORD AIRPORT AUTHORITY
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www.orlandosanfordairport.com

October 23, 2008

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 (October 29, 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 November meeting on Tuesday, November 4, 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.

Notice is hereby given that the regular meeting will adjourn to conduct the following:

- 1) An Executive Session to discuss "Jett Aire Group, Inc. vs. Sanford Airport Authority." [Case No. 99-CA-2155-15]. Participants in the Executive Session will be SAA Board Members, SAA President/CEO, SAA Counsel – James Byrne, Jr., and a court reporter. All others will be excluded during the Executive Session. Following adjournment of this Executive Session, the Sanford Airport Authority Board will reconvene for further business.
- 2) An Executive Session to discuss "Sanford Airport Authority vs. ACI Construction Services, Inc. and Continental Casualty Company; Third-Party Plaintiff, ACI Construction Services, Inc. vs. Third-Party Defendants, DURA-STRESS, INC. and American Contractors Indemnity Company; Third-Party Plaintiff, Sanford Airport Authority vs. Third-Party Defendant, Hoyle, Tanner & Associates, Inc." [Case No. 6:07-CV-1842-ORL-31DAB]. Participants in the Executive Session will be SAA Board Members, SAA President/CEO, SAA Counsel – Shutts & Bowen LLP, and a court reporter. All others will be excluded during the Executive Session. Following adjournment of this Executive Session, the Sanford Airport Authority Board will reconvene for further business.

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

BOARD MEETING

The regular meeting of the Sanford Airport Authority will be held on Tuesday, November 4, 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.

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SANAC

The Sanford Airport Noise Abatement Committee (SANAC) meeting for the month of November was cancelled. Information is available by contacting the Vice President of Operations at (407) 585-4006.

USER GROUP

The Airport User Group meeting for the month of November was cancelled. 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, November 5, 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