

**MINUTES OF THE REGULAR MEETING OF THE  
SANFORD AIRPORT AUTHORITY  
TUESDAY, JULY 11, 2006**

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**PRESENT:**                   **G. Geoffrey Longstaff, Chairman  
Clyde H. Robertson, Jr., Vice Chairman  
Whitey Eckstein, Secretary/Treasurer  
Tim Donihi  
William R. Miller  
Brindley B. Pieters  
John A. Williams  
Mayor Linda Kuhn, City Liaison  
Comm. Randy Morris, County Liaison  
Earnest DeLoach, Airport Counsel**

**ABSENT:**                   **Lon K. Howell  
Colonel Charles H. Gibson**

**STAFF PRESENT:**       **Larry A. Dale, President & CEO  
Diane Crews, Vice President of Administration  
Don Poore, Finance Manager  
Michelle C. Gioielli, Staff Accountant  
Diana M. Muñiz-Olson, Lease Manager**

**OTHERS PRESENT:**     **Joan Breslin, Spring Hill Suites  
Michael Caires, OSI  
Annabelle DiCarlo, AVCON  
Greg Dull, OSI  
Larry Gouldthorpe, OSI  
Krysty Kress, Southeast Ramp  
Bill McDermott, Seminole Co. Economic Development  
Bill McGrew, PBS&J  
Doug Norman, HTA  
Sabrina O'Bryan, Seminole Co. Economic Development  
Roger Phillips, Starport  
Jack Reynolds, JRA, Inc.  
Keith Robinson, OSI  
Sandeep Singh, AVCON  
Kevin J. Spolski, Spolski Construction  
Zane Williams, Winter Park Construction**

**1. INTRODUCTION OF GUESTS AND CALL TO ORDER**

The meeting was called to order at 8:32 a.m.

**2. ADVERTISEMENT OF MONTHLY MEETING**

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON TUESDAY, JUNE 6, 2006

Motion by Board Member Miller, seconded by Board Member Robertson, to approve the minutes from the meeting held on Tuesday, June 6, 2006.

Motion passed.

4. APPROVAL OF MINUTES OF THE BUDGET WORK-SESSION HELD ON TUESDAY, JUNE 27, 2006

Motion by Board Member Miller, seconded by Board Member Pieters, to approve the minutes from the meeting held on Tuesday, June 27, 2006.

Motion passed.

5. PRESENTATIONS

- A. Letter of recognition – Letter of recognition signed by Mayor Kuhn, Chairman Longstaff, and President Dale presented to Christopher Pugliese, a Swissport North America, Inc. employee, for his heroic efforts in controlling an engine fire.
- B. Marketing Matrix – Diane Crews and Michael Caires distributed a marketing matrix and conducted a PowerPoint presentation outlining the various forms and funding of marketing initiatives at the Airport. [Attached]

President Dale commented the Airport could not adequately market to the airlines until Airport's infrastructure is in place.

Commissioner Morris suggested marketing should show the Airport in relation to nearby beaches and other airports in the area. He reiterated the importance of having ads in the Domestic Terminal cater to domestic travelers.

Board Member Eckstein suggested the possibility of an alliance with Orlando International Airport, in his opinion it would be more cost effective for all. Chairman Longstaff stated this issue deserves to be further discussed sometime in the future.

6. PRESIDENT'S REPORT

President Dale reported on the following:

- A. Federal Inspection Service (FIS) facility improvements – Construction is complete.

- B. SIS road – Project went to bid on May 7, 2006 and was awarded to White Site’s Development, Inc. The project will commence soon. Still need to relocate the power lines as stated by law, in the amount of \$93,000.00. Discussion of Task Order #9 in the amount of \$74,500.00 for the following: design consulting, resurfacing and widening of Airline Road; Employee Parking Lot improvements; and Parking Lot D improvements. Motion by Board Member Donihi, seconded by Board Member Williams, to authorize change order.
- C. 18-36 Main Runway Lighting – In-house electricians and maintenance personnel are doing the job. Project is progressing as scheduled.
- D. New Ramp – Project to expand the International Ramp to the east. Bid opening took place on June 30, 2006. Motion by Board Member Miller, seconded by Board Member Robertson, to approve bid (as lump sum price) made by Hewitt Contracting Company, Inc., subject to receiving a third year entitlement fund; to include approval of authorization to borrow money from reserves, to be eligible for grant funded reimbursement.
- E. Extension of Runway 9R-27L – Will be at 100% design stage by September 22<sup>nd</sup>. Extension will increase the size of the runway from 3,500 ft to 6,400 ft, with associated ILS and localizer/DME instrument approaches. The expected total amount (inclusive of land acquisition) for this project is \$16 Million (discretionary funding).
- F. Parking Garage – Slight delay due to issues with the mezzanine structure. Scheduled to open in November 2006.
- G. Hertz QTA – Project running behind schedule.
- H. Stormwater permit – President Dale met with Vickie Nations, of St. John’s Water Management District, to discuss the issue of mitigating all the Airport’s wetlands, pursuant to the master conceptual stormwater permit for all 2,600 acres belonging to the Airport received in January 2006.
- I. FDOT meeting – Meeting with District 5 Secretary Kevin Thibault was cancelled, to be rescheduled at a later time.
- J. Florida Airports Council (FAC) Conference reminder – The conference is scheduled to take place Sunday, July 23, 2006 through Wednesday, July 26, 2006.
- K. Joint Budget Work-Session with City of Sanford - Scheduled for Monday, August 14, 2006 at 4:00 p.m., at City Hall Commission Chambers.
- L. Pan Am Clipper Connection – Motion by Board Member Donihi, seconded by Board Member Williams, to approve Pan Am Clipper Connection’s request of release/termination of leases, contingent upon: payment of \$5,900.00 for asphalt

repairs, payment of arrearage on all three lease accounts, and SAA's ability to find replacement tenants. Motion passed. Pan Am Clipper Connection is released from the following leases:

1. Lease Number 2002-11 for Building 149, effective July 31, 2006
2. Lease Number 2000-05 for Building 415-Fuel Farm, effective June 30, 2006
3. Termination of month-to-month Lease Number 01-03 for Building 508, effective July 31, 2006

M. Grant Applications – The following grant applications have been submitted:

1. Electrical Lighting Circuit – \$580,000.00 in entitlement funds.
2. SIS Improvements – \$497,000.00
3. East Terminal Ramp Expansion – Approximately \$8,645,000.00, inclusive of design work.
4. Land Acquisition associated with Runway 9R-27L extension – \$1.3 Million in discretionary money.

N. Demolition – Demolition and asbestos abatement of five (5) houses acquired with the noise mitigation grant funding is complete. Only one (1) house remains, pending on completion of former owner's new house. Should be done by the end of July. Applications for annexation and rezoning of these properties have been submitted to the City of Sanford.

O. Avigator Display – Letter of appreciation was sent to Richard Leatherman for his donation of two (2) plaques for the Alligator Display.

P. Extension of primary runway – Efforts are being made to expand the primary runway to 11,000 ft. Cost estimate has been sent to Washington, D.C., to be followed by a Benefits Cost Analysis. Jack Reynolds estimated 20 Million pounds of cargo are left on the ground because of the current length of the runway. Extension could significantly increase cargo capacity. In order to keep the runway open and operational, the Airport sought and received a Deviation to Standards to displace the threshold.

## 7. COUNSEL'S REPORT

Regarding the Cockerham lawsuit, due to the fact it is a pending litigation, Mr. DeLoach asked any questions be directed to Airport Counsel or President Dale. Board Member Robertson wondered what protocol to follow if the media contacted any members. Mr. DeLoach stated there was a revised protocol for Board members. Members have the right to speak but in attempt to insure that what they say is accurate and does not contradict any formal Board policy/procedure, it is advisable to discuss any comments with President Dale. Members can give their opinion but must follow protocol in doing so, working through the appointed CEO/President.

Regarding the Craggs Construction lawsuit, a summary judgment hearing is scheduled to take place on Tuesday, July 18, 2006.

Regarding the Jett Aire lawsuit, there is a court order of mediation scheduled for Saturday, July 15, 2006.

## 8. TBI REPORT

TBI President Larry Gouldthorpe reported on the following:

### A. Monthly Statistics for June 2006

1. UK traffic  
June 2006 – **111,946** passengers
2. International combined total (inclusive of Vacation Express)  
June 2006 – **123,430** passengers
3. Domestic traffic  
June 2006 – **75,000** passengers
3. Combined total (inclusive of transit passengers)  
June 2006 – **198,613** passengers
4. Percentage  
Combined traffic for June is down 3% from June 2005. Overall, year-to-date traffic is up 2% from 2005.

In the future, Board Member Robertson would prefer if the international passenger numbers were divided by charter passengers vs. ticketed passengers, in order to compare figures.

### B. Airlines/Tour Operators Update

1. Travel City – Effective July through mid November, they will decrease the number of aircraft. Expecting decrease in number of passengers for those months.
2. Flyglobespan – Fall schedule has been provided. They intend to have three (3) flights per week (Tuesday, Thursday, and Saturday).
3. Allegiant – May expand to two (2) extra flights/destinations.
4. Aircraft base – Discussion of aircraft basing proposal for next summer. The aircraft would be available on a daily basis to fly to multiple destinations.

### C. Terminals

1. Domestic Terminal - Check-in kiosks are operating on a trial basis. TV monitors will be replaced with flat screens.

2. International Terminal - Bijoux Turner Store is scheduled to open the week of the meeting. Budweiser Tap House is currently open.

D. Florida Airports Council (FAC) Conference dinner reminder– Reminder of dinner sponsored by TBI, Inc. on Sunday, July 23<sup>rd</sup>. All attending Board members and staff are invited.

## 9. LIAISON REPORTS

### City of Sanford

Mayor Linda Kuhn commented that the City of Sanford's 4<sup>th</sup> of July event was the fifth largest firework display in Florida, with an attendance of 150,000 people. She also reminded the Board that the next Alive After Five would take place on Thursday, July 13<sup>th</sup>, with a tropical nights theme.

### Seminole County

Commissioner Morris reported on the following:

- A. Marketing of Airport– Commissioner Morris wondered if the Board had seen the current corporate marketing business video produced by Seminole County, which took first place at the Florida Economic Council Awards.
- B. Meeting with Stutler - Commissioner Morris stated Secretary Stutler would be interested in meeting with Mayor Kuhn, Chairman Longstaff, and President Dale.
- C. Lake Mary issue – City of Lake Mary intends to annex and incorporate the Heathrow area. The City of Lake Mary claimed it strongly fought and defended the residents against the Airport, unlike Seminole County. Commissioner Morris commented that the close partnership Seminole County has with the Airport could be misinterpreted and taken advantage of.
- D. Ramp Project – In partnership with the City of Lake Mary and Colonial Properties, Seminole County is planning the construction of a direct ramp from the Beltway to International Parkway. The County will loan money to FDOT to expedite the construction of the ramp. The County will keep the Board informed of any future developments.

## 10. CHAIRMAN'S REPORT

No Chairman's Report.

## 11. CONSENT AGENDA

A. Consider approval of Addendum D to Lease No. 94-42 with ORLANDO SANFORD INTERNATIONAL, INC. for Parcels A, B, C, D, E, and F.

Staff recommends approval of Addendum D to Lease No. 94-42 with ORLANDO SANFORD INTERNATIONAL, INC. for Parcels A, B, C, D, E, and F. Addendum D increases the annual rate by \$141,384.28 and amends the parcels as follows:

*	1.	Parcel A (GSE Pad)	54,153 sf @ .25	=	\$ 13,538.25
**	2.	Parcel B (International Terminal/Ramp)	419,250 sf @ .25	=	\$104,812.50
*	3.	Parcel C (Employee Parking/Lot C)	145,126 sf @ .23	=	\$ 33,378.98
**	4.	Parcel D (Rental Car Service/Welcome Center)	680,177 sf @ .23	=	\$156,440.71
*	5.	Parcel E (Alpha Flight Kitchen)	63,187 sf @ .25	=	\$ 15,796.75
*	6.	Parcel F (Fuel Farm)	40,319 sf <u>15,600 sf</u> 55,919 sf @ .21	=	\$ 11,742.99

\* Changes for Parcels A, C, E, and F to become effective January 9, 2006.

\*\* Changes for Parcels B and D to become effective June 1, 2006.

B. Consider approval of Lease No. 2006-16 with ORLANDO SANFORD INTERNATIONAL, INC. for Fuel Farm 415-Fuel, located at 1300 East 30<sup>th</sup> Street (Fuel Farm).

Staff recommends approval of Lease No. 2006-16 with ORLANDO SANFORD INTERNATIONAL, INC. for Fuel Farm 415-Fuel, located at 1300 East 30<sup>th</sup> Street (Fuel Farm). The annual rental rate is \$25,000.00; the monthly payment is \$2,083.33, commencing on August 1, 2006.

C. Consider approval of Addendum C to Lease No. 2003-24 with ROBIN McCRAE for Building No. 530, located at 4055 Moores Station Road (Residence).

Staff recommends approval of Addendum C to Lease No. 2003-24 with ROBIN McCRAE for Building No. 530, located at 4055 Moores Station Road (Residence). Addendum A extends the lease term for one (1) additional year, effective July 1, 2006. The annual rental rate is \$26,400.00; the monthly payment is \$2,200.00.

D. Consider approval of Addendum B to Lease No. 2003-08 with ORLANDO SANFORD AIRPORT SOUTHEAST RAMP HANGAR DEVELOPMENT, INC. for

the land located at the northwest corner of Beardall Avenue and Marquette Avenue (Hangar).

Staff recommends approval of Addendum B to Lease No. 2003-08 with ORLANDO SANFORD AIRPORT SOUTHEAST RAMP HANGAR DEVELOPMENT, INC. for the

addition of 9.22 acres of land for Phase 2A. The rental rate shall be \$0.1523 per square foot, an increase of \$61,167.18 annually. The total amount of land leased is calculated as follows:

522-Land	268,159 sf @ \$0.1523	=	\$40,840.62
Phase 1B	48,134 sf @ \$0.1523	=	\$ 7,330.81
* Phase 2A	401,623 sf @ \$0.1523	=	\$61,167.18
<b>Total land</b>	<b>717,916 sf</b>	<b>=</b>	<b>\$109,338.61</b>

\* Rental payments for the land for Phase 2A shall commence on the date of issuance of the permanent Certificate of Occupancy for the first building to be constructed on that portion of the land designated as Phase 2A. However, Rental Commencement Date for Phase 2A shall not be later than 18 months after execution of this Addendum B.

Motion by Board Member Williams, seconded by Board Member Donihi, to approve the Consent Agenda Items A through D.

Motion passed.

## 12. DISCUSSION AGENDA

A. Consider approval of SAA Budget for submission to the City of Sanford.

Staff recommends approval of SAA Budget FY 2006-2007 for submission to the City of Sanford for final adoption at Joint Work-Session on August 14, 2006.

Motion by Board Member Williams, seconded by Board Member Miller, to submit the SAA Budget FY 2006-2007 to the City of Sanford for final adoption.

Motion passed.

B. Consider acceptance of conversion of \$235,360.58 remaining in FDOT Grant #416639 from hurricane damage repair to 100% security flexible funds.

At the time, a total of \$235,360.58 remained in FDOT Grant #416639, for the purpose of hurricane damage repair. The FDOT approved the conversion of these funds to 100% security flexible funds and will be issuing a supplemental Joint Planning Agreement for



documentation of the conversion. Security-related items to be purchased with the converted funds include: software upgrades, expansion of video storage capacity, eight (8) new cameras, additional card readers on the Hirsch Security System for new doors, Passenger Guidance Signage System for terminals/passenger security screening, and two (2) police vehicles and equipment.

Staff recommends acceptance of conversion of \$235,360.58 remaining in FDOT Grant #416639 from hurricane damage repair to 100% security flexible funds.

Motion by Board Member Robertson, seconded by Board Member Donihi, to approve conversion of \$235,360.58 remaining in FDOT Grant #416639 from hurricane damage repair to 100% security flexible funds, to be used for the purchase of security-related items.

Motion passed.

- C. Consider approval of OSI's plan to refinance the debt associated with all outstanding series of the 1995 Sanford Airport Authority Industrial Development Revenue Bonds.

In 1995, several series of Industrial Development Revenue Bonds (IRDs) were issued by SAA to construct the new International Terminal facilities at OSIA, including the International Departure Lounge (IDL), Welcome Center, etc., with accompanying interest rates of 7.3% to 10.75%. Central Florida Terminals assumed responsibility for entire repayment of the issued bonds.

From 1996 to the present, OSI has continued to operate these facilities and makes payments under the IRD bond terms and conditions.

For the past year, OSI has been investigating alternatives available to reduce its Debt Service Costs in anticipation of the first call date for Series A, the single largest portion of the bonds. After a review of many options presented, OSI has determined that the best alternative is to use TBI plc as a lender for replacement debt of the bonds for all outstanding series (A, B, C and D), as follows:

- The entire Series A will be called using replacement debt (\$23.7 million with call premium of approximately \$.5 million);
- Series B will be paid in full from normal sinking fund payment from operations and not need replacement debt
- Series C (\$1.8 million) will be defeased using replacement debt
- Series D (\$.10 million) will be defeased using replacement debt

Total bond payoff amount is \$25.6 million; the refinancing plan includes OSI's use of \$8 million in restricted assets to pay off bonds, reducing the net replacement debt to \$17.6 million, with an estimated new annual interest cost of 6.5%.

Staff recommends approval of OSI's plan to refinance the debt associated with all outstanding series of the 1995 Sanford Airport Authority Industrial Development Revenue Bonds, including approval of the following related documents:

- Third Amendment to Operating Agreement Number 94-45
- SAA Resolution No. 2006-05, authorizing the execution and delivery of escrow deposit agreements to provide for the defeasance and redemption of the outstanding SAA Industrial Development Revenue Bonds Series 1995C and Taxable Series1995D

Motion by Board Member Miller, seconded by Board Member Donihi, to approve OSI's plan to refinance the debt associated with all outstanding series of the 1995 Sanford Airport Authority Industrial Development Revenue Bonds, including approval of the Third Amendment to Operating Agreement Number 94-45 and SAA Resolution No. 2006-05.

Motion passed.

13. OTHER BUSINESS

President Dale commented on two (2) articles published by the Central Florida Business and Success in Seminole, discussing the growth of the Airport.

14. COMMENTS FROM THE PUBLIC

On behalf of the Board and staff, Board Member Miller congratulated Annabelle DiCarlo, AVCON engineer, on the announcement of her pregnancy.

15. REMINDER OF NEXT BOARD MEETING (TUESDAY, AUGUST 1, 2006)

16. REMINDER OF JOINT BUDGET WORK-SESSION MEETING WITH CITY OF SANFORD (MONDAY, AUGUST 14, 2006)

17. ADJOURNMENT

There being no further business, the meeting was adjourned at 10.45 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](http://www.orlandosanfordairport.com)

June 9, 2006

Via email: [legals@seminoleherald.com](mailto:legals@seminoleherald.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 the Wednesday edition (June 14, 2006) of the Seminole Herald Classifieds. Please confirm receipt of this advertisement by email to [dmuniz@osaa.net](mailto:dmuniz@osaa.net).

**PUBLIC NOTICE**  
SANFORD AIRPORT AUTHORITY

**Notice is hereby given that the Sanford Airport Authority will conduct its July meeting on Tuesday, July 11, 2006, 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. Muñoz-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. Muñoz-Olson  
Lease Manager

# PUBLIC NOTICE

## **BOARD MEETING**

The regular meeting of the Sanford Airport Authority will be held on Tuesday, July 11, 2006, 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 scheduled for the month of July has been cancelled. Scheduling and information is available by contacting the Vice President of Operations at (407) 585-4006.

## **USER GROUP**

The Airport User Group meeting scheduled for the month of July has been cancelled. 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, July 5, 2006, 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.

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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