

**MINUTES OF THE REGULAR MEETING OF THE  
SANFORD AIRPORT AUTHORITY  
SEPTEMBER 1, 2020  
8:30 A.M.**

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**PRESENT:** Tom Green, Chairman  
Jennifer T. Dane, Vice Chairman (arrived at 8:35)  
Chick Gregg, Sr., Secretary Treasurer  
Kenneth Bentley  
Frank S. Ioppolo, Jr.  
William R. Miller  
Clyde H. Robertson, Jr.  
Clayton D. Simmons  
Stephen P. Smith  
Brett Renton, Airport Counsel

**APPEARED TELEPHONICALLY** Commissioner Brenda Carey, County Liaison  
Mayor Art Woodruff, City Liaison  
Ken Wright, Airport Counsel

**STAFF PRESENT:** Diane Crews, President & CEO  
George Speake, Executive Vice President & COO  
Don Poore, Chief Financial Officer  
Tom Fuehrer, SAPD Chief  
Tommy Gentry, IT Director  
Lori Hunt, Executive Assistant

**STAFF APPEARED TELEPHONICALLY:** Kristina Gilmore, Records Manager/Asst. Lease Mgr.  
Radhika Jablonski, Finance Manager  
Katee Mathis, Staff Accountant  
Danette Maybin, Human Resources Director  
Angel Nieves, Receptionist  
Al Nygren, Property Manager  
Julie Sawyer, Executive Assistant  
Rick Shea, Operations Director  
Jason Shippell, ARFF Chief  
Jennifer Taylor, Contract Administrator  
Michelle Telfair, Leasing Manager  
Tiffany Vincent, Communications Supervisor

**OTHERS PRESENT:** Elizabeth Brown, OSI  
Krysty Carr  
Jonathan Hand, ATKINS  
Jeremiah Owens, CPH  
Paul Partyka, NAI Realvest  
Keith Robinson, OSI

**OTHERS APPEARED:** Oscar Anderson, Southern Group

**TELEPHONICALLY**

**Linda Barker  
Sonya Brauer, South East Ramp  
Steve Cornell, Kimley-Horn  
Adam Johnson  
Karen McKinnon  
Yasmin Moreno  
Hilary Maul, Avcon  
Tom Roda  
Tim Shea, Avcon  
Sandeep Singh, AVCON  
Gregg Smith, Million Air  
Craig Sucich, Avcon  
Victor White**

**1. CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND OVERVIEW OF MEETING FORMAT**

The meeting was called to order at 8:30 a.m. followed by the Pledge of Allegiance, the meeting was conducted via UberConference, and in person with social distancing measures. Chairman Green presented an Overview of the Meeting Format. He noted for the public record no public comment regarding today's meeting had been received. Roll call attendance of the Board and roll call for all motions would be conducted by Lori under this format.

Roll call of Board Directors conducted with one Director, Vice Chairman Dane, not present.

**2. ADVERTISEMENT OF MONTHLY MEETING**

Copies attached.

Chairman Green and the Board wished President Crews a Happy Birthday.

**3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON AUGUST 4, 2020**

Motion by Board Director Smith, seconded by Board Director Ioppolo to approve the Minutes of the Regular Meeting held on August 4, 2020. Roll Call Vote was taken, none opposed. Motion passed.

**4. PRESENTATION TO FORMER MAYOR OF SANFORD, JEFF TRIPLETT**

Chairman Green stated on behalf of the Board and the Airport he is presenting proclamation 2020-05 to former Mayor Jeff Triplett. Jeff Triplett was gifted a vintage wooden propeller.

Motion by Board Director Smith, seconded by Board Director Ioppolo to approve Resolution No. 2020-05 recognition of former Mayor of Sanford Jeff Triplett. Vote was taken, none opposed. Motion passed.

Jeff Triplett thanked the Board he noted in 2011 he was the Vice Chairman of the SAA Board of Directors. Tremendous things have happened, the Airport is a catalyst for not only the City of Sanford but Seminole County as a whole. He noted if ever there is anything, he can do for incoming President Tom Nolan, Chairman Green, the Board Directors please do not hesitate to contact him. This is the love of his life this is the passion that we have, and it shows the passion that we have by the Board showing up in the morning and doing this for free.

## 5. LIAISON REPORTS

### A. Seminole County

Commissioner Carey congratulated Jeff Triplett. Commissioner Carey updated the Board on conversations she had with President Crews and Chairman Green regarding the properties around the Airport. She shared some information and documents with them. The County Commission has given direction to their staff regarding the property at Lake Mary Boulevard and Red Cleveland Boulevard to obtain prices for highest and best use.

### B. City of Sanford

Mayor Woodruff noted one of the last things Jeff had started as Mayor through the Chamber of Commerce was reconfiguring what they use as the Welcome Center into a Business Resource Center. That is moving forward at the former location of the old library and old post office. In October that will be transformed into a Business Resource Center. There will be opportunity's for people to use the facility for office space, learning and the CRA will use the space.

## 6. COMMENTS FROM THE PUBLIC

Chairman Green inquired of Lori were there any comments from the public at this time. Lori responded none.

## 7. PRESIDENT'S REPORT

George Speake updated the Board regarding the night air show scheduled to take place Friday October 30<sup>th</sup> downtown over Lake Monroe. George briefed the Board on recent air shows held in New York, and Ocean City Maryland. The focus of the production company is mitigating individual responsibility as it relates to Covid 19. George highlighted measures the production company is taking regarding health safety with social distancing if they cannot wear a mask, banner on the Air Show website that talks specifically about Covid-19

do's and don'ts, tickets will not be sold day of. Cashless event once inside, touch points are lower, Air Show Gift Card sales available on site. Attendance in NY was roughly 15,000 people, 2639 cars.

Chairman Green updated the Board he had a call yesterday with President Crews, President Nolan, and George we are sixty days out, still in a Covid environment here, they just wanted to make sure what the game plan was. Discussion centered around socially distancing, how do you wear the mask, how do you keep people separated.

Chairman Green inquired of the Board, Mayor Woodruff, Commissioner Carey were there any questions or concerns. Board Director Ioppolo inquired of Mayor Woodruff was the City of Sanford still firmly behind this event? Mayor Woodruff responded the City is still behind the event, it is another two months out, things can change but they are comfortable with how the plans are going and confident we can pull this off, very excited about it. He stated it was news to him there was a Commissioner expressing concerns. Board Director Smith stated he has been at Daytona International Speedway the last couple of weeks and there were approximately 15,000-20,000 people there on Saturday night for the race and he found everybody to be prepared, they wore masks, social distancing, and hand sanitizer. People were very respectful of everyone else. He felt if they can do this at the racetrack, he did not see any reason why we could not do it here.

President Crews reiterated regarding the County and City that George and B Lilley Productions have had numerous meetings with the City and the County. We need to make sure we are all in agreement if we don't have the support of the City and the County for police and fire services, we would not be able to hold the event, they are critical components of this going forward. George has mentioned this before if it is the will of the Board, City or County if you are not 100% comfortable then we back off. George, I think your report was excellent and it gave us a much clearer picture of what to expect.

Discussion continued regarding improved Covid statistics, gross amount of ticket sales per day, advertising of advanced ticket sales only, frequency of ticket sales announcements, handouts for Board Directors to share Air Show information.

President Crews updated the Board:

- Terminal Expansion continuing 92% competition.
- Planning virtual unveiling of the PV-1 and introduction to terminal improvements. September 15<sup>th</sup> 11a.m.-1p.m. County and City Commissioners will be invited.
- Taxiway B,C,L Rehab: 90% complete will be complete in its entirety by the end of September.
- Consultants doing a great job: CPH -Terminal Expansion and Avcon – Taxiway B,C,L Rehab.
- CBP Repair and/Replacement Project: 30% plans, CBP is asking us is it our intent to move forward with the project. It is our intention to move

forward although we will need to seek additional funding mechanism for this project once we have the numbers complete. They are asking for a projected timeline Jeremy Owens is working on with President Crews. Cost estimate currently \$13M.

Don Poore presented the interim financials for the month of July. Discussion regarding PFC's.

President Crews noted Lauren Rowe was not present today.

George Speake briefed the Board on the virtual unveiling of the ticketing area PV-1 aircraft.

Paul Partyka, NAI Realvest, real estate contracted firm updated the Board regarding: Synergy Wood Products, 84 Lumber and American Builders Supply. Industrial market is one of the few strong industries, positive for sales and leasing. Land business in Central Florida is very good, office side stagnant, retail coming back on the non-tourist side, tourist side is terrible. Hotel business several projects on hold and no idea when they will restart.

Paul Partyka explained how he will be conducting a real estate evaluation pricing for the Airport. Closings are taking longer because people are being more careful. All the big national companies are restructuring, bankruptcy's, closing locations, pause on projects. Underwriting is tough now banks are not taking chances on anything.

Board Director Ioppolo stated it is great to hear about all the activity around the Sanford area, but are we doing to make sure that activity comes to the Airport? He noted a newspaper article about a venture between UCF and MCO which is a great innovative project for them, although does no good for us. Are we going to approach Stetson for example and see if we can put something together here? We have an Amazon facility in Deland and Amazon has a part 135 license to start drone delivery we have an airport and a warehouse. He wants to hear more about the specifics of how that activity is coming to this airport. What we do on our commercial properties is intrinsic and critical to the financial stability we have. While he appreciates the overview of the report, he is not hearing enough how that success either anticipated or current is coming here.

Paul Partyka referenced the Orlando Airport 15 years ago nothing was happening until they started having residential subdivisions and development south of the Airport. Similar situation what drives commercial is the ability to have services on the outside. That homes that are coming out of the ground in terms of eventual commercial industrial activity because the companies that come here want to have the ability to have homes and services for their employees. We talked to Amazon, but they picked another location. What we need is to continue the growth on the outside, continue to promote the Sanford Airport on a regular basis. That is a combination of Lauren, us, and anything else we can do. It still comes down to this, we need to have all the rest of the activity we have the capability to do everything else.

Chairman Green noted the residential is clearly coming and the commercial is following but what would be helpful since Paul has the information is valuation of land of the different sectors. This way when we go into an EDAC meeting we have a good feeling and the team has a good feeling about the land and corresponding cap rate on land leases so we can do a value when we get into discussions with companies wanting to come here. Secondly, he challenged President Nolan to collaborate with Paul, we need to figure out a more unified front to the public.

Board Director Ioppolo stated he is not a big fan of waiting and that is what he is hearing we have to wait. As one of nine he is charging President Nolan and Paul to get the word out to people leaving cities and coming to Florida why they should be coming here. Either on a residential basis, as the 3rd smallest community county out of 67 in Florida, the highest median gross need, an airport, and tremendous schools. What are we doing to get that message out, not by accident but by intention? Is there a microsite, marketing piece of material, he did not feel we are actively engaged in reaching out to those people?

Both Chairman Green and Board Director Ioppolo stated it was time to put that game plan together a while ago, which should have been done.

Oscar Anderson updated the Board regarding: Legislative Session, House Bill regarding Airport Transparency Bill and the Director of the Department Economic Opportunity resigned yesterday.

President Crews referenced Police, Fire and Property Reports and special Covid report prepared by Chief Fuehrer.

President Crews noted Board Director Robertson inquired last month about moving Board meetings to the third Tuesday of the month to get more current financial reporting. Discussion included that there are factors involving the timing of data from OSI. Chairman Green suggested President Nolan, Don, and Elizabeth work together and next month update the Board.

President Crews requested an Economic Development Meeting.

President Crews addressed the Federally Obligated Land at our entrance. She briefed each of the Directors individually on at least two occasions. President Crews presented a timeline of meetings and discussions regarding the Federally Obligated Land. Discussion ensued regarding reacquiring the property, FAA deadline of July 13<sup>th</sup> to submit a detailed corrective action plan. Discussion July 16<sup>th</sup> response from the director of the Airports District office for the FAA Bart Vernace, extension granted to September 16<sup>th</sup>.

Discussion Board's direction to President Crews to pursue option 1 or option 2. Discussion regarding Seminole County Board of County Commission meeting that was held August 25<sup>th</sup>.

Commissioner Carey updated the Board regarding the August 25<sup>th</sup> County Commission meeting.

Discussion chain of title, ownership of property, forthcoming public records request.

Discussion regarding possible need for a special called Board meeting. Discussion that an EDAC meeting being scheduled to address extension of other pending lease items.

Chairman Green updated the Board about a meeting with Red Cleveland Land Trust. Chairman Green thought 30 days was reasonable to get through the quantitative decisions and then come back to the Board to see if it is something that makes sense at the Board level or not. That there would also be discussion regarding FAA deadline request for extension and discussing Federally Obligated Land item at EDAC meeting. After further discussion it was determined the EDAC meeting would be scheduled for Tuesday September 15<sup>th</sup> at 1:30 p.m.

Board Director Ioppolo requested of counsel the topic of federal funding being pulled or notice given. And whether we still own the land because of the restriction.

Board Director Robertson suggested further discussion regarding having the EDAC Committee drop to under 5 members. The Board determined this would be discussed at EDAC.

President Crews distributed the aerials.

Chairman Green wished President Crews Happy Birthday and thanked her for her years of service. And as he said at the City Commission meeting for the last six months, she did not have it easy. We appreciate it, she has done a tremendous job and thank you.

Board Director Miller requested of Chairman Green and his fellow board members in as much as this is President Crews last official meeting to be with us, that we break protocol and serenade her with Happy Birthday.

President Crews stated, "I just can't tell you how much the personal professional relationships have meant to me and will continue to mean to me, thank you."

Chairman Green thanked President Crews again.

New President Nolan was also recognized and welcomed by the Board.

## 8. COUNSEL'S REPORT

Brett Renton wished President Crews Happy Birthday, and stated “since I’ve been at this Airport you’ve been here and quite frankly it has been a pleasure working with you and seeing how hard you work for the Airport, all the Board members and the community at large. Thank you so much for everything you have done. Brett Renton updated the Board regarding: Gator Dock and Marine we have the RBAC closing, PFASS litigation, GOAA Litigation and Trademark Dispute.

9. ORLANDO SANFORD INTERNATIONAL, INC. REPORT

Elizabeth Brown wished President Crews a Happy Birthday and welcomed incoming President Tom Nolan. Elizabeth updated the Board with a variety of data and information including August passenger counts finished 93,775 decrease of 64% from August 2019’s 260,000 passengers. Year to date passengers down 54% versus last year we were 2.3M. Allegiant is doing well compared to most airlines in the United States. Not hearing they are dropping any routes, nor massive layoffs, they will be a smaller leaner airline going forward. Load factors softened in the month of August likely due to the resurgence of the Covid-19 in this area and lack of consumer confidence. Forecast for September and October remains soft, traditionally our very low season.

President Brown went on to explain other factors that can determine airline activity like further Cares Act funding and passenger demand.

TUI Airline not flying international service, waiting on schedule for rest of this year as border remains closed with Europe, particularly the UK. We do see confirmed 2021 operations. Many TUI employees are starting to come back from furlough so we can re-establish our contacts and airline still expected to do their SFB air/sea operation next year but anticipated to be down 30% from the initial growth. One challenge that TUI might be facing is with the Dream Liner. Yesterday 8 Dream Liners owned by Air Canada, United Airlines and Singapore Airlines were recalled by Boeing due to a manufacturing problem. There is a problem in the fuselage and those aircraft have been grounded, and TUI only flies Dreamliner’s to us. We are hopeful that does not impact their Dreamliner, it really depends on where they were in the assembly line and whether Boeing thinks they need to be grounded or not. We will just keep an eye on that and keep your fingers crossed that TUI is not negatively impacted.

President Brown also explained other factors like industry aircraft recalls on Boeing 787 that could impact them.

Airline Development: proposed on a couple new airlines one coming out of South America, and another out of north America. It was also explained how there is additional air service development support services from Vinci in Paris.

Industry news: a lot of layoffs and airlines becoming smaller and leaner. Spirit is looking at laying off 30% of their workforce 9,100 employees. United Airlines 36,000 people nationwide. Delta 2,000 pilots and another 17,000 in early



retirement. Southwest 17,000 some of that is extended time off and early retirement. Approximately 100,000 layoffs in the airline industry in the US alone.

Industry Recovery Forecasts: S&P is saying 2020 will likely end 50-55% down from 2019. Domestic and leisure recovery slowing that is helpful for us to hear at Sanford because Allegiant is a domestic and leisure airline for us, but still not likely to see full recovery until 2023/24. S&P forecasts recovery to be in 2024 with 2023 reporting 15% below 2019 numbers.

Air Service Opportunities: because airlines are financially recovering, airport costs are more important. We see MCO is announcing an increase in their landing fees cost of doing business and we see this as an opportunity for us. For cheaper airports, we are hoping that will really help us going forward. We see MCO is announcing an increase in their landing fees cost of doing business and we see this as an opportunity for us as SFB is in a good lower cost position.

Board Director Ioppolo inquired of Elizabeth, so given the fact that you have airlines looking at realigning in order to save money and become more competitive what if anything do we need to do to communicate the story that we have, that we have all the resources you need what else should we be doing.

Elizabeth explained how many carriers are consolidating their regional services a lot of the nonaligned carriers that are a little bit smaller and maybe a little bit more responsive to fiscal management would probably look at us a little bit more attractively. And we need to prove to them that we have this great looking airport with modern amenities that we're going to give an excellent level of customer service to attract them. That the new facilities and excellent customer service are key resources in this attraction process.

Chairman Green also inquired about forecasting methodology. Elizabeth explained that Vinci requires reforecast four times a year and shared with SAA staff.

SAA CFO Don Poore responded he does watch their numbers and updates our projections so we maintain our projections and can see what the benchmark is. He did think we were in good shape.

Discussion regarding terminal tenants. Elizabeth updated the Board food and beverage concessionaire SSP doing okay, layoffs in all the other airports but kept our management team here and are essentially operating as only food and beverage operator currently. Hudson retail concessionaire is doing okay as our retail operator. Duty free is closed because of no international traffic. Second food and beverage concessionaire HMS Host is closing SFB Starbucks locations and have indicated their intention to exit SFB. We are actively working out an exit plan and identify an operator to step in.

Advertising concessionaire Clear Channel arrangement is under renegotiations due to the airport advertising industry including SFB is seeing significant decreases in advertisers. One example is Universal cancelling the SFB advertisement.

10. CHAIRMAN'S REPORT

Chairman Green stated he had nothing to report, everything had been discussed during the meeting.

11. CONSENT AGENDA

- A. Consider approval of Banking Resolution No. 2020-04.
- B. Consider approval of Lease No. 2020-26 with JUSTIN & CRISTINA BAIRD for Building No. 601, located at 3103 Ohio Ave. (Residential).
- C. Consider approval of Addendum D to Lease No. 2017-006 with WIN 4 AUTISM, INC. for Building No. 138 N/S, located at 2764 Navigator Ave. (Commercial Bldg.).
- D. Consider approval of addendum D to Lease No. 2015-23 with WIN 4 AUSISM, INC. for Building No. 139, located at 2776 Navigator Ave. (Commercial Bldg.).
- E. Consider approval of Addendum K to Lease No. 2009-47 with AVOCET CAPITAL, LLC for one half of Building No. 550-MOU, located at 550 Don Knight Lane, Sanford (MOU).

Board Director Robertson made a motion, seconded by Board Director Smith to approve Consent Agenda items A-E. Roll call vote taken. None opposed. Motion passed.

12. COMMENTS FROM THE PUBLIC

Chairman Green inquired of Lori were there any public comments. Lori replied none.

13. OTHER BUSINESS

President Crews informed the Board late yesterday she received email from Congresswoman Stephanie Murphy's Assistant Chief of Staff who sent an announcement regarding a grant. The announcement was only for \$5.3M for phase II of the Taxiway project, it should have been \$10.4M. She noted she was just advised by George that the FAA has announced a notification of the whole amount. This would have been an Ad-on item except she needs to find out exactly what we are getting and when. Typically, the Congresswoman's office will reach out to her and confirm and request a comment, they then do a press release. Late last night she texted Jennifer Taylor and stated this is not the right amount. President Crews stated she may have to call a Board meeting so we can get that funding it is to our benefit to move as quickly as

possible maybe we just need to wait until September 14<sup>th</sup>? This means our EDAC meeting would also have to be a Board meeting.

Board Director loppolo inquired was there a reason we could not approve this now? Brett Renton replied you have one grant that you are in fact approving, are there two grants or one grant? Board Director loppolo replied why don't we just approve the Grant that the FAA gave us notice of that they are going to publish and if we are wrong, we'll have the meeting. Brett Renton replied if you'd like to make a motion to approve it without having to see the grant assurance's that go along with it, you are free to do so. Board Director loppolo inquired is the grant assurances typical grant assurances that we get. President Crews replied they are not different then any other grant assurances we get.

Board Director loppolo made a motion, seconded by Board Director Smith to approve the FAA grant that has been advertised and published for \$10,941,888 for Rehabilitation of Taxiway Bravo, Charlie, and Lima phase II. No comments from the public. Vote taken. None opposed. Motion passed.

14. REMINDER OF NEXT BOARD MEETING ON (OCTOBER 6, 2020)

15. ADJOURNMENT

There being no further business, the regular meeting was adjourned at 10:46 a.m.

Respectfully submitted,

Tom Nolan, President & CEO  
/lh