

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
MARCH 1, 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.
Frank S. Ioppolo, Jr.
William R. Miller
Stephen P. Smith
Brett Renton, Airport Counsel
Mayor Art Woodruff, City Liaison
Kenneth Wright, Airport Counsel
Commissioner Jay Zembower, County Liaison

STAFF PRESENT: Tom Nolan, President & CEO
George Speake, Executive Vice President & COO
Jason Watkins, EVP, Chief Financial Officer
Nicole Guillet, EVP Real Estate Dev. & Legal Affairs
Tommy Gentry, IT Director
Marc Gilotti, Captain SAAPD
Lori Hunt, Executive Assistant
Jeremy Owens, Senior Engineer
Jessica Porter, HR Generalist
Lauren Rowe, Communications Director
Roberta Stanton, Procurement Agent
Jennifer Taylor, Director of Program Administration

STAFF APPEARED TELEPHONICALLY: Don Degraw, Director of Maintenance
Tom Fuehrer, SAAPD Chief
Kristina Gilmore, Records Manager
Gino Martinez, Finance Manager
Danette Maybin, Human Resources Director
Angel Nieves, Receptionist
Jessica Porter, HR Generalist
Tina Scott, SAPD Support Coordinator
Michelle Telfair, Leasing Manager
Tiffany Vincent, Control Center Supervisor

OTHERS PRESENT: Angela Adams, OSI

Eric Allen, OSI
Elizabeth Brown, OSI
Christian Drouin, Constant Aviation
Erik R. Matheney, Shutts & Bowen
Genean McKinnon
Paul Partyka, NAI Realvest
Todd Payne, OSI
Keith Robinson, OSI
Doug Saunders, C&S Engineers, Inc.
Greg Smith, Million Air
Tom Tommerlin, City of Sanford Economic Dev. Director
Robert Utsey, ZHA
Veritext Court Reporter

**OTHERS APPEARED
TELEPHONICALLY:**

Sonja Brauer, South East Ramp
Gavin Fahnestock, Atkins

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

The meeting was called to order at 8:31 a.m. followed by the Pledge of Allegiance.

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE WORKSHOP MEETING HELD ON
JANUARY 25, 2022, AND REGULAR MEETING HELD ON FEBRUARY 1,
2022

Motion by Board Director Green, seconded by Board Director Bentley, to approve the Minutes of the Workshop Meeting held on January 25, 2022, and the Regular Meeting held on February 1, 2022. Vote was taken, none opposed. Motion passed.

4. LIAISON REPORTS

A. Seminole County

Commissioner Zembower updated the Board regarding: Lighted Skyway in Lake Mary will be completed in thirty days. Celery/415 light is now a year out. PD&E for the road to the Airport from the 417. Currently the 417-widening project with Seminole Parkway is underway from 434 to Lake Mary Boulevard with intersection improvements, program to be completed by Spring 2023.

Also, PD&E study ongoing which will be completed by first quarter 2024 for the 417 widening of the entire Seminole Parkway. Lake Mary Blvd. to 415, Volusia County to the Airport from 46 intersection of 415 west past the school the enhancements of roadway and landscaping programed by the BCC. Covid testing still remains open in the County at five sites.

B. City of Sanford

Mayor Woodruff updated the Board new Fire Chief Ronnie McNeil appointed he replaced Craig Radzak who is the new Deputy City Manager. Planning Department fully staffed. Police Department continues to struggle staying fully staffed the City has approved a recruitment bonus where incoming officers over three years can get \$4,500 additionally. The City Commission agreed to allow the Mayor to send a letter in support of the proposed 417 interchange.

5. COMMENTS FROM THE PUBLIC

None

6. CONSENT AGENDA

- A. Approval Interlocal Agreement with City of Sanford, Seminole County and Sanford Airport Authority; City/County Compliance with Chapter 333, Florida Statutes.
- B. Consider and authorize the disposal of condenser and air handler unites that are excess.
- C. Consider approval of Lease 2021-057 for Aircraft Service International Group dba Menzies Aviation, Inc. building #317 located at 1690 Hangar Road Sanford, FL 32773.
- D. Receipt of the Atkins Orlando Sanford International Airport, ATCT Relocation Study.

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

7. PRESIDENT'S REPORT

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

SAA Projects: update regarding ARFF generator replacement and consideration to alternative fuels, Control Room Expansion. Board requested a Projects Schedule report.

SAA Maintenance Facility Replacement: emphasizing need for maintenance facility to remain in Commerce Park as SAA facility maintenance building needs to be in close proximity to the mass of tenant buildings.

SAA Maintenance: Table Top Exercise conducted, irrigation repairs, mowing, working on airfield, sign and air conditioning replacement.

New FAA ATCT Project: eluding to the full report in the Board package provided an overview of the 3 proposed locations prepared by the consultant have been submitted to the FAA. Site 1 near the existing tower, site 2 east side of the Airport near the ARFF station, and site 3 located to the north near Constant Aviation and Highway 46. Discussion site 3 least desirable for the Airport it is on commercial corridor and one of our best tenants who is interested in expanding, executive staff concours. Atkins, who prepared the Master Plan, took in to account in the evaluation of site 1 that the tower placement there in that area would not impede future terminal expansion.

Orlando Sanford International Inc., Elizabeth Brown introduced new team member Eric Allen, Health Safety and Environment Manager and referenced power point slides that provided an array of statistics. Described how all airlines are struggling with shortage of aircraft, pilots and crews. Allegiant is looking to purchase new Airbus aircraft but not completed until 2028. Allegiant generating growing load factors could come up.

ATM's traffic movements down -17% compared to 2019, lack of planes, crews and schedules are the same schedules as 2019. Tracking absence of the International services we used to have from TUI. Flair and Swoop Airlines are continuing to support the market, although significant challenges in Canada, expecting relaxation of COVID protocols effective March 1st bookings showing growth. ATMs fiscal year tracking the SAA fiscal year -14% compared to last best fiscal year.

Discussion lack of crews, industry was predicting shortage of 20,000 within the next ten years, prior to Covid. Covid happened and a lot of airlines did furloughs, early retirement programs and a lot of pilots got out of the system entirely. Expensive to become a pilot you need 2500 hours to become a commercial airline pilot and it costs at least \$100,000 to be trained just to get up to a point to be able to fly before you can actually get to the number of hours you need to be a commercial pilot. Airlines offering incentives, air carriers stealing pilots.

Discussion joint venture between Allegiant Airlines and Viva Mexico, expect August/September for that approval. Obstacle Mexican carriers lost their security status and went to Cat 2, and they need to be able to go to CAT 1 in order for them to be able to add new routes to the system.

Air Service Development ongoing Routes America's Conference attended in San Antonio team conducted 15 airline meetings. Great interest among the airlines to talk about SFB.

Discussion airline incentives, County dollars, opportunities advantage OSI does their own ground handling and usually cuts those rates as much as they can in order to be able to have a more attractive offer.

Announced New Air Service: Allegiant to serve Las Vegas, twice a week flights that will start June 27th and will operate Friday's and Monday's.

Social Media/Marketing: Todd Payne reported platinum sponsorship with the Villages Travel Expo. Sponsorship of the Lake Mary Heathrow Art's Festival, posting weekly messaging on social media especially on Facebook. Recently posted on the Canadian markets our job fairs and the Emergency Preparedness table top exercise. New marketing plan with Vector Media which is the public transit marketing by Spectrum Comcast Telemundo Clear Channel Outdoor. Considering a national public radio buy, CBS local and a number of different streaming opportunities. Looking at trying to create a month by month of focused outreach based upon the demand levels in the market.

Annual Passenger survey was completed highlights: 88% replied domestically 12% internationally, 94% of the customers rated the FIS which is the Customs facility excellent or good and that's really important to us as we pitch international carriers. Overall experience at SFB 96% as excellent or good, 80% preferred SFB to MCO if the flight cost and the schedule were the same, 40% said they use their own vehicle to go to or from SFB and 30% rode with friends or family. Large increase in first time users up 17%, passengers remain most interested in purchasing coffee at 53% deli at 41% pizza at 32% and snacks at 32%.

Tenant Leases: Paul Partyka updated the Board new leases Central Florida Bakery to be approved at the April Board meeting. Mahoney Supply lease renewed with options. American Builders Supply working to get agreement on leases.

Paul emphasized the importance in the future is Warehouse/Industrial. Strong demand for housing and industrial facilities. Publix at the shopping center King's Crossing continues to move forward.

Nicole Guillet explained she and Chairman Dane have discussed conducting a work session with the Board on development strategies issues opportunities and challenges, looking at May to schedule.

OSI Contract: Jennifer Taylor referenced spreadsheet in the Board packet airline agreements, concessions SSP is working still getting the permit for Zaza and badging. Maintenance plan finalized, has been sent to Board to review. George Speake stated we will start having quarterly meetings just to review the plan and to make sure there is nothing we have to add change.

Jennifer Taylor noted project terminal A upstairs redoing the lights with LED and replacing all the ceiling tiles, to start after March. Monthly maintenance report starting next month to be distributed to Board. Service elevator in terminal A parts are obsolete working on trying to figure out how to get that up and running also, the escalator needs replacing they are getting quotes.

Discussion regarding obsolete elevator parts, replacing the terminal A passenger elevator and the Boards that are in that one can be used for the service elevator, parts delayed 26 weeks out.

Marketing: President Nolan noted he remains closely involved with OSI on air service; the local marketing and other initiatives are developing more. Waiting for an OSI individual to come on board to fill the gap.

Lauren Rowe updated the Board, Social media we are taking one platform at a time, trying to be very strategic and we're spending some money, especially on Facebook.

Discussion regarding in-terminal advertising, Clear Channel is gone, that is under the responsibility of the person OIS is hiring who will take on the entire terminal advertising, candidate expected to be on board end of March. Discussion regarding return of Universal advertising. Digital boards recently updated, need for 6 more, cost for each is \$50,000, there needs to be some investment for the advertising program, but that investment has to come with a ROI.

Strategic Priorities Report

President Nolan referenced report in Board package that represents the executive team's strategic priorities over the time period starting in this January thru next fall. The executive summary of the report revolves around the Board adopted Mission Statement by the Airport. How the document identifies many influencing factors like FAA & FDOT Grand Funding limitation.

Discussion how document will be used to prioritize projects. Document identifies what work flow is focused on. Nature of the organization, we have to list what's in front of us and do our best to meet those obligations.

Key Strategic Priorities describes budgeting aspects and projection of timing.

Discussion how is staff anticipating communicating those changes to the fiscal strategy as it comes in to the Board.

Chairman Dane inquired how priorities are going to be communicated, industry is extremely dynamic things change all the time? As the Board member with the fiscal responsibility, she wanted to understand how President Nolan is going to communicate to her and the Board Members what his priorities are, how he's projecting where the budget is, and she doesn't necessarily need an extremely detailed report every month.

President Nolan explained the monthly financial report identifies the adopted budget by the Sanford Airport Authority we fully intend to function within the confines of that budget.

Discussion Strategic Plan as presented is a pre-budget tool that talks about the priorities some of the constraint's limitations, SWAT Analysis would be next and would talk about the things we need to have done.

Discussion detailed look and plan for the development program, SWAT Analysis. From a development standpoint focus more and be able to prioritize more the commerce park, spend the limited dollars we have, where do we want to focus those, the timeline.

Nicole Guillet referenced the Key Strategic Priorities Report for the County that was used as a template by Executive Staff, and felt there needs to be more Board feedback on prioritizing.

Board Director Ioppolo stated to him this was supposed to be a useable planning document it is not a useable planning document it is 24 pages of a wish list with not a lot of detail and quite frankly there's not enough here it's great that it can be used for the next step. He agreed the staff needs more feedback and I think the Board should give more feedback. The Strategic Plan needs to be tied to financial information the capital plan and prioritized.

Commissioner Zembower updated the Board at the County level an actual Board retreat is held and when it comes to KSP's it's more than finance. He experienced at the County level was the Board has a lane to be in and management has a lane to be in, the Board directs management sets priorities sets budgets, sets policy. The retreat gives the opportunity to vet out the process really understand what your fellow Board members are thinking, where they are coming from what's important to the Airport what really needs to be focused short term and long term and then that's a working document that evolves every year going forward.

The Board was in full agreement to arrange for and hold a work shop conducted by a professional moderator.

President Nolan updated the Board regarding Joint Board meeting with OSI Inc. to be held Thursday March 24th at 9:30 a.m. at the Westin, Lake Mary. City of Sanford Fire Station lease is with the FAA awaiting final approval. The FAC Florida Airports Council Annual Meeting is in Orlando this year July 31-August 3rd, Lake Buena Vista Hyatt Regency Grand Cypress. Discussion regarding lobbyist The Southern Group the Board requested an update at the April Board meeting.

8. CHIEF FINANCIAL OFFICER REPORT

CFO Jason Watkins discussed Commerce Park and aviation revenues. Other Leases and Miscellaneous forced account revenue, which is FAA reimbursements on capital projects, phase three for the taxiway rehab project.

Professional Contract Services audit legal and contract services. Task orders are on the horizon related to different air field projects. We have been working with our financial advisor, Shutts and bond counsel regarding the terminal expansion credit facility that was used as a funding vehicle. That debt was issued at taxable debt, when debt is taxable it requires a higher rate of interest because a bond holder would expect to get a higher rate of interest. They have determined that they will express a tax-exempt AMP opinion.

Jason updated the Board the budget process is starting this month and have a preliminary timeline. Employee Performance Appraisals begin new program in September.

CFC's have to be raised by resolution working with attorney Brett and must conduct a rental car consultation. Scheduled for March 18th.

March Procurements: FIS and the benefit broker this is medical employee benefits, bank loan refinancing we are soliciting both taxable and tax-exempt bids targeting ten-year fixed structure, we are relying on respondents to pursue alternative structures. The cone of silence is commencing with the posting of this RFP on our website. We are notifying you today and the RFP will go on the website March 7th.

Federal BIL Act program is a discretionary competitive grant program, we've got to submit our application by March 28th.

Discussion regarding contacting Congresswoman Stephanie Murphy's office. Discussion soliciting scope of work, the bids won't include the project management portion.

Discussion discretionary funding versus entitlements.

Jason noted FIS project we've already procured \$6.35M from FDOT and spent \$1.5M on design. The Delta would be funded presumably by our partners.

9. COUNSEL'S REPORT

Brett Renton updated the Board regarding Shade Session and GOAA.

10. CHAIRMAN'S REPORT

Chairman Dane referenced Joint Meeting SAA/OSI Inc. on Thursday March 24th at 9:30 a.m. The Westin Lake Mary. Land Work Session May 5th at 8:30 a.m. – 11:30 a.m. Vigilante Room. August Board meeting moved to August 9th due to FAC Conference. Budget Work Session June 21st at 8:30 a.m. Moderator Work Shop May 9th at 8:30 a.m. Vigilante Room.

11. DISCUSSION AGENDA

- A. Resolution 2022-02 Expressing support for the Central Florida Expressway Authority's pursuit of a direct connection from SR 417 to the Orlando Sanford International Airport.

Motion by Board Director Robertson, seconded by Board Director Miller to Approve Resolution 2022-02 Expressing support for the Central Florida Expressway Authority's pursuit of a direct connection from SR 417 to the Orlando Sanford International Airport.

Board Director Green offered a friendly amendment to add "and the Central Florida Region". Friendly amendment accepted. Vote taken, none opposed. Motion passed.

12. OTHER BUSINESS

13. NEXT MEETING JOINT MEETING SAA AND VINCI (MARCH 24, 2022) AND REGULAR MEETING (APRIL 5, 2022)

14. ADJOURN FOR EXECUTIVE SESSION – SAA vs AQUEOUS FILM-FORMING FOAMS PRODUCTS LIABILITY LITIGATION

Regular meeting adjourned at 11:03 a.m.

15. RECONVENE SAA REGULAR BOARD MEETING

Regular meeting reconvened at 11:49 a.m.

16. ADJOURNMENT

There being no further business, the meeting was adjourned at 11:50 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'TN' or 'T.N.', written in a stylized, cursive-like font.

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