

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
TUESDAY, JUNE 30, 2009**

PRESENT: G. Geoffrey Longstaff, Chairman
Clyde H. Robertson, Jr., Vice Chairman
Tim Donihi, Secretary/Treasurer
David L. Cattell
Whitey Eckstein
William R. Miller
Brindley B. Pieters
Brett R. Renton, Airport Counsel
Michael McLean, County Liaison

ABSENT: Colonel Charles H. Gibson
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: Eric Bain, CH2M Hill
Dean Banks
Krysty Carr, S.E. Ramp Development
Ron Carter
Larry Gouldthorpe, TBI
Lena Juarez, JEJ & Associates, Inc.
Richard Kondracki
Doug Leonard
James L. Meade, Mears Transportation
Francois D. Menard, CH2M Hill
Nick Nesta, CDM
Al Nygren, O.R. Colan Associates
Dan Parks, HDE, Inc.
Jack Reynolds, JRA, Inc.
Keith Robinson, TBI
Sandeep Singh, AVCON
Kevin Spolski, Spolski Construction
Sandy Stockhammer
Bob Tunis, City of Sanford Economic Dev. Director

1. INTRODUCTION OF GUESTS AND CALL TO ORDER

The meeting was called to order at 8:35 a.m.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON JUNE 2, 2009

Motion by Secretary/Treasurer Donihi, seconded by Board Member Cattell, to approve the minutes from the regular meeting held on Tuesday, June 2, 2009. Motion passed.

Board Member Eckstein requested the floor. He stated that after the last meeting, a gentleman questioned why he opposed the motion for the 44,000 square foot hangar. Board Member Eckstein stated he is not questioning the Board, and clarified the hangar is needed desperately, but in the future he would like more due diligence to be done. Board Member Robertson stated he was not in the meeting and wondered why Board Member Eckstein had voted against it. He was not sure if he could call Board Member Eckstein to ask. President Dale stated Board members could always call Counsel if they have a question. President Dale clarified to Board Member Eckstein that because it is a fairly new company, AVOCET does not have a lot of background information. He also clarified it did not mean they had financial difficulties. Background check was also done on the company AVOCET does business with, and he requested it be backed up with a letter of credit for three years. Board Member Eckstein wanted to know the level of risk. President Dale assured him the lease will come for approval to the Board, he just wanted to proceed with the loan. The grant is expected in July, and the Authority is looking for a loan regarding its matching part.

4. PRESIDENT'S REPORT

President Dale reported on the following:

- A. Extension of Runway 9L-27R – The FONSI (Finding Of No Significant Impact) for the Environmental Assessment was received and has been advertised 3 different times (June 7, June 14, and June 21, 2009) , followed by a 30-day public comment period before applying for the \$5 million land acquisition grant and the design-planning grant.
- B. Runway 18-36 Rehabilitation – Stimulus grant funded project. The project was put out to bid and the Board, subject to receipt of the grant, accepted the lowest apparent bidder. At the last minute, the Airports District Office (ADO) required the Authority to do a runway length analysis for a crosswind runway. The runway is crosswind runway

only by circumstances, but was listed on the Airport Layout Plan (as approved by FAA) as an aircraft design group G-4 runway. However, because it is a stimulus grant, the ADO has taken the position that it is just a crosswind runway. The only aircraft that can use it as a crosswind runway are in the A1-B1 aircraft design group. President Dale sent a letter from Allegiant Air stating a runway is classified commercial if you have at least 500 operations a year. The airline also wrote another letter about the amount of money they are saving by using Runway 18-36. The airline has saved \$200,000.00 this year; they could expect to save \$2.7 million annually if the Runway 18-36 is extended to 8,000 feet with an instrument approach. Allegiant Air proved to ADO they were not only using the runway for convenience but also for efficiency. The ADO has now approved the stimulus grant for C-3 aircraft, full length and 100 ft wide. An army layer will be added for longevity. To taper it out for 100 ft takes the project back to the original design. President Dale wrote a letter explaining it to Vernon Rupinta, Program Manager at ADO. According to the ADO, the army membrane requires a modification of standard that must be approved by the FAA in Washington and Atlanta. President Dale does not know how long the process will take. He instructed Jack Reynolds to contact Mr. Rupinta to explain in detail what the army membrane will do. The army membrane is 10% of the cost, and is a not significant cost considering the benefits.

Secretary/Treasurer Donihi questioned if the stimulus money can run out. President Dale stated there is no time limit between now and December, and that Mr. Rupinta had assured him the money would be available. Board Member Miller questioned if the army membrane was in the original specifications. President Dale clarified the army membrane was in the original specifications, and if the ADO approve it as is, there will be no change. Board Member Miller cautioned the Board of contractors that will look for any excuse if they do not perform the job right. President Dale reminded the Board the contract with APAC is subject to FAA approval.

In addition, the gopher tortoises need to be removed from the safety area.

- C. Parking Lot C – Project was completed. Board Member Robertson stated a person complained one of the lights was out the previous night. President Dale asked the Board to contact him when they receive a complaint of this nature in order to have operations inspect the area at night.
- D. Security Fence and Gate Improvements – Project is progressing well, approximately 80% complete.
- E. Improvements for the upgrade for the airfield signage – Lighting improvements for Taxiway Romeo and Charlie have begun. For Taxiway Kilo, striping, lights and airfield signage will be done. This is a force account funded with \$1,060,253 grant.
- F. Bldg. 310 Improvements – The first and second floor have been completed. The 3rd floor has been divided into east and west end: the east end will be done by Friday,

July 3, 2009; the west end will be done by July 24, 2009. The building is expected to have 125 students by August.

- G. Cargo Building – TSA is doing a buildout on the Cargo building at a cost of \$119,000.00. Motion by Board Member Eckstein, seconded by Board Member Robertson, authorizing SAA to proceed with the TSA Cargo buildout, at TSA's cost and specifications. Motion passed.
- H. Rubb Hangar – Currently working on the specifications for design build solicitation and on AVOCET's letter of credit. The company is doing really well at the Airport.

Board Member Eckstein congratulated President Dale on the award given to the Airport by the Seminole County Regional Chamber of Commerce. President Dale presented the Board with the Economic Driver of the Year award.

- I. Demolition pad – The permit from St. Johns River Water Management District was received. Construction of the driveway has begun. The project is expected to be completed in 45 days. Paving beyond safety area of the driveway has been done.
- J. Parking Garage update – To be discussed under Counsel report.
- K. Attorneys' Fees – Distribution and discussion of May and June's attorneys' fees.
- L. SR 46 – The corrected deed from Department of Defense was received. Closing is expected the second week of July, at which time, the Authority will receive a final closing payment of \$740,000.00.
- M. Jett Aire lawsuit – The 9-year long lawsuit was taken to trial and the Authority won. Jett Aire appealed and wanted to settle by the Authority paying them; the Authority refused and Jett Aire dropped the appeal. The Joint Stipulation for Dismissal of Appeal and Cross-Appeal with Prejudice was approved and the case was dismissed on June 23, 2009. Board Member Miller commended Jim Byrne and his staff on his job. President Dale commented that the insurance company the Authority had at the time [for its directors and officers' policy] has refused to pay. Further, the Authority has spent over \$1 million on this case and it is a \$1 million coverage policy. President Dale then asked the Board to let him proceed with using Jim Byrne since he is the one who has been working all these years with the insurance company's attorney and their underwriter. He noted that Mr. Byrne is retired now, but is still licensed to work and still has those files. Following discussion, the consensus of the Board was to use Jim Byrne to handle the insurance issue, and for Shutts & Bowen to contact Ms. Byrne regarding strategy.

N. Wildlife

- i. Wildlife management - President Dale discussed USA Today's article "Airports Risk Bird Strike."

- ii. Airline Safety and Wildlife Protection Act of Florida – Governor Crist signed the act setting a national precedent; Florida is the first state doing it. President Dale stated he has discussed with Congressman Mica the possibility of taking it to a federal level.

Lena Juarez asked for the floor and congratulated President Dale on the passage of the Act, signed by the governor on June 11, 2009. She stated Representative Plakon approached President Dale about sponsoring legislation to ensure safety of the public. The bill was not filed until a week before the due date. A lot of the success of the bill is due to Representative Plakon being passionate about the bill and making it his number one priority; doing everything he needed to do to get it approved. There were liability and environmental issues involved. Trial lawyers and Audubon Society were against it. President Dale went to Tallahassee six times to testify at Committee Meetings. Members needed to be educated fast, and Ms. Juarez congratulated President Dale for his great job.

President Dale commented that when the airplane crashed into the Hudson River, local TV stations called him and played his call on live TV. The following day, Congressman Mica called a press conference at the Airport. The only media that did not write a story was the Orlando Sentinel.

The Animal Planet Channel would like to do a 1-hour documentary on wildlife and Dr. Dolbeer referred them to President Dale. Counsel cautioned the Board and suggested it request to have editing rights during the contract negotiations with the channel. Commissioner McLean suggested a written proposal be presented to the Board. It was the consensus of the Board to provide documents requested and continue discussions regarding 1-hour wildlife documentary for the Animal Planet channel.

President Dale would like to send a letter on behalf of the Board to Representative Plakon and Senator Baker in appreciation for their assistance with the Act.

- O. FAC Conference Reminder – President Dale reminded the Board that the TBI dinner will be Sunday night (August 2, 2009); the AVCON dinner will be Tuesday night (August 4, 2009).
- P. Avion Jet Center – Four leases must be terminated with Avion Jet Center and approved for Avion By Quinn, Inc. Motion by Secretary/Treasurer Donihi, seconded by Board Member Eckstein, to terminate Lease No. 98-39 for Building 505 (land/ramp); Lease No. 2001-32 for Parking Lot (land); Lease No. 99-14 for Fuel Farm; Lease No. 98-37 for Building 426 and FBO Agreement with Avion Jet Center, LLC, effective June 30, 2009. Motion passed.

Motion by Secretary/Treasurer Donihi, seconded by Board Member Eckstein, to approve Lease No. 2009-29 for Building 505 (land/ramp); Lease No. 2009-30 for

Parking Lot (land); Lease No. 2009-31 for Fuel Farm; Lease No. 2009-32 for Building 426 and FBO Agreement and accompanying FBO Fueling Permit, with Avion By Quinn, Inc., effective June 30, 2009. Motion passed.

- Q. Lease termination - Motion by Board Member Eckstein, seconded by Board Member Cattell, to terminate Lease No. 2003-11 with Robert & Dawn Tedesco, and acceptance of title transfer of 2.5 ton boom truck in lieu of money owed. Motion passed.
- R. New Noise Grant – New application for \$5.1 million for noise mitigation has been submitted. Appraisals to be done by mid July. The Authority continues to complete the purchase of noise sensitive lands. Allocation is based on the appraisals; the Authority will buy what it can. The Authority is responsible for paying relocation costs, moving expenses, and storage fees.
- S. News article – Discussion of article of Congressman Mica’s announcement of \$3.8 million in grant funding.
- T. 4th of July sponsorship – President Dale briefed the Board on the Airport’s sponsorship of Star Spangled Sanford.
- U. Letter from Sherman Yehl – President Dale discussed letter of congratulations from City Manager Sherman Yehl regarding the Airport’s energy program.
- V. Note from Dunbar – President Dale discussed thank-you note from Dunbar Construction for the work at the Airport.

5. COUNSEL’S REPORT

In regards to the Kondracki case, the Authority is obligated to pay expert fees and costs. Counsel believes they are not entitled to \$5,200.00 of the amount they are requesting. Motion by Board Member Eckstein, seconded by Secretary/Treasurer Donihi, for Counsel to submit counter-offer in the amount of \$45,624.10 for expert fees and costs in the Kondracki case. Motion passed.

The Parking Garage still continues to have problems with the caulking. On May 28, 2009, Alpha Insulation had provided proposal. On June 2, 2009, the Board authorized President Dale to enlist Alpha Insulation to do repairs, contingent to Counsel’s approval. On June 15, 2009, the bonding company did a site inspection. They did not believe they were responsible and declined to take any responsibility. A joint meeting was scheduled to take place on June 25, 2009. Counsel for ACI and the bond company did not show up or contact Counsel/Authority. Since ACI has been given ample notice, Counsel recommends engaging Alpha Insulation to complete the project. Chairman cautioned the Board the money might not be recovered. Motion by Board Member Eckstein, seconded by Board Member Cattell, to authorize engagement of Alpha Insulation to proceed with joint sealant repair in the

Parking Garage, at a cost of \$76,938.00 (at the Authority's expense); and to pursue legal action for the cost of the repairs. Motion passed.

Chairman Longstaff asked for an update on the HTA issue. Counsel advised it would give an extensive report at the next board meeting.

6. TBI REPORT

TBI President Larry Gouldthorpe reported on the following:

A. Monthly Statistics for June 2009

- i. Domestic traffic total
June 2009 – **128,364** passengers
- ii. International traffic total
June 2009 – **58,625** passengers
- iii. Traffic total
June 2009 – **187,011** passengers
- iv. Percentage
International traffic is down 43% compared to June 2008. Domestic traffic is up 13% compared to June 2008. Total traffic is down 14% compared to June 2008. Year-to-date traffic is down 8% compared to 2008.

B. Airlines/Tour Operators Update

- i. Industry trends – There are no indications the demand for commercial traffic is changing. The system continues to shrink due to a continued weak demand and increasing fueling cost; however, Allegiant Air has been able to survive. Comair maintenance based at Orlando International Airport has closed. They are consolidating everything back to the main hub.

C. Miscellaneous Updates

- i. Cargo screening enclosure – Mr. Gouldthorpe stated if the Cargo buildout receives everything Jim Mathers has promised, the facility will have \$1 million in equipment.
- ii. Food concession improvements – The project is progressing well. Design drawings are expected on July 13, 2009.
- iii. Parking volumes – Much higher demand on the garage parking this year. Could be due to weather and pricing modifications.
- iv. FAC Conf – Mr. Gouldthorpe distributed to the Board invitations to the TBI dinner, which will be held Sunday, August 2, 2009.

- v. Presentation – Abertis will have a presentation (“We are Abertis”) discussing the culture and values of the company. The Airport will be the second site to see the presentation. Mr. Gouldthorpe invited the Board and staff to the event. The two-hour presentation will be held at the Vigilante Room on July 16, 2009, starting at 9 a.m. The presentation will be simulcast to other sites.

7. LIAISON REPORTS

City of Sanford

None.

Seminole County

Commissioner McLean thanked the Board for their endorsement and briefed them about SeminoleWAY. Public information meetings for SeminoleWAY have taken place for the purpose of building relationships with parcel owners on the 417 corridor, and for them to build relationships among themselves. The next step would be to market to the greater environment/community. SeminoleWay is trying to market it as one piece, about a mile of the 417 corridor. If parcel owners did not want to be involved, they were asked to let SeminoleWay know if they wanted to be excluded.

Commissioner McLean also briefed the Board about Amendment 4. The Amendment 4 initiative has acquired enough petitions for vote in 2010. He is involved with Floridians for Smarter Growth, an organization involved with educating the public about the effects of Amendment 4. If approved, any comprehensive plan amendment will need to be voted on by the people. This has the potential to paralyze development as no recession ever could. Commissioner McLean presented to the Board a resolution showing support. The organization is trying to build support from businesses and educate the public. Seminole County had 47 comprehensive plans alone last year. There is a group that intends to curb population growth by slowing down development. President Dale stated that since the comprehensive plan of the City and the County are compatible with the Airport, Amendment 4 would also affect the Airport. Commissioner McLean stated St. Pete Beach passed it on 2006 and as a result, they have not had one development since and are handling 17 different lawsuits.

8. CHAIRMAN'S REPORT

Chairman Longstaff reminded the Board the day of the meeting is the last day to submit their State of Florida filing.

9. CONSENT AGENDA

A. Consider approval of Addendum F 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 F 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 F extends the lease term for one (1) additional year, effective April 1, 2009. The building consists of 4,260 square feet of office and warehouse space, at \$3.80 per square foot. The annual rental rate is \$16,188.00; the monthly payment is \$1,349.00 exclusive of taxes.

B. Consider approval of Addendum B to Lease No. 2007-07 with EURO TECHNIK AUTOSPORT, LLC for Building No. 515-6,7, located at 2812-18 Mellonville Avenue (Warehouse/Office).

Staff recommends approval of Addendum B to Lease No. 2007-07 with EURO TECHNIK AUTOSPORT, LLC for Building No. 515-6,7, located at 2812-18 Mellonville Avenue (Warehouse/Office). Addendum B extends the lease term for six (6) additional months, effective May 1, 2009. The building consists of 3,000 square feet of office and warehouse space, at \$6.50 per square foot. The annual rental rate is \$19,500.00; the monthly payment is \$1,625.00 exclusive of taxes.

C. Consider approval of Lease No. 2009-12 with AIR ESSENTIALS, INC. d/b/a FLORIDA CLAY ART CO. for Building No. 256, located at 1645 Hangar Road (Warehouse/Office).

Staff recommends approval of Lease No. 2009-12 with AIR ESSENTIALS, INC. d/b/a FLORIDA CLAY ART CO. for Building No. 256, located at 1645 Hangar Road (Warehouse/Office). The lease shall have a one (1) year term, effective July 1, 2009. The lease consists of 4,020 square feet of office and warehouse space, at \$3.08 per square foot; and 10,890 square feet of land, at \$0.15 per square foot. The annual rental rate is \$14,015.10; the monthly payment is \$1,167.93 exclusive of taxes.

Note: The tenant sells pottery supplies and equipment.

D. Consider approval of Lease No. 2009-09 with STONE PRODUCTS, LLC for Building No. 526, located at 3945 Moores Station Road (Warehouse/Office).

Staff recommends approval of Lease No. 2009-09 with STONE PRODUCTS, LLC for Building No. 526, located at 3945 Moores Station Road (Warehouse/Office). The lease shall have a one (1) year term, commencing on July 1, 2009. The building consists of 5,738 square feet of office and warehouse space, at \$3.137 per square foot. The annual rental rate is \$18,000.00; the monthly payment is \$1,500.00 exclusive of taxes.

Note: The tenant manufactures and distributes simulated stone.

E. Consider approval of Addendum B to Lease No. 2007-20 with DOUGLAS WHEELER for Building No. 301, located at 2822 Aileron Circle (Residence).

Staff recommends approval of Addendum B to Lease No. 2007-20 with DOUGLAS WHEELER for Building No. 301, located at 2822 Aileron Circle (Residence). Addendum A

extends the lease term for one (1) additional year, effective July 1, 2009. The annual rental rate is \$9,900.00; the monthly payment is \$825.00.

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

10. DISCUSSION AGENDA

- A. Transmission of Fiscal Year 2009-2010 Proposed Operating and Capital Budget to City of Sanford for Joint Public Hearing.

Staff recommends approval of transmission of Fiscal Year 2009-2010 Proposed Operating and Capital Budget to the City of Sanford, in preparation for the Joint Public Hearing with the City. Motion by Board Member Pieters, seconded by Board Member Eckstein, authorizing transmittal of Fiscal Year 2009-2010 Proposed Operating and Capital Budget to the City of Sanford. Motion passed.

11. COMMENTS FROM THE PUBLIC

Kevin Spolski stated he had brought the Jett Aire lawsuit to the Board's attention in 1991, 1992, and 1995. At the time, he received an e-mail from the Board stating it wanted to remain non-proactive in any litigation he had with a tenant. He believes that by the Board not being proactive at that time, it set off an "avalanche." He warned the Board it can happen again and to be pro-active when it does.

12. REMINDER OF AUGUST BOARD MEETING (JULY 30, 2009)

13. OTHER BUSINESS

None

14. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:01 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

June 5, 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 (June 10, 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 July meeting on Tuesday, June 30, 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. 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 for July will be held on Tuesday, June 30, 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.

SANAC

The Sanford Airport Noise Abatement Committee (SANAC) meeting will be held on Tuesday, July 14, 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, July 14, 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) meeting scheduled for July 1, 2009 has been cancelled.

The Sanford Airport Design Review Committee (DRC) will conduct a Special DRC meeting on Thursday, July 23, 2009, at 4:00 p.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