



AGENDA
SANFORD AIRPORT AUTHORITY EMERGENCY BOARD MEETING
VIGILANTE ROOM
FRIDAY, JANUARY 15, 2021 beginning at 4:30 PM

Join the call: <https://www.uberconference.com/flysanford>
Optional dial-in number: 407-553-2512

AGENDA

1. CALL TO ORDER, CONFIRMATION OF QUORUM, PLEDGE OF ALLEGIANCE
2. VOTE ON EMERGENCY NATURE OF MEETING AND WAIVER OF NEWSPAPER ADVERTISEMENT
3. COMMENTS FROM THE PUBLIC
4. DISCUSSION AGENDA
 - A. Consideration of Increasing the Reimbursement Amount for Federally Obligated Land on Red Cleveland Blvd.
5. OTHER BUSINESS
6. REMINDER OF NEXT BOARD MEETING (FEBRUARY 2, 2021)
7. ADJOURNMENT

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) 585-4042.



**DISCUSSION AGENDA ITEM
SANFORD AIRPORT AUTHORITY
BOARD MEETING**

DATE: January 15, 2021

TO: Sanford Airport Authority Board of Directors

FROM: Tom Nolan, A.A.E.

SUBJECT: Agenda Item A: Consideration of Increasing the Reimbursement Amount for Federally Obligated Land on Red Cleveland Blvd.

BACKGROUND

In February 2020, the SAA became aware that 10.2 +/- acres of federally obligated land grant funded land adjacent to Red Cleveland Blvd had been sold to Seminole County in 2003 without authorization from the Federal Aviation Administration (FAA).

The attached SAA Board Meeting report, as prepared by the past President, describes the orchestrated plan to address the resolution of the outstanding issue with the FAA which included two specific following remedies:

- 1) Seek retroactive FAA approval of the sale to Seminole County and repay the federal funds; or
- 2) Reacquire the property from the County.

The Board discussed this matter at both the Economic Development Committee and full Board level and indicated the priority was to reach an agreement with Seminole County to allow the Authority to buy back the property, a method also preferred by the FAA. That should the Authority be relegated to paying back the FAA, that was authorized by motion in an amount not to exceed \$350,000.

Due to timing issues within the County administration and impact to their workforce by COVID, it was not until the last week in December, three weeks prior to the FAA January 16 deadline, that their disposition on the matter could be provided. A meeting with the County Executive and designated Airport Liaison concluded that the land buy back option could not be accommodated within the deadline. However, it was indicated that after the Authority reimburses the FAA, the more comprehensive aspect of land ownership, maintenance, and past construction costs associated with the terminal entry can be re-evaluated in its entirety.

Following this determination, airport staff proceeded to make final FAA repayment arrangements using the figures originally calculated at \$279,000. However, the FAA has indicated the final payment is now \$693,000, a difference of \$414,000.

STAFF RECOMMENDATION:

Staff requests the authorization to increase the payment to the FAA in an amount not to exceed \$693,000. The funds to accomplish this unbudgeted expenditure will be coming from the following sources:

| | |
|---------------------|---------------------|
| 1. Reserves Account | \$228,517.00 |
| 2. Sinking Fund | \$464,483.00 |
| Total | <u>\$693,000.00</u> |

The funds in the Reserves Account are unrestricted reserves and the Sinking Fund is unrestricted reserves derived from interest being earned on the sinking fund balance.

MOTION: Motion to ratify the reimbursement to the Federal Aviation Administration in an amount not to exceed \$693,000.

Attachments: Federally Obligated Land Slide
Federal Funding Repayment Calculation
10/6/2020 Agenda Memo



**DISCUSSION AGENDA ITEM
SANFORD AIRPORT AUTHORITY
BOARD MEETING**

DATE: October 6, 2020

TO: Sanford Airport Authority Board of Directors

FROM: Diane Crews

SUBJECT: Agenda Item B
Discussion of Federally Obligated Land in Red Cleveland Blvd Right-of-Way
Land Acquired through AIP No. 3-12-0069-17

BACKGROUND

In February 2020, the SAA became aware that 10.2 +/- acres of federally obligated land adjacent to Red Cleveland Blvd had been sold to Seminole County (the County) in 2003 without prior authorization from the Federal Aviation Administration (FAA). See attached slide. The subject land had been purchased with federal grant funding through several transactions taking place 1993-1997, for the purpose of constructing the original entrance road to the Airport. In 2003, this land was procured by Seminole County for the realignment and construction of Red Cleveland Boulevard as part of the East Lake Mary Boulevard extension project. Once the oversight was discovered, SAA Staff sought guidance from the FAA on how to correct the situation. Formal determination from the FAA was received on June 15, 2020, with 2 options and a deadline of July 13, 2020 in which to submit a detailed corrective action plan. The two options were:

- 1) Seek retroactive FAA approval of the sale to Seminole County and repay the federal funds*; or
- 2) Reacquire the property from the County.**

* Repayment calculation is projected to be \$279,000. See attached calculation.

** County's purchase price was averaged at \$26,368 per acre in the aggregate/\$268,953 - Total

Each SAA Board Director was briefed individually on the situation and all agreed that the preferred option was to pursue reacquisition of the property.

On July 1, 2020, Staff met virtually with the SAA Board Chairman Tom Green, Board of County Commissioners (BCC) Chairman Jay Zembower and County Manager Nicole Guillet to present the issue and options for resolution, as well as the SAA's preferred option. On July 9, 2020, a letter was sent to the FAA advising of the SAA's preferred option, the meeting with BCC Chairman and County Manager, and that County and Airport Counsel were working together on steps forward. A time extension was requested to facilitate the need to submit the request to each board at their respective public meetings, and the need to meet with each board director and each county commissioner prior to public meetings.

On July 16, 2020, the FAA sent a letter that granted extension to September 16, acknowledged the SAA's desired intent to reacquire the property, and requested a timeline on how the airport planned to proceed. Following additional conversation with the County Chairman and SAA Counsel, the timeline was formulated and sent to the FAA on August 11, with an anticipated date of August 25 for presentation to the BCC.

However, due to the current environment, i.e. COVID-19, election cycle and transition of airport leadership, coupled with the Airport's desire to pursue Option 2, the SAA was not able to move forward expeditiously in the manner anticipated in its corrective action plan. Following discussion of these concerns at the September 1, 2020 SAA Board Meeting, a letter was sent to the FAA on September 2, respectfully requesting an extension from September 16 to January 16, 2021 to provide the SAA with a realistic and obtainable deadline for resolution. The letter further stated that if the SAA determines that it is not able to reacquire the property in that timeframe, the SAA would proceed with Option 1.

On September 16, the SAA received a letter (copy attached) granting the requested extension to January 16, 2021 to effect its corrective action plan of reacquiring the subject property from Seminole County. It is the expectation of the FAA that the Sanford Airport Authority (SAA) will repay the federal share if the property is not reacquired by the stated deadline.

The following revised anticipated schedule of milestones (for consideration and approval of reacquisition of the subject property) was specifically requested by the FAA via a telephone conversation with the FAA ADO Airports District Office Manager Bart Vernace on September 15, and was duly submitted on September 18 (copy attached). Per Mr. Vernace's directions, the schedule includes specific meeting dates for the SAA Board and the BCC, both occurring prior to January.

| | |
|--------------------|---|
| 09/16/2020 | Letter from FAA granting extension to January 16, 2021 |
| 09/18/2020 | Letter to FAA acknowledging terms of extension and providing revised timeline |
| 09/18/2020 | Update provided to SAA Board and Counsel |
| 11/03/2020 | SAA Board Meeting to authorize reacquisition of the property from Seminole County contingent upon approval by Seminole County Commission. |
| 11/04/2020 | Submit agenda request to County Manager and County Commission |
| 11/04 – 11/30/2020 | Meetings with County Manager and Commissioners |
| 12/08/2020 | Seminole County Commission Meeting to consider and approve the repurchase of the property by the SAA |

NOTE: This matter was further discussed at the SAA Economic Development Advisory Committee on September 15, which was attended by a majority of the SAA Board Directors. Following discussion, the EDAC approved submission of the September 18 letter, including an assurance to the FAA that the SAA authorized repayment of the federal share if unable to reacquire the property from Seminole County by January 16, 2021. Motion included an authorized repayment amount not to exceed \$300,000.

STAFF RECOMMENDATION: Ratification of the EDAC's authorization to repay the federal share in an amount not to exceed \$300,000 in the event that the SAA is unable to reacquire the property from Seminole County prior to January 16, 2021.

MOTION: Motion to ratify the EDAC's authorization to repay the federal share in an amount not to exceed \$300,000 in the event that the SAA is unable to reacquire the property from Seminole County prior to January 16, 2021.

/dc

Attachments: Federally Obligated Land Slide
Federal Funding Repayment Calculation
09/15/2020 FAA Letter
09/18/2020 SAA Response Letter

RED CLEVELAND FRONT ENTRANCE RIGHT OF WAY LAND

| | LAND COST | FAA 90% |
|----------|--------------|---------------------|
| HODGES | \$250,000.00 | \$225,000.00 |
| TRAUTMAN | \$60,000.00 | \$54,000.00 |
| TOTAL | \$310,000.00 | \$279,000.00 |

FEDERALLY OBLIGATED PROPERTY

2 OPTIONS TO RESOLVE:

**OPTION 1: REQUEST
RELEASE OF PROPERTY
FROM THE FAA AND
RETURN FEDERAL
INVESTMENT - \$279,000**

**OPTION 2: RETURN THE
LAND TO AIRPORT
OWNERSHIP /REACQUIRE
FROM THE COUNTY**

**Paid \$26,368 per acre in
the aggregate/\$268,953**





U.S. Department
of Transportation
**Federal Aviation
Administration**

Orlando Airports District Office
8427 Southpark Circle
Suite 524
Orlando, FL 32819
Phone: (407) 487-7220

September 16, 2020

Ms. Diane Crews, A.A.E.
President and CEO
Sanford Airport Authority
Orlando Sanford International Airport
1200 Red Cleveland Blvd.
Sanford, FL 32773-6844

RE: Orlando-Sanford International Airport; Sanford, Florida Obligated Airport Land Adjacent to Red Cleveland Blvd. Acquired via Airport Improvement Program Grant # 3-12-0069-17

Dear Ms. Crews:

This letter replies to your September 2, 2020 letter informing the Federal Aviation Administration (FAA) that the Orlando Sanford Airport Authority (OSAA) requests additional time in order to reacquire the subject property from the County to comply with their corrective action plan.

You stated that OSAA and the County would require additional time to accomplish this action due to delays as a result of COVID-19 pandemic; a leadership change at OSAA (a new President and CEO) and the November elections.

Your extension to January 16, 2021 is granted provided that a revised schedule of milestones is provided to our office. The schedule must include hard dates for both county commission and authority board meetings.

Since OSAA does not currently comply with their grant assurances, the agency may not lend favorable consideration to future discretionary funding requests for projects at the Orlando Sanford International Airport. If OSAA cannot reacquire the property by January 16, 2021, our expectation is that OSAA pay back the federal government to comply with the corrective action plan.

If you have any questions, please feel free to contact me at 407-487-7223.

Sincerely,

Bart Vernace, P.E.
Manager



September 18, 2020

Bart Vernace, P.E., Manager
FAA Orlando Airports District Office
8427 SouthPark Circle, Suite 524
Orlando, FL 32819

**SANFORD AIRPORT
AUTHORITY**
Board of Directors

* * * * *

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Stephen P. Smith
Board Director

A.K. Shoemaker
Chairman Emeritus

Kenneth W. Wright
Counsel

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

* * * * *

Re: Obligated Airport Land Adjacent to Red Cleveland Blvd
Land Acquired through AIP No. 3-12-0069-17

Dear Mr. Vernace:

I am in receipt of your letter of September 16, 2020 granting the Sanford Airport Authority's extension to January 16, 2021 to effect its corrective action plan of reacquiring the subject property from Seminole County. Further, it is the expectation of the FAA that the Sanford Airport Authority (SAA) will repay the federal share, pursuant to your letter of June 15, 2020, if the property is not reacquired by the stated deadline. Thank you for working with the SAA to allow critical time to attain our desired option for resolution.

As requested, the SAA's revised anticipated schedule of milestones for consideration and approval of a reacquisition of the subject property is as follows:

| | |
|--------------------|---|
| 09/16/2020 | Letter from FAA granting extension to January 16, 2021 |
| 09/18/2020 | Letter to FAA acknowledging terms of extension and providing revised timeline |
| 09/18/2020 | Update provided to SAA Board and Counsel |
| 11/03/2020 | SAA Board Meeting to authorize reacquisition of the property from Seminole County contingent upon approval by Seminole County Commission. |
| 11/04/2020 | Submit agenda request to County Manager and County Commission |
| 11/04 – 11/30/2020 | Meetings with County Manager and Commissioners |
| 12/08/2020 | Seminole County Commission Meeting to consider and approve the repurchase of the property by the SAA |

As always, communication with FAA Program Manager, Armando Rovira, will be maintained throughout this process. That being said, the primary point of contact for the SAA going forward will be incoming President and CEO, Thomas Nolan A.A.E.

Be assured that the SAA is committed to resolving this compliance matter as soon as possible to the extent that the SAA Board of Directors has already authorized the repayment of the federal share if we are unable to reacquire the property from Seminole County by January 16, 2021. Thank you again for your cooperation as we work to resolve and restore this obligation.

Respectfully,

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

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