

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
OCTOBER 1, 2024
8:00 A.M.**

PRESENT: Jennifer T. Dane, Chairman
Clyde H. Robertson, Jr., Vice Chairman (appeared telephonically)
Kenneth Bentley, Secretary/Treasurer
Benny Crosby
Chick Gregg, Sr.
Frank Ioppolo Jr. (appeared telephonically)
William R. Miller
Stephen P. Smith

Brett Renton, Airport General Counsel
Comm. Jay Zembower, County Liaison

ABSENT: Richard Sweat
Mayor Art Woodruff, City Liaison

STAFF PRESENT: Nicole Martz, President & CEO (appeared telephonically)
George Speake, EVP/Deputy CEO (appeared telephonically)
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
Nailya Harnisch, Director of Finance/Deputy CFO
Lori Hunt, Executive Assistant
Gino Martinez, VP & Chief Financial Officer
Katee Mathis, Controller
Danette Maybin, Human Resources Director
Jeremy Owens, VP & Chief Development Officer
Lauren Rowe, Director of Communications
Julie Sawyer, Executive Assistant
Roberta Stanton, Director of Procurement
Jennifer Taylor, VP & Chief Commercial Officer
Raul Veizaga, Marketing Manager
Shawn Ziegler, SAAPD Captain

OTHERS PRESENT: **Jack Bojinov OEP**
 Sonya Brauer, SER
 Gui Cunha, Seminole County Tourism Manager
 Allison McCuddy, FDOT
 Paul Partyka, NAI Realvest
 Doug Saunders, C&S Companies
 Natalie Shaber, CPH
 Sandeep Singh, AVCON
 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. APPROVAL OF MINUTES OF THE JOINT BOARD MEETING HELD ON (AUGUST 26, 2024) AND THE REGULAR BOARD MEETING HELD ON (SEPTEMBER 3, 2024)

Motion by Board Director Smith, seconded by Board Director Bentley, to approve the Minutes of the Joint Board Meeting held on August 26, 2024 and the Regular Board Meeting held on September 3, 2024. Vote was taken, none opposed. Motion passed unanimously.

4. LIAISON REPORTS

A. City of Sanford

Mayor Woodruff was absent.

B. Seminole County

Chairman Zembower reported: 1) Seminole County concluded their \$1.1B Budget Session; 2) Increased funding to the Sheriff's office for additional needs for payroll for Law Enforcement Personnel starting pay; 3) Midway Drainage Property Procurement is almost complete that is fully programed and fully funded in the first two phases. The County approved the last two property procurements last week; 4) Lake Jesup Basin Study the flood problem areas have all been evaluated and ranked by the consultant, now staff will bring it full forward to the BCC to approve which stages will be funded; 5) 417 Connector Roadway into the Sanford Airport a public kickoff meeting was held on September 12th, in the County's latest budget rendition CFX has made it very

clear that it is going to be looking to the County & City to be a viable partner in this and contribute to the cost of the right of way and the properties. Seminole County has programed at this junction almost \$11M for right of way procurement through the one cent sales tax measure. He stated he can't speak for the City of Sanford, but the County will work closely with them.

President Martz inquired of Chairman Zembower if there is a need for other money on the 417 Connector road, when we talked about this two years ago, the amount was \$15M as the contribution.

Chairman Zembower explained that is a moving target there are some nuances there may be some property swaps that can happen that will mitigate those costs, but the County has also been very conservative of the one cent sales tax knowing historically that the taxes generated 20% give or take additional funding that we've never counted on but always came in. This will be the first stab; the first rendition will be updated as we move along. Of course, we'll update it next year and the following year etc.

President Martz stated that the Airport won't be able to contribute to that and it's not that we don't want to, it's that we can't because of federal grant assurances.

Chairman Zembower understood and explained that the County plan is that they will all operate as government, cities, county the Airport, and water district as well. He felt for the most part everyone understands the necessity and the benefit of getting this connector to the Airport and continue to push as hard as they can behind that.

President Martz requested of Chairman Zembower that he assist the Airport because there is a sentiment from the residents that the Airport is the one requesting this project to benefit the Airport. She requested his help in expressing the real worth of the project is to relieve the amount of traffic on Lake Mary Boulevard.

Chairman Zembower explained that the County already has messaging canned on the traffic congestion relief on Lake Mary Boulevard corridor as well as Sanford Avenue and the backup that continues to come off of 417 in both the morning and the evening so we'll make sure that is followed through with.

President Martz thanked Chairman Zembower.

Board Director Smith inquired of Chairman Zembower had he gotten any feedback from the presentation.

Chairman Zembower updated the Board there seems to be a lot less pushback then there initially was and he thought that has a lot to do with the messaging that has been put forth not only by CFX but the County & the City. He stated that

he and the other commissioners have been very involved with the citizens, helping them understand. A lot of people unfortunately recently moved here and bought new homes and their fear is "hey we bought here for this reason and now there is a superhighway coming though". He thought at the end of the day we've done a pretty decent job in explaining the benefits and it's going to be a win-win for everyone.

Discussion ensued there were approximately 30-40 in attendance; the news media has done a pretty good job of explaining this project; the County PIO has been very instrumental in that and being focused on what the real situation is there; a lot of people are looking at option 4 which is the elevated roadway right down the middle of Lake Mary Boulevard without taking any right of way at all.

Chairman Zembower added; the County Rural Enclave Study recently kicked off. He explained there are certain areas in the urban area that have not been developed, that have boundary A1, A5, A10 zoning. They are basically surrounded by cities or they're surrounded by developments but they still have their 1-10 acre horse ranches and so forth. The County study is looking at 4 areas around the County to make a determination of how we're going to designate those as rural enclaves, meaning they will remain as they are with no further development. The thought process is to allow these people to stay in the lifestyle that they desire and saves the County the impact of infrastructure being increased at some that come on board with future development. That study is underway and should be concluded in 6 months and then it comes to the BCC for approval as to which direction we want to go.

The utility master plan was recently approved after kicking it around for five years, this will give the County much more capacity and new technology for water treatment handling of wastewater as well as reclaimed water. The County will continue to push that down the road and move forward. We've been given guidance from the Commission that we'll update this master plan every two years.

The Yarborough Ranch Property is now officially in the hands of the State so that is all concluded. This is a win for the citizens of this county as well as the rural area, which was the last large track of land in the eastern corridor that actually had development rights vested to it.

Board Director Bentley inquired who writes the check for that.

Chairman Zembower explained at the end of the day it's the taxpayers, through the Florida Forever Program & Florida Real Estate Trust. He explained the way the County fast tracked through the process.

Chairman Zembower forwarded to Airport management the SR46 Improvements which included: Public Transportation proposed improvements

for SR 46 from Railroad to County Road 15 French Avenue US 17/92. The goal of the project is to enhance safety to all users paving a section of SR 46 to extend the life of the roadway, in addition to safety improvements in the conversion of the existing two left turn lanes into a raised median with two way directional median elements and landscaping to help encourage slower driving speeds. The projects also proposing and will include a 7' bicycle lane to enhance safety for cyclists and is kicked off now 2024.

SR 46 from French Avenue to Mellonville Avenue FDOT is implementing several improvements. These changes are intended to enhance safety for everyone including motorcycles and pedestrians, that is to kick off and be completed by fall 2025/spring 2026.

Chairman Zembower announced the birth of his third grandchild, Alexander Jay.

5. COMMENTS FROM THE PUBLIC

None

6. CONSENT AGENDA

- A. Consider approval of Addendum C to Lease No. 2021-031 for Future Health Concepts, Inc. Buildings #418-A & land located at 1211 East 30th Street, Sanford, FL 32773.
- B. Consider approval of Third Amendment to Lease #2016-002 for First Flight Aviary, Inc. Building #333A located at 1620 Hangar Road Sanford, FL 32773.
- C. Consider and Approve Piggyback Agreement #SA-2024-066-PB-CB Chiller Preventative Maintenance HVAC Repair, New-Equipment Purchase and Installation based on Lake County School Invitation to Bid/Contract #20-0405-B-AR.
- D. Consider Approval of First Amendment and Consent to Assignment to Lease #2021-030 for Concurrent Group, LLC building #141 located at 2774 Carrier Road Sanford, FL 32773.
- E. Consider Approval of the Sanford Airport Authority Goals and Objectives as required under the Uniform Special District Accountability Act.

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

7. PRESIDENT'S REPORT

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

- Stormwater Master Plan Update: Conceptual design expected mid-October;
- SAA Maintenance Facility Replacement: Wall installation ongoing;

- ARFF Station and Building #37 Generators: Final piece being installed today, finalizing this week;
- Runway 9L Rehabilitation: Pre-construction meeting held on 9/25. Work starts January '25;
- Taxiway A Rehabilitation: Bid Opening 10/2;
- Remote Parking Lot: In permitting, expecting rebidding Dec '24-Jan '25; and
- Stormwater Pond Improvements: Conceptual design expected mid-October.

Terminal Projects:

- SSP Renovations – Sanford Tap – Opened ; Brew Landing – Opening Nature's Table – Work Started 7/15, November Opening; Brew Garden – Work started 8/10, November Opening;
- FIS Renovations – Work starting soon. Paperwork finalized with Customs;
- Secure Corridor Removal (Terminal West) – October NTP for Construction;
- Terminal Ramp Improvements – Pre-construction meeting held on 9/26. Work starts January; and
- Generator Replacement (Admin/PBB) – Award on today's agenda.

Discussion ensued regarding the age of the generators, Jeremy Owens replied they are 15 years old but the Authority has been having issues with them every year and now we are getting into programming issues with the controller itself. When they were originally installed, they were 100% SAA and as development has occurred in the terminal with baggage and passenger boarding bridges, they have now split uses between what was SAA and Terminal, so some of the costs will be split between the two cost centers.

Development

Paul Partyka, NAI Realvest updated the Board regarding Development & Real Estate Activity: 1) Lake Mary reliever, the traffic has significantly increased over the last year it is getting to be 20,000 cars per day. Once the 5,000 homes and more that are going in and constructed, it will increase to 50,000 cars per day spread out in this area. We need to have that Lake Mary reliever and that's especially important, not only to get to the Airport but these people on that road appreciate that; 2) Lazy Acres Rural Enclave meeting; and 3) Three active detailed projects in depth negotiations that are close to getting an agreement. We were hoping to have had on today's meeting. It will probably be on next meeting with two major developers and one major project with another major company.

VP & Chief Financial Officer

Gino Martinez, VP & Chief Financial Officer, shared the following information:

- August 2024 Dashboard;
- Cash & Investment Balances;

- Procurement Dashboard: Board Notifications: SAA Admin Generator Replacement; Professional Airport Engineering Services. Solicitation Responses Due: Taxiway Alpha Rehabilitation (Construction). New Solicitations: State Legislative & Government Lobbying Services, Construction Services Under \$1M, and Grounds Maintenance Services; and
- Finance and Administration Updates: September 2024 – Positive Net Cash Flow; ARPA Concession Grant Award; SAA Vendor Fair Success

Gino Martinez informed the Board that the FAA awarded the ARPA Concession Grant to the Authority in September and the Airport received just over \$1.3M.

SAA inaugural Vendor Fair took place in September, it was extremely successful. SAA worked with a couple other departments across Seminole County and the School Board as well. It was a wonderful opportunity for community engagement, getting vendors out here to see what the Airport has to offer. This was the brainchild of Roberta Stanton, Director of Procurement. Gino asked Roberta to debrief the Board regarding the overall impact of the Vendor Fair.

Roberta Stanton, Procurement Director, thanked the Board members for the continued support also the City of Sanford, Seminole County and the School Board as well as members of the Airport staff. There were over 175 vendors that attended the event which was publicized on Facebook, Linkdedin, The Sanford Herald, and Open Gov our procurement software. With the help of Communications Department Lauren Rowe & Raul Veizaga they also put the word out about the Vendor event. There were different vendors from all walks of commodities, including IT Development, HR with Benefits, MRO suppliers and Engineering Services. She looks forward to potentially hosting it again next year.

Discussion ensued regarding the ARPA Grant and when the monies have to be used. Gino Martinez explained this is a COVID Relief Grant and there is a start date as far as when you can apply it. We built a schedule of concessionaires rents and their eligibilities and the grant says that from the point where the grant was authorized by the FAA is when you can start to apply. There is really two ways concessionaires can apply it. When the funds are dispersed the FAA Circular says you can either apply the credit immediately retroactively back to 2021 or you can apply the credit on account and then basically chip away at that credit with those concessionaires on a monthly basis going forward. We've chosen the later obviously because of our financial situation with the transition, making sure that we do have a strong financial picture for external financing, it is the best option for us. As far as an end date he believed the FAA Circular notes as long as it is applied on account it doesn't touch on specific dates since the funds have been released. We do anticipate that the credits will extend for 10-11 months sometime at the end of FY25.

President Martz, added that the execution was somewhat delayed because SAA was getting erroneous calculations from OSI on agreements with concessionaires. And she explained that some of our concessionaires lost out on money because OSI had let the contracts expire.

Gino Martinez stated the work on this started back in late 2022-2023 and that Jennifer Taylor and her team worked with OSI regarding the schedules and getting them corrected and some agreements were overlooked and some concessionaires will miss out on these relief dollars.

Miscellaneous – Communications

Lauren Rowe, Communications Director updated the Board regarding: 1) Social Media; 2) Vendor Fair Outreach Promotion; and 3) True Health 2024 Be Healthy 5K & Kids' Run Event sponsored by the Airport.

Miscellaneous

Steve Fussell, VP & Chief Strategy Officer, provided a brief update regarding the Strategic Planning Work Session. At our Work Session we went through a detailed environmental analysis showing the current state of Commercial Air Service, General Aviation, Real Estate, and some of the supporting services. We pulled out of that a lot of information for SWOT analysis and we also had some individual Board members provide input post session. Information from our FAC Conference was also pulled regarding some of the new and emerging technologies as well the Uniformed Special District Accountability that was just approved on Consent Agenda, because we are integrating that information as well. The Board was provided with an exhaustive SWOT Analysis and also some of the Draft Guiding Statements, Purpose, Vision and Core Values. The idea is we're continuing to build a step of potential goals for the Airport and then we'll bring all of that to the Board in work session form and you'll have a lot of choices. The next step is that senior staff will continue to work on refining those goals through affinity mapping to bring back for a work session.

President Martz, added she appreciates Steve as he's been the "ring leader" on all of this. On Friday Steve sent to the Board the information that we have put together so far, and she'd like to try and schedule some time at the next Board meeting to talk about it so that we can get direction. We can certainly schedule a series of workshops if the Board wants to be more engaged but we're trying to be respectful of your time and find a way we can get valuable feedback from you but try to get some of the background the brainstorming without you.

Discussion ensued, does the Board want a series of work sessions, they would spend the better half of a day for several months or that can be avoided. The Board was requested to look at what was sent to them on Friday, and let staff know. President Martz is looking for 20 minutes to talk about where we are and

get some good feedback and to talk not only about the content but the approach if the Board is comfortable with staff's direction. Staff can do a lot of the work and bring the Board the feedback but it would be great to be in a room for 4 to 5 hours at time to develop what we're doing at a staff level.

8. COUNSEL'S REPORT

Brett Renton updated the Board regarding: 1) GOAA; and 2) Leasing and Contract work there has been a big uptick. Mr. Renton noted he will be presenting an update on insurance matters to the Board in November.

9. CHAIRMAN'S REPORT

Chairman Dane stated she has had some negative feedback regarding the time the Board meetings are being held. She would be happy to return to 8:30 a.m. if that is better for staff.

Chairman Dane requested an update on MetroPlan from Board Director Smith.

Board Director Smith replied MetroPlan hasn't done anything new; it's all been the "connector" and he attended the public event in September. He found that to be very well done, CSX did a great job explaining the concept to the local public. Very few people sat down and watched the video presentation, there was no oral presentation regarding the project.

Chairman Dane noted that President Martz's review is coming up and asked the Board Directors to be on the lookout for the Matrix that will be sent out and asked that they turn it around quickly she'd appreciate that. She and President Martz have to meet to discuss that before the next meeting.

10. DISCUSSION AGENDA

- A. Consider Approval of Task order No. 4 with C&S Engineers, Inc. for providing General Consulting Services – Planning for Landside Connectivity & Mobility Study.

President Martz informed the Board this item relates to the Landside Study and is the study for all activities on the landside of the terminal. This would involve everything from traffic circulation on campus to parking facilities. It would also look at other modes of transportation and connectivity at the airport to other areas of interest in Central Florida. She noted one of the things that worried her about the future of the Airport is our competitiveness from a connectivity standpoint. We watch what's going on down at OIA they have Sunrail connectivity that they are working on getting to the attractions now. They have Brightline so there are a lot of opportunities to get to other places from that Airport, and she felt that's a challenge that we have. The 417 project certainly will help with that. She felt we

need to look at how to move people not only on the Airport property but to and from the Airport. This study will take a look at that. This will be a comprehensive study we had this budgeted in the FY24 fiscal year at \$200,000. When we originally asked for a scope our dream scope it came back at over \$600,000 for the study so we've been working on scaling that back. We're now at a little over \$320,000 for the study which she thought will get us what we need to really help position the Airport, for moving not just people but goods. Because this was in last year's budget and came in a bit more then we had originally planned we will have to do a budget amendment, and that's part of this item as well.

Chairman Zembower suggested to President Martz that she reach out to Seminole County staff; they are evaluating their relationship with LYNX right now and how the County moves forward with that transportation aspect.

Motion by Board Director Smith, seconded by Board Director Crosby, to 1) Move to approve and authorize the President to execute Task Order No. 04 with C&S Engineers, Inc., for the Landside Connectivity & Mobility Study; and 2) Amend the FY 2025 Operating Expense budget by \$327,000 to be funded from Authority unrestricted cash reserves as reflected in Exhibit A and authorize the CFO to submit a corresponding budget amendment to the Sanford City Commission. Vote was taken, none opposed. Motion passed unanimously.

B. Consider Approval of FDOT FM#455305-1-94-01 and Resolution 2024-07, for the Replacement of the west Terminal 400-ton Chiller.

Jeremy Owens stated this is the acceptance of the FDOT Grant for 50% of a chiller, we have three legacy chillers in the terminal; when management of the terminal was taken over, one of the chillers was down and parts utilized for chiller #2, but chiller #2 was only running at 50% capacity at that time and is currently out. When it first went out, we started looking for contractual mechanisms as well and alternate funding sources and this is one of the steps moving forward with the replacement of the chiller and Resolution 2024-07.

Board Director Smith inquired if this was due to lack of maintenance on the part of OSI.

Jeremy Owens replied yes.

Motion by Board Director Gregg, seconded by Board Director Miller, to approve and authorize the President to execute PTGA FM#455305-1-94-01 and Resolution No. 2024-07. Vote was taken, none opposed. Motion passed unanimously.

C. Approval and authorization to amend the 2023-2024 Fiscal Year Operating Budget.

Gino Martinez stated this is the reconciliation amendment for FY24 operating expenses, and adjusts the specific categories, salaries & benefits, office

administrative, professional contracts, fuel tools & supplies, and R&M Utilities. The bylaws stipulate how we treat operating expenses he wanted to make sure we don't have situations where we can't pay vendors or we have to hold payments until we amend the budget. He will put these in a reserve line in the budget and report back our performance next month.

Chairman Dane inquired of Gino Martinez, if he got with legal on how we budgeted for FY25 and did he feel good about where we're at.

Gino Martinez stated we accounted for \$900,000 on the OPEX side for legal we felt that was our best forecast for what FY25 was going to look like. If we get into a situation where that trend is a little bit different, he will bring that to the Board pretty close to when that occurs.

Brett Renton noted it is the rest of the stuff outside of just the litigation as well. The litigation budget is one thing, but when we have those other things creep up that's the unknown and that's what they're talking about.

Motion by Board Director Miller, seconded by Board Director Gregg, to approve an amendment to the FY 2023-2024 Operating Budget as detailed in Table 1 with a net increase of \$1,280,000 (+4.7%). Vote was taken, none opposed. Motion passed unanimously.

D. Consider and Approve Award of Bid #2024-030-ITB-CB-SAA Admin Generator Replacement Zabatt Power Systems.

Jeremy Owens explained this is the award of bid #2024-030-ITB-CB-SAA, for the replacement of the admin generator. They are aged out and in need of replacement. We hired a consultant to do a revised wiring diagram and plans to be able to put it out to bid. The bid was issued, we received five, the low bid was Zabatt Power Systems at \$405,048.44. They are the same contractor currently working on the ARFF generators and building #37 generators. We have worked with them and haven't had any issues. Originally the budgeted amount was \$400,000, included in this item is the amendment of a \$25,000 increase to take us to \$425,000 to cover the bid amount increase as well as a little bit of a contingency. The request is awarding of the bid, budget amendment as well as authorizing the President to execute the contract.

Discussion ensued regarding the amendment of \$25,000 as a contingency. This was in the budget as \$400,000 the bids came in at \$405,000 so we're over budget. This gives us contingency in case when they start digging into things that aren't readily visible. The old generators were 400kw each and we are replacing them with one 400kw.

Motion by Board Director Smith, seconded by Board Director Gregg, to 1) Accept the bid results and engineer's opinion to award and approve the SAA Admin Generator Replacement in the amount of \$405,048.44; 2) Amend the FY 2024 Capital Budget for the

new generator project by \$45,000 to be funded from Authority unrestricted cash reserves as reflected in Table 1 and authorize the CFO to submit a corresponding budget amendment to the Sanford City Commission; and 3) Authorize the President to execute the appropriate contract. Vote was taken, none opposed. Motion passed unanimously.

- E. Consider and Approve Piggyback Agreement #SA-2024-062-PB-CB with Central Florida Builders for Professional Services for General Contractor for Projects Less than 125K, based on Volusia County, Florida Invitation to Bid #24-SQ-87LL.

Jeremy Owens explained this item is a Volusia County piggyback of construction services and initial award to Central Florida Builders. This allows us to pursue projects up to \$125,000 using this contractual method. The initial contractor Central Florida Builders has done work with us the past. The Volusia County piggyback was just recently awarded in June so we reached out to them and we'll have a pool of contractors we can work with up to the \$125,000 range.

Discussion ensued was this similar to the engineering services. Jeremy Owens replied this is not (CCNA) Competitive Consulting Negotiation Act. It's only for construction activities but it works similar to the engineering services where we can look at whose strengths are and we can go to that contractor.

Motion by Board Director Miller, seconded by Board Director Smith, to Approve and Authorize the President to execute piggyback agreement #SA-2024-062-PB-CB for non-CCNA construction services projects as needed. Vote was taken, none opposed. Motion passed unanimously.

- F. Consider acceptance of a Letter of Intent to lease 36 acres for PPK Aviation, LLC.

President Martz explained this piece of property is familiar the Board and was formally known as the Burrell piece. A Letter of Intent from PPK on this property was presented earlier this year with the purpose of starting to market this property and she thought they got some good results. We have continued to talk with them and worked out most of details of the lease. There is one outstanding issue that we are continuing to work on and it's related to the ramp that would need to be constructed for this project. PPK envisions a MRO type corporate hangar facility and they require a ramp \$6M and we're working with them to find the best way to fund that ramp. There are a couple of options that we're working on they want to lock up this property for a few more months to try to resolve that issue.

Discussion ensued regarding anyone else looking at this property right now.

President Martz noted we get a lot of interest on everything on that part of the Airport these days which is very encouraging, and she thought there are a couple of other people that might be interested. This is the group that we are the closest with a request to execute and she thought will be very beneficial to the Airport.

Motion by Board Director Smith, seconded by Board Director Bentley, to move to accept the Letter of Intent from PPK Aviation, LLC. Vote was taken, none opposed. Motion passed unanimously.

- G. Consider acceptance of the Letter of Intent to lease up to 66.7 acres from EPC Aerospace for the development of an Aircraft Modification and Maintenance Center.

President Martz stated this is also a very exciting project and she's had a chance to talk to a couple of the Board Directors offline and she would be happy to talk with anybody who is interested in the details. This piece of property involves one of those "confidential" projects that Paul Partyka & Robert Utsey referenced. It's an amazing opportunity. One of the things that's necessary to make the project more viable is to demonstrate to the potential user that EPC actually has had the opportunity to develop a deal for it. This will be a six month LOI and they will be paying a fee in order to abate negotiations with anyone else on this site.

Discussion ensued whether or not six months for the LOI is a good idea.

President Martz stated hopefully it won't take that long but because of the entity that is doing diligence it is not a fast moving entity necessarily this is a very significant project there are a lot of moving parts with it. And if this project goes through it will be a game changer for us.

Board Director Bentley inquired how many developable acres do we have left.

President Martz replied that these two letters of intent that the Board is considering today they are 20% of the 400-500 acres of vacant property which would be amazing opportunities for the Airport.

Motion by Board Director Gregg, seconded by Board Director Smith, to move to accept the Letter of Intent from EPC Aerospace as presented above and authorize staff to negotiate a ground lease. Vote was taken, none opposed. Motion passed unanimously.

- H. Consider approval of a partial termination and release of Aviation Lease 2019-15 Between the Sanford Airport Authority and L3Harris Aerosim Academy, Inc.

President Martz explained this item involves partial release of the L3Harris leasehold. L3Harris leases a considerable amount of property out at the airport, this particular issue relates to the dorm building that they aren't using anymore. The building has been vacant for a considerable period of time and it is not useful to L3. We are seeing interest from outside parties in leasing the property and are working with them to determine if we can put this building back into play in our real estate program. The proposal is to buy out the remainder of the lease on this piece. We're charging significantly below market rent for that facility the lease was entered into a couple of years ago, and they're paying \$2.90 a square foot whereas market rate is \$17 a square foot. We do have someone that's interested in the first floor right

now. It's a benefit to L3 to get this off their books, it's a benefit to us to get it back on our books based on the terms that L3 has proposed. She stated she doesn't normally recommend letting someone out of their lease but thought in this case it is a benefit the airport to do this recommended approval.

Discussion ensued regarding what would be the proposed use for the first floor and if we leased it would that hamper the use of the second and third floors.

President Martz replied the use would be research and development and the entity might need some more space. UCF Research is the entity and we'd love it if UCF could take more of that building. It brings research & development to the Airport and would be a wonderful thing for us to be able to accomplish.

Discussion ensued would UCF use the space mainly as office opposed to dormitory.

President Martz explained she didn't think we'll see it used as a dormitory and UCF can't have housing on the airport unless its associated with an airport use. We'll put it back into business use or educational workforce development. We've talked a lot about being part of workforce development and she thought that this presents a lot of opportunities for us and she advised the client there's probably going to be some repairs that we need to make to the building that the tenant will be responsible for but she thought it opens up a good opportunity for us and is also a benefit to a very valuable tenant we have at the Airport as well.

Board Director Miller thanked President Martz as this is another endeavor that we've been struggling with for years because of the age of the building and what she explained today. Her creativity of what she brought forth today she utilized it to get some revenue out of it. He suggested in our approval of this that we look forward to discussing this in our strategic planning because it can become a much more viable element for us.

Discussion ensued inquiring if the Airport is letting L3Harris out of \$400,000 that we would receive from them, because we want to take the building back over and then we have to do all the repairs.

President Martz clarified L3Harris is paying us \$750,000.

Motion by Board Director Bentley, seconded by Board Director Smith, to 1) Approve the partial termination and release of Aviation Lease 2019-15 between the Sanford Airport Authority and L3Harris Aerosim Academy, Inc., to become effective upon payment of the \$750,000 release fee; 2) Authorize the SAA President to execute the necessary documents subsequent to payment of the release fee. Vote was taken, none opposed. Motion passed unanimously.

11. OTHER BUSINESS

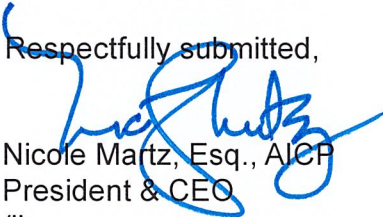
12. NEXT MEETINGS REGULAR MEETING (NOVEMBER 5, 2024)

Chairman Dane noted our next meeting is an important meeting and asked the Board Directors to be here in person. We are doing elections for our board and also talking about President Martz's review and our recommendation.

13. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:19 a.m.

Respectfully submitted,



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