

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
MAY 7, 2024
8:30 A.M.**

PRESENT: Jennifer T. Dane, Chairman (appeared telephonically)
Kenneth Bentley, Secretary/Treasurer
Benny Crosby
Chick Gregg, Sr.
Frank Ioppolo Jr.
William R. Miller
Richard Sweat
Stephen P. Smith
Brett Renton, Airport General Counsel
Mayor Art Woodruff, City Liaison (appeared telephonically)
Comm. Jay Zembower, County Liaison

ABSENT: Clyde H. Robertson, Jr., Vice Chairman

STAFF PRESENT: Nicole Martz, President & CEO
George Speake, EVP/Deputy CEO
Shani Beach, Director of Properties & Exec. Initiatives
Chris Breese, Procurement Analyst
Judy Desrosiers, Property Manager
Stacy Entwistle, Sr., Director of Airline Services
Steve Fussell, VP & Chief Strategy Officer
Tommy Gentry, Director IT
Marc Gilotti, SAAPD Chief
Lori Hunt, Executive Assistant
Lois Kelly, Security Officer
Gino Martinez, VP & Chief Financial Officer
Bryon Morgan, SMS Director
Angel Nieves, Lead Security Officer
Jeremy Owens, VP & Chief Development Officer
Lauren Rowe, Director of Communications
Rick Shea, VP of Operations & COO
Roberta Stanton, Director of Procurement
Shane Stewart, SAAPD Officer
Jennifer Taylor, VP & Chief Commercial Officer
Raul Veizaga, Marketing Manager
Shawn Ziegler, SAAPD Captain

OTHERS PRESENT: Bob Begley, CE Avionics
Graham Feland
Joel Knopp, MLS

Brady Lessard, City of Sanford
Allison McCuddy, FDOT
Genean McKinnon
Jeremy Morton, CPH
Dan Nichols, AVCON
Paul Partyka, NAI Realvest
Doug Saunders, C&S Companies
Greg Smith, Million Air
Craig Sucich, RS&H
Robert Utsey, ZHA

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. SCHOLARSHIP PRESENTATIONS

George Speake, EVP & Deputy CEO presented a \$2,500 scholarship check to Seminole High School student Alex Demko who will be attending FIT to study Aviation Management. Alex works two part-time jobs and started his own business as well. He started taking aviation classes in 6th grade. Mr. Speake noted that in Seminole County space is taught in Elementary School, and aviation classes in Middle School. Alex followed up with four years of aviation classes at Seminole High School.

George Speake presented a \$2,500 scholarship check to Seminole High School student Cassidy Reale. Cassidy has received an Air Force Flight Academy Scholarship, only 200 people nationwide are selected to go to that academy. This is a two-month program where the students live there and obtain their ground school and she's received her flight certificate. Cassidy is now working on building her hours for her commercial pilot's certificate, it is her desire to become a commercial pilot.

4. PRESENTATION OF 2022-2023 AUDIT

Joel Knopp, MSL presented the 2022-2023 audit recently completed as of April 30th for the year end September 30, 2023, with comparative statements of 2022. Mr. Knopp pointed out in the required communication letter MSL got full cooperation from management as they completed the audit. The requests were provided, and he noted there were no audit adjustments.

5. LIAISON REPORTS

A. City of Sanford

Mayor Woodruff reported on: 1) congratulated the Airport on the Air Show and appreciated having the Blue Angels; 2) Brady Lessard, Economic Development Director asked the Mayor to report that 500,000 square feet of warehouse will be in permitting, located at Mellonville Ave. & Lake Mary Blvd.; 3) major announcement regrading the Seminole Town Center Mall will be made next week.

B. Seminole County

Chairman Zembower reported on: 1) Lake Jessup Basin Study has come to conclusion, staff is meeting with the consultants right now and hashing through all of the findings. It will come to the BCC for consideration within the next two meetings. 2) DRC information was forwarded to EVP & Deputy CEO George Speake regarding new development that's happening in and around the airport area related to the unincorporated portion of Seminole County. 3) Chairman Zembower served on a panel for the OBJ with President Martz, Doing Business in Seminole County. This event had a lot of attendance, great information & exposure for the Airport and the County featured in the OBJ. The OBJ will be following up on stories that were rolled out at that meeting which is the Tourism Improvement District for the entire County. 4) At the upcoming BCC Meeting on Tuesday the Commission would likely adopt a structural ordinance which would give the hoteliers the blueprint for them to decide what they want to do in caucus with their members, if they want to be applying an additional bed fee to fund the indoor sports complex which is identified to be located at Moore's Station Road. Right now, it's identified as approximately 149,000 square feet with a three-story parking garage. That is likely to change to a larger venue, the intent is to have capacity for 6,000 seating so the schools can hold their graduations there. The sports complex will also double as a hurricane shelter dedicated to the County opposed to using elementary schools and other schools and assets around the county. 5) Midway Basin Study has been completed, the County is moving forward taking down the final properties that will be necessary to fulfill the drainage improvements in the Midway section which is arguably overdo and will be an asset to the community. 6) Call with the EOC yesterday, Chairman Zembower urged the Airport and City if they have any issues pre-hurricane season to be sure and put them on the radar of the Emergency Management folks as they put a plan together to send to the Florida Department of ER. Seminole County finds itself in a good place. The Governor and Fl. Dept of ER has rolled out the largest on-call contract base in the history of Florida. Everything in moving mobility to bulldozers across rivers and waterways to law enforcement to oxygen to medical deployments to food services and water. The Governor has made it a huge benefit to the Counties to be prepared. As a result, most of the counties around the state are referred to a rating of 20 which means they will automatically get funding of 20% of their debris removal, Seminole County is rated at a 55 we are way above average

which means we'll get 55% of our debris funding right up front, we don't have to wait forever. We believe that we will be at 80% hopefully in the next 45 days so we'll be in a really good position and not have to wait on FEMA. The Governor has put together a new program that short cuts the whole process instead of trying to get something out of FEMA and allowing us to go through the state first.

Chairman Zembower thanked the Airport for the airshow, it was a great economic development driver for Seminole County and the cities. The hoteliers and businesspeople appreciated it, and seeing the Blue Angels here was an asset for once.

Chairman Zembower thanked the Airport for sponsoring the Boy Scouts Golden Eagle dinner, approximately \$154,000 was raised for Boy Scouts this year.

6. COMMENTS FROM THE PUBLIC

None

7. CONSENT AGENDA

- A. Consider approval of Addendum B to Lease No. 2022-018 for Central Florida Bakery, Inc. building #255W located at 1723 Hangar Road, Sanford, FL 32773.
- B. Consider approval of Addendum H to Lease No. 2001-20 for The Hertz Corporation, building #519 located at 3050 Carrier Ave., Sanford, FL 32773.
- C. Consider approval of Addendum F to Lease No. 2005-022 for Enterprise Rent-A-Car, building #453 located at 2101 E. Airport Blvd., Sanford, FL 32773.
- D. Consider approval for Sublease to Lease No. 2023-026 for Airline Training & Leasing Corporation, Building #148 located at 1711 Hangar Rd., Sanford, FL 32773.
- E. Consider approval of Addendum A to Lease No. 2023-038 for Orlando Sanford Flying Club, building #413 located at 1910 E. Airport Blvd., Sanford, FL 32773.
- F. Consider approval of Addendum A to Lease No. 2022-019 for Hazard Services International, Inc. for 1,250 square feet (SF) of Bunder 60 and 43,560 SF land located airside at Orlando Sanford International Airport, Sanford, FL 32773.
- G. Approval and authorize execution of (1) the Amendment for Extension of Public Transportation Grant Agreement for FDOT PTGA FM#737713-2-94-01 related to the design and Construction of the FIS Improvements and (2) Resolution No. 2024-01.
- H. Sanford Noise Abatement Committee (SANAC) Appointment Confirmation.

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

8. PRESIDENT'S REPORT

President Martz referenced her powerpoint presentation, incorporated herein, and requested Jeremy Owens, VP & Chief Development Officer to present updates on the following topics:

- Stormwater Master Plan Update: Received submittal on 5/6. Under review;
- SAA Maintenance Facility Replacement: Moving is 40% complete;
- ARFF Station and Building #37 Generators: Building 37 (95% complete), ARFF (90%) complete;
- Runway 9L Rehabilitation: Bid opening 5/14, Anticipated Award July/Aug;
- Taxiway A Rehabilitation: Awaiting FAA review for bidding;
- Remote Parking Lot: Out to bid around 5/24 and;
- Stormwater Pond Improvements: Staff is reviewing scope.

Terminal Projects:

- SSP Renovations – Sanford Tap (old Port Paradise, Cheeburger, Cinnabon) scheduled competition June. Ritazza refresh is 70% complete.
- FIS Renovations – Contractor starting next week on painting/demolition.
- Secure Corridor Removal (Terminal West) – Bid Opening 5/17.
- Terminal Ramp Improvements – Bidding Q2/Q3 '24.

Development

Paul Partyka, NAI Realvest updated the Board regarding Development & Real Estate Activity: 1) Met with and toured 9 major developers who have made proposals on the non-private side, representing almost 980 acres of potential development. There are another 5 confidential developers through OEP resulting in another 205 acres that they want to potentially develop. These developers range from as much as 1M square feet of development to ten acres 100,000 square feet of space; 2) ABS/Kodiak 10 acres, continuing to work through their feasibility study; 3) Hydrogen Powered vehicle sales location, finalizing funding; and 4) Real Estate Goals.

Robert Utsey, ZHA updated the Board regarding Economic Activity: 1) Five Confidential Projects (OEP and Florida Dept. of Commerce) two of the five are "second chance" opportunities; 2) Workforce Initiatives: UCF Dept. of Mechanical and Aerospace Engineering – Center for Advanced Turbomachinery and Energy Research (CATER) interested in moving their research center to the former pilot dormitory building.

VP & Chief Financial Officer

Gino Martinez, VP & Chief Financial Officer reported:

- March 2024 Dashboard
- Cash & Investment Balances
- Procurement Dashboard: Solicitation Responses Due: Runway 9L Rehabilitation (Construction) Invitation to Bid due May 14th; Sterile Corridor

Wall Removal Invitation to Bid due May 17th. New Solicitations: 1) Terminal Advertising RFP; 2) Taxiway Alpha Rehabilitation (Construction) Invitation to Bid; 3) Economic Development Planning & Consultation Services RFQ; 4) Parking Access Revenue Control System (PARCS) RFP; 5) State Lobbyist RFP.

- Finance and Administration Updates: FY2023 Audit Completed; April 2024- Positive Net Cash Flow; and FY 2025 Budget Development Underway.

Miscellaneous – Communications

Lauren Rowe, Communications Director updated the Board regarding: 1) 2024 Air Show featuring the Blue Angels was a big success, great social media interest. The SFB Bee in his Blue Angels flight suit was a big hit, branded fans for the marketing tent which included all of our destinations on the back; 2) Mercury Insurance Commercial filmed in the Airport; and 3) Steve Fussell, VP & Chief Strategy Officer updated the Board, regarding The Villages Honor Flight hosted by SFB there were 2 honor flights. Two different groups: Villages Honor Flight and Central Florida Honor Flight & resources can be shared, had a lot of positive comments. He noted George Speake distributed challenge coins to the returning Veterans and his most memorable moment was WWII Veteran Peter Durante who flew out at 6 a.m. and returned at 10 p.m. looking spry. Steve gave a big shoutout to the staff some who were there 2 a.m. – midnight; 4) OBJ Takeover for Seminole County 5/17/2024; and 5) Hurricane Hunter event 5/10/2024 a Seminole County Promotion for Hurricane Awareness in which a NOA P3 and Airforce C-130 will be onsite, school children will be coming in as well as other specialized groups, there will be a classroom session and tour of the aircrafts.

George Speake updated the Board regarding the Air Show, actual attendance is not shared by the promoter, numbers are derived from the number of cars. On Saturday 2023: 4,758 cars & Saturday 2024: 5,421 cars. Sunday 2023: 3,854 cars & Sunday 2024: 4,451 cars, a significant change. George noted one of the things he discussed with the promotor at the beginning was traffic and we track how long it takes to get traffic cleared Saturday: 68 minutes and that's completely restored to normal, no law enforcement. Sunday: 43 minutes. We learn something new every year and on Saturday noted we had one traffic control point that we're going to tweak, and that probably would have sped up Saturday departures to 58 minutes. From that standpoint tremendous show, next year will be October of 2025 and that will be the Thunderbirds again and then we start alternating October's between the Thunderbirds and Blue Angels.

Miscellaneous

George Speake updated the Board regarding Air Service Development related to Allegiant and the industry in general: Allegiant is going to be acquiring Boeing aircraft and noted the struggles Boeing is having. A lot of Allegiants' future in general and specifically for here is dependent upon those Boeing aircraft that they've

ordered. One is flying in Allegiant colors, they aren't sure when it will be delivered, the first five will be delivered to Sanford and will be put in Sanford. For the summer they are anticipating 12 flights per week increase over what they had last summer. Fall will be flat, and a lot of this is due to the lack of new aircraft coming in from Boeing. The holidays November & December also flat. Key West is being suspended for summer coming back in October, another short suspension and then resumes for Winter/Spring. Nashville will see an increase in frequency this summer. Elmira will see two flights per week this summer. Allentown is going to see flights added May through August two per week, last summer there were no flights there. Allentown is also one of the destinations that they are starting up at MCO, the point is where it's been said this is an additive at MCO not only are they adding there they are adding additional flights to their schedule from here to Allentown, but you're not going to see people leaving here to go to MCO. Allegiant has said several times they are committed to Sanford, this is their largest hub, and they are committed to Sanford.

President Martz updated the Board regarding international flights and stated our biggest challenge is Customs and we are working on that, and we have a meeting scheduled later this month with our Congressman & Representative and CBP to try to crack through that challenge. Until we can get that issue squared away and ensure that we have a big enough window to accommodate those carriers it will be a challenge for us.

George Speake noted that Flair has suspended their flights for the summer and we're waiting to see if they are going to return to Sanford or move their operation to MCO and that's totally based on the hours that customs was providing.

Chairman Zembower explained that when he, President Martz and Chairman Dane were in Washington, DC they were very vocal with the Congressman and the Lobbyists about how important this is to the Airport and how important it is to get over this hurdle if we're going to move forward with that kind of travel. He felt they heard them loud and clear and will be working with Senator Rubio's office and Congressman Mills office.

President Martz stated we're not the only airport having issues with CBP, and international traffic is lagging throughout the state, tourism has bounced back but international travel has not bounced back. It's really important not only to us but to everyone in the industry because international travelers spend a lot more money. It's in everybody's best interest to try to accommodate international travel and accommodate it in a way that people can afford to come here.

Board Director Gregg explained that it's affected his business during season, each aircraft can fly three round trips per day, and we can't do it now because we must be back here by 4 p.m.

Board Director Smith inquired when the contract comes up with our private TSA company.

George Speake explained that's us now. There was someone that contested the bidding this last round so we're in the sixth year of five because of that, and it's gone back out to bid. He does ask weekly if there is any movement on that.

Board Director Smith inquired who's bidding on that.

George Speake replied TTG and there are other competitors that have put into it as well, it's through TSA.

George Speake noted regarding the industry in general continued problems affecting Southwest to the extent that they've dropped four airports entirely, they are dropping service to Chicago and Atlanta dropping capacity. United is also feeling the Boeing impacts, cost them \$200M in the last quarter resulting in a non-profitable quarter. They had 183 narrow bodies on order they still have them on order but they're only expecting to receive 61 of those and 5 wide bodies now. This morning's headline on the 787 noted maybe the wide bodies will be reduced as well. The issues are continuing. The airbus aircraft are not being left out because of the Pratt & Whitney engine issues, it's a powder metal defect that could cause cracking on some of the engine components. This year Spirit expects to have 40 aircraft grounded, next year 70 aircraft grounded, and they've got maturing debt that's going to be an issue in 2025 and 2026 so they're concerned about that. Pratt & Whitney has said for the next 24, 25, 26 each year there will be 350 aircraft per year grounded, the fix to those engines is a 300-day fix. So, when you start thinking about an airline that has an aircraft on lease or they own, and they've got to park for 300 days it's a massive expense with no way to recover that revenue. Jet Blue is also cutting flights going from 34 to 24 at LAX and another litany of destinations. Frontier interestingly is starting to change their model to sort of what Allegiant is, it's in and out versus multicity itineraries, they seem to be doing well, but we'll see where they actually fall out. Breeze just had their first full month of operating profit and are continuing to grow. They have 39 aircraft and serve 56 cities. Avelo just had their first profitable quarter, the last quarter of 2023 and repeated that in the first quarter of 2024, they're doing pretty well serving 52 destinations with 16 aircraft.

There will be a slide on this in the future, it won't necessarily be as detailed, this was just a catch you up at this meeting and moving forward it will be a shorter briefing.

Board Director Smith inquired of George other than airbus and Boeing there's not much choice out there in the market.

George replied to him China.

Chairman Zembower noted that Honda is building flying cars.

George explained there are problems with these two manufacturers, China wasn't expected to be pursued by a lot of countries but now they might have an opportunity because of these problems with Boeing and Airbus.

Chairman Dane asked President Martz regarding her prior comment of "how we were pursuing the wrong kind of airline development" and inquired have we righted that ship and how long did she think it will take to see some fruit for that labor.

President Martz felt we're moving in the right direction now; we've got a team that is able to do some good analysis and that has some better relationships. She wants to manage expectations here but thought we may see some benefit in the fall. The availability of aircraft is a huge issue and it's not just going to affect us, it's going to affect all airports. She thought there is a good opportunity, and she reminded the Board we don't like to talk about what's happening because a lot of this is confidential and she offered to discuss this with the Board Directors individually offline but felt there is a strong opportunity to see some additional service in the fall. That will be highly aircraft dependent.

Employee Recognition

Rick Shea, VP Operations & COO introduced Lois Kelly, Security Officer who played a crucial role in alleviating the distress of passengers Phil & Judy Pack. On April 6, 2024, after a series of unfortunate incidents including a GPS error that led the Pack's into a forest and caused them to miss their flight, the Packs were left stranded and overwhelmed. Lois swiftly intervened offering immediate support by making multiple phone calls on their behalf and significantly reduced their anxiety and ensued a continuation of their journey with minimal additional delay. Lois's responsiveness and caring approach exemplified her commitment to providing exceptional support and empathy to passengers in distress, highlighting her invaluable contribution to the airport team.

Rick Shea, VP Operations & COO introduced Angel Nieves, Lead Security Officer who took proactive steps when a colleague who is a recent addition to our staff failed to report to work on April 8, 2024. Their absence prompted concern and with approval Angel conducted a wellness check, discovering his colleague unresponsive. Prompt medical attention was then provided at Orlando Regional Medical Center. This incident underscores the importance of colleagues looking out for one another's well-being.

Marc Gilotti, Chief SAAPD noted Sergeant Anthony Eger recently elevated his professional stature through his graduation from the prestigious FBI-LEEDA Supervisor Leadership Institute (SLI). This advanced training, tailored for law enforcement supervisors and middle managers, involved intense modules on leadership, risk management, and performance enhancement. Completing the SLI, the initial phase of the FBI-LEEDA Trilogy, Sergeant Eger has demonstrated his commitment to leadership excellence and his potential for higher responsibilities

within the Sanford Airport Police Department. His achievement not only highlights his dedication to personal growth but also strengthens the leadership framework of his team.

Chief Gilotti introduced Officer Shane Stewart who started his career at the Airport in Control. Officer Stewart attended the Police Academy and began his career with City of Sanford PD where he is a member of the Joint Taskforce for Hostage Negotiations for the Sheriff's office. In this particular case Officer Stewart represented the Sanford Airport PD and part of the multi-agency hostage negotiations team, demonstrated exceptional skill on March 31, 2024, in Oviedo. Tasked as lead negotiator in a volatile situation involving a barricaded subject who had shot his girlfriend, Stewart's adept communication tactics fostered trust, leading to the suspect's peaceful surrender. His efforts not only secured the safe release of the hostage but also provided vital details for the ongoing investigation. Oviedo Police have lauded Stewart's professionalism, acknowledging his pivotal role in resolving the incident.

George Speake, EVP/Deputy CEO introduced Bryon Morgan, Director Safety Management System (SMS). Tasked with a critical FAA mandate, Bryon's strategic acumen was clearly showcased when his Implementation Plan received approval in March with no comments – a commendation few in his field achieve, reflecting the thoroughness and precision of his work. Currently, Bryon is diligently working towards the completion of the SMS Manual, set for March 2025, paving the way for full implementation by 2027. His efforts are instrumental in significantly enhancing the safety protocols and operational standards at the airport.

Motion by Board Director Ioppolo, seconded by Board Director Smith, to award each of the employees that were recognized for their exemplary service and the examples that they receive a gift certificate of \$100. Vote was taken, none opposed. Motion passed unanimously.

President Martz thanked Board Director Ioppolo for opening his home this past weekend to have a celebration for the transition team. It was a great event, and she spoke for the entire team, they appreciate the recognition, and it was a lot of fun.

9. COUNSEL'S REPORT

Brett Renton updated the Board regarding: 1) GOAA dispute on the name issue mediation is set for June 3rd and because of that Mr. Renton requested an attorney client session pursuant to 286.011 subsection 8 to discuss GOAA V SAA Case #6:23CV1563. Mr. Renton stated if any of the Board Directors have any questions to please contact him directly or President Martz to address the questions.

Chairman Dane requested discussing with the Board as a whole the Public Records litigation. She felt it's time to have a conversation about that again and

update the entire Board as a whole, she realizes that Mr. Renton is willing to talk to each Board Director individually, but she felt the Board needs to make some decisions or be heard, and make sure the Board is hearing the same information and she requested a Shade Session on that item also.

Brett Renton updated the Board regarding the Public Records legislation and informed them we are set on May 14th for a hearing on the Public Records request lawsuit that is being mentioned with OSI. Hopefully we have some information from the court to share with you on that front. Mr. Renton made a request on the Public Records litigation for an attorney client session pursuant to 286.011 section 8. It will be a separate shade session at that same meeting, and we can go ahead and meet and discuss that case that is pending in the courts of Seminole County.

10. CHAIRMAN'S REPORT

Chairman Dane reminded the Board of the Strategic Planning Session on May 21st at 8:30 a.m. and thanked Board Director Bentley for leading the meeting today.

11. DISCUSSION AGENDA

- A. Approval and authorization to execute the Amendment to the FDOT PTGA FM#452985-1-94-01 for the Design and Construction of an 800-space parking lot and Resolution No. 2024-02.

President Martz informed the Board this item is a request to approve and authorize execution of an amendment with DOT a Grant Agreement for the construction of the remote parking lot. When this project was first moved forward it was for a project that was anticipated to \$1.2B we had a \$600,000 grant from DOT. The project is now a \$6M project. This amendment authorizes the additional \$2.4M from DOT. There is a 50/50 split on this, our contribution has already been budgeted, this just locks in the additional FDOT money for us.

Motion by Board Director Smith, seconded by Board Director Ioppolo, to approve and authorize the President to execute FDOT Amendment to the PTGA FM#452985-1-94-01 for the Design and Construction of an 800-space parking lot and Resolution No.2024-02. Vote was taken, none opposed. Motion passed unanimously.

12. OTHER BUSINESS


George Speake distributed the lithographs from the Blue Angels.

13. NEXT MEETINGS STRATEGIC DEVELOPMENT WORKSHOP (MAY 21, 2024) AND REGULAR MEETING (JUNE 4, 2024)

14. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:30 a.m.

Respectfully submitted,



Nicole Martz, Esq. AICP
President & CEO
/lh