

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
JULY 12, 2022
8:30 A.M.**

PRESENT: Jennifer T. Dane, Chairman
Clyde H. Robertson, Jr., Vice Chairman
Benny Crosby
Tom Green
Chick Gregg, Sr.
William R. Miller
Stephen P. Smith
Brett Renton, Airport Counsel
Mayor Art Woodruff, City Liaison
Commissioner Jay Zembower, County Liaison

ABSENT: Kenneth Bentley, Secretary/Treasurer
Frank S. Ioppolo, Jr.

STAFF PRESENT: Tom Nolan, President & CEO
Nicole Guillet, EVP, Real Estate Dev. & Legal Affairs
Jason Watkins, EVP, Chief Financial Officer
Don Degraw, Director of Maintenance
Marc Gilotti, Captain SAAPD
Gerard Hilaire, IT Field Technician
Lori Hunt, Executive Assistant
Jeremy Owens, Senior Engineer
Lauren Rowe, Communications Director
Roberta Stanton, Procurement Manager
Jennifer Taylor, Director of Program Administration
Danette Maybin, H R Director

OTHERS PRESENT: Angela Adams, OSI
Bryan Allen, Mark Construction
Elizabeth Brown, OSI
Brian Clark, C&S
Alexandre Darpy, OSI
Varian Dass
Christian Drouin, Constant Aviation
Stacy Entwistle, OSI
Santiago Fernandez, ZHA
Jonathan Hand, CHA
Kiley Kanai, Mark Construction
Dave Logan, OSI
Genean McKinnon

Emmanuel Menanteau, VINCI
Paul Partyka, NAI Realvest
Todd Payne, OSI
Keith Robinson, OSI
Sandeep Singh, AVCON
Gregg Smith, Million Air
Tom Tommerlin, City of Sanford
Robert Utsey, ZHA
Raul Veizaga, OSI

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE, AND INTRODUCTION OF GUESTS
2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE SPECIAL CALLED MEETING HELD APRIL 19, 2022 AND THE REGULAR MEETING HELD ON JUNE 7, 2022 AND MINUTES OF THE SPECIAL CALLED MEETING ON JUNE 21, 2022

Motion by Board Director Smith, seconded by Board Director Gregg, to approve the Minutes of the Special Called Meeting Held April 19, 2022; Regular Meeting held on June 7, 2022; and Special Called Meeting held on June 21, 2022. Vote was taken, none opposed. Motion passed.

4. SCHOLARSHIP PRESENTATION (Varian Dass)

Jason Watkins, Executive VP & CFO presented the OSIA Scholarship award to Varian Dass a Seminole High School Graduate who is presently pursuing an aviation degree at Embry-Riddle Aeronautical University.

5. LIAISON REPORTS

A. Seminole County

Commissioner Zembower updated the Board on the status of the Midway drainage improvements and the 417-connector roadway at the Airport.

B. City of Sanford

Mayor Woodruff advised the Board that the City's finalized FY 22/23 Budget includes money to purchase a fire engine and hire twelve firefighters for the new fire station on Airport property. The Mayor advised that the City would like to move the August 8, 2022 Joint Budget Meeting to August 22, 2022. In response to the Mayor's request for a meeting

regarding art in the terminal and the Air Show it was determined that a meeting would be scheduled with OSI and Lauren Rowe.

The Board thanked Mayor Woodruff and City for the Star-Spangled 4th of July event.

6. COMMENTS FROM THE PUBLIC

None.

7. CONSENT AGENDA

- A. Consider approval of Annual Funding Agreement Between Sanford Airport Authority and Metroplan Orlando FY 2021/2022
- B. Acceptance and execution of Federal Aviation Administration Airport Improvement Program (AIP) Grant #3-12-0069-0089-2022 for Pavement Rehabilitation Keel section of runway 09L.
- C. Consider approval of Addendum A to Lease No. 2021-033 for Air Essentials, Inc. d/b/a Florida Clay Art, Co. Building #256 & land located at 1645 Hangar Road Sanford, FL 32773.
- D. Consider approval of Lease No. 2022-033 for Gulfstream Pools Design & Construction, LLC & Mid Florida Tile & Marble, LLC Building #515-9 located 2800 S. Mellonville Road Sanford, FL 32773.
- E. Consider adoption of Design-Build Procurement Procedures.
- F. **[Moved to Discussion]** President & CEO Elect Contract.

Chairman Dane noted Consent Agenda item F was being moved to the Discussion Agenda.

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

8. PRESIDENT'S REPORT

President Nolan referenced his power point presentation, incorporated here in by reference, the following topics:

- Airport Master Plan: Awaiting FAA final sign off.
- Taxiway B,C & L Rehab: Phase 3 completed an in close out.
- Wildlife Assessment: 60% complete.
- IT redundancy loop: Contract award anticipated to occur at the Board meeting.
- Cell phone lot lighting: Notice to proceed anticipated for August.
- Airfield Electrical Upgrades: Bid opening scheduled for July 29, 2022.
- ARFF Station Building #37 Generators: 75% design complete estimated to be fully complete by the end of July.

- Roadway improvements: Data collection complete; staff review and planning underway.
- SAA Maintenance Facility Replacement: Finalizing the design criteria package with the design/build selection anticipated to be presented for consideration at October's SAA Board meeting.
- Air Traffic Control Tower Selection Update: FAA is conducting tower placement analysis on the three sites presented to the Board.

Nicole Guillet, EVP Commercial Development, Real Estate and Legal Affairs updated the Board regarding the FIS project, reminding the Board that the bids for construction of facility expire the end of the week.

Ms. Guillet noted that although the bid expiration was imminent, staff had declined to place the item on the July 12, 2022 Board meeting Agenda due to concerns regarding the integrity of the existing structure. Ms. Guillet shared with the Board that in June, following a significant storm event, Jennifer Taylor and Jeremy Owens assessed the terminal for water damage and leaks. This inspection included the FIS facility. Ms. Taylor & Mr. Owens observed significant evidence of water intrusion in the FIS facility which created a concern. A week or two following the post-storm inspection, there was a scheduled fire inspection in which Ms. Taylor and a representative of OSI's maintenance department participated. During that inspection Ms. Taylor relayed to the OSI representative the concerns that she had noted when she and Mr. Owens conducted the leak check. Due to the significant investment the Board is contemplating with respect to the FIS, following the fire inspection Ms. Guillet discussed staff's concerns with Brett Renton.

Based on Mr. Renton's advice, staff engaged roofing and general construction consultants to inspect the facility before making any recommendation to the board related to an investment in that facility. That inspection took place the prior week and a written report is pending. Unfortunately, the consultants were unable to get the formal report done prior to the July 12, Board meeting. Staff will share the report as soon as it is submitted. In the debriefing following the consultant's inspection the consultant's shared concerns some which included significant water intrusion both from the roof and other interior sources. When staff asked the consultant's opinion on the wisdom of making a multimillion-dollar investment in the facility without resolving the maintenance issues, the consultants resoundingly advised against such action. Ms. Guillet indicated that staff cannot recommend that the Board move forward committing to any significant investment in this facility until the current issues are resolved. Ms. Guillet noted that the roof and other compromised components are not part of the FIS project and need to get resolved before staff could recommend moving forward with any other expenditures in that facility.

Elizabeth Brown, President of OSI, stated she appreciated that Ms. Guillet notified her of staff's concerns on July 11, 2022 before she presented the information to the Board. Ms. Brown noted that OSI was not included in the review with the consultant and that she felt that was unfortunate because there is a lot of historical context that would be important to know about that roof.

Ms. Guillet commented that the Authority's consultants were aware of the report resulting from OSI's recent assessment of the roof.

Orlando Sanford International Inc., Elizabeth Brown updated the Board as follows:

- June 2022 Passengers: 271.5k, down 9% (25.7k pax) from the prior year. June 2022 was also down by 21% (73.3k pax) from June 2019. Ms. Brown explained the numbers are down due to lack of pilots and aircraft which is why airlines are canceling flights. She further explained that YTD the rate is 34% higher than last year and 15% below 2019.
- ATM's: calendar year to date 18% below the month of June, 29% below 2019, 1% below 2021.
- Performance against fiscal year of SAA: 43% above 2021.
- ATM's for the fiscal year: 6% above 2021.
- Air Service/Commercial development: The OIS Marketing Team attended the US Travel Association's IPW Conference (International Powwow) and the ACI-NA Jump Start Route Conference. Flair has postponed its plans to use OSIA as a winter base until 2023-2024 due to a shortage of aircraft.
- Arajet Airlines, Dominican Republic, announced its intentions to fly nonstop from Santo Domingo (SDQ) to SFB.
- Zaza's Cuban Comfort Food opened at SFB on June 30. SFB Ritazza located adjacent to the Terminal B baggage claim, is set to be reconditioned in advance of an expected reopening by early August.
- OSI is negotiating advertising contract with Elev8 Entertainment in the Seminole Town Center. The Golf Channel filmed a commercial in the terminal for a new service called Golf Pass. OSI executed a media buy with Spectrum Cable specifically directed at the highest targeted counties for passengers booking through OSIA. OSI is expecting a media buy with Peacock for World Cup in December 2022. A consultant was hired to help with advertising program and completed a preliminary report last week to address advertising.
- Social Media/Marketing: Raul Veizaga and Lauren Rowe have been working together and are seeing an increase in social media, with more posts, targeted posts, and targeted advertising resulting in a significant increase of people watching the Airports social media channels.

- World2Fly's service from Madrid launched last Friday. Ms. Brown noted the airline has reduced its schedule from 10 monthly flights to 3 operations. This first operation from Madrid to Central Florida has the capacity for 388 passengers on the charter flight.

Paul Partyka, NAI Realvest, updated the Board on Development: Mr. Partyka noted 100% occupancy on non-aviation property with two new tenant leases. He also noted that discussions regarding American Builders Supply's new facility on Beardall are expected to begin soon.

Mr. Partyka provided an update regarding the Publix center at SR 46 and E Lake Mary Blvd, estimating 18 months to competition and noting that on the east side of the Publix center a 5-story apartment building is expected to be constructed. Discussion occurred regarding aviation easements, 3% lease increases, triple net leases, appraisals, and the potential for construction of warehouses on Airport property.

OSI Contract: Jennifer Taylor reviewed the OSI Contracts Score Card distributed in the Board's packets and incorporated herein by reference. Elizabeth Brown indicated that Ritazza is slated to open in August. At last month's meeting Board Director Miller asked to receive a report on the status of the escalator and elevator parts and Ms. Taylor noted that the report in the Board's packet reflects information on elevators. A meeting is scheduled July 18 to go over the asphalt paving of the ramp. Gate 6 has been repaired.

Discussion Air Show dates: October 29-30; an update regarding VIP event and attendees will be provided at August Board meeting.

9. CHIEF FINANCIAL OFFICER REPORT

CFO Jason Watkins presented the June financial report.

- Finance/Admin Update: City of Sanford Budget Presentation – August 8th; Staff is reviewing airfield costs (landing fees vs direct costs); staff is working on transferring banking to Truist (this will come before the Board in August); establishment of a Brokerage Account will come to the Board in August; the Procurement Policy is being finalized for a September Board adoption; Car Rental meeting @ SFB July 19th.

HR update: 10 vacancies, 4 new hires in process.

Solicitations: Network Cabling on the July 12th Discussion Agenda; Cell Phone Lot Light quotes came in better than budget; Finance Software Platform RFI no responses staff is researching options.

New Solicitations: Airfield Electrical Upgrades; Maintenance Building Design Build RFQ and RFP.

10. COUNSEL'S REPORT

Brett Renton updated the Board regarding: Procurement Policy, PFAS, and GOAA.

11. CHAIRMAN'S REPORT

Chairman Dane reminded the Board that the FAC Conference is July 31st-August 3rd, and asked that the Board members RSVP to Lori Hunt for the dinners on Sunday and Tuesday. Board Chairman Dane encouraged the Board members to participate in FAC events.

12. DISCUSSION AGENDA

F. **[Moved from Consent]** President & CEO Elect Contract.

Chairman Dane indicated that the contract for the President & CEO elect was distributed to the Board. The proposed contract reflects negotiations with the Chairman, Ms. Guillet, and Counsel. Additionally, a transition period has been established as follows: Ms. Guillet's contract begins August 1, Tom Nolan's contract ends August 18, 2022. Between August 1, 2022, when Ms. Guillet assumes the role of President/CEO & Mr. Nolan's last day, August 18, 2022, Mr. Nolan will serve as a resource for Ms. Guillet.

Brett Renton informed the Board there were two typographical errors in the contract that was sent to the Board: Section 5 will be corrected to read "not to be determined and sole discretion of the Authority", and on page 6 a duplicate "in" will be deleted.

Motion by Board Director Smith, seconded by Board Director Gregg, to approve the President & CEO contract as revised. Vote taken, none opposed. Motion passed.

A. Approval of the Authority's FY23 Operating and Capital budgets including The Employee and Wage Schedule.

Jason Watkins, EVP & CFO explained that the FY23 Budget was presented at the Board Workshop on June 21, 2022, and he noted a change of an additional \$100,000 added to the Capital Expenditures related to the Customer Facility Charge for the benefit of the rental car companies. Those funds are earmarked for the Welcome Center improvements.

In reaction to the Board's discussion regarding the \$100,000 addition, Mr. Watkins explained that because Customer Facility Charges are collected in

connection with rental cars, there is an expectation that some of those funds are used for capital improvements associated with the rental car facilities.

Chairman Dane requested the Board receive a review on fees collected. The Board discussed the need for a long-term capital planning & strategy session including an overview of funding options and capital needs.

The Board discussed post Covid staffing needs & the importance of ensuring employee pay reflects the market & the current competitive environment. Commissioner Zembower explained the County is competing against other cities and counties and the private sector.

Mr. Watkins clarified that staff is not considering headcount reductions.

Motion by Board Director Smith, seconded by Board Director Robertson, to approve FY23 Operating and Capital budgets including the Employee and Wage Schedule. Vote taken, none opposed. Motion passed.

B. Award of Fiber and Conduit Installation Bid #2022-008-ITB to Network Cabling Services.

President Nolan advised the Board that this came in significantly below budget and there were early signs that the material supply wasn't going to inhibit things.

Discussion occurred regarding the disparity in the bids. Jeremy Owens, Senior Engineer, explained the disparity is not uncommon and noted that the City of Sanford Fire Station bid reflected a 40% disparity. Discussion occurred regarding the \$289,000 project cost and Mr. Owens stated he feels comfortable with the contingency built in the bid.

Motion by Board Director Smith, seconded by Board Director Miller, to approve award of the Fiber and Conduit Installation Bid #2022-008-B to Network Cabling Services. Vote taken, none opposed. Motion passed.

C. Lobbying Services

Chairman Dane noted this is her item and shared her concern that we have missed out on numerous state and federal funding opportunities. She felt the Authority would be more successful with an effective federal lobbyist.

Nicole Guillet, President & CEO elect reminded the Board that the Authority has a state lobbyist but does not have a federal lobbyist, noting that much of the Authority's funding comes from the federal government. She expressed her belief that the Authority is really disadvantaged by not having an advocate with the federal agencies. She & the Chairman felt it

was important to have a discussion with the Board to receive the feedback and decide if the Board was in favor of pursuing a federal lobbyist.

Ms. Guillet discussed different options to obtain federal lobbyist: standard procurement; piggyback on another public agency's contract; or short-term engagement. Ms. Guillet offered to brief each Board member individually about the different options prior to Board action.

Mayor Woodruff explained that the City had federal representation, but didn't use them. He reminded the Board that the City's state lobbyist representation is shared with the Airport. He noted that the City has had great success working to get "bad proposed bills" off the table.

Commissioner Zembower stated the County is well served by its federal lobbyist, and receives a weekly list of available monies that may fit projects that they have in the hopper. The County lobbyist also has grant writers on staff. Commissioner Zembower encouraged leveraging City, County, and Airport resources by working together or piggybacking off each other because there are things that the County & City do that impact the Airport and vice versa.

D. Real Estate Development Workshop Update

Robert Utsey and Santi Fernandez, ZHA, presented a detailed strategy based on Board input from the May 5, 2022 Real Estate Development Workshop. The presentation is incorporated herein by reference.

Robert Utsey stated that purpose of the presentation was to get direction and feedback from the Board to set a path forward on the vision for the Airport and establish the goals and priorities to be used moving forward with a development plan.

Using the Zyscovich plan, ZHA was able to establish five district development areas. Each site will be analyzed in terms of its assets. Intramodality is a key factor when corporate site selectors are looking to relocate. Using County GIS, ZHA also compiled site utility information.

ZHA also identified transportation networks, rail, and future access from the 417. Mr. Utsey discussed the items ZHA considered & will continue to analyze for each of the potential development sites.

Mr. Utsey also discussed the SWOT Analysis from the Workshop the Board participated in May 5, 2022. Board feedback is requested over the next few weeks to further refine the results to develop priorities and as an overall vision statement. ZHA is going to do a SWOT Analysis for each of

the five development study areas to determine where to deploy resources to get the quickest activation and revenue.

Discussion of investment partnership structures ensued including the FAA's Airport Investment Partnership Program.

ZHA will come back in 60-90 days with SWOT analysis for each of the five development areas, and a recommendation for moving forward.

13. OTHER BUSINESS

14. NEXT MEETING REGULAR MEETING (AUGUST 9, 2022) JOINT MEETING WITH THE CITY OF SANFORD TBA

15. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:40 a.m.

Respectfully submitted,



Nicole Guillet, Esq., AICP
President & CEO
/lh