

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
TUESDAY, APRIL 3, 2007**

PRESENT: G. Geoffrey Longstaff, Chairman
Clyde H. Robertson, Jr., Vice Chairman
Tim Donihi, Secretary/Treasurer
David L. Cattell
Whitey Eckstein
Colonel Charles H. Gibson
William R. Miller
Brindley B. Pieters
John A. Williams
Comm. Jack T. Bridges, City Liaison
Comm. Bob Dallari, County Liaison
Paul Hechenberger, Airport Counsel

ABSENT: None

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, Lease Manager

OTHERS PRESENT: David Doudney
Tracy Forrest, Winter Park Construction
Larry Gouldthorpe, OSI
Krysty Kress, S.E. Ramp Development
Bill McGrew, PBS&J
D'Anne Mica, Mica McCormick
Doug Norman, HTA
Roger Phillips, Starport
Stan Poloski
Jack Reynolds, JRA, Inc.
Chief John Shanley, ARFF
Kevin Spolski, Spolski Construction
Bob Tunis, City of Sanford Economic Dev. Director
Mark Ziebarth, CNL Bank

1. INTRODUCTION OF GUESTS AND CALL TO ORDER

The meeting was called to order at 8:33 a.m.

Chairman Longstaff welcomed Peter Hechenberger, new airport counsel from Shutts & Bowen. He also congratulated the airport staff and Orlando Sanford International, Inc. for their response during the Allegiant Air emergency landing.

Board Member Eckstein commended President Dale for his work with several organizations regarding the eagle nests issue.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON TUESDAY, MARCH 6, 2007.

Motion by Board Member Williams, seconded by Secretary/Treasurer Donihi, to approve the minutes from the regular meeting held on Tuesday, March 6, 2007.

Motion passed.

4. PRESIDENT'S REPORT

President Dale turned the floor over to Chief John Shanley for a briefing of the Allegiant Air emergency landing occurring on Thursday, March 29, 2007. There was a significant emergency personnel response from Seminole County, City of Sanford, City of Lake Mary, City of Winter Springs, and City of Longwood. Agencies were in place and on scene before the airplane landed. The only injury was a twisted ankle. The passenger twisted her ankle as she was coming down from the wing.

Presentation of the emergency landing video.

The front landing gear would not lower; apparently there was a right side system failure. The Chief pilot from Allegiant Air was at the airport at the time, and ordered the pilot to come down. Only two 747 were diverted: one to Orlando, and the other to Tampa. After inspection, it was determined there was no damage to the runway. Flight Service District office would not allow the airport to remove the baggage initially. For that reason, there were some flight delays. President Dale sent letters of appreciation to all the staff members, and agencies involved in the emergency landing.

President Dale reported on the following:

- A. Parking Garage – President Dale presented the latest photographs of the Parking Garage. The garage is finished except for the bridge and mezzanine; progress is being made.
- B. International Terminal Ramp Expansion – Project is on budget, on time, and ahead of schedule.

- C. Southeast Ramp Project – President Dale presented some aeriels of the Southeast Ramp Development Project to the board.
- D. Extension of Runway 9R-27L – President Dale stated he wanted to include a non-precision localizer DME approach; however, it is not eligible for grant funds. The ILS is eligible because of the amount of training done at the airport. President Dale requested authorization to amend the contract with Hewitt Construction for the extension of Runway 9R-27L, removing the localizer DME from the contract (a \$75,000.00 adjustment), and authorization for Chairman Longstaff to sign the contract amendments. Motion by Board Member Miller, seconded by Board Member Gibson, approving the amendment of the contract with Hewitt Construction to include the removal of localizer DME. Motion passed. Board Member Miller asked if the localizer DME could be added in the future. President clarified it could be added at a later time.
- E. Attorneys' Fees – Discussion of attorneys' fees. Percentages are divided as follows:

80.6% - Eagle nests issues
14.1% - General Employment Matters
3.0% - General Representation
1.0% - Land Acquisition
1.3% - Transmeridian Airlines

Board Member Miller wondered if the Airport Authority could file for recovery from any of the agencies related to the eagle nests issue. Approximately \$100,000.00 is expected to be spent on this issue and Board Member Miller believes it should be recoverable. President Dale stated the airport must pay the Audubon Society for the relocation of the eagles, even though most of the litigation is as a result of the Audubon Society's efforts to stop the process.

- F. Eagle nest issue – Paul Hechenberger, counsel to SAA, discussed the eagle nest issue. Because one of the nests is on private land, and the airport has been unable to contact the owner, a claim has been made requesting permission to enter the land. A bond will be posted with the City of Sanford, pictures will be taken before and after, and the candidate trees will be removed. Board Member Williams wondered if eagle strikes could happen again, since the airport is surrounded by trees. President Dale stated eagles had not caused problems in the past. However, since October 2006 eagles have become an issue. The eagles cannot be harassed. President Dale tried contacting different agencies for advice on how to proceed, but there was an eagle strike before he could get an answer from the agencies.

There were three eagle strikes at Orlando International Airport during the months of December 2006, January 2007, and February 2007. President Dale contacted Orlando International Airport and was told that the Audubon Society had helped them cut down the candidate trees. In our case, the local Audubon

Society refused to help the airport, until the Audubon Society at Washington, D.C. got involved. Apparently, the Audubon Society and Florida Fish and Wildlife Conservation Commission did not know the nests were near Orlando Sanford International Airport, the nests were not in their inventory list. Airport staff found the nests after the loafing eagles started congregating on the runways. Board Member Pieters wondered what does President Dale tell the press when they say that alternative methods should be taken. President Dale stated he has told them about the alternative methods the airport takes. As part of the airport's wildlife program personnel monitor the areas to see if there are any carcasses, the airport does not allow wildlife habitat to be established by mowing the grass and keeping it below 6". There are 24 traps on the periphery as well. Wildcats are common, but they are not considered a hazard because they keep the rat population down. He spent four hours with the Orlando Sentinel and had told them everything the airport was doing on a daily basis; everything Orlando International Airport was doing and more. President Dale had told all this to the Orlando Sentinel gave them supporting data, but none of it got published. The Orlando Sentinel knew the airport followed protocol, but they claimed that it did not. The airport cannot let the negative press defer them from the safety of the public and that of the eagles.

President Dale stated he contacted Charles Lee almost immediately after the strike, mimicking the procedures Orlando International Airport followed with their eagle strikes. Instead the airport was challenged, and what should have taken 48 hours (emergency situation), took months.

Because Chairman Longstaff expected additional negative publicity regarding the eagles and the removal of the candidate trees, he wondered if the board would like to respond/"fight back" to the negative publicity with the facts. Board Member Pieters stated it is not a matter of fighting back, but providing the information so the public is more aware of what is going on. Board Member Eckstein believed the board should just "drop it, let it go." Secretary/Treasurer Donihi, agreed with Board Member Eckstein. He believed no matter what the airport does, all it is doing is keeping the issue "up in the air." He does not think the board should respond to any questions. Board Member Williams stated nobody in the general public/community is saying that the airport is doing anything wrong, everybody understand the importance of a human life over that of an eagle. President Dale reiterated efforts to stop the relocation are not saving the eagles' lives; they are dying. Board member Robertson believed the airport needed to make an effort to educate people further. He believes somehow the airport needs to respond. It was the consensus that there would be no response from the board regarding the eagle strikes issue

President Dale requested the board give him authority to cut down all pine trees that may serve as candidate trees. A candidate tree is one where an eagle might nest; any pine tree above 30-40 feet in height. Board Member Miller stated that as landowner, the airport makes the decision to trim the trees; there are no regulations to maintain the trees on airport property. He does not believe

the board should be required to take any action to do so. If President Dale deems it necessary, he discusses it with the board. If any member has a problem, it is stated at the meeting; otherwise, President Dale may proceed. Regarding candidate trees offsite, Board Member Miller stated the airport must respect those property owners and/or regulations. President Dale can take immediate action in regards to airport property. The airport has the authority to cut down the trees on its property. The airport has received the proper arbor permits from the City of Sanford and from Seminole County. He wanted to warn the board that this may cause additional negative publicity. Board Member Miller requested that once the specific candidate trees have been determined, President Dale should present the board with specific identification as to the quantity of the trees and/or identified area. That way the board can then make a decision and direct President Dale on how to proceed.

Commissioner Bridges stated the City Commission is very sensitive to the publicity. When asked about the issue, he stated he was pleased with what the staff was doing. However, he wondered if there are other alternatives to cutting down the candidate trees. President Dale stated that there is a probability eagles would come back for nesting. The cutting down of trees is a preventive measure. Jack Reynolds stated the only alternative to cutting down the trees, would be to constantly harass the eagles during nesting season. This alternative is more dangerous because the eagles will stay in the area, flying around in the flight traffic patterns. Cutting down the trees is the safest alternative. Commissioner Bob Dallari wondered what the condition of the ground would be once the trees are removed. President Dale stated not all the trees will be cut down, some will remain.

D'Anne Mica, one of the airport's public relations consultants, stated there were other ways to respond than by writing to the Orlando Sentinel. USDA has a national bird strike conference every year. The head of that committee is aware of the eagle issue at the airport and the dangers. He is willing to talk to airport staff and offer his assistance. The American Airport Association has their annual conference and wondered how they can get the airport involved; possibly use it as a case study. She suggested the airport do an article about the process of eagle relocation with newspapers other than Orlando Sentinel. Further, the response should probably come from somebody other than President Dale. Board Member Williams agreed that maybe the board should look at other options, not just sending a letter to the Orlando Sentinel. Commissioner Dallari suggested that the board needed to educate the public, and be proactive. He suggested the staff make a plan to include what the airport and other airports have done in similar situations. Board Member Robertson suggested the airport do as much as it can, as soon as possible, in order to remedy the eagle issue.

- G. Wildlife Services Agreement – President Dale requested authorization to sign a cooperative wildlife service agreement with the U.S. Department of Agriculture, Animal and Plant Health Inspection Services, and Wildlife Services, in the amount of \$68,529.00, for a twelve (12) month wildlife assessment, pending

execution by Daytona International Airport. A wildlife technician/biologist will be assigned to provide scientific advice on animals that may be a hazard to operation of the airport. They will also provide additional technical training to assigned personnel. Eagles are being monitored all day by the airport's Operations Department. President Dale stated other airports are having issues with eagles and are calling the airport for input. Motion by Secretary/Treasurer Donihi, second by Board Member Eckstein, authorizing President Dale to sign cooperative wildlife service agreement in the amount of \$68,529.00; price is contingent upon execution by Daytona International Airport. Motion passed. If the agreement amount increases, then it must be brought back to the board for approval.

- H. DBE Goals – Motion to authorize President Dale to submit the airport's Disadvantaged Business Enterprise (DBE) administrative plan/concessionary goals to the U.S. Department of Transportation, and the FAA. Motion by Board Member Robertson, second by Board Member Gibson authorizing President Dale to submit the DBE administrative plan. Motion passed.
- I. SAA Employee Educational Reimbursement – The current educational reimbursement policy reimburses the employee for one-half of the eligible costs upfront. Once the employee receives a certificate or a "C" grade or better, the airport pays the second half. If the employee does not complete the course with a "C" grade or better, then he/she is responsible for repaying the airport all applicable monies advanced. The annual maximum allowance is \$2,100.00 per fiscal year. The opportunities include both job-related and/or self-improvement courses and programs. Some employees want to be reimbursed for everything; they cannot afford even the half cost of tuition. Board Member Pieters commented this program is similar to the one most use. It was the consensus of the Board for the SAA Employee Educational Reimbursement policy to remain as is.

5. TBI REPORT

TBI President Larry Gouldthorpe reported on the following:

- A. Monthly Statistics for March 2007
 - i. UK traffic total
March 2007 – **42,014** passengers
 - ii. International traffic total
March 2007 – **47,421** passengers
 - iii. Domestic traffic total
March 2007 – **88,641** passengers
 - iv. Percentage

UK traffic is up 19% compared to same time last year, total international traffic is up 18%. Domestic traffic is up 40% compared to the previous month. International traffic is up 18% compared to same time last year. Year to date passenger count is up 28% compared to same time last year. Transit stops had stopped after September 11, 2001. Apparently Transit stops are starting to return, accounting for 3,200 stops in the month of March.

B. Airlines/Tour Operators Update

- i. Allegiant – will start operations to: Greensboro, NC; Tri-Cities, TN; and Gulfport-Biloxi, MS.
- ii. TBI Cargo – Orlando Sanford International Airport's cargo is outperforming that of Orlando International Airport.
- iii. Consolidation of tour operators – My Travel and Thomas Cook will be merging. First Choice and Thompson Flight will be merging as well. There should be minimal impacts for the 2007 and 2008 Orlando market. Mr. Gouldthorpe is in discussions with other carriers in the event there should be a service gap.

Board Member Pieters wondered if any carriers are expected to travel to South and/or Central America. Mr. Gouldthorpe stated he is discussing the possibility with some South American carriers, including Aero Mexico.

C. Miscellaneous Updates

- i. Ad campaign – Orlando Sanford International, Inc. is purchasing an ad campaign. The “Beat the Heat with a Mountain Retreat” campaign (referring to the North Carolina and Tennessee mountains), will air in April.
- ii. Consolidation of car rental companies – Enterprise Rent-A-Car will acquire Vanguard Car Rental USA, Inc. (Alamo). The consolidation should not have an impact on the RFP process. The brands should remain as is. Bert Sheppard has assured President Dale that the brands will remain the same.
- iii. Parking Garage – The management transition plan, from the Sanford Airport Authority to Orlando Sanford International, Inc., is progressing well.
- iv. Conveyance belt – Addition of a second conveyance belt, in the amount of approximately \$470,000.00.

- v. Customer Facility Charge (CFC) – Collection of Customer Facility Charge (CFC) started on February 2007; so far \$47,000.00 has been collected.
- vi. Open Sky Agreement – President Dale had been contacted by the Orlando Business Journal regarding the Open Sky agreement. Mr. Gouldthorpe explained that currently, there are restrictions on how many international flights an airline can make, thus keeping prices high. The Open Sky agreement has little regulation; prices should decrease, stimulating travel. The final agreement still needs to be approved.

Board Member Pieters wondered how current traffic numbers compared to traffic numbers before September 11, 2001. Still behind on the international, but ahead of domestic numbers. There are so many factors that might influence the decrease of international flights. One of them is intense competition from other destinations. Mr. Gouldthorpe is not sure if the airport will be able to reach the international traffic numbers it has in the past, unless Florida starts investing comparable amount of money to attract tourists.

Secretary/Treasurer Donihi thanked Mr. Gouldthorpe for taking the time to make a presentation for the Private Business Association of Seminole County (PBAS) Issues Committee, of which Secretary/Treasurer Donihi is chairman. Mr. Gouldthorpe did an excellent job in discussing the potential impact that a 9.5% sales tax would have on tourists.

President Dale commended Mr. Gouldthorpe and his staff for the job they did during Allegiant Airline's emergency landing.

6. COUNSEL'S REPORT

Eagle issue previously discussed under the President's Report.

7. LIAISON REPORTS

City of Sanford

None

Seminole County

Commissioner Dallari stated he is working with State Representatives, regarding the widening of SR 46. Senator Webster is trying to get \$5 million for state roadways improvements.

8. CHAIRMAN'S REPORT

None

9. CONSENT AGENDA

- A. Consider approval of Addendum D to Lease No. 2003-13 with H.J. BLACK d/b/a THE BUMPER SHOP for Building No. 139, located at 2776-86 Navigator Avenue (Warehouse/Office).

Staff recommends approval of Addendum D to Lease No. 2003-13 with H.J. BLACK d/b/a THE BUMPER SHOP for Building No. 139, located at 2776-86 Navigator Avenue (Warehouse/Office). Addendum D extends the lease term for one (1) additional year, effective April 1, 2007. The building consists of 4,260 square feet, at \$3.70 per square foot. The annual rental rate is \$15,762.00, an increase of \$426.00; the monthly payment is \$1,201.53 exclusive of taxes.

- B. Consider approval of Lease No. 2007-04 with CENTRAL FLORIDA AIR MAINTENANCE, INC. for Building No. 146, located at 1682 Hangar Road (Warehouse/Office).

Staff recommends approval of Lease No. 2007-04 with CENTRAL FLORIDA AIR MAINTENANCE, INC. for Building No. 146, located at 1682 Hangar Road (Warehouse/Office). The lease shall have a three (3) year term, commencing on February 1, 2007. The building consists of 14,400 square feet of hangar space, at \$5.00 per square foot for the first year; and 29,160 square feet of ramp space, at \$0.15 per square foot for the first year. The annual rental rate for the first year is \$76,374.00; the monthly payment is \$6,364.50 exclusive of taxes.

- C. Consider approval of Addendum A to Lease No. 2006-06 with BRIAN S. MARTIN for Building No. 514, located at 3055 Cameron Avenue (Residential).

Staff recommends approval of Addendum A to Lease No. 2006-06 with BRIAN S. MARTIN for Building No. 514, located at 3055 Cameron Avenue (Residential). The lease shall have a month-to-month term, commencing on April 1, 2007. The annual rental rate is \$5,400.00, an increase of \$300.00; the monthly payment is \$450.00 exclusive of taxes.

- D. Consider approval of Addendum A to Lease No. 2006-04 with PINE TRADITIONS, INC. for Building No. 407, located at 1211 26th Place (Warehouse/Office).

Staff recommends approval of Addendum A to Lease No. 2006-04 with PINE TRADITIONS, INC. for Building No. 407, located at 1211 26th Place (Warehouse/Office). Addendum A extends the lease term for one (1) additional year, effective April 1, 2007. The building consists of 8,750 square feet, at \$4.53 per square foot. The annual rental rate is \$39,637.50, an increase of \$1,137.50; the monthly payment is \$3,303.13 exclusive of taxes.

- E. Consider approval of Addendum B to Lease No. 2005-07 with EDWARD & SHERYL ROESCH for Building No. 298-S, located at 3107 Rudder Circle (Residential).

Staff recommends approval of Addendum B to Lease No. 2005-07 with EDWARD & SHERYL ROESCH for Building No. 298-S, located at 3107 Rudder Circle (Residential). Addendum A extends the lease term for one (1) additional year, effective April 1, 2007. The annual rental rate is \$8,700.00; the monthly payment is \$725.00

Motion by Board Member Gibson, seconded by Secretary/Treasurer Donihi, to approve the Consent Agenda Items A through E.

Motion passed.

10. DISCUSSION AGENDA

- A. Accept notice of the retirement of the SAA owned/Sanford Police Department trained K-9 "Aeros", and consider approval of permanent ownership of the dog to its last handler, Sergeant Ned Golden.

Staff recommends the approval of giving permanent ownership of Aeros to Sergeant Ned Golden. [Correspondence between SAA and Sanford Police Department attached]

Motion by Board Member Eckstein, seconded by Board Member Williams, allowing K-9 Aeros to retire, and giving permanent ownership of Aeros to Sergeant Ned Golden.

Motion passed.

- B. Consider approval of the negotiated CNL Bank Line of Credit (LOC) to replace the Bank of America LOC established in 2000.

In summary, the new LOC increases the maximum amount from \$1,500,000.00 to \$4,000,000.00. It also increases the maximum time duration from 12 months to 14 months. The minimum annual cost will increase from \$3,750 (25 basis points) to \$5,000 (12.5 basis points). The LOC is secured by a pledge of Landing Fees and Public Safety Fees which exceed \$1 million annually.

Staff recommends the approval of the terms on the commitment letter from CNL. [Attached]

Motion by Board Member Eckstein, seconded by Board Member Robertson, to approve the commitment letter with CNL Bank for the new line of credit, in the amount of \$4 million, and authorization for Chairman Longstaff to sign the new line of credit, pledging the Airport's Landing Fees and Public Safety Fees.

Motion passed.

11. OTHER BUSINESS

None

12. COMMENTS FROM THE PUBLIC

None

13. REMINDER OF NEXT BOARD MEETING (TUESDAY, MAY 1, 2007)

14. ADJOURNMENT

There being no further business, the regular meeting was adjourned after the executive session at 10:40 a.m.

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

March 21, 2007

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 Notices one (1) time in Sunday's edition (March 25, 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 April meeting on Tuesday, April 3, 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) 585-4021.

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) 585-4021.

**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) 585-4021 if you have any questions.

Sincerely,

Diana M. Muñiz-Olson
Lease Manager

PUBLIC NOTICE

BOARD MEETING

The regular meeting of the Sanford Airport Authority will be held on Tuesday, April 3, 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) 585-4021.

SANAC

The Sanford Airport Noise Abatement Committee (SANAC) meeting will be held on Tuesday, April 10, 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, April 10, 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, April 4, 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) 585-4021.

Larry A. Dale
President & CEO