

**MINUTES OF THE SPECIAL MEETING OF THE  
SANFORD AIRPORT AUTHORITY  
WEDNESDAY JUNE 15, 2016 12:00 NOON**

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**PRESENT:** Frank S. Ioppolo, Jr., Chairman  
Tim M. Slattery, Vice Chairman  
Jennifer T. Dane, Secretary/Treasurer – *arrived at 12:10 p.m.*  
U. Henry Bowlin  
Tom Green  
William R. Miller  
Stephen P. Smith  
Brett Renton, Airport Counsel

**ABSENT:** Clayton D. Simmons  
Clyde H. Robertson, Jr.

**STAFF PRESENT:** Diane Crews, President & CEO  
George Speake, Executive Vice President & COO  
Don Poore, Chief Financial Officer  
Jerry Crocker, IT Manager  
Thomas R. Fuehrer, SAPD Chief  
Lori Hunt, Administrative Assistant  
Rick Shea, Director of Operations  
Jason Shippell, ARFF

**OTHERS PRESENT:** Nicole Guillet, Seminole County Manager  
Lynn Porter Carlton, County Attorney  
Jon Pope, Balfour Beatty

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

The meeting was called to order at 12:06 p.m., followed by the Pledge of Allegiance and introduction of guests.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. AGENDA ITEMS

A. CONSIDERATION OF BUDGET AMENDMENT

President Crews stated the Budget Amendment is related to several unbudgeted and unanticipated expenses that have occurred since October 1, 2015 as well as additional unbudgeted expenses that are likely to occur before September 30, 2016. The increases are \$100,000 in Salaries & Benefits and \$300,000 in Professional & Contract

Services for a total amount of \$400,000. The request is for approval and authorization to take the Budget Amendment to the City of Sanford for approval.

Motion by Board Director Slattery, seconded by Board Director Smith, to approve the Budget Amendment and authorize the President to submit to the City for their approval. Vote was taken, none opposed. Motion passed.

#### B. DISCUSSION REGARDING PROPOSED LAND EXCHANGE WITH SEMINOLE COUNTY

President Crews referenced the Draft Agreement that was previously submitted to the Board. President Crews distributed the revised agreement and a red-lined version that was also submitted to the County. Nicole Guillet, County Manager and Lynn Porter Carlton, County Counsel, were also present for the meeting.

President Crews was asked for her recommendation on this item by Board Director Miller. President Crews responded that based on the revised agreement and revised warranty deed prepared by Counsel, and given the fact that the Board has made it known previously that they wish to do this for the public good to provide additional room for the expansion of the sports complex provided the use restriction was in place, her recommendation for this agreement was to approve it as revised by Counsel.

Chairman Ioppolo updated the Board on the request, stated the Board had requested a restriction on the use of the property for what was originally represented to the Board as the expansion of the sports facility.

Brett Renton briefed the Board on the history of the request, stating a draft of the agreement was received from the County and presented to the Board. Counsel has made certain revisions and the red-lined version has been presented to the Board.

President Crews re-stated she is in favor of the request per the revised agreement which is limited to the initial intent.

Motion by Board Director Smith, seconded by Board Director Green, to approve the land exchange as proposed in the revised agreement and warranty deed from counsel, subject to 1) new appraisals on both pieces of property with a new appraiser who is mutually agreed upon and to be paid for by the County and 2) the approval of the FAA, FDOT and Seminole County. Vote was taken, Motion to approve failed 6-1, Chairman Ioppolo, Board Directors Slattery, Dane, Green, Bowlin and Miller voting in opposition. Board Director Smith voting in favor.

#### C. **ADD-ON:** CONSIDER APPROVAL OF ANNUAL FUNDING AGREEMENT BETWEEN SANFORD AIRPORT AUTHORITY AND METROPLAN ORLANDO FY 2016/2017

Motion by Board Director Miller, seconded by Board Director Dane to approve the Annual Funding Agreement between Sanford Airport Authority and MetroPlan Orlando FY 2016/2017. Vote was taken. None opposed. Motion passed.

4. ADJOURN FOR WORK SESSION

The special meeting was adjourned at 1:30 p.m. for the work session.

5. WORK SESSION – Review of Draft SAA Budget FY 2016-2017

The work session was called to order at 1:35 p.m.

President Crews introduced the SAA Fiscal Year 2016-2017 Proposed Annual Budget. Each Department Director was present to brief the Board on their department's budget.

President Crews stated the intent in the Draft 2016/2017 Budget is to provide more accurate projections. Board has previously discussed proposed initiatives to undertake in the upcoming fiscal year, including engaging a development company to pursue development opportunities, and creating a business plan for the Commerce Park. She noted that the purchase of vehicles has been scaled back although there is a need for two new vehicles, that it is a very lean budget, and that Legal and Professional Services-Executive line items have been increased to avoid a budget amendment next year. The most significant personnel change is adding a position in Finance, entitled Finance Manager.

Discussion ensued regarding overtime in the past budget. Much of this has been alleviated through utilization of the Fair Labor Standards Act (FLSA) whereby Public Safety personnel can work an 86 hour pay period. Prior law enforcement personnel were working two pay periods of 40 hours with built-in overtime of 9 hours in every officer's pay. To correct that, their hourly rate was increased to make the same pay at the end of the two week period and in so doing, it eliminated the overtime. Overtime is reflected in the new budget to allow for the upcoming hurricane season. Chief Fuehrer stated all personnel are in favor of this amended policy and it has also been applied to the Control Center.

President Crews stated under Operations that two Part Time positions, Check Point Bravo and Curb Monitor, have difficulty in retention resulting in a lot of overtime. This year all positions have been changed to Full Time and they will be cross trained between Check Point Bravo and Curb Monitor to eliminate a significant amount of overtime.

Discussion ensued regarding projected revenues. Commerce Park rentals are at 95% capacity, and no hangars are available for lease other than t-hangars. Miscellaneous Revenue includes a price increase for telephone service; we are raising rates while offering free long distance. Income from force account work is down as the Terminal Expansion project is not eligible under PFC funding. Only one residential property, on Marquette Avenue, is available for lease. Security badge fees are being increased. Discussion ensued regarding the declining market for T-Hangars due to new laws and price of insurance. SAA's T-Hangars are currently 70% leased.

President Crews discussed the Customer Facility Charges (CFCs) collected by the rental car facilities on each transaction. CFCs are not regulated by the FAA or FDOT to use for any specific purpose. In the past we have used a portion of it for specific rental car facility projects that Larry Gouldthorpe has brought to our attention, although the CFC was implemented primarily to fund the Airport Police Department due to a huge problem with rental car theft.

New positions include a Finance Manager and IT position. For the Finance Manager, the SAA will be hiring an individual who acted as consultant for the new finance accounting system. The new IT position is necessary for succession planning as well as the current workload. Responsibilities for IT include security telecom, computer internet, geo-mapping, audio video, access control card readers, gates, electronics for added gates, cameras, telephones and internet. We currently have 1500 telephones, 90 tenants on internet service. All of this including monitoring all equipment 24/7 is done with four people. It was noted that in addition to the generation of revenue from telephone and internet service, the SAA doesn't pay for internet or phones itself because they generate from the phone switch which is owned by the SAA.

The Board discussed the difficulty in finding and retaining personnel for Grounds Maintenance, the possibility of outsourcing this function, and potentially increasing the pay rate for Grounds Maintenance, Checkpoint Bravo and Curb Monitor entry level positions.

President Crews briefed the Board on a pension issue that occurred several years ago regarding a former employee creating an unauthorized 457 Pension Plan for two of the Airport's law enforcement officers who had retired from the FRS with another agency and were no longer eligible for the FRS participation. The officers made their decision to accept the position based on an offer letter that promised this alternate pension plan. The total retroactive cost is currently at approximately \$32,000 and will be a recurring monthly expense. President Crews noted that pending input from Counsel, she wants to address this in the FY 2016-2017 budget, that as long as we aren't setting a precedent, she would like to fulfill this obligation. Chairman Ioppolo restated for the Board these two employees have offer letters with these benefits, and that the Authority should honor that offer. Board Director Green requested more information, and attorney's decision

President Crews discussed the need to advertise a Request for Qualifications (RFQ) for engineering consultants in August as the contracts for two of the three engineering consultants, AVCON and Adkins, will expire on December 31, 2016. Likewise, if the SAA Board decides to engage a development company, an RFQ for those services will need to be issued.

Vice President Speake discussed his request for a software package for badging to efficiently handle the overload of 3600 badges per year and the increased responsibilities for badging which have recently doubled.

President Crews noted several increases in expenses that comprised an additional \$200,000 in Professional & Contract Services; Executive services increased from

\$4,000 to \$100,000; and Legal increased from \$70,000 to \$150,000 based on historical use and current legal matters continuing from this fiscal year.

The Board discussed and concurred to increase several other items in the proposed budget, including adding \$200,000 to Professional & Contract Services for property development and Commerce Park business plan. An additional \$100,000 in marketing was added for Marketing, Advertising and Community Relations, as well as \$70,000 for increased community relations with Seminole County and each of its seven cities.

The Board expressed concern that projected revenues are too conservative and asked that Staff go back and review anticipated revenues for a more realistic projection in the FY 2016-2017 budget.

The work session was adjourned at 3:33 p.m. for continuation of the special meeting.

6. RECONVENE

The special meeting reconvened at 3:34 p.m.

7. COMMENTS FROM THE PUBLIC

None

8. OTHER BUSINESS

Board Director Dane discussed her concern regarding McDonnell litigation costs incurred and possible future costs. Chairman Ioppolo discussed determination of malpractice insurance policy as a source of repayment.

Board Director Dane discussed the County land exchange decision. Chairman Ioppolo will reach out to John Horan regarding the Airport's relationship with the County and our common goal. Board Director Dane discussed monetary concerns if this item returns to the agenda. President Crews clarified this can be addressed without involving attorneys; she will reach out to County Manager Guillet and Commissioner Carey.

President Crews updated the Board with regards to the Performance Audit. Don Poore, CFO, clarified that the Audit will begin the first part of July and is anticipated to take 15 weeks. Following discussion, the Board concurred to have the lead for IMG Rebel, Sasha Page, attend the July 12, 2016 Board meeting. It was determined that Chairman Ioppolo will attend a meeting with President Crews and the Performance Auditor followed by a meeting of President Crews, Chairman Ioppolo and AWW on behalf of the Board.

9. REMINDER OF NEXT BOARD MEETING (JULY 12, 2016), next EDAC MEETING IMMEDIATELY FOLLOWING.

10. REMINDER BUDGET JOINT MEETING WITH THE CITY OF SANFORD (AUGUST 22, 2016 – 4:00 P.M.)

11. ADJOURNMENT

There being no further business, the meeting adjourned at 3:44 p.m.

Respectfully submitted,

*Diane H. Crews*

Diane H. Crews, President & CEO  
/lh