

**MINUTES OF THE
SANFORD AIRPORT AUTHORITY
ECONOMIC DEVELOPMENT ADVISORY COMMITTEE MEETING
THURSDAY OCTOBER 20, 2016**

PRESENT: William R. Miller, Chairman
U. Henry Bowlin
Jennifer T. Dane
Tom Green
Tim M. Slattery

ABSENT: None

STAFF PRESENT: Diane Crews, President & CEO
George Speake, Executive Vice President of Operations & COO
Don Poore, Chief Financial Officer
Jacqueline Lauterbach, Leasing Manager

OTHERS PRESENT: Frank S. Ioppolo, Jr.
Ed Mivanda, Zyscovich Architects
Tim Shea, AVCON
Richard Crotty, Richard Crotty Consulting Group

1. CALL TO ORDER

The meeting was called to order at 8:30 a.m. by Chairman Miller.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. COMMENTS FROM THE PUBLIC

None

4. APPROVAL OF MINUTES OF THE MEETING HELD ON AUGUST 9, 2016

Motion by Board Director Dane, seconded by Board Director Bowlin to approve the minutes of the meeting held on August 9, 2016. Vote taken, none opposed. Motion Passed.

Chairman Miller, read the following statement: The SAA reserves the right to request clarification of any information submitted by any firm, to request any

additional information from any firm, waive any informality in the Letters of Qualifications, to reject any and all Letters of Qualifications, to further negotiate any services, to re-advertise for Request for Qualifications or to elect not to proceed with the Project for any reason.

5. REVIEW REQUEST FOR QUALIFICATIONS (RFQ) FOR COMMERCIAL REAL ESTATE AND LAND DEVELOPMENT

Chairman Miller stated there were four submittals for consideration: BRPH Architectural Engineers Inc., Foundry Commercial, Realvest Equity Partners LLC d/b/a NAI Realvest, and Zyscovich Architects. The submittals were reviewed in order read.

Board Director Green inquired what basis would be used to make the evaluations, in each of the four submittals there are different needs the airport has. Board Director Green referenced management & leasing which some applicants had incorporated into their responses. He felt the focus is on development and the out parcels and suggested the committee consider in the end incorporating the other components to build an overall consultant around some of these items.

President Crews stated that was addressed in the RFQ and referenced a worksheet provided to the Committee prior to the meeting with specific components from the RFQ for consideration. President Crews stated at the mandatory pre-proposal meeting respondents were given detailed comprehensive guidelines as to what we are looking for through the process.

Board Director Green referenced the mandatory pre-proposal meeting and inquired if fee estimates were requested and sought refinement of the process. He noted some proposals focused on development and consulting, primarily a brokerage and management element. Board Director Green stated one of the firms included fees, and noted it is hard to analyze something too deep, without knowing the cost, or a deliverable that lines up to look at.

President Crews stated the applicants were asked to address a compensation plan but it was not discussed in great detail.

BRPH

Board Director Green noted strengths in the proposal as tremendous depth of experience consulting for airports, planning, economic development, private public partnerships, and involvement in the Melbourne Airport project. Board Director Green questioned if they have a sample consulting deliverable? Board Director Green also noted strong consulting firm although weakness in conception, brokerage management and requested a delivery fee schedule.

Board Director Miller questioned the Brokerage Management statement by Board Director Green and inquired of President Crews to distinguish the RFP for Management Leasing versus the RFQ for Property Development.

President Crews responded it was decided by the Board to separate the requests; the new RFP focuses on property management not development. The emphasis is on a company to identify highest and best use, and help the Airport develop a plan to attract the right kind of companies and follow through with implementation. She noted the importance for some aviation experience. The applicants should provide examples of other airports with commerce parks, or land and what they had done with those types of situations.

President Crews stated BRPH did have some examples outside of strictly aviation that support development and that is what we are looking for. President Crews stated she really liked what they did for OIA, and their vision board on page 66 of the proposal, and the strategic commercial land development program created for GOAA, which they mentioned would be something good to implement at this airport.

Board Director Bowlin requested separate discussion on each request.

Board Director Green referenced the deliverable from OIA that was mentioned and requested an example for the Airport with corresponding cost, although he felt it might be costly.

Foundry

Board Director Slattery inquired if Foundry would co-broke or co-work with CPH as their sub-engineer?

President Crews noted only one of the submittal's didn't have anyone partner with them as a subcontractor, NAI Realvest that performs everything in house. Foundry has one subcontractor; the others had a number of subs.

Board Director Slattery liked having CPH with Foundry because of their institutional knowledge with the airport and also as a local business; BPRH has ADKINS as a consultant.

Board Director Green noted the benefits of having CPH as a subcontractor. Board Director Bolin stated that was the first thing he noted in the proposal.

Board Director Green stated Foundry on a broker level, are highly thought of, and in the proposal they deliver all key components - consulting, brokerage, development, management. Foundry's proposal contained a thoughtful executive brief, consulting side, with people in place to execute, and included

numbers. Foundry also listed \$35,000 for a market assessment fee. Board Director Green requested to see an example of the assessment.

President Crews stated she needed to bring to the Committee's attention a possible issue regarding Foundry, in order to make sure they followed the required format. President Crews stated all the companies had followed the format in which all applicants were required to provide financial information in a separate sealed envelope. Foundry provided the envelope, although in their financial section stated they don't provide financial information until they are awarded the contract and at that time they would provide the financials. Instead, they provided CPH's financial documents. President Crews stated the Committee needed to discuss if they thought Foundry was responsive to the request because they did not provide financial information for themselves. Board Director Bolin concurred with President Crews.

President Crews stated she documented Foundry had moderate experience versus substantial when compared with BPRH for the qualifying experience we are seeking for our specific needs. President Crews mentioned one project listed was comparable to what the Airport is looking to do here. President Crews listed their strengths as: comprehensive approach from design, construction, and marketing to lease execution, ability to do it from beginning to end.

Board Director Green requested information on International Park airport experience. President Crews felt that example was more comparable to what this Airport is looking for. Board Director Green didn't disagree in terms of their airport experience; specifically the first group has more consulting and the second group more depth experience in airports. President Crews responded that actually shows them going thru the whole process, ending with occupancy. From there a property management firm of our choice would take over, their experience was light but they put that in as their approach and was more what we were looking for.

Board Director Bolin stated the key from his point of view is to have someone with broader experience and background that have connections. It would also be helpful if they have cash or connections. Board Director Slattery expressed concern over the affordability of that option.

President Crews highlighted the approach of Foundry as more comprehensive with a focus on the Commerce Park which we wanted them to give special attention to. President Crews noted they didn't really address all the other areas; they mention them but don't do as much as they did with the Commerce Park. She felt they only mentioned the sports complex, and just touched on the other areas without going in to much detail.

Chairman Miller reminded the Committee of the SR 46 expansion and stressed the importance of completing the plan for Commerce Park.

Board Director Slattery inquired of Chairman Miller if the purpose of the meeting today is to rank the proposals with a collective ranking recommendation to the Board. Chairman Miller responded that would be discussed at the end of today's meeting. He stated President Crews had given him a couple of thoughts to share with the Committee and to remind them they are making a recommendation to the Board and the process in which to do that. He stated they could determine the number of proposals and recommend either one, two, three, four or none and again the Board had indicated they wanted to see the presentations which is stated in the RFQ therefore presentation opportunity must be provided in the recommendations, a process we have to go thru with the full Board to schedule those interviews.

President Crews clarified the RFQ indicates that we will do the interviews/presentations, but the entire Board wanted to see presentations and it is up to the Committee to decide the process. Board Director Dane stated she was opposed to having all four applicants make presentations. She indicated her preference would be to select two presentations before the Board. Board Director Slattery stated this would also be his preference.

Board Director Green stated it would be difficult for him to choose the top two, all four have different strengths and weaknesses, he didn't feel he could make a recommendation until he knew the deliverable cost. President Crews responded additional information could be requested and possibly a ranking or the Committee might prefer to change that. She reminded the Committee although this is what the RFQ says, within reason they can make changes or ask for additional information.

Board Director Dane indicated she wasn't able to rank the proposals without the deliverable cost, and felt it was futile to proceed without that information. President Crews felt evaluation could be made with information provided, the approach is more important, not all applicants provided everything. In her opinion not everybody addressed what we wanted them to address, and the Committee may decide they don't need a cost estimate from some of these firms because they don't meet what you are looking for; it is valuable to look at them and make those determinations.

Board Director Bowlin requested asking for the cost breakdown to develop the parcels or the process.

NAI Realvest

Board Director Slattery stated he felt this was the weakest of the four proposals. Board Director Dane agreed. Board Director Dane requested to know how they would approach the zones and Commerce Park. President Crews stated she didn't understand the proposal where they are taking out new buildings, for

instance the Juvenile Center. Board Director Green stated he had done some consulting in the past with Realvest and liked their swat analysis, it takes time to go thru that process. He felt this proposal was one of the better ones, although he questioned their execution side, in terms of direction, goals, and initiatives how they'd walk through a response.

President Crews liked the swat analysis, and narrative, although the accompanying diagrams she didn't find helpful; felt they have very limited experience in what we are looking for. Board Director Green noted the biggest weakness is airport side and requested further discussion on the downside of that, our main focus airport experience, and what are we looking for not a lot of these things.

Zycovich

President Crews stated she liked the methodology in analysis development of Zycovich, it was similar to others and they gave a time frame for each portion, 8-13 months depending on if you went with the narrowest time frame to the greatest. President Crews was unsure how they arrived at that timeframe even though they did provide it with documented deliverables, no implementation offered. Great presentation, a lot of substantial experience but would like to have seen it go further to full implementation.

Board Director Dane stated she approved of the presentation. Board Director Green noted lack of pricing, presented a time frame too long for Airport need. Lacked consulting driver on deal functionality, who's doing the consulting, how will they market, who will be the broker component, that needs to be expanded more, where's the network, how will we get the information out, if there is a developer in house who helps the developers.

President Crews felt it's not that they can't do it, they just didn't include that. Chairman Miller felt that's a good observation if other elements are there the Committee likes that potentially if they are in a selected group that's a question, ask for clarification. President Crews inquired if anyone was familiar with Lambert. Board Director Green responded no although they seemed impressive. President Crew stated they were very heavy on analysis. Board Director Green stated he spoke with their clients; they have AVCON which he liked for the learning curve. President Crews noted the only one who didn't have one of our engineering consultants on their team was NAI Realvest.

Board Director Bolin liked the package, local, national and with international capabilities. Board Director Green suggested a rating criteria matrix with a percentage rate 1-5.

Board Director Dane reiterated she didn't see the need for four groups of people making presentations.

Chairman Miller stated Committee was at point where they could make a recommendation to the Board of Directors. Board Director Dane disputed that. President Crews stated if the Committee felt they needed more information, that could be requested, or conduct another meeting, with more information available or decide to eliminate certain proposals without requesting more information. President Crews inquired of the Committee taking in to account the 4 responses, did they think all 4 responded to the RFQ? Otherwise there would be no point asking for more information.

Board Director Green stated looking at all four proposals he was comfortable and felt with a little more information, he wouldn't cut anyone now. Board Director Dane responded she could remove one proposal. Board Director Bowlin stated the RFQ was a qualifier and suggested limiting it to two proposals to make a presentation to the Board where they could include some kind of cost which is needed to take board action, important to get this moving and provide a recommendation to the Board that may keep this moving forward. Board Director Dane inquired if all four applicants would be coming in to give a ten minute presentation?

Board Director Bowlin requested whoever is selected that they come to the November Board meeting. Board Director Green disagreed, stated a need for criteria or the board could give them a proposal format. President Crews responded in the past a matrix was used, clear cut with specifics, this RFQ is broad in scope and they need to refine specifics for a matrix.

Discussion ensued it was stated the deadline for the Leasing RFP is November 4th and that would have a huge bearing on the decision for this RFQ.

Chairman Ioppolo stated he would be inclined to have that financial information before the item is placed on the agenda, and felt as a Board they can't make an informed decision without the pricing and financial information.

President Crews inquired of the Committee if there is any other information requested other than the fee schedule. Board Director Green stated, the deliverables, have them choose some appropriate examples of work product and submit a copy of that. President Crews referenced Zyscovich and the way they divided time frames and deliverables. Although time frame needs to be limited, as it seemed too long, appreciated the deliverables, wanted to see examples of some of their experience.

Board Director Green agreed felt it gets us a better aid to what we are talking about, maybe it costs too much or maybe it is too much.

President Crews inquired if she should ask the applicants to provide one example they think qualifies them for this job. Board Director Dane felt that

would be a waste of time, she requested what's the deliverable and cost. Board Director Green requested deliverable, and provide cost.

Board Director Dane stated she was ready to have all information at the next meeting so a decision could be made.

President Crews inquired of the Committee what they want the end product of this process to be. Board Director Green responded create income streams on the property. Board Director Dane stated with full implementation. Board Director Green felt the firm being hired isn't going to do that necessarily, at the end of the day they are acting as consultant to the Airport to go out and create the highest and best use of the property, they plan for the parcel, then market the parcel to the local regional national, and find prospects. President Crews stated their task ends when they've done that, bring back a deliverable. Board Director Green stated if they're not going to be the developer part of the component, they could also say we'll take this parcel or specs and bring somebody in here. President Crews stated that either way we'll end up with it occupied, some of these firms are saying they will do that, that's their approach, that's what was asked for.

President Crews stated the committee could make a decision to take this RFQ, request more information, have the four firms come to the Board Meeting November 8th with matrix of all, presentations conducted and the Board could make a determination whether they want to take action or EDAC could look at it more closely and come back with a determination at the December meeting.

Board Director Green suggested waiting.

In summary Chairman Miller stated Committee is not going to make a recommendation to the Board relative to these proposals as they've been ranked. Board Director's Slattery and Dane ready to rank the proposals. Board Director Slattery didn't understand why the RFQ's were separated, give more bang for your buck if you have one firm doing both sides. Board Director Green agreed.

Board Director Bowlin stated his preference to push this item out to December, to take a little more time and make a good decision then.

Chairman Miller opened the floor to the public for any further comment since the Committee would not be taking any definitive decision to the Board.

Chairman Ioppolo thanked everyone on the Committee for going through all the information in the proposals and taking the time to do so. He felt the conversations and analysis were exceptional. Chairman Ioppolo reminded everyone that it is not a staff decision nor intended to be a staff decision; the decision will be at the Board level. The Board will want input from staff in terms of their thoughts. The process is designed to be a Board decision because it is

such an important step and beyond the day to day activity where staff is relied upon, a strategic decision a brand development and implementation. Chairman loppolo agreed with waiting to get both RFQ's along with additional information on pricing with the deliverable would allow the right decision to be made in December. Chairman loppolo recognized everyone wants to get done and move forward; although it's been slow this is a paradigm shift in our collective thinking, and in the thinking of the community. He stated he found great value in the direction it is going so far based on hearing the ideas and discussion in the Committee and discussion at Board level, great job of identifying necessary missing pieces. Need for additional information, price, have presentations on both development and property management.

President Crews suggested they wait for the other RFP, address them together, continue to vet through this committee as it was written and schedule an additional meeting after November 4th.

Discussion ensued It was deemed unnecessary for the committee to rank the proposals unless some are eliminated or short listed. Once all the information has been received proposals will be combined and gone through they will be short listed for interviews before the Board in December. The next EDAC meeting will be scheduled for November 8, 2016 immediately following the November Board meeting. The proposals for the Leasing Management RFP will be distributed to the Committee member's residences following the November 4th deadline.

6. OTHER BUSINESS

7. REMINDER TO SCHEDULE NEXT SAA ECONOMIC DEVELOPMENT ADVISORY COMMITTEE MEETING

The next SAA Economic Development Advisory Committee Meeting will be held November 8, 2016 immediately following the SAA Board Meeting.

8. ADJOURNMENT

There being no further business, the meeting adjourned at 9:45 a.m.

Respectfully submitted,



Diane H. Crews, A.A.E.
President & CEO

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