

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
JUNE 4, 2019
8:30 A.M.**

PRESENT: Tim M. Slattery, Chairman
Tom Green, Vice Chairman (appeared via phone)
Jennifer T. Dane, Secretary Treasurer
Frank S. Ioppolo, Jr. (arrived 9:03)
William R. Miller
Clyde H. Robertson, Jr.
Clayton D. Simmons
Stephen P. Smith
Brett Renton, Airport Counsel
Commissioner Brenda Carey, County Liaison
Mayor Jeff Triplett, City Liaison

ABSENT: Chick Gregg, Sr.

STAFF PRESENT: Diane Crews, President & CEO
George Speake, Executive Vice President & COO
Don Poore, Chief Financial Officer
Tom Fuehrer, SAAPD Chief
Tommy Gentry, IT
Lori Hunt, Executive Assistant
Jason Murray, Asst. Director Bldg. Maint.
Al Nygren, Property Manager
Lauren Rowe, Communications Director
Jennifer Taylor, Project Coordinator
Rachel Walker, Finance Manager

OTHERS PRESENT: Angela Adams, AWW
Chris Anderson, Supervisor of Elections
Sonya Brauer, South East Ramp
Tina Calderone, SCPS
Krysty Carr, Sanford Chamber of Commerce
Steve Cornell, Kimley-Horn
Jill Fierle, SCPS
Luke Frey, Walbridge
Jonathan Hand, Atkins
Dave Logan, AWW
Hillary Maull, AVCON
Karen McKinnen, CE Avionics
Tanisha Morris, AWW
Sarah Nemes, Southern Strategy
Jeremy Owens, CPH

**Paul Partyka, NAI Realvest
Kenny Parulan, AWW
Jordan Rodriguez, Seminole High School
Gregg Smith, MillionAir**

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

The meeting was called to order at 8:31 a.m. followed by the Pledge of Allegiance and introduction of newest Supervisor of Elections Chris Anderson. Mr. Anderson introduced himself to the Board and stated he looks forward to a lasting relationship.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON MAY 7, 2019

Motion by Board Director Smith, seconded by Board Director Dane, to approve the Minutes of the Regular Meeting held on May 7, 2019. Vote was taken, none opposed. Motion passed.

4. SCHOLARSHIP PRESENTATION

Chairman Slattery stated today we would be presenting our inaugural scholarship to Avery Williamson. Chairman Slattery invited Avery Williamson and Dr. Tina Calderone, Seminole County School Board Chairman and Jordan Rodriguez, Principal Seminole High School, to come forward for the presentation of a \$2500 check, the Sanford Airport Authority Aviation Degree Scholarship. Avery graduated from Seminole High School, Sumi Cum Laude 4.429 GPA, completed 21 college credit hours through dual enrollment, will be attending Embry Riddle and plans to major in Aerospace and Occupational Safety and minor in Air Traffic Management.

5. LIAISON REPORTS

A. Seminole County

County Chairman Carey updated the Board regarding the Add-on Discussion Agenda item, the Memorandum of Understanding with the Expressway Authority, for "e-pass" in the parking garage. Chairman Carey felt this is a great opportunity. The Expressway Authority provides this service to several airports and will be beneficial at Orlando Sanford as

people come and go, and as this Airport continues to grow. Chairman Carey also informed the Board that the Expressway Authority is working on a pilot program with the rental car companies. There will be a kiosk in the Airport where passengers renting a car can place a small deposit with a credit card to obtain an e-pass.

B. City of Sanford

Mayor Triplett updated the Board that the City of Sanford plans to honor the State Championship Seminole High School baseball team with the Board of Collegiate Summer League to recognize the team and further information will be shared with the Board. Chairman Slattery inquired if the Mayor was up to date on the Airport's progress with the FAA to obtain a City of Sanford fire station on Airport property. Mayor Triplett responded President Crews has kept him informed and he appreciated the discussions with the FAA.

6. COMMENTS FROM THE PUBLIC

None.

7. PRESIDENT'S REPORT

President Crews updated the Board regarding:

Terminal Expansion project: 43% complete, on schedule and an update was included in the agenda packet. Additional work consisting of sewer replacement is ongoing, and therefore bag carousel 3 is out of commission and access to the SAA offices is detoured. Welcome Center Renovation was awarded to Axios Construction Services and they have received their building permit.

Rehabilitation of Taxiways Bravo, Lima and Charlie: the SAA applied for a supplemental grant with the FAA and were one of three airports in Florida to receive funding, we received \$10M which will fund the first phase of the project. The FAA will pay 90% and the Airport will pay 5% with the FDOT paying the remaining 5%; we are hopeful to begin construction November 2019.

CBP/FIS Repair Replacement: we are making progress, very good meeting with CBP; AWW is working with us to implement some of the exit and entry technology facial recognition technology which will be necessary.

Master Plan: progressing.

Property Report for April was included in the Board packets.

Paul Partyka updated the Board regarding: agreements for extensions or renewals of leases for Gator Dock, TORO, American Building Supply and Enterprise Leasing, and awaiting documents being signed. Paul Partyka stated he has reached out to existing tenants Synergy Wood and Real Deal Steel regarding LOI's for build to suit. A trucking company has expressed an interest in potentially leasing six to seven acres for outdoor storage.

Paul Partyka referenced the recent OBJ Doing Business in Seminole County event, with President Crews and Chairman Carey as panelists, noting the Airport and this area received a lot of attention.

Paul Partyka stated NAI Realvest has compiled information on new housing being built in this immediate area which includes applications in review, permits being issued, construction started, and homes being built which totals 3826 homes. This excludes commercial development Kings Crossing and other additional stand-alone projects. All utilities are being supplied by the City of Sanford; if they are not in the City of Sanford the only way to get services is to be annexed into the City of Sanford.

Chairman Slattery inquired if we have the infrastructure to handle that amount of traffic. Mayor Triplett responded the City is working with Metro Plan and Seminole County regarding a new entrance and exit off the 417 which will alleviate a lot of issues at the intersection of Sanford Avenue and Lake Mary Boulevard. This area is of grave concern for all of us. What Seminole County is doing on 46A is going to alleviate a lot of the issues over there, although there is still some work to be done. We just need to keep traffic off Pine Way which is a residential line of demarcation. The City continues working with Seminole County through the JPA.

Chairman Carey informed the Board that years ago when the County and the Cities were all looking globally at utilities, and who would provide utilities, the utility agreement determined at that time Sanford would be the utility provider out here. Seminole County has constructed no utility infrastructure in this part of the County. It was always intended the City of Sanford would be the service provider, and ultimately as County properties become adjacent to a parcel in the City they will annex into the City.

Mayor Triplett noted the City has the capacity along those lines to service everything that is on the schedule.

Chairman Slattery referenced the conversation on the 417, that he was backed up along the highway and it's not even school time. Chairman Carey noted for the traveling public, everything in Seminole County is

owned by the Florida Turnpike; as soon as you hit the Orange County line it's the Central Florida Expressway Authority. This is one of the 4 sections that the County has been trying to buy for two years from the Turnpike now that we have the four-county regional authority. The County feels it would be better for the traveling public if there was one set of management rules and one set of operators, and they continue working on that with the current governor. The decisions would then be made locally at not by the Turnpike.

Paul Partyka noted the Private Business Association of Seminole County (PBAS) will be holding their July 10th meeting at the Airport to promote what's happening at the Airport.

Discussion ensued regarding commercial and aviation properties at 100% occupancy and income statement year to date. President Crews explained the L3 lease which was approved last month will be paid retroactive September 2018, although we have not received a signed copy.

President Crews updated the Board that in 2017 Amazon contacted her about building a warehouse and hangar here at the Airport. This was a wonderful opportunity, and the Airport worked very hard on this project along with Board Director Green. Amazon decided to build at the Lakeland Airport. President Crews stated she found out a couple of days ago that Amazon had been talking to Lakeland about this since 2015. She stated we will continue to take every opportunity to go forward with real prospects.

Don Poore presented an update on the Commerce Park and Aviation with regards to the budget. Don Poore updated the Board on the financials: passenger counts we set a record for the month and continue to stay above 3M for a year. However, the reason we set a record is due to the domestic passengers that are 95-96%; Allegiant is 99.75% of our domestic traffic. International traffic continues to decline, operations went down 38% and the number of passengers declined 23%. International passengers spend more money in the terminals, spend more time, fuel flowage is higher. Terminal revenues and fuel flowage rates are down and fell lower than expected. Overall, the Airport's operations and revenues are up. We have not used the management reserve although something will come forward in the next month or so where we want to allocate that. Professional and contractual continue to be a high number for us as well as marketing.

Don Poore presented an overview regarding funding the terminal expansion project. Discussion regarding L3 lease and the true up, Board Director Green requested that be highlighted next month. Discussion ensued regarding Alaris Aviation with regards to commercial non-aviation

use versus aviation use. President Crews stated next month you will see something a little clearer and will also address quantifiably where the change from commercial to aviation impacted us. She noted that we're not getting the income from the buildings needing hurricane repair and monies owed to us from L3. Discussion regarding cost of construction project, construction phase services in design.

Don Poore advised the Board we need to schedule a Budget Work Session. The Budget needs to be approved at the August 2nd Board Meeting unless the Board wants to schedule an Emergency meeting and forward the Budget to the City before August 1st. The Joint Session with the City of Sanford is scheduled for August 26th. After further discussion it was determined the Budget Work Session will be scheduled for June 24, 2019 at 8:30 a.m. The Board requested moving the July Board meeting to July 9th. President Crews suggested she and Don Poore meet with Mayor Triplett and Chairman Slattery.

Lauren Rowe updated the Board regarding: Airport website, which was created by Big Vision, is complete and we have taken over the operation of the website. Lauren credited Matthew Antonio, SAA IT department with the website transition. Matthew turned out to be a great asset; he's quick, talented, creative, and he also built the new Aviation Day site.

Lauren Rowe stated she and Tanisha Morris have been building a strategy; building loyalty in the catchment area and using our destinations. Nashville is the destination for this past month because it is Allegiant's newest service. Tanisha has created a blog for the website that coincided this month with a gate party for Nashville, and a short video clip was also created. Tanisha Morris discussed how the video clip was shared through social media and the City of Nashville; local organizations in Nashville and Allegiant all re-tweeted the clip.

George Speake presented a report on TNC's to the Board. George Speake updated the Board in the State of Florida, of all the Airports charging TNC fees, the average charge is \$2.84 we charge \$2.75. Gainesville conducted a survey of 33 airports which included Florida and other airports around the country, and the average was \$2.63.

Southern Strategy – President Crews stated Sarah Nemes is here today, Oscar Anderson could not be present. Oscar Anderson is continuing to work with FDOT working to identify streams of funding to pay for the area study which will lead to some of the improvements we want to see with the traffic on the 417. Sarah Nemes updated the Board within the next 30 days they are expecting to have more information regarding the traffic study. Board Director Ioppolo requested further discussion between the Airport, City of Sanford and Southern Strategy on how to improve our efforts next year with regards to the state budget.

President Crews referenced Police and ARFF reports. President Crews updated the Board regarding the fire station the City of Sanford has requested: the FAA is preparing a very positive response, they need further information from President Crews, as soon as she receives the report, she will forward the report to the Board.

President Crews stated she will be delaying discussion regarding the use of Don Knight Park at Lake Golden to the July Board meeting.

President Crews stated we will be presenting a recommendation to the Board next month for the executive search firm procurement that Board Director Gregg, our HR Director and she have been working on.

President Crews informed the Board the FAC Conference is coming up, and Lori Hunt will be contacting the Board Directors regarding attendance. The FAC Conference 2020 will be co-hosted by the Orlando Sanford International Airport, Orlando International, Daytona International and Kissimmee Gateway and be held at the Hyatt Regency Grand Cypress.

President Crews noted Community Involvement in the President's report.

8. COUNSEL'S REPORT

Brett Renton updated the Board regarding: 1) reminder the Board Directors should have received their financial disclosures from the Ethics Division in the mail, and to please return them quickly. 2) TURO, more information following a July 11th hearing. 3) Gator Dock and Marine environmental issue. Brett Renton referenced map displayed on the overhead screen which was approved by FDEP preliminarily subject to the final, restrictive covenant for the City of Sanford to approve. This item will come before the Board at the August meeting as a Consent Agenda item. Brett Renton discussed Risk Based Corrective Action RBCA which is a closure with conditions.

9. AIRPORTS WORLDWIDE REPORT

Dave Logan, Operations Director AWW referenced the AWW Report in the Agenda package and deferred to Kenny Parulan and Angela Adams. Kenny Parulan Parulan, Terminal Operations & Parking with AWW, introduced himself. Mr. Parulan informed the Board that Elizabeth Brown is in Nashville, and Keith Robinson is in New York, so he was asked to update the Board on parking revenue. Mr. Parulan and Ms. Adams discussed change of parking lot names, last rate increase in 2017, and a survey comparing other Florida airports to our rates. Discussion ensued regarding the hourly lot rate. Chairman Slattery requested the presentation be emailed to the Board

Directors that way they can review the information and prepare questions for the July Board meeting.

10. CHAIRMAN'S REPORT

Chairman Slattery congratulated George Speake for passing his A.A.E. certification.

11. CONSENT AGENDA

- A. Consider adoption of Sanford Aviation Noise Abatement Committee (SANAC) Operational Procedures.
- B. Consider approval of new FDOT Supplemental Joint Participation Agreement for an additional \$2 million in grant funding for the Terminal Expansion Project.

Motion by Board Director Dane, seconded by Board Director Robertson to approve Consent Agenda items A and B. Vote taken, none opposed. Motion passed.

12. DISCUSSION AGENDA

- A. **[Add-on]** Memorandum of Understanding between SAA and CFX for Implementation of E-Pass in Airports Parking Facilities.

President Crews stated Chairman Carey covered this in her report and it is on Discussion Agenda because it is an add-on item. This is the beginning of the process; we have been working with Laura Kelly and CFX to bring this about. This involves AWW to a great degree and the MOU gets us to a point where both CSX and SAA boards can approve the project, then we go into negotiations with all three parties CSX, SAA and AWW.

Board Director Robertson made a motion, seconded by Board Director Dane to approve. Vote taken. None opposed. Motion passed.

13. COMMENTS FROM THE PUBLIC

None.

14. OTHER BUSINESS

None.

15. REMINDER OF NEXT BOARD MEETING (JULY 9, 2019)

16. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:50 a.m.

Respectfully submitted,

Diane H. Crews

Diane H. Crews, President & CEO

/lh