

**MINUTES
SANFORD AIRPORT AUTHORITY JOINT MEETING
WITH CITY OF SANFORD
MONDAY, AUGUST 8, 2022
4:00 P.M.**

SAA BOARD

PRESENT: Clyde H. Robertson, Jr., Vice Chairman
Kenneth Bentley, Secretary/Treasurer
Bennie Crosby
Chick Gregg, Sr.
Frank S. Ioppolo, Jr. (arrived at 4:08 p.m.)
William R. Miller
Stephen P. Smith

ABSENT: Jennifer T. Dane, Chairman
Tom Green

**CITY OF SANFORD
COMMISSION**

PRESENT: Mayor Art Woodruff
Comm. Patrick Austin
Comm. Sheena Britton
Comm. Kerry Wiggins

**SAA STAFF
PRESENT:**

Nicole Guillet, President & CEO
George Speake, Executive Vice President & COO
Gino Martinez, Finance Manager
Lori Hunt, Executive Assistant

**CITY OF SANFORD
STAFF PRESENT:**

Norton Bonaparte, City Manager
William Colbert, City Attorney
Traci Houchin, City Clerk
Cathy Lotempio, Deputy City Clerk
Craig Radzak, Asst. City Manager
Chris Smith, Planning & Zoning Project Manager

1. CALL TO ORDER OF JOINT MEETING

The joint meeting was called to order at 4:02 p.m. by Mayor Woodruff, at which time he turned the meeting over to Sanford Airport Authority Vice Chairman, Clyde Robertson, Jr.

2. CALL TO ORDER OF SAA BOARD MEETING

The SAA Board meeting was called to order at 4:02 p.m. by Vice Chairman Robertson.

3. ADVERTISEMENT OF JOINT MEETING WITH CITY OF SANFORD

Lori Hunt confirmed the meeting was properly advertised. (Copies attached)

4. AGENDA ITEMS

A. Consider Approval of Sanford Airport Authority Board Comprehensive Annual Budget Fiscal Year 2022-2023 (October 1, 2022- September 30, 2023).

Vice Chairman Robertson introduced new SAA President & CEO Nicole Guillet. President Guillet gave a brief introduction on her background. She reviewed the recent success of the Orlando Sanford International Airport:

- Addition of new Canadian Airlines Swoop and Flair.
- FY 220passengers +43% fiscal year to date vs. FY 2021.
- Allegiant adding two new destinations Akron, Ohio and Provo, Utah.
- Aerojet the flagship airline for the Dominican Republic discussing non-stop flights from Santo Domingo to SFB in 2023.
- World2Fly first direct fly-in from Madrid Spain to Central Florida.
- SAA formalized real estate program; real estate revenues cover 50% of the operating budget.
- Board began strategic planning process for real estate program in May.
- Re-financed terminal debt \$26M at favorable interest rate paydown of \$12.5M using ARPA grant.
- \$72M terminal expansion in 2020 which added significant capacity at the gates, modernized ticketing hall, added additional baggage claim and improved loading and unloading area.
- ZaZa Cuban Comfort Food opened in the terminal earlier this summer.
- Ritazza Café re-opened last week we are seeing a lot of new interest in the Airport.
- Launched a new procurement program.
- Air Show last year 25,000 spectators, this year the Air Show scheduled for October 29-30.
- Introduced HR Performance Management.
- Phase II closeout of Taxiway B,C,L Rehabilitation.
- Successful FY 21 Financial/Single/PFC Audit.

Ms. Guillet noted the economic impact of the Airport to the community:

- Hundreds of thousands of dollars in annual property taxes; the most significant portion going to the City of Sanford.
- Over 21,000 jobs attribute to Airport activities.
- Close to \$500M in airport impacts annually.
- Almost \$900M general impact related to tourism.
- Over \$206B in overall economic impact to the region.

Ms. Guillet introduced Gino Martinez, Finance Manager.

Mr. Martinez provided a power point presentation of the Fiscal Year 2022-2023 Budget.

- Enplanements projected at 88% of fiscal year 2019 levels (pre-Covid).
- FY 23 operating budget includes a 6% increase in operating revenue vs. a 1% operating expense vs. FY 22 adopted budget.
- Unrestricted Cash/Equivalents greatly improved due to federal support \$26.6M (July 2022) vs. \$13.5M (Sept 2019).
- Personnel budget prioritized providing highest % salary increases to employees at lower compensation levels to help combat effects of inflation.
- ~ 10% increases to required FRS employer contributions and group health premiums.
- Passenger Facility Charges projected to be \$5.2M on an estimated 1.34M enplanements, provides very healthy debt service coverage (1.77x).
- Operating Funds no longer required to service Terminal Expansion Debt (retired w ARPA).
- Property and Liability insurance held nearly flat year-over-year.
- \$5.6M in capital expenditures (\$3.6M SAA funds) to include:
 - Airport Maintenance Complex advances unique 50%-50% FDOT funding opportunity to improve facilities and enhance staff efficiency with improved layout/accessibility (current under RFP) - \$3M.
 - Commercial real estate infrastructure development to stimulate addition non-aviation revenue - \$1.6M.

The total operating budget is \$13.5M with the total operating expenses \$15.1M. There is a 5.5% increase in salaries a 9.4% decrease in office and administrative expenses, a 30% decrease in marketing, advertising and community relations, 6% decrease in maintenance (due to a newer fleet), a 15% decrease in professional and contract services; and \$2M available in the COVID-19 Federal Relief Utilization Fund.

George Speake, SAA EVP and COO, announced the airport will be hosting Aerospace and Aviation Day on January 28, 2023 and the 2022 Air and Space Show on October 29 and 30, 2022.

Commissioner Britton referenced discussion regarding the budget and Capital Improvements and requested further description of the Commerce Park development. Ms. Guillet said the project is for development related improvements.

Mayor Woodruff asked for the Commission to receive a copy of the second page from the consultant on the project.

Mayor Woodruff asked Mr. Speake to describe the updates to the Information Technology and phone system. Mr. Speake said this project would finish the loop around the airport allowing all tenants access to the internet and phone system and supplementing the Seminole County Special Ops facility.

Commissioner Austin asked if the SAA is working on resolving the waiting list for hangars. Ms. Guillet said this is being addressed, explaining that there had been some non-aviation use in the hangars and those uses have been moved

out. She added that there are funds in the budget to refurbish the hangars. Commissioner Austin asked if the SAA would be building new hangars. Ms. Guillet said there are no plans to build new ones, however, there has been significant interest from private developers to build new hangars.

5. OTHER BUSINESS

None

6. ADJOURNMENT OF SAA METING

There being no further business Vice Chairman Robertson made a motion, seconded by Board Director Ioppolo to adjourn the SAA Meeting. Vote taken, none opposed. Motion passed unanimously.

7. ADJOURNMENT OF JOINT MEETING

The joint meeting with the SAA and the City of Sanford Commission was adjourned at 4:33 p.m. by Mayor Woodruff.

Respectfully submitted,



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