

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
JANUARY 9, 2024
8:30 A.M.**

- PRESENT:** Jennifer T. Dane, Chairman
Clyde H. Robertson, Jr., Vice Chairman
Kenneth Bentley, Secretary/Treasurer
Chick Gregg, Sr.
Frank Ioppolo Jr.
William R. Miller
Richard Sweat (appeared via Teams)
Stephen P. Smith
Brett Renton, Airport General Counsel
Mayor Art Woodruff, City Liaison
- ABSENT:** Benny Crosby
Comm. Jay Zembower, County Liaison
- STAFF PRESENT:** Nicole Martz, President & CEO
George Speake, EVP & COO
Shani Beach, Properties & Exec. Initiatives Admin.
Chris Breese, Procurement Analyst
Steve Fussell, VP Strategic Initiatives
Tommy Gentry, Director IT
Marc Gilotti, SAAPD Interim Chief
Lori Hunt, Executive Assistant
Gino Martinez, Finance Manager (appeared via Teams)
Danette Maybin, Human Resources Director
Bryon Morgan, SMS Director
Jeremy Owens, VP Engineering and Maintenance
Lauren Rowe, Communications Director
Rick Shea, Operations Director
Tim Shea, AVCON
Roberta Stanton, Procurement Manager
Jennifer Taylor, Director of Program Administration
Tiffany Vincent, Communications Manager
- OTHERS PRESENT:** Karen Block, CPH
Sonya Brauer, SER
Jonathan Hand, CHA
Gareth Hanley, RS&H
Jeremy Morton, CPH
Brady Lessard, City of Sanford
Genean McKinnon, McKinnon Assoc.

**Paul Partyka, NAI Realvest
Natalie Shaber, CPH
Greg Smith, Million Air
Robert Utsey, ZHA**

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

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR BOARD MEETING HELD ON
DECEMBER 5, 2023

Motion by Board Director Smith, seconded by Board Director Ioppolo, to approve the Minutes of the Regular Board Meeting held on December 5, 2023. Vote was taken, none opposed. Motion passed unanimously.

4. LIAISON REPORTS

A. City of Sanford

Mayor Woodruff reported: (1) New Public Works & Utilities Director, Brynt Johnson has joined the City. (2) New Human Resources/Risk Management Director, Sharon Kraynik starts January 22, 2024. (3) Mayfair Golf Course Clubhouse update. (4) The City received a default letter from the Heritage Park developers. (5) Former New Tribes Mission developer wants to use the building for something that is not a hotel and the City wants it redeveloped as a hotel. (6) MLK celebrations kick off January 12-15 concluding with the parade and festival at the Civic Center.

Board Director Robertson encouraged anyone who has photos or memorabilia regarding the old Mayfair Golf Course to contact him or the Mayor, the intent is to feature items in the new Clubhouse.

B. Seminole County

Commissioner Zembower was not in attendance. President Martz presented his report: (1) Lake Jesup Basin Study: Data acquisition and model development are complete. The model development Task Memo has been submitted to the County and reviewed. The development of project concepts commenced late December and is expected to be completed in April 2024. The Airport is interested in this project as it might be a wildlife attractant and the team will continue to monitor what the scope and project is. (2) 417 connector roadway to Orlando Sanford International Airport: CFX is in the process of

selecting a consultant for the PD&E Study. Jean Jreij, Public Works Director/County Engineer is on the selection committee and participated in a consultant "short list" meeting on Thursday January 4, 2024.

5. COMMENTS FROM THE PUBLIC

None

6. CONSENT AGENDA

- A. Consider approval for Lease 2023-054 for Allegiant Air LLC, Building #147 located at 1722 Hangar Road, Sanford, FL 32773.
- B. Consider approval of Addendum A to Lease No. 2022-017 for Mahoney Supply LLC, Building #568 and Land #569 located at 3985 Aviation Loop, Sanford, FL 32773.
- C. Consider approval of two Agreements with Florida Power and Light (FPL) for the removal of existing light poles and installation of new upgraded light poles with fixtures along Red Cleveland Blvd.

President Martz requested pulling Consent Agenda item C she explained this is an agreement with FPL to replace the street lights at the entrance on Red Cleveland Blvd. The street lights are not in the best shape, they have come to end of their useful life and FPL can't service them. Jeremy Owens has worked with FPL to draft a new agreement to replace those lights. The reason she is pulling this from Consent is to get feedback from the Board on the style of lights. The light fixtures included in the agreement are more modern then the existing light style. The cost for the existing style (Holophane Granville) is \$600 a year more than those contemplated in the proposed agreement. Her recommendation to the Board is to pay the additional \$600 and keep the current style.

Board Director Smith said he thought we bought out that FPL contract years ago.

Jeremy Owens explained when we did the initial installation, the SAA paid for the installation the poles and had a maintenance contract with FPL for that. We've been working on this for a year trying to get a plan together and we finally got all of the pricing and everything back. Their original agreement does have a buyout clause, but FPL is waiving the buyout requirement even though we still have two years left on the agreement. FPL will also pay for demolition of the poles, lights, and fixtures.

Chairman Dane inquired if the Board had a strong opinion about spending \$600 more to have an aesthetically pleasing light. The Board's preference was to go with the Holophane-Granville style light for an additional \$600.

Motion by Board Director Smith, seconded by Board Director Gregg, to approve Consent Agenda items A-B. Vote was taken, none opposed. Motion passed unanimously.

Motion by Board Director Smith, seconded by Board Director Ioppolo, to approve Consent Agenda item C as follows: (1) Approve the two Agreements with Florida Power and Light for the removal of existing light poles and installation of new upgraded light poles along Red Cleveland Blvd. with the Holophane-Granville style light fixtures; (2) Authorize the SAA President to execute the necessary documents. Vote was taken, none opposed. Motion passed unanimously.

7. PRESIDENT'S REPORT

President Martz referenced her powerpoint presentation, incorporated herein, and requested George Speake, EVP & COO to present updates on the following topics:

- Stormwater Master Plan Update: Modeling Continues. Draft Master Plan- Revised March `24, Update Meeting Scheduled for 1/12;
- SAA Maintenance Facility Replacement: Site work wrapping up. Awaiting power to finish interior. Anticipating Feb/March move in;
- ARFF Station and Building #37 Generators: Received new comments on 1/8. Contractor responding this week. Jan/Feb Completion (est.);
- Terminal Ramp Improvements: Bidding Q2/Q3 `24;
- Runway 9L Rehabilitation: 30% Plans Reviewed on 12/28. 60% Scheduled for February;
- Taxiway A Rehabilitation: 60% Plans Reviewed on 1/4. 90% Scheduled for February.; and
- Remote Parking Lot: Kickoff Held on 12/28. 60% Plans Scheduled for February.

OSI Contract

President Martz updated the Board, noting that transition activities continue, and that the SAA team is making quite a bit of progress. She stated that SAA is still facing some challenges in getting information & cooperation from OSI on some of the transition items. Staff continues to push forward and she feels very good about the status.

Board Director Ioppolo inquired if anyone was present from OSI, or if anyone was representing OSI? Seeing none he expressed concerns that OSI continues to ignore its legal obligations to transition and act quite frankly "rude" and his father would call it in "bad faith" for not facilitating. They have legal obligations to do it and they aren't acting very professional. He inquired if he was correct in that assessment.

President Martz replied, "it has been a challenge."

Board Director Ioppolo noted they have an obligation to meet with us and to provide information and they have not done so, is that correct?

President Martz replied the only communication that is occurring right now is between the attorney's.

Board Director loppolo noted so they're not providing us the information.

President Martz replied they are not coordinating with staff on the transition or providing information.

Board Director loppolo noted so they aren't living up to legal requirements and they are acting unprofessionally.

President Martz replied that is accurate.

Board Director loppolo thought it's important for the public to know, that these people are the group that we are separating from and why it's important to do that.

President Martz explained that in her opinion it is very disappointing and other airports should just pay attention.

Development

Paul Partyka, NAI Realvest updated the Board regarding: (1) Synergy Wood is still looking to relocate elsewhere on Airport property; (2) he and Robert Utsey, ZHA, have multiple meetings planned with developers; (3) he and President Martz are working on a "developer pricing program", explaining that there is the wholesale price, which is something that should be done for people that are going to be developing for the Airport vs. the retail price, which is what we currently have; and (4) American Builders Supply/KODIAK is starting its process of due diligence for building its new facility.

Board Director loppolo requested an update on Constant Aviation.

President Martz informed the Board that Constant Aviation is no longer looking to do any type of expansion at SFB. Staff has started showing the piece to the east of Constant that we thought to be their expansion site. There is a bit of an uptick in interest in aeronautical development. Almost weekly staff is receiving inquiries from potential master developers and "direct builds." The Airport is signed up to attend MRO America's in April, Jeremy Owens and Robert Utsey will be attending.

Board Director Smith requested an update on L3 with their transition to the new company.

President Martz reported that we she has had conversations with them. She has been told that the flight academy is going to stay in place, there shouldn't be any immediate changes with the new owners. She wasn't sure if they were changing

the name. One of the challenges with L3 is the dormitory building, and staff is looking for some funding to upgrade the dormitory. The other option that has been discussed is a buy-out of the dormitory lease. L3 has some meaningful funds available to buy out the remainder of the lease if funding for redevelopment is not available.

Chairman Dane request someone speak with Bobby Luthra about his sign at the entrance to our airport, it needs a refresh or to be taken down.

Orlando Sanford International, Inc.

President Martz noted this is typically the point where the Board would get a report from OSI. For the record no one was present from OSI. They are not required to present to the Board although they are required to provide a report on activity.

Chairman Dane requested an update on the recent Air Alaska Boeing plane that had a door fall off.

George Speake informed the Board it's the Max9 which is not the same plane that had issues as in the past. The reason it's called a plug door is they make various versions of the Max9. It can be different configuration different lengths, depending on how the seating is set up that would be an emergency exit. In that particular configuration it's not an emergency exit so they plug the opening with a panel and close the door. Apparently, the bolts weren't screwed in properly.

Board Director Robertson noted that ABC News reported last night that United Airlines found some loose bolts on some of their aircraft.

George Speake said he also heard that Boeing is doing a stand down and having a meeting with all of their employees that worked on that aircraft.

Board Director Smith noted so it's not a flaw in design, it's more like a flaw in maintenance.

George Speake clarified it's a flaw in construction.

Interim Chief Financial Officer Report

Interim CFO Gino Martinez reported:

- December 2023 Dashboard
- Cash & Investment Balances
- Procurement Dashboard: New Solicitations (1) Economic Development Planning & Consultation Services; (2) Common Ramp Rehab and Taxiway L @ Rw9C; (3) Cell Phone Lot & RCB Improvements; (4) Terminal Advertising

- Finance and Administration Updates: FY2024 Capital Budget Amendment – Approved by the City Commission Dec. 11th.

Chairman Dane inquired when the Airport is going back out to bid for the Lobbyist.

President Martz replied as soon as we get to the end of the legislative session in March.

Chairman Dane inquired when the Airport is going out to bid on insurance.

President Martz replied that's not on the schedule and we can re-visit that. She then inquired of Gino Martinez if he had something scheduled for insurance.

Roberta Stanton, Procurement Manager replied it actually is on the schedule later this year and should go out in the May timeframe so we are set and ready for it to begin in fiscal year '25.

Board Director Robertson inquired if that is health insurance.

Roberta Stanton, Procurement Manager replied it's liability insurance.

Miscellaneous – Communications

Lauren Rowe, Communications Director updated the Board regarding: (1) Holiday activities in the terminal with Buzz the SFB, Bee Keeper, Grinch, Santa Claus and live music in the terminal. (2) Blue Angels Winter Visit prior to the airshow; (3) Visit Orlando year end luncheon video SFB was the presenting sponsor.

George Speake updated the Board food explaining that the Airport's beverage concessionaire, SSP, will start renovations of the Sanford Tap and then we expect other projects to start shortly thereafter. Passengers will still have the opportunity to purchase food.

President Martz explained that Sanford Tap is in the west terminal (the bar). Everything will shut down on that side of the terminal except for ZaZa's and there will be a temporary bar. ZaZa will have an expanded menu.

Jennifer Taylor explained they are putting together a small menu to be able to serve out of Zaza or the bar, they will prepare the food downstairs at Ritazza and take it upstairs.

George Speake updated the Board regarding 2023 passengers, we missed 3M by 58,544 so 2.9M for the year. Barring whatever 2024 could bring we should eclipse 3M next year. A majority of those were domestic passengers at 2.8M, International 128,000 and transient were almost 2,000. We're still 12% below 2019, but we were 5% above 2022.

Board Director Ioppolo inquired of George what's his feeling for International carriers in 2024, he knows we're missing one of the Canadian airlines but are we attempting to add some others.

George Speake reported Flair has added 4 new destinations, the first one starts January 22nd and they have a very full schedule compared to what was in 2023. That's going to help us.

President Martz noted Flair has summer service also.

George Speake explained right now they have flights scheduled all the way thru October.

Discussion ensued regarding TUI which moved to Melbourne, noting that Melbourne hasn't been able to complete some of the things it was to complete. Is there a possibility of getting them back?

President Martz explained TUI is locked into a contract in Melbourne so we'll keep it on the radar as anything can happen. We have some other irons in the fire, there is an international carrier coming in to visit us in a couple of weeks, and a domestic carrier a week or two after that.

Chairman Dane inquired which Flair flights are pre-cleared Customs.

George Speake noted the newer ones destinations are not and one of the existing is not. Two flights are pre-cleared and the rest are not out of a total of 7 estimated.

8. COUNSEL'S REPORT

Brett Renton updated the Board regarding: (1) GOAA litigation; (2) OSI transition, noting that each of the Board Directors have been briefed, and that there will be numerous contracts will be on February Consent Agenda; (3) Burrell update and (4) PFAS update.

9. CHAIRMAN'S REPORT

Chairman Dane applauded staff and leadership at the Airport on all the work they have done over the transition. The amount of work and energy they have put into this has been intense, and she's really proud of them and she is very thankful this is the team we have helping us through the transition.

Chairman Dane requested the Board pick a date for the Strategic Planning Workshop to be held in May. After further discussion the Board determined the Strategic Planning Workshop will be held May 21, 2024 at 8:30 a.m.

10. DISCUSSION AGENDA

A. Approval and authorization to amend the 2023-2024 Fiscal Year Operating & Capital Budgets.

President Martz explained this item is the budget amendment due to the transition. She thanked the Board for taking the time to sit down with staff and go through the details. In summary this budget amendment is doing three things: (1) revise the current revenues from \$15,081,652 to \$26,716,154; (2) revise the operating expenses from \$16,149,290 to \$24,831,248; and (3) add \$500,000 in capital dollars for equipment or other purchases related to the transition.

The other thing included in the Agenda is a list of new positions. I am asking that the Board consider approving the budget amendment and also approve the listing of the positions including Exhibit I. She noted there may be some adjustments to the position list, as we move through the transition recruitment, but she requested the Board approve the list today so that SAA will formally have those positions within the budget.

Board Director Miller addressed the Board and reflected on the beginning of this situation and the challenges staff faced preparing the organizational switch over and now, we are seeing the partial fruit of staffs efforts. To the Chairmans' point in acknowledging staff's work, this is an accomplishment that is unbelievable and he felt the need to thank staff for the effort put forth. The unknowns they had to work due to the lack of cooperation hindered them in performing this set of tasks. He stated he is in light of his business experience in seeing what they have accomplished.

Chairman Dane noted that Gino Martinez has been a huge asset and he is great to have but it is her understanding that he does not want the position of CFO.

President Martz noted that the recruitment is active. It doesn't mean that Gino can't change his mind.

Chairman Dane explained she has been on the Board for three CFO's and this is a big budget and the biggest change financially we've even seen and she just wanted to make sure that we are actively looking for someone who wants to take this on and really pay attention.

President Martz replied we are.

Motion by Board Director Miller, seconded by Board Director Smith, to approve (1) an amendment to the Fiscal Year 2023-2024 increasing the Operating Revenues, Operating Expense, and Capital Budgets by \$11,634,502 (77%), \$8,681,958 (54%), and \$500,000 (1%), respectively; and (2) the new and revised positions as reflected in Exhibit 1. Vote was taken, none opposed. Motion passed unanimously.

B. Consider ratification for the purchase of ground support equipment from Flying Pig GSE.

President Martz explained this is a request to ratify and approve the emergency purchase of ground support equipment from Flying Pig GSE. At the December Board meeting a budget amendment was approved authorizing \$2M to buy capital equipment related to the transition. This equipment is crucial to SAA to be able to continue to provide a high level of service to the airlines from a ground handling standpoint. As discussed with the Board Directors and because staff believes this to be an emergency situation, and she has found a “potential for immediate danger to the public health safety and welfare as well as the potential of some significant losses to the Authority” if it does not move forward with these purchases. Staff has secured quite a bit of ground handling equipment; George has done a great job in finding some really favorable pricing and we feel like we’re in a safer position now. There will be a few other things that we’ll need to purchase. She is asking the Board today to approve and ratify those purchases.

Motion by Board Director Smith, seconded by Board Director Bentley, to (1) approve and ratify the emergency purchase of ground support equipment from Flying Pig GSE; and (2) Authorize the President/CEO or designee to execute the appropriate documentation used to facilitate and closeout the purchase. Vote was taken, none opposed. Motion passed unanimously.

C. Consider ratification for the purchase of parking shuttle operation vehicles from Master’s Transportation.

President Martz explained item C is a similar request to the prior to approve and ratify an emergency purchase, this time for parking shuttle vehicles from Master’s Transportation. Same circumstance, these shuttles are critical equipment for the operation of the Airport and she feels that failure to be able to move forward with these purchases would have created harm to the public health safety and welfare as well as represent a significant loss to the Authority. Based on that finding, the emergency purchase was made of the parking shuttles. The request as with the previous item is to approve and ratify the emergency purchase order.

Chairman Dane inquired if this will be added into the damages section of the lawsuit.

Brett Renton explained we engaged OSI on the parking shuttles they have told us that they will not provide the shuttles despite the language in the contract that says that they have to. Our intention is that we will include this in the damages claim against OSI, we believe these are the property of the Authority. We have made a claim of ownership by the SAA for any third parties out there that may be buying them.

Discussion ensued regarding the SAA police force and the shuttles.

Brett Renton explained OSI has until February 28th to continue to utilize the shuttles and they are utilizing them currently; we are hopeful that they will change their position. They have not clarified that position or at least changed it yet. Unfortunately, there is a lead time acquiring replacement shuttles with OSI telling us they are not going to give them to us, we're in a situation where the Authority had to make a call which was to proceed with purchasing this new equipment.

Board Director Ioppolo inquired if OSI is providing any service what so ever right now, are they doing anything to operate or is it something that we are we having to take all of that on despite the fact that they are supposed to be operating until the 28th.

President Martz replied OSI is providing terminal operations, their staff is showing up and running the terminal and running their parking shuttles, they are managing the parking facilities, they are meeting part of the obligations.

Brett Renton informed the Board we don't believe they are fully engaged in performing all aspects of the contract.

President Martz noted however they are retaining 100% of the revenue that the contract contemplates, so performing part of the obligation and keeping all of the revenue.

Brett Renton stated that means 87% of terminal revenue and 80% of the parking revenue.

Chairman Dane requested an update on the parking garage repairs.

President Martz explained they are still working, they suspended work during the heavy part of the holiday travel season, but they're in there working right now.

Motion by Board Director Smith, seconded by Board Director Gregg, to (1) approve and ratify the emergency purchase of parking shuttle operation vehicles from Master's Transportation; and (2) Authorize the President/CEO or designee to execute the appropriate documentation used to facilitate and closeout the purchase. Vote was taken, none opposed. Motion passed unanimously.

11. OTHER BUSINESS

Kenneth Bentley referenced the MLK Banquet this Saturday night January 13th and the guest speaker is Breanna Golson she is the first African American pilot from Sanford.

Chairman Dane inquired if the Board Directors had responded to the upcoming events?

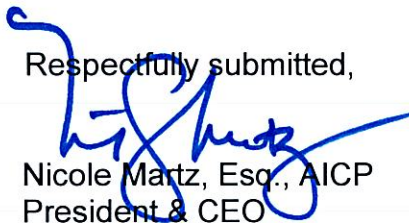
President Martz noted she sent a notification to the Board that the Airport is the corporate honoree at the Golden Eagle Banquet which supports Boy Scouts. We are very honored and will have the opportunity to say a few words, and she encouraged the Board to attend.

12. NEXT MEETING REGULAR MEETING (FEBRUARY 6, 2024)

13. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:35 a.m.

Respectfully submitted,



Nicole Martz, Esq., AICP
President & CEO

/lh