

**MINUTES OF THE REGULAR MEETING OF THE
SANFORD AIRPORT AUTHORITY
JANUARY 6, 2026
8:30 A.M.**

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

ABSENT:

STAFF PRESENT: Nicole Martz, President & CEO
George Speake, EVP & Deputy CEO
Shani Beach, Director of Properties & Exec. Initiatives Admin.
Chris Breese, Procurement Analyst
Judy Desrosiers, Property Manager
Stacy Entwistle, Sr., Director of Airline Services
Stephen Fussell, VP & Chief Strategy Officer
Tommy Gentry, Director of IT
Marc Gilotti, SAAPD Chief
Renato Goncalves, Asst. Director Airline Services
Nicholas Guido, VP of Finance/Chief Financial Officer
Lori Hunt, Executive Assistant
Katee Mathis, Finance Director
Danette Maybin, HR Director
Chris Metro, Financial Operations Manager
Bryon Morgan, SMS Director
Jeremy Owens, VP & Chief Development Officer
Rick Shea, VP of Operations & COO
Roberta Stanton, Director of Procurement
Jennifer Taylor, VP & Chief Commercial Officer
Raul Veizaga, Marketing Manager

OTHERS PRESENT: Scott Carraro, Hanson
Gui Cunha, Seminole County Economic Dev.
Paul Fanelli, Avocet

**Tracy Garcia, OEP
Czarina Harris
Joe Jerkins, FDOT
Brady Lessard, Economic Dev. Director, City of Sanford
Allison McCuddy, FDOT
Genean McKinnon
Luis Olivero
Paul Partyka, NAI Realvest
Lauren Rowe
Doug Saunders, C&S Company
Sam Siracus
Brian Smith
Greg Smith, Million Air
Scott Sturgill
Craig Sucich, RS&H
Robert Utsey, ZHA
Linda Walker**

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE

2. ADVERTISEMENT OF MONTHLY MEETING

Copies attached.

3. APPROVAL OF MINUTES OF THE REGULAR MEETING HELD
(DECEMBER 2, 2025)

Motion by Board Director Smith, seconded by Board Director Crosby, to approve the minutes of the Regular Meeting held on December 2, 2025. Vote was taken, none opposed. Motion passed unanimously.

4. LIAISON REPORTS

A. City of Sanford

Mayor Woodruff updated the Board regarding various City initiatives, including:

- The success of Holiday season events in downtown Sanford.
- The upcoming MLK Celebration scheduled for January 16-19.
- A special ceremony regarding Goldsboro History and the presentation of a Proclamation on February 9th.
- The anticipated ribbon cutting for the Sanford Fire Station within the next two months.
- Progress on the catalyst site, noting that one block is nearing contract status.

- Developments at the Mall site and the Comfort Inn, where furniture is being installed for occupancy next month.
- An upcoming meeting with County Chairman Herr to restart the expired Joint Planning Agreement.
- The County's relocation from three buildings in downtown Sanford and the importance of those buildings' re-use.
- Strong industrial demand, including 100,000 sq. ft. of space under contract on the westside.

Chairman Bentley inquired if the industrial space mentioned was located behind Crooms Academy. Brady Lessard, City Economic Development Director, confirmed the location and noted another property in the White Cedar area. Mr. Lessard mentioned that the property the Mayor is referring to is an additional 100,000 sq.ft. space.

Chairman Bentley asked Mayor Woodruff to update the Board on the renovations at City Hall.

Mayor Woodruff detailed renovations at City Hall, including the creation of a Welcome Center in the Building Department area to streamline customer processes and the addition of new upstairs offices to accommodate increased staff.

Chairman Bentley introduced Andria Herr, new Chairman of the Seminole County Board of County Commissioners and Airport Liaison.

B. Seminole County

Commissioner Herr congratulated Stephen Fussell on his appointment to the Tourist Development Council (TDC) and Raul Veizaga on his appointment to the Industrial Development Authority (SCIDA), expressing appreciation for the Airport's volunteers.

Commissioner Herr further noted:

- The next TDC & TID meeting on January 15th will feature a presentation by Pizzuti regarding the indoor sports complex.
- Record-breaking attendance is expected for January tourism events, with over 11,000 attendees anticipated.

5. COMMENTS FROM THE PUBLIC

None.

6. CONSENT AGENDA

- A. Consider approval of the Ground transportation Pre-Arranged Permit for January 1, 2026-December 31, 2026.
- B. Consider approval of the second Amendment to extend Contract #SA-2024-004 for Taxicab Concession Services with City Cab Company of Orlando LLC and Yellow Cab Company of Orlando, LLC.

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.

7. PRESIDENT'S REPORT

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

- Runway 9L Rehabilitation: Lighting/Shoulder Pave remains – January 26 completion anticipated;
- Taxiway A Rehabilitation: Punchlist repair continues. Close out end of January;
- Taxiway A Extension: 60% reviewed meeting 12/16, March bidding;
- Remote Parking Lot: Earthwork continues;
- Stormwater Pond Improvements: 100% review meeting 12/16. Bidding Q1;
- Midfield Water & Sewer Project: Finalizing plans. Bidding Q1/Q2;
- ARFF Truck 1,500 Gallon – (2) - FAA) 9/2026 ETA; FL 7/2026 ETA;
- Wildlife Project – Phase 1 (Twy B/B7) – Work Starts end of the month, beginning of next;
- ALP Update with Narrative – Data collection continues. Awaiting CY25 operations for forecasting.

President Martz referenced the Airport Layout Plan (ALP) Update with Narrative, emphasizing to the Board the critical nature of the project. She noted that ensuring the accuracy of the data is paramount, as these figures will determine the future requirements for Runway 18/36 and Runway 9-Center. President Martz stated the objective is to provide the most comprehensive data possible to accurately reflect the current traffic volume at the Airport.

Jeremy Owens further explained that the ALP Update serves as a primary driver for the planned Capital Improvement Program (CIP); he confirmed that the data has been finalized and verified.

Terminal Projects:

- Hudson Retail – 5 of the 6 retails are Complete;
- Generator Replacement (Admin/PBB) – Pre-Con later today;

- Observation Deck – Initial phases complete;
- Elevator 10 (Welcome Center) Awaiting final inspections;
- Terminal Entry Painting – Finalizing bid review Friday. Schedule for later this month;
- Column Inspection/Repair – Crosswalk canopy removal, replacement, and repair starting this month.

President Martz clarified that the Column Inspection/Repair project is classified as deferred maintenance. She specified that the crosswalk referenced by Jeremy Owens is located at the entrance utilized by the Board of Directors. President Martz further noted that this particular area had not been historically maintained by OSI to appropriate standards.

Other:

- Building 310 Transformer – Submitting for permit;
- Building 310 Renovation/Remediation – 60% plans reviewed, Bid set expected this month.

President Martz provided an update regarding the Building 310 Transformer project associated with the University of Central Florida (UCF) lease. She noted that the current estimates for the transformer are significantly higher than the initial projections, primarily due to UCF's increased energy requirements and necessary building renovations. President Martz reminded the Board that a budget amendment was previously approved to accommodate the UCF facility upgrades; however, the item will be brought back for further Board consideration once the final cost-sharing ratios are determined.

Board Director Smith requested clarification regarding the capacity of the proposed transformer for the project.

Jeremy Owens responded that the project now entails a new 1,600-amp service to accommodate UCF's request for 1,000 amps. He explained that the upgrade allows the Authority to improve the building's infrastructure, transitioning from a single-phase interior feed to a full three-phase system and increasing the total capacity from the original 600 amps. Furthermore, the renovation includes the removal of the legacy chiller and oil-boiler heating systems, which will be replaced by standard split-system HVAC units on each floor. Jeremy Owens noted that because the Authority is benefiting from these electrical infrastructure improvements, a comprehensive cost-share analysis is currently being conducted.

Development:

Paul Partyka, NAI Realvest, Mr. Partyka updated the Board regarding Development & Real Estate Activity: Robert Utsey, ZHA noted significant interest in MROs and aircraft assembly. Mr. Utsey distributed a summary of significant economic development proposals submitted by the Airport over the preceding three years. He noted that the list includes active, confidential prospects, for which identities remain protected. Mr. Utsey

highlighted a concentrated interest in Maintenance, Repair, and Overhaul (MRO) facilities, as well as traditional and electric aircraft assembly. He stated that the Airport's market exposure has increased significantly, noting that the facility is now well-recognized by industry site selectors.

Mr. Utsey further presented a recap of the 2025 Orlando Economic Partnership (OEP) metrics to provide context on the development lifecycle. He reported that out of approximately 300 annual leads, 21 projects were successfully secured, 11 of which involved the retention of existing local companies. He emphasized the active nature of the economic development process and the triangulation of regional resources, including the OEP, the Department of Commerce, Space Florida, Seminole County, and the City of Sanford.

Additionally, Mr. Utsey briefed the Board on the OEP's national site amplification program. As part of this initiative, the prominent site selection firm Burns & McDonnell was engaged to conduct a "mock" proposal process to evaluate the Airport's competitiveness. Following a site visit by Burns & McDonnell, a debriefing session is forthcoming. Mr. Utsey then introduced Tracy Garcia, OEP, to provide further details to the Board.

Tracy Garcia, Senior Director of Economic Development Strategic Initiatives with the Orlando Economic Partnership (OEP), briefed the Board on the Development Initiative for Regional Transformation (DIRT) program. She explained that site readiness has become a critical focus for economic development organizations nationwide due to the increasing difficulty of securing development-ready parcels. Ms. Garcia noted that available land often faces significant infrastructure or logistical impediments that delay or prevent immediate utilization.

She detailed the role of Burns & McDonnell in performing a site analysis, similar to a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis, to pinpoint specific obstacles.

President Martz provided an update regarding the CE Avionics lease transition noting from ground lease terms to facility lease terms.

President Martz also reminded the Board that the business has been sold to a new entity. She noted that the Authority has been in active coordination with the new ownership, following a recent lease assignment and clarification of terms previously presented to the Board. Discussions continue regarding the utilization of the demolition pad (the "boneyard") to determine the total acreage required. President Martz reminded the Board of the current three-month interim agreement, noting it is entering its third month, with a formal lease expected for consideration at the next meeting.

Furthermore, President Martz reported that Avocet Parts has vacated the warehouse facility on the ramp as of year-end. She noted that while one aircraft remains on-site to be addressed, the Authority intends to relocate Ground Support Equipment (GSE)

operations into the vacated warehouse. This transition will facilitate the removal of GSE operations from the Cargo Building, thereby vacating high-value real estate. President Martz emphasized that this relocation will allow the Authority to market the Cargo Building more effectively, as the increased availability of space makes the facility more viable for substantial cargo operations.

Board Director Ioppolo requested clarification from Robert Utsey regarding the status of the development projects presented. He inquired whether the seven projects currently listed represented the remaining active prospects from the original twelve identified. Board Director Ioppolo specifically noted project statuses labeled as "on hold" or "under consideration" by the Florida Department of Commerce (FDOC) and requested further detail regarding the specific factors contributing to these delays.

Tracy Garcia clarified that many projects are channeled through the Florida Department of Commerce (FDOC), and often the specific reasons for a project being placed "on hold" are not disclosed by the client to the FDOC. She noted that because the OEP frequently lacks direct communication with these clients, they can only report the information provided by the state. Ms. Garcia emphasized that the 300 leads cited were vetted opportunities rather than casual inquiries.

Regarding the broader economic landscape, Ms. Garcia provided a comparative analysis of FDOC fiscal year 2024/2025 targets. She concluded by stating that economic development is a high-volume process, where a large influx of leads is necessary to yield a small percentage of successfully completed projects due to various external factors.

Board Director Ioppolo expressed his appreciation for the context provided but clarified that his inquiry was focused on identifying potential commonalities among projects that were either lost or placed on hold. He questioned whether there were specific infrastructure or service offerings lacking at the Airport that, if available, could have successfully converted those prospects. Board Director Ioppolo requested a determination on whether the Authority possesses the necessary "tools" within its economic development toolkit to secure such projects. He further inquired if any lessons had been learned over the preceding months regarding the five inactive projects and those awaiting follow-up that would identify specific resources needed to successfully close future agreements.

Tracy Garcia responded that while each project presents unique requirements, she identified the primary common denominator among recent inquiries as being the substantial electrical power demand. She noted that while the Airport currently maintains a strong relationship and sufficient power availability with Florida Power & Light (FPL), the power specifications for incoming projects have increased significantly compared to requirements seen in previous years.

Discussion ensued relative to the capabilities to serve power needs on Airport properties.

Board Director Ioppolo reiterated his concerns regarding the conversion rate of development leads, noting that of the twelve projects initially identified, five had been removed and the remainder were on hold. He emphasized his ongoing inquiry regarding whether the Authority possesses the necessary "tools" to close these agreements and requested an analysis of the common factors leading to unselected proposals.

President Martz explained that the selection process requires a "balancing act" between the required investment and the anticipated return. She highlighted the competitive disadvantage of the State of Florida regarding the lack of large-scale economic development incentive pools available in other states. She asserted that maintaining visibility with national site selectors provides inherent value, even when a specific project is not secured, as it ensures the Airport remains a consideration for future opportunities.

Board Director Ioppolo clarified that while he recognizes the value of visibility, his primary objective is the successful execution of closed deals. He requested a clearer understanding of the Authority's prioritization strategy to better appreciate which projects are considered appropriate and viable.

Tracy Garcia, OEP, offered to meet with Board Director Ioppolo individually to review past projects and provide specific data on the factors that influenced those selection outcomes.

Board Director Miller expressed appreciation for the discussion and noted that increasing power requirements represent a significant national challenge for many jurisdictions. He reiterated his long-standing concerns regarding the adequacy of the underground infrastructure provided by the City of Sanford and requested confirmation of a comprehensive plan to address future capacity needs. Board Director Miller emphasized that a lack of infrastructure readiness often results in prospective clients terminating negotiations. While acknowledging the ongoing coordination with Florida Power & Light (FPL), he requested a more in-depth analysis of the steps being taken to satisfy the technical requirements identified by the development consultants.

Board Director Ioppolo clarified that his inquiries were intended as strategic oversight rather than criticism, noting that the current quality of reporting and development opportunities has improved significantly during his tenure. He emphasized the importance of ensuring the staff has all necessary resources to maintain proper expectations for success. Board Director Ioppolo recalled previous assessments where seven specific properties were identified as development-ready with established infrastructure and drainage plans; he inquired as to where the Authority should prioritize future capital investments to restore or expand that status.

Commissioner Herr requested clarification on whether the forthcoming Burns & McDonnell report would address these infrastructure concerns. She further inquired if the firm would be presenting their findings directly to the Board. Tracy Garcia, OEP,

responded that the initial debriefing would be conducted with President Martz and staff for subsequent dissemination to the Board.

Board Director Ioppolo inquired if the Burns & McDonnell analysis would incorporate the specific list of twelve active and inactive projects currently being tracked by the Authority. Ms. Garcia clarified that the firm's analysis is independent of that specific list. Board Director Ioppolo requested that the Board receive both the consultant's report and a staff analysis of the tracked projects to ensure a comprehensive overview.

Robert Utsey, ZHA, noted that timing is often the decisive factor in site selection; if the Authority cannot provide immediate infrastructure assurances, prospects frequently move to alternative sites. He stated that Burns & McDonnell's global experience would provide the Authority with the necessary data to make informed decisions regarding infrastructure investment and opportunity costs.

Board Director Sweat suggested that, in addition to the SWOT analysis of current opportunities, the Authority should conduct a retrospective review of failed projects. He emphasized that illuminating the specific reasons for past project failures would provide valuable insight for future strategic planning.

President Martz expressed her appreciation for the Board's feedback and continued her report by announcing a leadership transition within the Finance Department. She introduced Nicholas Guido as the newly appointed Vice President of Finance/Chief Financial Officer, noting that he commenced his duties on January 5.

President Martz extended formal commendations to Katee Mathis for her service as interim CFO, acknowledging her significant contributions while managing dual roles for nearly a year. She expressed gratitude for Ms. Mathis's dedication and performance during this period, noting that she will now return to her primary role as Finance Director. President Martz emphasized that Mr. Guido enters the organization with a strong support system and expressed confidence in his success given the foundational work and ongoing support provided by Katee Mathis. Following the introduction, Katee Mathis proceeded with the scheduled financial update.

Katee Mathis thanked the Board for supporting her and challenging her and presented the November 2025 Financial Dashboard, reporting that both passenger traffic and air traffic movements significantly exceeded initial fiscal forecasts. This operational growth resulted in a corresponding outperformance in total revenue for the period. Ms. Mathis advised the Board that the original budget was prepared under a high degree of fiscal conservatism; specifically, it did not account for the operational expenses or revenue associated with the launch of Arajet's service.

Furthermore, the Authority utilized conservative growth percentages regarding Allegiant Air's passenger volume due to market volatility during the budget development phase. In light of these favorable trends, Ms. Mathis informed the Board that staff intends to present a Mid-Year Budget Amendment in the March/April timeframe. This schedule will

allow the Finance Department to incorporate Allegiant's finalized seasonal flight schedule and establish a more reliable performance baseline for Arajet operations, ensuring the budget reflects the most current operational realities.

President Martz added that while the Authority had budgeted for a 4.5% growth rate for Allegiant, actual performance has consistently exceeded those figures. She noted that recent performance trends are highly encouraging and stated that George Speake would provide detailed operational data regarding Arajet's strong performance later in the President's Report.

Board Director Ioppolo inquired if we made the 3M passenger mark.

Katee Mathis responded that the current report reflects November data and the year-to-date total stood at 2.8 million passengers. She expressed confidence that the 3,000,000 mark would be reached by year-end, noting that the finalized figures would be presented by Mr. Guido. She further detailed that November saw 234,000 passengers, a 33% increase over the same period in the previous year. This significant variance was attributed to the restoration of services following weather-related disruptions in late October and early November last year, specifically the resumption of operations at the Asheville regional hub.

A discussion ensued regarding passenger volume and current parking capacity management. President Martz informed the Board that the Authority is currently developing an off-site parking facility with a capacity of over 800 spaces, which is anticipated to be operational within the next year. She clarified that while this facility will provide significant relief, the use of overflow parking will likely remain necessary during peak periods. President Martz advised that the performance of the new remote lot should be evaluated before considering further expansions, noting that building additional capacity for only a few peak months may not be fiscally prudent. She informed the Board that a broader discussion regarding parking strategy, including tiered pricing for the remote lot to account for operational and shuttling costs, will be presented in the coming months.

Further discussion was held regarding the management of the remote facility and the implementation of parking fees for current grass overflow areas. It was noted that the remote lot will be integrated into the existing parking management system, ensuring consistent rate collection across the 800 new spaces. The Board also discussed the potential for future expansion of the remote lot from 800 to 1,200 spaces depending on demand.

Ms. Mathis continued the financial presentation, noting that Air Traffic Movements (ATMs) closely mirrored the upward passenger trends. She reported that total revenue is currently 16% over budget. Ms. Mathis reiterated that these figures do not include Arajet operations and reflect the conservative growth estimates originally assigned to Allegiant Air. She highlighted that terminal revenue distribution is currently trending just under \$5 million.

In response to Board inquiries regarding the conservative nature of the initial Allegiant growth forecasts, President Martz explained that the decision was based on general industry volatility. She further clarified that the final flight schedules for Allegiant were not available at the time the budget was finalized, necessitating a more cautious fiscal approach.

George Speake provided context regarding the Authority's conservative approach to Allegiant Air's passenger projections. He explained that while Allegiant's initial forecasts were significantly high, the airline subsequently reduced those figures on multiple occasions. He noted that Allegiant's scheduling and capacity decisions are highly reactive to real-time industry conditions; for instance, the contraction of Spirit Airlines influenced Allegiant's decision to enter the Atlantic City market to preempt competitors. Mr. Speake clarified that because the airline's projections remain a moving target based on broader industry volatility, the Authority elected to adopt a conservative baseline to mitigate risk.

President Martz added that due to concerns that Allegiant's initial figures were overly optimistic, the Authority had proactively planned for a mid-year true-up of both revenues and expenses. She noted that while expenses have increased, the growth has not been as significant as the revenue gains, which is a positive fiscal indicator. President Martz informed the Board that the upcoming budget amendment will incorporate Allegiant's finalized flight schedule, allowing for a more accurate projection of the fiscal year's conclusion and a verification of current performance trends.

- **Operating Revenues:** Terminal revenue reached \$5 million, representing a favorable variance of approximately \$820,000 against the budget. Ms. Mathis noted that 44% of this increase is attributable specifically to parking revenue, demonstrating the significant fiscal benefit of transitioning parking operations in-house. The remaining 56% of the revenue surplus was derived from passenger-dependent sources, including concessions, rental car royalties, and ground handling fees.

Board Director Ioppolo requested an update regarding the calculation of the revenue per passenger.

Ms. Mathis stated that the Finance Department is currently developing those metrics. President Martz further clarified that while the Authority is tracking revenue per enplanement, current data sets require further refinement. She noted that the implementation of the new financial management system will provide the necessary analytical tools to generate more precise data.

Board Director Ioppolo requested that, upon completion, the Authority's performance metrics be presented alongside industry standards to facilitate a comparative analysis. President Martz concurred, noting that the report would include both revenue per enplanement and cost per enplanement (CPE). She emphasized that the Airport's

competitive CPE to airlines should be evaluated in conjunction with revenue figures to provide a complete fiscal perspective.

Ms. Mathis continued the financial report, noting that Non-Terminal Revenue is trending closely to the budget, as these sources are not primarily passenger-derived. She reported a favorable variance of approximately \$100,000 in this category.

Commissioner Herr inquired regarding the status of American Rescue Plan Act (ARPA) relief funding. Kattee Mathis responded that an outstanding balance of \$82,870 remains, noting that the distribution timeline was extended due to the temporary four-month closure of several retail concessions.

President Martz provided further clarification on the ARPA funds, explaining that the Authority acts as a pass-through for federal assistance designated for concessionaires. She noted that while the revenue was recognized in a previous fiscal year, the payouts—distributed as credits to concessionaires—are being recognized in the current fiscal year. She clarified that this creates a temporary accounting deficit for the current year as the prior grant benefit has already been realized.

Board Director Ioppolo inquired how the conversion of various Commerce Park ground leases into facility or modified leases would impact future revenue figures.

President Martz replied that the upcoming budget amendment would reflect the adjustment for the CE Avionics lease, which is the primary conversion anticipated for the current fiscal year. She added that additional revenue shifts are expected in future periods, specifically citing the Hill Dermaceuticals facility and several development projects currently in progress, which are projected to come online within the next 12 to 18 months.

Ms. Mathis reported that Operating Expenses through November for Fiscal Year 2026 reached \$5.5 million, representing a favorable variance of approximately \$500,000 under budget. She noted that approximately 50% of these savings are attributable to personnel costs, specifically regarding vacant positions and staff members currently on leave.

Ms. Mathis directed the Board's attention to the two specific expenditure categories currently exceeding budget projections:

- Office and Administrative Expenses: This category is 7% over budget, which Ms. Mathis attributed to elevated recruitment costs. She noted that these expenses are expected to stabilize following the successful placement of the Vice President of Finance/CFO.
- Fuel, Tools, and Supplies: This category is 38% over budget, primarily due to the procurement of bonded international fuel for Arajet operations.

Ms. Mathis clarified that because Arajet operations were not included in the original budget, neither the fuel expenditures nor the corresponding fuel sales revenue are currently reflected in the baseline. She emphasized that the increased fuel costs are fully offset by the revenue generated from fuel sales and noted that both figures will be formally integrated into the budget during the upcoming mid-year amendment.

President Martz noted a positive trend regarding the stabilization of expenditures at the commencement of the new fiscal year. She explained that while historical patterns often showed a surge in spending during the first quarter as departments utilized new budget allocations, the Authority has successfully implemented internal management strategies to encourage more consistent purchasing behaviors.

President Martz stated that these efforts have resulted in a more balanced distribution of procurement throughout the preceding and current fiscal years, mitigating the typical "mad dash" of capital outlays at the beginning of the cycle. She emphasized that managing these internal behaviors has contributed significantly to maintaining stable expense levels and has prevented concentrated financial impacts during the early months of the fiscal year.

Ms. Mathis presented a comparison of revenues and expenses, noting that operating revenues exceeded expenses by \$1.5 million. She advised the Board that year-over-year comparisons currently involve disparate data sets, as the prior fiscal year at this stage only included nine months of post-transition financial data. Katee Mathis noted that a true "apples-to-apples" comparative analysis will be achievable following the next three months of the fiscal cycle.

Regarding expenditure trends, Ms. Mathis corroborated President Martz's observations, noting that the typical surge in early-year spending has been replaced by more disciplined procurement and deferred payment timing. She reported that the total net income from operations stands at \$1.5 million, which aligns closely with the budgeted figures. This represents a significant improvement over the previous year's performance, which saw a 4% deficit in the same period.

Ms. Mathis concluded by noting that while the inclusion of non-operating revenue, primarily interest income, brings the total net income for the year to just under \$1.7 million, the current variances remain elevated due to the unbudgeted activity of Arajet and Allegiant Air. She reiterated that the forthcoming budget amendment will normalize these figures to reflect actual operational volume.

Marketing and Communications

Stephen Fussell, Vice President & Chief Strategy Officer presented the December Marketing Highlights, focusing on seasonal engagement and digital expansion. Key initiatives included holiday-themed passenger engagement programs, a strategic social media collaboration with Allegiant Air, and the successful inauguration of service to Atlantic City (ACY). Mr. Fussell reported that the Authority concluded the calendar year

with strong digital performance, generating over 895,000 impressions and 68,000 clicks via Meta and Google Ads platforms.

Mr. Fussell provided an operational update on Arajet, noting that the current day's flights were near capacity with 186 inbound and 185 outbound passengers. He attributed this performance to a joint digital media campaign involving Seminole County, the Airport, and Arajet. He noted that the Authority is now successfully utilizing data analytics to correlate digital impressions with actual seat occupancy. Additionally, Mr. Fussell reported that the Authority is establishing cooperative marketing agreements with other airports and is currently partnering with Allegiant to provide resources for five identified underperforming routes.

George Speake added that Arajet is further increasing visibility through advertising on Seminole County "Scout" vehicles. In response to an inquiry from Board Director Crosby regarding load factors, Mr. Speake confirmed that current flights are operating at maximum capacity. President Martz informed the Board that Arajet is actively pursuing the addition of a second route and is marketing connecting service to broader destinations via their Punta Cana hub. Mr. Speake noted that these promotional efforts include advertising for destinations such as Lima and Sao Paulo.

Regarding terminal amenities, Mr. Fussell highlighted the "Tunes in the Terminal" program, which recently featured a performance by electric violinist Declan Kileen Toomey. He noted the success of the event and the Authority's intention to continue the program.

Board Director Green requested that staff develop a streamlined "one-sheet" guide for Board members and community stakeholders to facilitate the amplification of Airport news across professional and social media platforms, such as LinkedIn, Facebook, and Instagram. He emphasized that such a resource would significantly increase the visibility of Airport initiatives. Mr. Fussell concurred and committed to providing the requested materials.

President Martz provided a comprehensive update regarding her December advocacy mission to Washington, D.C., focusing on two critical federal issues: U.S. Customs and Border Protection (CBP) service levels and Federal Aviation Administration (FAA) lease duration policies.

President Martz detailed a high-level meeting arranged by Scott Sturgill with Ron Vitiello, Special Advisor to the CBP Commissioner. The discussion centered on the insufficient volume of customs service at the Airport. She noted that while the pre-pandemic service window was twelve hours, it has been restricted to eight hours post-pandemic. This limitation significantly hinders international carrier "turns" and cannot accommodate frequent weather-related delays.

While acknowledging CBP's support for the Arajet initiative, President Martz expressed concern regarding the November reallocation of local customs agents to Orlando

International Airport (MCO). She advocated for a formal, written Service Operational Agreement to memorialize guaranteed service windows and facilitate access to reimbursable services, a program the Airport has been unable to utilize despite having an existing agreement. She distributed copies of the executive summary and a draft agreement presented to Mr. Vitiello, which requests an eventual return to the twelve-hour benchmark. She noted that while local coordination has improved since Mr. Vitiello's engagement, the upcoming departure of the Assistant Port Director remains a point of concern.

Regarding FAA policy, President Martz reported on a meeting arranged by Paul Partyka with Congressman Kelly to address non-aeronautical lease durations. She explained that the current 50-year cap on leases, while unwritten as a formal regulation, prevents significant private investment as many development projects do not "pencil" within that timeframe. The Authority is seeking an executive policy decision from the FAA to allow for market-driven lease durations.

President Martz also met with Congressmen Cory Mills, Byron Donalds, and Gus Bilirakis. She reported that Congressman Bilirakis's staff received an email from FAA Government Affairs suggesting that non-aeronautical leases should indeed be market-driven without a specific limit. She stated the Authority is now working to have this position formally memorialized by the FAA Office of Airports. President Martz concluded that the trip was highly successful in establishing direct access to key decision-makers and expressed confidence that continued advocacy would lead to formal policy traction.

Board Director Sweat inquired if there were industry coalitions or partner organizations facing similar challenges that could be leveraged to increase the Authority's influence in Congress. Board Director Ioppolo suggested coordinating with the Florida Airports Council (FAC), noting their broad representation of Florida's aviation interests.

President Martz clarified that while a coalition might be appropriate for the FAA leasing issue, she prefers to maintain the CBP service level request as an independent, airport-specific initiative.

Board Director Ioppolo commended President Martz for securing high-level access during her mission and recommended continued engagement with Scott Sturgill to utilize his established federal contacts. He further inquired whether a pilot program for the privatization of certain CBP functions might be feasible, drawing a parallel to the successful privatization of TSA services in previous years.

President Martz responded that the Authority has developed a proposal for a CBP pilot program and recently discussed the framework with Congressman Mills and advisor Ron Vitiello. She noted that while CBP currently views its law enforcement mandate differently than TSA, the Authority's Police Department, which maintains a 287(g) agreement with Immigration and Customs Enforcement, could potentially fill operational gaps. She confirmed that the pursuit of such a pilot program remains part of the Authority's long-term strategy for operational flexibility.

Board Director Gregg highlighted ongoing operational challenges, specifically noting a lack of consistency in CBP directives. He stated that conflicting requirements regarding flight schedule notifications, ranging from fourteen days to 24 hours—coupled with late-night landing right approvals for early morning flights, create significant logistical difficulties for tenants.

President Martz concurred, stating that this lack of procedural consistency is a central theme in the Authority's advocacy. She emphasized the necessity of obtaining a written service-level agreement to ensure all parties have a clear understanding of operational expectations.

Board Director Gregg reiterated that the previous twelve-hour service window was vital for facilitating efficient aircraft "turns" and noted that the current administrative unpredictability remains a significant burden. President Martz emphasized that service reliability is a critical "linchpin" for international air service development, as airlines require certainty in customs clearance before committing to substantial regional investments.

Board Director Sweat inquired if CBP had cited funding or personnel shortages as the primary justification for the restricted service levels, suggesting that the Authority might offer supplemental resources to alleviate such constraints.

President Martz clarified that while CBP has suggested the Authority utilize a program to fund its own officers at a cost of approximately \$200,000 per officer, she maintains the position that as a "landing rights" airport, the Authority should receive federal customs services without additional local funding. She noted that while the Authority is willing to negotiate for a reimbursable window, offering to pay for four additional hours to supplement a guaranteed eight-hour federal window, CBP has consistently reallocated personnel to Orlando International Airport (MCO). Despite federal assurances that these resources remain available to the Airport, the Authority has faced difficulties accessing them even under reimbursable service agreements.

Board Director Gregg inquired if CBP had provided a specific cost estimate for providing coverage on off-peak days, such as Tuesdays and Wednesdays. President Martz replied that CBP has declined to provide a daily rate, stating instead that any coverage on non-active days would require the Authority to hire dedicated officers at the aforementioned \$200,000 annual rate per position.

Board Director Smith inquired regarding the status of Daytona Beach International Airport. President Martz and George Speake clarified that Daytona operates as a "user fee" airport, currently funding their single customs officer. George Speake added that for the Airport's current volume and facility requirements, approximately five officers would be necessary to maintain adequate service levels.

President Martz reiterated that as a designated "landing rights" airport with a long-standing history of international service, the Authority must maintain adequate federal customs coverage. She noted that while she does not oppose the temporary reallocation of CBP personnel to Orlando International Airport (MCO) during periods of inactivity at the Airport, it is imperative that those resources are available to meet the Airport's operational requirements. She emphasized that international service is a foundational component of the Airport's mission and community service.

In response to an inquiry from Board Director Sweat regarding the impact on airline recruitment, President Martz characterized the availability of customs service as a "threshold issue." She explained that without guaranteed customs clearance, the Authority is unable to present a viable business case to international carriers, effectively removing the Airport from consideration regardless of other incentives or market potential.

Board Director Sweat expressed concern that relying on federal cooperation may not be a sufficient strategy given the critical nature of the issue. He suggested that a definitive resolution must be reached to support the region's real estate development and the expansion of international service.

President Martz maintained that the proposal to fund an additional four-hour service window, to supplement the existing eight-hour federal window until pre-pandemic traffic levels are achieved, represents a reasonable and fiscally responsible compromise. She noted that the personnel currently assigned to MCO were originally allocated to the port specifically to serve the Airport, and the Authority is merely seeking the restoration of established service levels.

Board Director Sweat inquired how the Board and its partner agencies, including the County, could further support the staff's efforts to resolve the impasse. President Martz requested that the Board continue to support current staff-level negotiations. She committed to notifying the Board should a pivot in strategy or increased political pressure become necessary.

President Martz provided an update on strategic efforts to secure funding for the SR 417 connection project. She informed the Board that the Authority is currently coordinating with Seminole County and the Central Florida Expressway Authority (CFX) to identify multi-jurisdictional funding opportunities. Through the Authority's federal lobbyists, Alcalde & Fay, two specific avenues have been identified:

Regarding state-level initiatives, President Martz reported that the Authority has submitted a \$1.2 million State Appropriation request. She explained the strategy of selecting projects that do not compete for Florida Department of Transportation (FDOT) Work Program funds, thereby preserving the Airport's partnership with FDOT.

The current appropriation request is for the development of a "Digital Twin" system for the Airport. This Information Technology (IT) initiative utilizes integrated sensors to

provide real-time data on all Airport facilities. President Martz emphasized that this technology will enable predictive and preventative maintenance, addressing historical deficiencies in facility management and creating significant long-term operational efficiencies. She noted that IT-centric projects currently hold high interest at the legislative level and expressed optimism regarding the request's success.

Board Director Miller requested a summary of the "Digital Twin" technology to better understand its application at the Airport. President Martz agreed to provide a technical overview in accessible language, noting that while the technology is nascent within the aviation industry, it represents a significant advancement for facility management across multiple sectors.

President Martz then updated the Board on the Airport Terminal Grant Program, a competitive funding component of the Bipartisan Infrastructure Law (BIL). She noted that while the Authority receives annual BIL entitlements, the ATP program offers a separate opportunity for major terminal projects. The Authority's current application focuses on the "Family Friendly Healthy Airports" initiative. Key components of the proposal include:

East Terminal Redevelopment: Repurposing the former duty-free area to increase passenger capacity and restore airfield views by uncovering currently obstructed windows.

Family Amenities: Expanding the "Golden Age of Travel" theme by installing a new Play equipment in the West Terminal, complementing the recently completed East Terminal facility, and exploring the development of a sensory room.

President Martz stated that staff will continue to advocate for these funds during upcoming legislative sessions, emphasizing the project's alignment with current federal priorities for passenger experience.

George Speake provided an update on Aviation Day, scheduled for January 24. He reported that despite initial challenges with military commitments, several participants have recently confirmed their attendance, and updated event maps will be posted to the Airport website shortly. George Speake announced that Acron Flight Academy has contributed a \$10,000 sponsorship in honor of their 40th anniversary at the Airport. He expressed the Authority's appreciation for the academy's long-standing partnership, noting that they will be formally recognized with signage and a special presentation during the event. The Board was invited to attend the festivities, which will run from 9:00 a.m. to 2:00 p.m.

George Speake provided a comprehensive update on passenger traffic trends, comparing current performance to the 2019 historical record of 3,291,112 passengers. He projected that the Airport will conclude the current period with approximately 3,166,957 passengers, representing a significant recovery that brings the Authority

within 124,000 passengers of its all-time high. Notably, December was a record-breaking month with 298,653 passengers.

Mr. Speake observed that Allegiant remains the primary driver of these figures, and now that their growth has been essential in offsetting the loss of international and low-cost carriers such as Swoop, Flair, and, as noted by President Martz, TUI. He explained that Allegiant's increased flight frequency has successfully filled the capacity gap left by those carriers post-pandemic.

Regarding national standing, George Speake reported that the Airport was ranked the 89th busiest in the country for passenger volume in 2024. Based on current trends, he anticipates the Airport will ascend to approximately the 85th position for 2025. He noted that even a marginal increase in national ranking is a significant achievement given the rapid growth of competing facilities across the country.

Mr. Speake provided a comprehensive report on Airport Operations, focusing on aircraft takeoffs and landings. He noted that 2001 remains the historical peak with 397,560 operations. For 2025, actual operations reached 394,002, significantly exceeding the initial projection of 380,000. This represents the second-busiest year in the Airport's history and a year-over-year increase of approximately 90,000 operations. George Speake explained that the Airport Layout Plan (ALP) Narrative Update was intentionally deferred to capture these robust figures, which serve as critical evidence for the FAA that traffic volume has fully recovered post-pandemic.

Mr. Speake emphasized that these high operational volumes, largely driven by the flight academy, provide the necessary data to justify the retention of a three-runway parallel system. He specifically cited the importance of Runway 18/36 as a vital crosswind and relief resource during maintenance closures or emergency landings on Runway 9L.

Regarding national standing, preliminary data through November 2025 indicates the Airport is currently the 20th busiest airport in the United States by total operations. Mr. Speake noted this is the highest ranking achieved in nearly two decades. He highlighted the Airport's unique status as the nation's busiest small-hub facility, characterized by an exceptionally high mix of commercial and general aviation (GA) traffic. This high operational volume is a primary factor in maintaining appropriate Air Traffic Control Tower staffing levels, which are essential for managing a complex airfield.

Regionally, the Airport now ranks as the 3rd busiest in Florida, trailing only Miami (MIA) and Orlando (MCO), and the 5th busiest in the eight-state Southern Region.

Board Director Ioppolo requested that George Speake distribute a detailed summary of these operational statistics and rankings via email to the Board. Mr. Speake confirmed he would provide the data accordingly.

President Martz clarified that while General Aviation (GA) operations do not generate landing fees or terminal-related passenger revenue, however, the Authority remains

committed to maintaining the infrastructure required to support this activity. She emphasized that providing access to the GA community is an essential component of the Airport's public mission and role as a regional transportation facility.

Board Director Green inquired regarding the status of the intersecting runway, noting previous discussions concerning its potential decommissioning or the transfer of maintenance responsibility to the Authority.

George Speake explained that the updated Airport Layout Plan (ALP) narrative would serve as the basis for formal negotiations with the FAA regarding runway retention. He noted that while a previous Master Plan contemplated the closure of Runway 18/36, current operational data indicates its necessity as a primary crosswind runway. He stated that the Authority is advocating for the FAA to recognize all three parallel runways as eligible for federal support. George Speake further noted that the Florida Department of Transportation (FDOT) continues to be a vital partner, potentially providing assistance for projects that may not meet FAA eligibility requirements.

President Martz affirmed that maintaining Runway 18/36 as a commercial-grade asset is a high business priority, noting that as a small-hub airport, the Authority must protect its existing runway capacity to ensure long-term operational flexibility. George Speake added that Runway 18/36 will be essential in the coming years to maintain traffic flow during the anticipated rehabilitation of the eastern portion of Runway 9L.

Finally, President Martz updated the Board on the scheduling of a joint workshop with the Seminole County Commission, City Commission, and the Mayors and Managers group. She noted that previous dates had been vacated due to scheduling conflicts and the Airport's upcoming Mass Casualty Exercise.

After discussing the proposed dates of February 19 and March 19, the Board expressed a consensus preference for February 19.

Board Director Miller inquired regarding the relative national rankings of neighboring facilities, specifically Daytona Beach International Airport. George Speake stated that while Daytona had historically ranked higher than SFB, the impact of the pandemic on international student enrollment at flight academies temporarily suppressed local operations. He noted that SFB has since surpassed Daytona in total operations and expressed confidence that this trend will continue.

Mr. Speake further clarified that Daytona's operational figures include approximately 100,000 "overflights" per year, explaining that these overflights consist of aircraft transiting through tower-controlled airspace without performing a landing or takeoff on the airfield. While these movements are counted toward total operations per FAA reporting standards, they differ from the ground-based activity at the airport.

Board Director Miller also inquired about the operational standings of Melbourne Orlando International Airport and Lakeland Linder International Airport. George Speake

replied that neither facility currently maintains operational volumes comparable to those at SFB.

8. COUNSEL'S REPORT

Brett Renton extended New Year's greetings to the Board and provided the following updates:

- **Litigation Status:** Mr. Renton confirmed that comprehensive status updates regarding all active litigation matters were distributed to the Board via email. He invited Directors to contact him directly should they require further clarification or specific briefings on any pending cases.
- **Operational Support:** Mr. Renton reported that legal counsel is actively assisting Airport staff with the structuring and review of various strategic projects designed to enhance the Authority's long-term revenue generation.

9. CHAIRMAN'S REPORT

Chairman Bentley requested a motion for the formal appointment of Board Director Stephen Smith to serve as the Authority's representative on the MetroPlan Orlando Board.

Motion by Board Director Crosby, seconded by Board Director Dane, to appoint Stephen Smith to the MetroPlan Board. Vote was taken, none opposed. Motion passed unanimously.

Chairman Bentley highlighted several community events scheduled for January in the City of Sanford and the Historic Goldsboro community:

- **Goldsboro Art Walk:** The 2nd Annual Art Walk will be held on January 10, from 11:00 a.m. to 4:00 p.m.
- **Dr. Martin Luther King, Jr. Celebration:** The City of Sanford MLK Steering Committee has scheduled a series of commemorative events from January 16 through January 19, including:
 - **January 16:** Oratorical and Poster Competition at Seminole State College.
 - **January 17:** Commemorative Banquet at the Sanford Civic Center at 6:00 p.m.
 - **January 18:** Dedicated Church Service at St. Paul Missionary Baptist Church in Georgetown at 3:00 p.m.

- **January 19:** MLK Parade commencing at Crooms Academy at 10:00 a.m., followed by a festival at Heritage Park.
- **Crooms Academy Centennial:** Chairman Bentley noted that the inaugural Goldsboro Unity 5K will take place on January 24 at Crooms Academy. He recognized the Academy's 100th anniversary, noting it was founded in 1926 by Professor Joseph Nathaniel Crooms. He further highlighted Professor Crooms' historical legacy, including his collaboration with Mary McLeod Bethune in the development of Bethune Beach.
- **Midway Coalition 5K:** The rescheduled Midway Community Day 5K is also set for January 24. Chairman Bentley noted that for future planning, the Authority will coordinate with local organizations to avoid scheduling conflicts with the Airport's Aviation Day.

President Martz informed the Board that her annual performance evaluation is currently due. She stated that Danette Maybin will distribute the evaluation and scoring instruments to the Board Directors for completion. Upon receipt of the evaluations, President Martz and Chairman Bentley will meet to review the results, which will be formally presented and discussed during the next scheduled Board meeting.

10. DISCUSSION AGENDA

A. Authorization of the President to execute the Safe Streets and Roads for All (SS4A) grant award.

President Martz presented a request for authorization to execute a grant application for the Safe Streets and Roads for All (SS4A) program. She noted that while the item was initially introduced at the previous meeting, it was temporarily withdrawn to incorporate supplementary language revisions requested by the Department of Transportation.

President Martz explained that the Authority is seeking \$120,000 in federal funding to develop a comprehensive Safe Streets Action Plan. She informed the Board that this surface transportation program frequently has remaining annual allocations and represents a strategic opportunity to secure non-aviation funding for Airport infrastructure. Specifically, the Action Plan will evaluate necessary improvements within the Commerce Park, which currently lacks adequate sidewalk connectivity and pedestrian safety features.

She clarified that the completion of a formal Action Plan is a mandatory federal prerequisite for securing future construction and implementation grants. The proposed project requires a local matching commitment of \$30,000. President Martz recommended approval to proceed with the grant execution to facilitate long-term infrastructure enhancements within the Authority's commercial properties.

Motion by Board Director Gregg, seconded by Board Director Ioppolo, to 1). Move to approve and authorize the President to execute the Federal grant in the amount of \$120,000 for the Safe Streets and Roads for All, with expending of the funds subject to the approval of a subsequent Budget Amendment. Vote was taken, none opposed. Motion passed unanimously.

B. Consider approval of a Concession Agreement with Foxtail Coffee Company, LLC.

Jennifer Taylor, Vice President of Real Estate, presented a request for the approval of a concession agreement with **Foxtail Coffee Company**. She reported that staff has coordinated with the vendor to provide a curated menu of specialty coffee and tea, as well as Kelly's Homemade Ice Cream. The agreement outlines the development of two distinct service areas:

- **Lower Level:** Occupying the existing vacancy previously held by Starbucks.
- **Upper Level:** Construction of a new retail kiosk situated in the vicinity of Gate 10.

President Martz detailed the financial framework of the five-year agreement, noting that Foxtail Coffee Company has committed an initial capital investment of \$400,000 for the build-out. The fiscal terms include a Minimum Annual Guarantee (MAG) of \$50,000, with the Authority receiving the greater of the MAG or 18% of gross sales.

Motion by Board Director Dane, seconded by Board Director Smith, to 1). Move to approve and authorize the President to execute the Concession Agreement with Foxtail Coffee Company LLC, for the operation of specialty coffee concession beginning January 6, 2026, for 5-years, with a 5-year option to extend. Vote was taken, none opposed. Motion passed unanimously.

11. OTHER BUSINESS

12. NEXT MEETING REGULAR BOARD MEETING (FEBRUARY 3, 2026)

13. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:24 a.m.

Respectfully submitted,


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