

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
TUESDAY, SEPTEMBER 1, 2015**

- PRESENT:** Frank S. Ioppolo, Jr., Chairman
Tim M. Slattery, Vice Chairman
Jennifer T. Dane, Secretary/Treasurer
U. Henry Bowlin
Tom Green
William R. Miller
Clyde H. Robertson, Jr.
Clayton D. Simmons
Stephen P. Smith
Mayor Jeffrey C. Triplett, City Liaison
Brett Renton, Airport Counsel
- ABSENT:** Commissioner Brenda Carey
- STAFF PRESENT:** Larry A. Dale, President & CEO
Diane Crews, Vice President of Finance & Administration
George Speake, Vice President of Operations & Maintenance
Don Poore, Chief Financial Officer
Jerry Crocker, IT Manager
Thomas R. Fuehrer, SAPD Chief
Diana M. Muñiz-Olson, Executive Secretary
Richard Shea, Director of Operations
- OTHERS PRESENT:** Doug Brown, Ramski & Company
Tracy Forrest, Winter Park Construction
Larry Gouldthorpe, Airports Worldwide
Ben Lalikos, CNL Bank
Geoff Lane, Starport
Brady Lessard, CPH Engineers, Inc.
Genean McKinnon
Keith Robinson, Airports Worldwide
Tim Shea, AVCON
Sandeep Singh, AVCON
Kevin J. Spolski, Spolski Construction
Craig Sucich, ATKINS
John A. Williams, Wayne Densch, Inc.

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

The meeting was called to order at 8:31 a.m., followed by the Pledge of Allegiance.

The Board wished Diane Crews a happy birthday.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON AUGUST 4, 2015; MINUTES OF THE SPECIAL MEETING HELD ON AUGUST 11, 2015; AND MINUTES OF THE JOINT MEETING HELD ON AUGUST 24, 2015

Motion by Board Member Smith, seconded by Board Member Bowlin, to approve the minutes of the regular meeting held on Tuesday, August 4, 2015; the minutes of the special meeting held on August 11, 2015; and the minutes of the joint meeting held on August 24, 2015. Vote taken, none opposed. Motion passed.

4. LIAISON REPORT

Seminole County

None

City of Sanford

Mayor Triplett noted the City Commission is under discussions with the City's Administration regarding a tax increase. He encouraged for those that are against it to contact the City Commission and voice their objection.

Chairman Ioppolo stated that under Liaison reports, he would like to include reports from MetroPlan Orlando – MPO (Airport Representative – Board Member Smith), the Tourism Development Council – TDC (Airport Representative – Diane Crews), and the Orlando Economic Development Commission – EDC (Airport Representative – Chairman Ioppolo).

Board Member Smith briefed the Board on MPO. He noted he was the alternate representative for President Dale, but has since been appointed as the primary representative. He should have an MPO report in October from the upcoming September meeting. President Dale noted that the September MPO meeting will be his last, and wanted to thank MPO for its support on various projects in Sanford. Mayor Triplett stated the City's Administration is holding up the River Walk Phase III project, saying the City cannot afford the maintenance of Phase III. He requested the Board, and specially Board Member Smith as representative to MPO, to reach out to City Administration, acknowledging all the work that has been done so far. He has asked support from Commissioner Dallari and the representatives of MPO, to release the holdup/delay from the City to finish up that trail (River Walk Phase III project). Chairman Ioppolo questioned who the Board should petition. Mayor Triplett stated it would be the city manager, finance director, and deputy city manager. Board Member

Smith questioned the status of the project at MPO. Mayor Triplett clarified the project is funded.

Chairman Ioppolo paused to recognize John A. Williams, former Member to the Board. President Dale thanked Mr. Williams for attending his last Board meeting as President & CEO.

Ms. Crews briefed the Board on the TDC, and noted its primary business has been to work on the Sports Complex, for recommendations to the County Commission.

Regarding the EDC, Chairman Ioppolo noted he took the seat a month or two ago, and had invited EDC representatives to make a presentation to the Board.

5. COMMITTEE REPORTS

[Discussed out of order after Comments from Public] Board Member Miller, Chairman of the Economic Development Advisory Committee (EDAC), briefed the Board on the last meeting held on August 19, 2015. On May 5, 2015, the Board authorized the issuance of a Request for Proposal (RFP) for retail/gas station facility. He noted that following review, the Committee determined the RFP was ready to go out. The Committee also discussed the potential of a hotel development on one of the properties.

6. COMMENTS FROM THE PUBLIC

[Discussed out of order after Liaison Report] None

7. PRESIDENT'S REPORT

President Dale reported on the following:

A. Construction Update

- i. Southwest Apron Rehabilitation – Bid Package 1, 2, and 3
- ii. Passenger Boarding Bridges – Bid Package 1 and 2
- iii. Overflow Surface Parking Lot "F"
- iv. Airfield Markings Upgrade
- v. Baggage Claim No. 2

- B. Thank-you letter from Seminole County Public Schools "Families in Transition" for Donation
- C. Jetezy, Inc. Status Report
- D. Ground Lease Purchase – Building 450

President Dale briefed the Board on issues discovered during the inspection (damage above normal wear-and-tear, landscape, and code violations), and stated the recommendation from staff is for Counsel to seek a two (2) week extension on the inspection period, in order to access all the damages and get quotes on the repairs. Once that is done, the Authority has various options: 1) request a reduced price (to compensate for the repairs); 2) request the tenant make the repairs (at the original price); or 3) if the tenant will not do that, consider a breach on their lease. He requested direction from the Board. Discussion ensued regarding the options to extend the inspection period or terminate the contract.

Counsel noted the Authority has an inspection period until September 4, 2015 in order to satisfy the building is in proper condition. The issue for the motion the Board should consider is: 1) give the authority to the President to execute a modification to the contract, provided it is agreeable; including extension of the inspection period for a minimum of two (2) weeks as recommended by staff; 2) in that modification, the Board is authorizing the President to negotiate that either the tenant makes the repairs or authorize the President to negotiate a price decrease; and 3) if the tenant is unwilling, send the termination of contract, and staff can instruct Counsel to send a notice of default and follow-up under the current lease. If the tenant does not make the repairs in the time period called for on the lease, they would be in breach.

Following discussion, motion by Board Member Smith, seconded by Board Member Bowlin, to give the President the authority to extend the contract for a reasonable period of time (two weeks or above), give the President the authority to negotiate with the prospective seller to either repair the building prior to the purchase; reduce the price so that the Authority can repair it; or to terminate the contract and pursue the Authority's other remedies (options) under the lease, under discussion. Following discussion, Chairman Ioppolo asked for comments from the public. Regarding a stairs code violation previously discussed by President Dale, Kevin Spolski clarified he did not install them, and the stairs were not on the original plans. He believes that most likely there are additional code violations and offered to do an inspection, at no cost to the Airport. He believes it is still a good deal for the Airport; however, it needs to be brought up to code. Discussion ensued regarding code violations.

Chairman Ioppolo restated the motion. Vote was taken, Board Members Dane, Green, Ioppolo, Robertson, and Slattery opposed. Motion did not pass due to a lack of votes.

Motion by Board Member Green, seconded by Board Member Robertson, to exercise the Authority's right to terminate the current contract based on the inspection results, and issue the tenant a notice of breach, under discussion. Following discussion, vote was taken, none opposed. Motion passed.

E. Monthly Interim Financial Results of Fiscal Year 2014-2015, for Period Ending July 31, 2015

F. Outreach

G. Fireball Run Street Party

8. COUNSEL'S REPORT

Counsel briefed the Board on the McDonnell case.

9. AIRPORTS WORLDWIDE REPORT

Airports Worldwide President Larry Gouldthorpe reported on the following:

A. Monthly Statistics for August 2015

i. UK traffic total

August 2015 – **25,579** passengers

ii. International traffic total

August 2015 – **31,084** passengers

iii. Domestic traffic total

August 2015 – **177,961** passengers

iv. Transit traffic

August 2015 – **3,254** passengers

v. Total traffic

August 2015 – **212,299** passengers

vi. Year-to-date traffic

2015 – **1,737,294** passengers

vii. Percentage

Domestic traffic is up 39% compared to August 2014. Total traffic is up 25% compared to August 2014. Year-to-date traffic is up 13% compared to 2014.

- B. Projects Update
 - i. Overhead Signs
 - ii. Starbucks
 - iii. Carpet replacement
 - iv. Wayfinding Signs
- C. Fleet Maintenance
- D. Replacement of Common Use Processing (CUP) System
- E. Review Handling Procedures
- F. Modifications of Screening Checkpoints
- G. Future Air Service Announcements
- H. TUI Update
- I. Interstate Service Discussions
- J. 2016 Marketing and Branding Initiative for 2016
- K. Tropical System Erika

On behalf of Airports Worldwide, Mr. Gouldthorpe wished President Dale a really happy and fulfilling retirement, and stated it has been a pleasure working with him. He congratulated Ms. Crews on her appointment as President & CEO and stated he looks forward to working with her. He also offered his condolences to Mr. Spolski on the recent passing of his father. On behalf of the Board and staff, President Dale asked Mr. Gouldthorpe to extend their condolences to David Logan on the recent passing of this mother, and noted it has been a pleasure to work with Mr. Gouldthorpe as well.

10. CHAIRMAN'S REPORT

Chairman Ioppolo reported on the following:

- A. SANAC Chairman Appointment – Chairman Ioppolo designated Andrew Van Gaale as SANAC Chairman; it does not require further action from the Board.

- B. President Dale Compensation/Performance – Chairman Ioppolo distributed President Dale’s summary of performance, and noted it is customary for the Chairman to meet with the President to discuss his compensation. He noted Board Member Green was not part of the evaluation, since he is new to the Board and did not feel it was appropriate to comment. Following his review of the evaluations, Chairman Ioppolo stated his recommendation is for President Dale to receive the 15% bonus. Motion by Board Member Smith, seconded by Board Member Simmons, to give President Dale a 15% bonus. Being there were no comments from the public, vote was taken, none opposed. Motion passed.

Chairman Ioppolo noted that he plans to bring to the Board at the October meeting his recommendation to declare certain items surplus (President Dale’s gun, shotgun, vehicle, computer, and mobile) and gift them to President Dale for his years of service, as it is customary.

11. CONSENT AGENDA

- A. Consider approval of Addendum F to Lease No. 2001-22 with LOUIS C. BROADWAY, JR. d/b/a BROADWAY SERVICES for Building No. 13, located at 2885 Mellonville Avenue (Warehouse/Office).
- B. Consider approval of Addendum B to Lease No. 2013-29 with GLF CONSTRUCTION CORP. for Building No. 439 and 22,957 sq. ft. of land, located at 3026 Carrier Avenue (Warehouse/Office/Land).
- C. Consider approval of Addendum D to Lease No. 2011-33 with DONNA LOADER and MICHAEL LOADER for Building No. 302, located at 2836 Aileron Circle (Residence).
- D. Sanford Aviation Noise Abatement Committee (SANAC) Appointment Confirmations – Airport Staff Representative.
- E. Sanford Aviation Noise Abatement Committee (SANAC) Appointment Confirmations – General Aviation Representative.
- F. Consider and authorize the disposal of various pieces of equipment, each of which has economically exceeded their useful life.

Motion by Board Member Smith, seconded by Board Member Simmons, to approve Consent Agenda Items A through E, and move Consent Agenda Item F to Discussion Agenda. Vote taken, none opposed. Motion passed.

12. DISCUSSION AGENDA

- A. Consider approval of revised Ground Lease No. 2015-05 with Airline Training & Leasing USA Corp. for property located at 1642 Hangar Road. Action Recommended.

RECOMMENDED MOTION: To approve revised Lease No. 2015-05 to include a new survey and legal description, and to extend the lease term to thirty (30) years.

[Discussed out of Order, after Discussion Agenda Item E] Following discussion, motion by Board Member Robertson, seconded by Board Member Smith, to approve revised Lease No. 2015-05 to include a new survey and legal description, and to extend the lease term to thirty (30) years, provided tenant also extends the term of their other building (Building 145), to include a consent to leasehold mortgage for the financier Citizens Bank of Florida. Board Member Slattery previously declared a conflict and abstained from voting (form attached). Vote was taken, Board Member Dane opposed. Motion passed with the majority vote.

- B. Consider approval of Lease No. GS-04P-LFL60313 with U.S. General Services Administration (GSA) for office/related space for TSA. Action Recommended.

RECOMMENDED MOTION: Motion to approve and authorize the President & CEO to sign the GSA Lease No. GS-04P-LPL60313, contingent upon final wording that is acceptable to SAA Counsel and Staff.

Motion by Board Member Robertson, seconded by Board Member Smith, to approve and authorize the President & CEO to sign the GSA Lease No. GS-04P-LPL60313, contingent upon final wording that is acceptable to SAA Counsel and Staff. Vote taken, none opposed. Motion passed.

- C. Discuss request from Touch-N-Go Café, Inc. to terminate Lease No. 2015-09. Action Recommended.

RECOMMENDED MOTION: Motion to approve the termination of Lease No. 2015-09, with the requirement that the building be restored to an acceptable condition.

Motion by Board Member Slattery, seconded by Board Member Miller, to approve the termination of Lease No. 2015-09, with the requirement that the building be restored to an acceptable condition. Following discussion, vote was taken, none opposed. Motion passed.

- D. Discuss lease option agreement with The Orlando Sanford Airport Southeast Ramp Hangar Development, Inc.

Regarding the parcels in question, because the Airport has a finite amount of land available for aviation, Ms. Crews stated that the highest and best use for the land is for aviation purposes. She stressed the importance of safeguarding the lands designated for aviation. She then briefed the Board on the options. Discussion ensued.

Following discussion, motion by Board Member Slattery, seconded by Board Member Miller, to allow an annual five (5) year option, at the mean rate of \$0.22 per square feet, under discussion. Board Member Slattery stated he believes the Authority has a phenomenal partner that made a mistake, and would hate to see the Authority capitalize on that mistake. He believes the Authority should give Mr. Forrest this option and try to get market rents through the \$0.22 per square foot (rate increase). Discussion ensued regarding the right of first refusal. Following discussion, Chairman Ioppolo restated motion. Vote was taken, Board Members Dane, Green, Ioppolo, Robertson, Simmons, and Smith opposed. Motion did not pass due to a lack of votes.

Motion by Board Member Simmons, seconded by Board Member Dane, to offer Mr. Forrest three (3) independent rights of first refusal, at \$0.22 per square feet for five (5) years, under discussion. Discussion ensued. Counsel wanted to make it clear that by putting a binding motion that says "here's the offer", that is subject to acceptance without all the consideration he believes the Board will want in an agreement (addressing situational language). He requested an amendment to the motion that would include the situational language, that ultimately, if breached, it would come back to the Board for an actual vote. Board Members Simmons and Dane accepted the amendment to the motion. Chairman Ioppolo restated motion, stating that the Board would like to have staff offer/negotiate with Mr. Forrest a right of first refusal for the three (3) separate parcels (previously identified), at the \$0.22 per square foot rate, with the understanding that there will be specific language in the negotiations, and ultimately what is agreed upon would come back to the Board for ultimate approval. Chairman Ioppolo asked for comments from the public. Mr. Spolski stated Mr. Forrest's development has increased aviation; he believes the \$18 million figure is not close to the actual investment. He further noted that the SE Ramp development would not have been there had it not been for Mr. Forrest, and had he not have the glitch, we would not be here. The Authority owes him that opportunity. George Speake also highlighted the benefits of having the development on Airport property. Vote was taken, Board Member Slattery opposed. Motion passed with majority vote.

- E. Consider and authorize the disposal of various pieces of equipment, each of which has economically exceeded their useful life. [Previously Consent Agenda Item F].

[Discussed out of Order, before Discussion Agenda Item A] Board Member Robertson questioned if any of the items could have been donated instead. Mr. Speake clarified the intention is to sell the items and with the funds purchase other items that are needed. Following discussion, motion by Board Member Smith, seconded by Board

Member Robertson, to approve Discussion Agenda Item E (previously Consent Agenda Item F). Vote taken, none opposed. Motion passed.

13. COMMENTS FROM THE PUBLIC

None

14. OTHER BUSINESS

Chairman Ioppolo requested Board Member Green and Ms. Crews meet (over the next 60 days) to discuss the business analysis and intangibles, and then brief the Board on a format for presenting them, in order to make an informed decision.

On behalf of the Board, Chairman Ioppolo expressed what an honor and privilege it has been to work with President Dale. He wished President Dale success on his retirement, and briefed the Board on his accomplishments/improvements at the Airport.

President Dale thanked the Board and staff for giving him this opportunity. He expressed his love/appreciation for his staff, and noted he will miss them and the Board.

To Ms. Crews, Chairman Ioppolo stated she has the support of the Board, and to not hesitate contacting them for any assistance.

15. REMINDER OF NEXT BOARD MEETING (OCTOBER 6, 2015)

16. ADJOURNMENT

There being no further business, the meeting adjourned at 12:04 p.m.

Respectfully submitted,



Diane Crews, President & CEO
/dmo



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

August 21, 2015

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 (August 26, 2015) of the Sanford Herald Classifieds.** Please confirm receipt of this advertisement by email to dmuniz@osaa.net.

PUBLIC NOTICE
SANFORD AIRPORT AUTHORITY

Notice is hereby given that the Sanford Airport Authority will conduct its September meeting on Tuesday, September 1, 2015, 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 regular 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, September 1, 2015, 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 regular business hours at (407) 585-4002.

SANAC

The Sanford Airport Noise Abatement Committee (SANAC) meeting will be held on Tuesday, September 8, 2015, 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. Information may be obtained by contacting the Vice President of Operations during regular business hours at (407) 585-4006.

USER GROUP

The Airport User Group meeting is held quarterly. The next scheduled meeting will be held on Tuesday, October 13, 2015. Information may be obtained by contacting the Vice President of Operations during regular business hours 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, September 2, 2015, 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 contacting the executive offices during regular 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