MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
APRIL 5, 2022
8:30 A.M.

PRESENT:	**Jennifer T. Dane, Chairman** **Clyde H. Robertson, Jr., Vice Chairman** **Kenneth Bentley, Secretary/Treasurer** **Benny Crosby** **Tom Green** **Chick Gregg, Sr.** (appeared telephonically) **Frank S. Ioppolo, Jr.** **William R. Miller** **Stephen P. Smith** **Kenneth Wright, Airport Counsel** **Mayor Art Woodruff, City Liaison** **Commissioner Jay Zembower, County Liaison**
ABSENT:	**Brett Renton, Airport Counsel**
STAFF PRESENT:	**Tom Nolan, President & CEO** **George Speake, Executive Vice President & COO** **Jason Watkins, EVP, Chief Financial Officer** **Tommy Gentry, IT Director** **Marc Gilotti, Captain SAAPD** **Lori Hunt, Executive Assistant** **Al Nygren, Property Manager** **Jeremy Owens, Senior Engineer** **Lauren Rowe, Communications Director** **Roberta Stanton, Procurement Agent** **Jennifer Taylor, Director of Program Administration** **Gino Martinez, Finance Manager** **Danette Maybin, Human Resources Director**
OTHERS PRESENT:	**Angela Adams, OSI** **Eric Allen, OSI** **Oscar Anderson, Southern Group** **Robert Begley, CE Avionics** **Sonja Brauer, South East Ramp** **Elizabeth Brown, OSI** **Jason Clemen, Atkins** **Christian Drouin, Constant Aviation** **Gavin Fahnestock, Atkins** **Genean McKinnon** **Ronnie McNeil, City of Sanford Fire Chief**

Paul Partyka, NAI Realvest
Todd Payne, OSI
Craig Radzak, City of Sanford Assistant City Manager
Doug Saunders, C&S Engineers, Inc.
Greg Smith, Million Air
John Spolski, Spolski Construction
Craig Sucich, Avcon
Robert Utsey, ZHA

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

   The meeting was called to order at 8:33 a.m. followed by the Pledge of Allegiance.

2. ADVERTISEMENT OF MONTHLY MEETING

   Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD ON MARCH 1, 2022

Motion by Board Director Smith, seconded by Board Director Bentley, to approve the Minutes of the Regular Meeting held on March 1, 2022. Vote was taken, none opposed. Motion passed.

4. LIAISON REPORTS

   A. Seminole County

   Commissioner Zembower updated the Board about the new County Manager search expecting an update will be provided April 12th at the BCC meeting. Interim County Manager has given notice as of June 4, 2022. That the Land Development Code updates of Seminole County are in their next to final draft. Encouraging the Airport to review the code and weigh in within the next thirty days. Public meeting held; stakeholders have been sent the document to weigh in on and Commission for adoption sometime in July. He noted if there is anything in there that the Airport or City of Sanford have questions or comments on, they'd like to have that as soon as possible. Skyway intersection not completed as anticipated it would be, mast erection should happen within the next couple of weeks.

   Board Director Green inquired were there any updates on the 417 potential connector. Commissioner Zembower updated the Board the PD&E is out it has been awarded will take some time to process. There has been a lot of

comments from the public they believe we are going to build another bridge across Lake Jessup, which is not what PD&E is looking at. Impacted property owners have been noticed. County development services people and Sanford are paying attention to anything that comes in through development services that may be in that area of consideration.

Board Director Green inquired is there anything we can do as a Board?

Commissioner Zembower didn't think so at this point. It's probably going to be nine months before they arrive at paths and alternatives and that's the time, they'd want the airport and property owners to really weigh in on.

Board Director Robertson inquired if anything can be done about the traffic lights at Lake Mary Boulevard/Sanford Avenue/SR427 because traffic is backing up half a mile on the 417 around 5 p.m. coming from Orlando towards the airport.

Commissioner Zembower updated the Board there are intersection improvements that are programmed in thru FDOT for Lake Mary and 434 areas due to be concluded in 2023. That's supposed to include smart signaling and actual intersection improvements. There has been discussion about widening Lake Jessup bridge, he didn't see that happening anytime in the near future, but that exit is on everybody's radar, it's a problem for sure.

B. City of Sanford

Mayor Woodruff updated the Board: Marina Master Plan Meeting April 13th. Heritage Park trying to get that finalized. Two big retirements last week Tom George former Public Works Director, Interim City Manager and then Deputy City Manager and Andrew Thomas, Community Relations & Neighborhood Engagement Director. Lake Mary Boulevard Study should be approved by Sanford City Commission next Monday. Looking at Comp Plan in terms of mixed-use areas and considering adjusting required percentages up in Commercial and Industrial, as residential uses are 50%.

Board Director Bentley mentioned Sanford Speaks. Mayor Woodruff updated the Board Sanford Speaks is one of the initiatives of the race equity equality and inclusion committee. They have opened it up just to hear from the Community, the first one was online last week next ones are April 26th at Crooms and May 17th at the Civic Center, 6 p.m.

5. COMMENTS FROM THE PUBLIC

None

6. CONSENT AGENDA

A. Consider approval of Ground Lease No. 2022-023 between Sanford Airport Authority and the City of Sanford for the purposes of constructing and operating a municipal fire station facility as described and depicted in the attached document.
B. Consider approval of Lease No. 2022-018 for Central Florida Bakery, Inc. building #255 W Located at 1723 Hangar Road Sanford, FL 32773.
C. Consider approval of Lease No. 2022-002 for Marcus Brocato dba Playa Aviation, building #423 located at 1900 E. Airport Blvd. Sanford FL 32773.
D. Consider approval of Lease No. 2022-019 for Hazard Services International, Inc. for 1,250 square feet (SF) of Bunker 60 and 43,560 SF of land located on the airfield of the Orlando Sanford International Airport, Sanford, FL.
E. Consider approval of Lease No. 2022-0017 for Mahoney Supply, LLC buildings #568 & 569 and 5,610 SF of land located at 3985-3986 Aviation Loop Sanford, FL 32773.

Motion by Board Director Smith, seconded by Board Director Bentley to approve Consent Agenda items A-E Vote taken, none opposed. Motion passed.

7. PRESIDENT'S REPORT

President Nolan referenced power point presentation shown on the screen with narration for the following topics:

SAA Projects: Airport Master Plan received for final review, comments from the FAA and reviewing consultants' responses.

FIS Renovation bids received and awaiting funding confirmation, a letter has been sent to OSI indicating that we need a decision on their funding position with participation, copy provided to all the Board members.

Taxiway B, C & L: George Speake noted phase 2 completed and in close out. Phase 3 85% completed, all the pavement is done working on electrical, another few weeks we'll be able to start working on a punch list and closeout.

Wildlife Assessment: 40% complete that consists of 12 months of data collection.

Terminal Expansion Project: a few minor items left primarily the emphasis on the passenger boarding bridge.

Projects Under Design:
IT redundancy: 90% design estimated completion April.

ARFF Station Generator and Install and Building 37: 30% design consultant has been working with FPL and the natural gas company to look at options.

Stormwater Management System: we had a grant from FDEP, essentially the design has been complete, backing off on a few things because we don't have the construction money, when we do have the construction money then that will move forward could be a year or two.

Cell phone lot: 20% design and will go out to bid this year and the lighting hopefully completed this year.

Roadway improvements: setting up Geotech services contracts.

Maintenance Facility: conceptual design leading to 30% design.

George referenced project status memo and a 11x17 report in the Boards packets, he and Jeremy Owens will be reaching out to each Board Director to explain the information that way they will be able to look at the report ahead of time or after. The report is the basic overview, details, where the money is coming from how much has been spent where the project stands.

SAA Maintenance Facility Replacement: Jeremy updated the Board design portion only budgeted for this fiscal year not the construction. Avcon the consultant will have more information to be presented at the May Board meeting.

SAA Maintenance: George Speake updated the Board grounds maintenance is focused on mowing. Building Maintenance, has a new crack seal machine put into service, updating some of our painted signs on the airfield. Service roads at ARFF station involving some needed painting. Facilities maintenance ongoing electrical work on the airfield every day assisting with the phase 3 project. HVAC maintenance & repair ongoing, equipment and vehicle services, ongoing.

George Speake referenced the badging office and upcoming retirement of Linda Chalkley on April 29th. March 15th badged the 40,000 person at SFB.

Southern Group: Oscar Anderson updated the Board the legislative session is over preparing to go back in April to work on the congressional maps. Nothing has been added to call for the Special session. Session finished a few days after their appointed time to vote on the budget. We requested $3M for the Airport for land development project which did not get included, the legislature has taken on this new approach where they won't put anything in the budget even as a place holder on the budget process unless you fund at least half of it in the initial budget, so the $3M number means State only considered a $1.5M in to even be in the game which kind of became a hurdle

that was too high to get over at that point. Oscar noted his conversations with the Department of Economic Opportunity about the job growth grant fund money that is out there, it's not really tied to jobs its sort of a development piece. Doesn't know if that is an opportunity but as progress with the Master Planning process there are a lot of things tied to jobs and he felt we need to have a larger internal conversation of how we can target specific funding to all of those elements.

Big issues that were followed: Airports Council the overall funding for the Airports work program was $315M funded through FDOT an effort to try to reduce Aviation Fuel taxes, we opposed because it funds the Work Program, an annual fight. TNC company bill showed up again. PFAS which has been an issue that George raised many years ago we managed that legislation finally passed directing DEP to do some rule making and BP to do what they are supposed to do essentially, and this will come back to the Legislature so must pay attention on the language and the process.

Legislature is in the middle of FDOT secretary search because Secretary Kevin Thibault is now GOAA's CEO. Three names were sent to the Governor, Marcus Lemon, Alice Bravo and Jared Perdue.

Orlando Sanford International Inc., Elizabeth Brown thanked the Board for their participation at the Board-to-Board meeting. Board Chair Emmanuel Menanteau and other Board member from France Pierre-Hugues Schmit gained a lot of insight of the priorities happening here at the Airport she felt going forward they'd like to learn more of the challenges that they are facing and see how as a partner they can support the Airport, and she thinks that remains open of course you know looking at the FIS facility.

Passengers: March 294,310 largely due to cancellations that are effecting passenger levels and ATM's, 50% above March 2020.

Performance against fiscal year of SAA: March 52% below, ATM's 2050 slightly ahead of 2020 and still below 2019. Rolling twelve months trending above 2020/2021 2019/2020 trending in the right way.

Elizabeth discussed shortages of crew, flight crew and pilots. Many Allegiant pilots have exited and retired or left and not come back to work or just don't want to deal with some of the challenges they have had with unruly passengers. Crew shortages it used to be the legacy carriers were stealing from their own regional carriers, now seeing poaching from ultra-low-cost carriers that pay less, but in the case of Allegiant are experiencing loss of pilots. Expecting more cancellations between now and the summer with recovery by the fourth quarter. Demand is there, aircraft full but not enough crews to fly the planes right now.

Ukraine Russian War is going to impact, it's not currently impacting the pent-up demand in Europe. European travel particularly is expected to be pretty strong; World 2 Fly is indicating their bookings are very strong. World 2 Fly service starts in June with operations from Madrid followed by operations from Lisbon. But if that War continues for a long time or spreads to other countries, it could impact demand and the impact it has on fuel pricing and jet fuel pricing in particular.

Covid Restrictions: as of April 1st, the Covid restrictions from Canada have now dropped if you are vaccinated you are no longer required to test or quarantine. Some airlines in Europe and some airports have dropped the mask, April 18th TSA is revisiting the mask mandate.

Air Service Development: Todd Payne noted the SFB Commercial Development team attended Airport Experience concessions conference. Planning for two upcoming Route events, Routes Europe in Bergen, Norway in May followed by Reno NV June (ACI-NA Jumpstart). Joined the US Travel Association in an effort to attend the IPW International Inbound Travel show June 4-8 in Orlando, working with Visit Orlando in their booth space and promote SFB, have meetings with the tour operators who are looking for a new gateway in to Orlando.

Social Media/Marketing: SFB was a platinum sponsor at The Villages Travel Expo consumer trade show March 4th, and Lake Mary-Heathrow Arts Festival March 5-6. Raul Veizaga new Manager of Marketing and Terminal Advertising joining April 11th replacing Tanisha Morris.

Elizabeth updated the Board team has concluded installing LED lighting in terminal A, signed purchase order to replace carpet that was not covered in the Terminal Expansion Project in the sterile corridor and gates 5-9.

Discussion regarding Visit Orlando membership. Orlando Sanford International Airport is a member, the stated focus of Visit Orlando is Orlando/ Orange County. Todd Payne stated Visit Orlando made it very clear that OSI is an important aspect of them generating tourism and investment in Central Florida and they are going to work with us actively. He reached out to them the week after arriving here, and they have a new CEO Casandra Matej who came from San Antonio they are open in working with us.

Discussion regarding having Casandra Matej and some of her staff at the Airport for a tour. Elizabeth and Todd noted she actually attended the airshow last year.

Elizabeth stated Cassandra is changing the viewpoint within Visit Orlando, we are working with them on a special project right now to help us with a

particular air service proposal. Cassandra also indicated that she wants to have her entire management team out here to have a meeting.

Board Director Ioppolo requested continued reports on updates where we are. Discussion regarding paying Visit Orlando, the County and the Airport. Commissioner Zembower said the county is part of that consortium and also EOB. Several of the Commissioners of Seminole County sent a pretty loud message to EOB because we were close to not renewing. We had meeting with them and their interaction with Seminole County has improved since that conversation.

Discussion Commissioner Constantine is the representative that sits on the EOB. There is no Airport representative, the Airport representative was removed when they reorganized the EDC into the EOP.

Jason Watkins indicated he is active in Leadership Orlando with OEP, and we are working with their executive team with tours.

Development: Executive VP Nicole Guillet is unable to be here today. Paul Partyka provided update regarding American Builders Supply and Synergy Wood Products and Publix.

Discussion regarding American Builders Supply lease negotiation and prior use of Board Work Shop where thresholds were set based on size of deals. If it was a certain size certain length of term, then you would have to come to the Board.

Chairman Dane felt the workshop May 5th with Nicole is going to be useful for us to refresh everyone's memory and set expectations for what we even want to see. There is a policy in place regarding leases, the Board acknowledgement to weigh in on some of the terms and conditions early in the process so it wasn't upending to the negotiation process.

Discussion regarding additional space for the Supervisor of Elections. Chairman Zembower explained there will be a presentation on Tuesday to include Supervisor of Elections at the new Five Points Complex. In the interim the County will work with the Supervisor to find whatever their needs are to facilitate whatever overflow they need in our existing facilities. The plan is the Board is going to make a consideration Tuesday for the Five Points to move the Supervisor of Elections. This will take 2 to 3 years and they are proposing they have their own dedicated site away from the Sheriffs office and away from the rest of the complex, so they will be off away from all the rest of the complex for all the known reasons.

President Nolan informed the Board of Constant Aviation's interest in expanding their leased property to the east.

Discussion regarding Airport's Master Stormwater Permit, one was done 2005 and runs out in 3 years, must now be updated with the currently drafted Airport Master Plan.

Board Director Ioppolo noted Constant is a great tenant and talking about spending $55M the only question is how fast we can accommodate them to spend that much.

Chairman Dane inquired of President Nolan how far have these conversations gone. President Nolan replied they are well under way within the last couple of weeks initiated the issue we are also waiting for the Midway Neighborhood as to the program of maybe diverting some stormwater to the north to free up some space on 46.

Engineer Jeremy Owens responded we started conversations with the County about a month ago, will follow up with John Dredge at the County.

Commissioner Zembower stated the County is well underway with stormwater studies and the County Commission two meetings ago approved a budget for an entire basin by basin study. This general area is well underway and offered assistance if we need it.

Commissioner Zembower noted the County is acquiring right of way now, and buying properties. The challenge they identified in their studies for the Airport is the way the drainage appears to come off the airport two different directions, one towards Lake Jessup and one towards the river and the precipice for that is just inside the airport coming in off of Lake Mary Boulevard as you come down Red Cleveland Boulevard.

Discussion about the ability of the Airport to join with the County and pump its water in to the global basin being considered.

President Nolan updated the Board Constant Aviation supports an additional month of rent abatement for the building we previously awarded five months of rent abatement because of delays and some other issues, it will be on the May 3rd Agenda.

Hwy 417 feasibility study, a lot of discussion still between all parties. There are dynamics with the developing neighborhoods, there have been several meetings to develop resolution.

Hotel Progress: Comfort Inn 110 rooms is estimated to be completed by 11/23 located on Lake Mary Boulevard and Skyway near the sports complex.

Lauren Rowe updated the Board participation in Ali's Hope Foundation Golf Tournament, Lake Mary Festival of the Arts, OBJ Business of Transportation.

Social media: YouTube and Facebook are the most widely used across all demographics.

Discussion regarding marketing budget, what has been spent. Lauren noted there is a three-month plan, at the next Board meeting there will be an update for the Board. Elizabeth noted monies earmarked for air service proposals underway. What we don't want to have happen is a commitment for marketing dollars for any new airline announcements, we're trying to balance making sure that we're getting things happening in the local market to build up SFB and the local outbound market. Also making sure that we have sufficient available for some expected hopeful air service.

OSI Contract: Jennifer Taylor referenced spreadsheet in the Boards Packet #1 use of aeronautical facilities and explained we are waiting on the executed KIPAUA airline agreement for Flair. Elizabeth noted OSI has that back. Non aeronautical SSP, the last agreement the Board signed put them at 90 days to finish and open April 1st for Zaza and Ritaza. OSI needs an extension will come at next month's meeting.

Elizabeth noted SSP continues to make the rents on that contract they continue to pay OSI and attributed the delay in part is because the City Permit wasn't approved until March. Their expectation is they will have it open no later than June, this contract is until the end of the year. We are in talks with them about a potential extension of contract with investments and that will come back to the Board. The initial investment they were going to make was $65,000 with the Zaza and once they began, it was left to their ACDBE partner and found that they should be spending more money Zaza is putting about $300,000 into that location.

Discussion on Zaza going to be upstairs downstairs or both? Elizabeth replied just upstairs. Discussion about reason they haven't been able to open the downstairs. Elizabeth stated the downstairs is not supposed to be turned into a Zaza's it's just supposed to reopen as Ritaza, and they can't get the labor to keep the place post security open much less downstairs.

Discussion regarding the downstairs former Starbucks location. Elizabeth noted the Ritazza bar snack place is to re-open; we're trying to work with them to see if there is a self-serve option, they can do so they don't have to have the labor. A tap to pay, you can go and serve yourself and pay for it automatically, they just have to re-stock it they don't actually have to have anyone there. With regards to the downstairs old Starbucks location, we

believe that if we get the Ritaza converted to a Zaza's which is what we presented at the Board-to-Board meeting downstairs, the Zaza's will be a full service restaurant bar & coffee and we're not sure that a Starbucks type would make sense there so we'd like to get that open to see what the demand is before we put something in competition.

Zaza investing $300,000 upstairs equipment, six-month lease SSP is very hopeful that they will remain here for longer period of time.

Jennifer Taylor referenced #6 elevator & escalator out of service, OSI awaiting parts with 26-week lead time, ordered that in January. Terminal A elevator, the only elevator that's in terminal A for passengers, that would take them to bag claim 6, 7, 8 and also the escalator is not working.

Discussion on potential life safety issue and Elizabeth explained operationally if there is a flight in need of an elevator, passengers are escorted to the elevator in the other terminal. The plan is once the terminal A elevator is running, will shut down service elevator and exchange parts, because of delays in the supply chain it's also effecting the escalator. Working with Schindler regarding the escalator and getting competitive bids. That particular escalator is the one that can reverse direction, hasn't been done for 20 years but were able to do so.

Discussion regarding terminal display advertising? Elizabeth updated they just hired new employee Raul Viezaga who starts Monday and will handle terminal advertising with help from a consultant to bring the advertising program up to speed. Recent new tenant is Vistar at $42,000 arrangement.

Jennifer Taylor noted the Board had asked about budget on marketing for this upcoming year, we have a budget meeting scheduled for April 12th to discuss the marketing budget for next year.

8. CHIEF FINANCIAL OFFICER REPORT

CFO Jason Watkins discussed revenue deficit is other leases and miscellaneous that is principally the force account revenue related to the Taxiway repaving project Phase 3, that is now ramping up and so that gap will close quite a bit. Overall Terminal revenues we are doing better on parking than budgeted but quite a bit worse on CFC's. Salaries & Benefits we have really tightened up our accrual accounting, we run 6-7 vacancies a month there is some pickup there and we had some delays with some of the newer posts on the management team. Office and administration 1/3 of that is an underspend on FAC that's a timing function. Professional Contract Services, running under in legal, and have not yet incurred our last financial audit invoicing. Then security, IT, contracts. Properties Marketing

Advertising $500,000 - $550,000 is direct marketing traditional advertising or what we've set aside for air service development. Repairs and maintenance tends to get backloaded over the summer, historically spend is 40%. We are showing $1M better year to date net income from operations.

Board Director Green requested an additional column be added to the presentation with an explanation.

Procurement: Draft Procurement Policy 90% will be shared with the Board within a week. FIS Bids significant range of response, apparent low bidder was lower than expected. Taxi Way B Drainage Repair, bids received 3/24. Airport Facilities Refunding Note this afternoon at 2 p.m. we will receive bids, for refinancing the terminal expansion debt on the 2018 Revenue Note. Benefits Broker Bids are due on April 12th. Roberta, Chris Metro and Michelle Telfair participated in the Seminole County Vendor Fair last Thursday good exposure for the Airport. No new solicitations are going out in April.

Rental Car CFC update: conducted consultation call with the Rental Car Leads introducing possible CFC increase. Additional discussion will be required due to difference of opinion on terms of the fee and long-term capital program. Much work yet to be done this is something that we are still working, updates as it develops. Financial Audit wrapping up, next month we expect MSL the financial audit firm will bring the annual financial audit to the Board.

FY 23 Operating Capital Budget underway had our internal first draft of the Operating Budget submitted by the Departments yesterday. We also had a very rough outline of a revenue budget that will certainly get tweaked over time. Upcoming marketing meeting will also effect the marketing obligation. The Budget workshop is on June 21st and Jason stated he will be scheduling individual meetings with the Board Directors.

HR Performance Appraisals: Danette and team have been reaching out to all our individual departments to roll out the new appraisal form and set a goal setting process, we have one or two groups left.

Management team has been stressing team building amplifying sense of community and teamwork get to know each other a little bit. Started a softball team with the City of Sanford Recreation League, we are the SFB's. Jason encouraged the Board to attend the games.

9. COUNSEL'S REPORT

Ken Wright updated the Board regarding GOAA.

10. DISCUSSION AGENDA

A. Capital Budget amendment decrementing prior funding authorization for the Digital Billboard Advertising project and reallocating funding toward Taxiway B- Drainage Repair and Taxiway L – Lighting and Signage.

Jason reminded the Board last month we introduced the concept of uncommitting or defunding the Digital Billboard Advertising Project that was approved as part of the 2021/2022 Capital Budget, $300,000. The decrement $300,000 of the digital billboard funding will fund two unforeseen airfield projects and leave a balance or an incremental amendment budgetary appropriation $86,000 which we'll then take to the City for adoption this motion if the Board adopts this motion.

Chairman Dane notified the Board the if City has a no billboard provision in their rules so we couldn't do the billboard.

George Speake explained the first project is drainage repair on taxiway Bravo It is to the N & S of the taxiway, on either side of the taxiway. We received a nice bid considering the construction environment $117,000 we're asking for an additional $13,000 for any unforeseen items and we're putting in concrete not fabric form to hold up better.

The second project is Taxiway L lighting and signage improvements as well as runway 9L threshold light improvements, they were brought to light during our inspection and Avcon has given us an estimate for design as well as an estimate for construction of the two projects and so this amount would be authorizing us to move forward with a task order with Avcon to work on that design.

Jason commented these projects will be initially funded with unrestricted funds and bid in a way to be entitlement reimbursement.

Motion by Board Director Robertson, seconded by Board Director Smith to amend the SAA FY2021-2022 capital budget amendment by revoking budget authorization for the Digital Billboard Messaging/Advertising project and transferring those funds to and authorizing the Taxiway B Drainage Repair and Taxiway L and Runway 9L Lighting and Signage improvements. An incremental 2021-2022 capital budget increase of $86,000 will be funded from the Authority unrestricted reserves. Vote taken, none opposed. Motion passed.

B. Award of 2022-005 – ITB Taxiway B – Drainage Repair to Poli Construction Inc.

George explained Discussion item B ties into A, as the actual results of the bid process for the drainage repair project. Two bids Poli Construction at

$117,000 and Triple Crown Construction $336,967. Poli was the lower of the two therefore recommending the Board accept that bid and approve the construction contract and expenditure to Poli Construction, Inc.

Discussion regarding the wide difference in the bids. This was attributed to the current atmosphere.

Motion by Board Director Ioppolo, seconded by Board Director Bentley to approve Discussion Agenda item B. Vote taken, none opposed. Motion passed.

11. CHAIRMAN'S REPORT

A. Consideration of renewal of agreement with President.

Chairman Dane updated the Board regular meeting on May 3rd workshop and land development meeting scheduled on May 5th and then the workshop for strategic planning on May 9th she is tabling May 9th workshop.

Chairman Dane stated on Chairman's Report we have the consideration of the renewal of the agreement with the President Tom Nolan. A brief memo was provided to the Board of where we are at procedurally as well attached were a couple of pertinent documents. Mr. Nolan's contract was negotiated with our legal counsel and Tom Green, part of the agreement Mr. Nolan has a two-year contract with an automatic renewal unless the Board or Mr. Nolan take action with 90 days' notice. We're in that window right now where we need to make a decision as a Board either way. She explained she doesn't like anything that just automatically renews and feels it's our duty since it's a big contract a big decision we need to have that conversation however the Board chooses. Whether the flavor is we're renewing it, or we say thank you so much for your service.

Also, included was a memo from Mindy who was hired as the consultant for coaching purposes for the President and the team here at large. And finally former Chairman Green's memorandum with regard to Mr. Nolan's evaluation and recommendation back in August of last year. Under the Sunshine Law it's difficult to have conversations and so we need to have it here today. She stated her position at this point she would thank Tom very much for the two years he's given this airport. He came in with a control and command style of leadership that he thought was appropriate. He's done what he said he was going to come in and do. At this point we're pivoting as an airport, and she felt the leadership needs to take a different direction. She expressed concern if we don't make a change that's her personal opinion at this juncture, it's time our team needs a different direction. Having spent a lot of time with Tom and staff the last six months she has gotten to see behind the curtain and her recommendation as the

Chairman at this point that we say thank you and but give him notice that we don't intend to renew the contract at this point.

Board Director Miller stated last August we had the meeting discussion where we were setting May as the point of this discussion and inquired is there a specific reason that it moved up a month?

Chairman Dane felt we're just at a point where it's time we had this conversation as a Board, and didn't think 30 days is going to make a difference either way. The important thing is all the information provided you've already received in the past and hopefully I don't think that there's anything that would change between now and thirty days from now. Just looking at where we are as an organization from a Chairman's point of view it's time to make a decision.

Board Director Green stated he has probably spent a majority of the time with Tom since he came on board, when we made the decision to bring somebody from the outside in, he stands by the decision the Board made. He thought it was the best decision at the time, and is not second guessing his perspective because it has helped the Airport forward in a significant way. If you look at the depth and the strength of our Airport today versus where we were 2 years ago, it's amazing it's tremendously better then where we were and that's across the board with some of our leaders.

It's been tough as Chairman because not everyone experiences what you are experiencing as Chairman in that role. There were a number of things that happened, and Tom has done a good job on a number of fronts. But the biggest struggle with the Airport is the culture and the dynamic of a leader that's command control style. In his experience he's dealt with lot of disruptions and disrupters who come in that manner. What happened was there was a number of things internally that put us in a position where we did a 360-review evaluation. In that 360 some things became clear there was a disconnect between the team and the leader and what we needed to do was bridge that together in a way that if we didn't do that then we were going to lose more people and some really strong leaders as well as cost of work for the Airport.

We brought a consultant in, and the consultant came on board and the whole purpose was again in a way to help not create change but help the organization help our leadership and help the President conform to his existing culture and the team that he had around him. There was a number of sessions, and his August memo references he recommended no performance incentive at the time, that we were going to bring in a consultant to help the situation were going to look at that in a way that the Board approves. The consultant came in and had a number of sessions and the most disappointing thing was after the 5th or 6th session the

consultant felt like there was more sessions needed and the President felt like he was done he didn't need any more coaching and the sessions ended. He noted just as Chairman Dane if he was voting today, he would support the same thing, not in a bad way to our current President by any means, just organizationally we've come a long way, we're in a lot different position then we were two years ago, we're less threatened by loosing our top person.

In response to Board Director Miller discussing this in April it gives the airport a little more time if you're going to hire a consultant now you've got about four months to figure out what you're going to do. Also, just because you say you're not going to renew doesn't mean you can't go back if you want to, the Board can do whatever they want and have a conversation. It simply means it's taking that burden off of the automatic renewal because if you don't do anything it's going to automatically renew. It's not personal, he personally really likes Tom it's not about anybody individual it's about the organization from an organizational perspective and thought that's where we are.

Motion by Board Director Ioppolo, seconded by Board Director Smith to direct counsel to send a Notice of Non-Renewal of the terms of the employment agreement.

Discussion:
Board Director Ioppolo stated he had three years as Chairman it's a different role and having served in that position, you get a different flavor of the organization when you can peak behind the curtain. He appreciates the extra time it takes to do the job and do it well. And if that's the recommendation he doesn't have anything in his experience that would lead him to believe otherwise and to disagree.

Board Director Bentley stated it's not that he disagrees it's just he thought we were moving in a different direction with Nicole and Jeremy coming on board, just figured we had a different team now.

Board Director Miller noted he has had the privilege of serving as Chairman of this Board a few years and the experiences that you go through as Chairman and having witnessed several President's it is an awesome responsibility. You are one of nine but when you get in that Chair position you are separate in a way. Accomplishments have taken place in this last year and a half plus have been extremely significant for the positive. And whether Tom deserves credit for each and every one of those perhaps could be questioned. He has been involved and as an Authority we are so much better for it. The concerns that some are very aware of about Tom's culture have been very concerning and the paramount point that has been made by our current Chairman. He didn't hear any reflections on the

accomplishments and or the work performance per say to have attained those accomplishments we're back to how it was actual and perceived of the presentation of the current President. He as time has gone on has become aware of some of the situations if not hopefully all of them. It has been and is very troubling and we look to participate in organizations where if you have a problem, you quickly get into it and resolve it as soon as you can and in this case thanks again to Tom Green for being there and recognizing and doing the best he can in a very tactful proper manner and he got to this point where Jennifer determined it should be brought forward. He's gotten to personally Tom Nolan and listen to him at other venues and some of his experiences but perhaps it is better that we look to the forward accomplishments.

Board Director Ioppolo called the question.

Vote taken, Board Director's Dane, Green, Gregg, Ioppolo, Smith in favor. Board Directors Bentley, Crosby, Miller, Robertson opposed. Motion passed 5-4.

Chairman Dane thanked the Board she appreciated their time and consideration today, this is a difficult thing to do, and she hoped it doesn't fracture our Board and we can move forward together to figure out what's best for this airport like we always have.

12. OTHER BUSINESS

Board Director Ioppolo suggested for the next Agenda given this decision the Board discuss what's the path forward in terms of either interviewing or interim.

13. NEXT MEETINGS REGULAR BOARD MEETING (MAY 3, 2022)
WORKSHOP LAND DEVELOPMENT (MAY 5, 2020)

14. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:50 a.m.

Respectfully submitted,

Thomas Nolan, A.A.E.
President & CEO
/lh