

On **WEDNESDAY, APRIL 15, 2020**, the **GREATER ORLANDO AVIATION AUTHORITY** met in regular session via GOTOMEETING and LIVESTREAM. Chairman Domingo Sanchez called the meeting to order at 2:05 p.m. The meeting was posted in accordance with Florida Statutes and a quorum was participating.

Authority members present,

Domingo Sanchez, Chairman
M. Carson Good, Vice Chairman
Dr. Jason Pirozzolo, Treasurer
Mayor Jerry Demings
Mayor Buddy Dyer
Ralph Martinez

Also present,

Phillip N. Brown, Chief Executive Officer and Secretary
Dayci S. Burnette-Snyder, Director of Board Services and Assistant Secretary
Dan Gerber, Interim General Counsel

For individuals who conduct lobbying activities with Aviation Authority employees or Board members, registration with the Aviation Authority is required each year prior to conducting any lobbying activities. A statement of expenditures incurred in connection with those lobbying instances should also be filed prior to April 1 of each year for the preceding year. As of January 16, 2013, lobbying any Aviation Authority Staff who are members of any committee responsible for ranking Proposals, Letters of Interest, Statements of Qualifications or Bids and thereafter forwarding those recommendations to the Board and/or Board Members is prohibited from the time that a Request for Proposals, Request for Letters of Interests, Request for Qualifications or Request for Bids is released to the time that the Board makes an award. In the event a lobbyist meets with or otherwise communicates with Staff or a Board member the lobbyist shall file a Notice of Lobbying (Form 4) detailing each instance of lobbying to the Aviation Authority within 7 calendar days of such lobbying. As of January 16, 2013, Lobbyists will also provide a notice to the Aviation Authority when meeting with the Mayor of the City of Orlando or the Mayor of Orange County at their offices. The policy, forms, and instructions are available in the Aviation Authority's offices and the web site. Please contact the Director of Board Services with questions at (407) 825-2032.

Chairman Sanchez acknowledged that this was the first virtual meeting for the Board of the Greater Orlando Aviation Authority. He thanked the Board and the attendees who signed on for their patience while the technical difficulties were addressed. Due to the setup of the meeting, Mr. Brown is performing Ms. Snyder's task to call roll. In addition, each action taken by the Board has to be handled as a roll call vote.

Chairman Sanchez reminded everyone that this is a public meeting. We are operating under an Emergency Order from federal, state, and local governments to conduct public meetings in a responsible manner due to the COVID-19 pandemic. The Board is meeting through a virtual meeting room to comply with our civic responsibility to ensure public participation and transparency. Several steps were taken to meet public participation and transparency. First, the agenda was published five days earlier than normal. Second, the public was notified of the intent to conduct this meeting through a virtual meeting room one week before today. Third, on the posted agenda and the website the public was advised to send emails with public comment to speaker.request@goaa.org a minimum of one hour before this meeting. Those comments will be read into the record or summarized for the Board. If any attendee on the line wishes to speak today, we asked them to send a speaker request a minimum of one hour before the meeting. We are doing our best in this environment and appreciate your patience and your understanding. Mr. Gerber added that we are operating pursuant to Governor DeSantis Executive Order 20-69 which allows public meetings to be convened by media or electronic technology. He acknowledged that two speakers signed up. Those persons will be recognized if they are registered on the gotowebinar under the names in which they sent their speaker request. So if you are one of those two people, please make sure that you are registered on the webinar under the name that you sent with your speaker request. When it is your turn to speak, we will unmute your mic and provide you three minutes for public comment. If for some reason, we cannot hear you or the technology does not work for those two speakers we do have your written comments, which will be read into the record.

ELECTION OF OFFICERS

1. Chairman Sanchez said that he was moving on to election of Officers pursuant to the Aviation Authority's Bylaws. It is time to elect Officers for the Aviation Authority. Let me remind everyone that nominations do not need to be seconded. Therefore, with that I will recognize Mayor Dyer. Mayor Dyer made the nomination for a slate of the current officers as follows Mr. Sanchez remains as Chairman; Mr. Good remains Vice Chair and Dr. Pirozzolo as Treasurer. Chairman Sanchez asked if there were any other nominations. Mr. Good said that he would like to be considered for Chairman. Okay, very well any other nominations? Mr. Martinez was wondering if we should not consider a new Chairman. Following technical difficulties, Mr. Martinez continued by stating that he echoes the nomination of Mr. Good for Chairman since Mr. Sanchez's term is expiring and we need to have some continuity. The Senate has confirmed Mr. Good and he will be around for a while.

Mayor Dyer stated that since there is competing nominations for Chairman, he is revising his nomination and nominated Mr. Sanchez for Chairman. Because if he is not elected, then the slate of Officers changes. Dr. Pirozzolo asked Mr. Sanchez if he is nominated and elected, would he be comfortable continuing to serve. Mr. Sanchez responded in the positive. Therefore, with that said we have two nominations for Chairman. Nominations are closed. Before the vote, Mr. Good asked Mr. Sanchez if he would like to say something first. Mr. Sanchez repeated that he was happy to continue to serve. He has not received any indication from the Governor's office of a pending replacement for him. He thinks it is important for him to continue serving instead of leaving during this crisis. Therefore, that is his intent. Mr. Good stated that he thinks Mr. Sanchez has done a great job and he would fully support him if he knew Mr. Sanchez was going to be here for two years and he would support him if he got reelected. Mr. Good added that he has been on the Board for a year. He have thrown an enormous amount of time and energy into learning about the airport. He declared that he spent close to 20 hours a week studying and living the airport and he has become very passionate about the airport. Mr. Good added that we are not in the middle of a crisis. He perceives we are in the beginning of what could be weeks, months, a year, or two worth of some challenges such as the health and human safety of our workers, our people, our customers, dealing with budgets and tenants. He mentioned almost \$17 million dollars a month worth of rent deferrals. He has been through three of these before and if the Board so chooses, he would love to serve (as Chairman). He added that he would be here for the next two years at least.

During the vote for Chairman, Mr. Martinez asked about the term of the Chairman and what happens if Mr. Sanchez is replaced sooner than later. Following a response from Mr. Brown and Dr. Pirozzolo's input as to Mr. Martinez's emphasis on continuity, Mr. Brown continued with the roll call vote. Repeating the votes for Mr. Sanchez as Chairman - Sanchez, yes; Mr. Good, no; Dr. Pirozzolo, yes; Mayor Dyer, yes; Mayor Demings, yes; Mr. Martinez, no. Vote passed with Mr. Sanchez re-elected as Chairman.

Mayor Dyer made the nomination for Vice Chairman and Treasurer as Mr. Good and Dr. Pirozzolo, respectively. Mayor Dyer amended his nomination to include Mr. Phil Brown as Secretary and Ms. Dayci Snyder as Assistant Secretary. Mr. Brown took the roll call vote as follows: Sanchez, yes; Vice Chairman Good, yes; Dr. Pirozzolo, yes; Mayor Dyer, yes; Mayor Demings, yes; and Mr. Martinez, yes; for a unanimous nomination of these Officers. Chairman Sanchez congratulated the Officers and thanked them for continuing to serve. Mr. Martinez made a motion that all of the Officers that are currently serving be elected by acclamation so that there is no descending votes. No second was made on the motion. (Mr. Martinez continued having technical difficulties.) Mr. Martinez added that he was suggesting that the entire slate be then nominated by acclamation if there was a second, but apparently, there was not a second so it is fine.

APPROVAL OF MINUTES

2. By roll call vote, the minutes of February 19 and March 18, 2020, were approved unanimously.

CONSENT AGENDA

3. Upon motion by Mayor Dyer, second by Mayor Demings, vote carried to adopt a resolution as follows: It is hereby resolved by the Greater Orlando Aviation that the following Consent Agenda items are approved, accepted, and adopted and execution of all necessary documents is authorized by the Aviation Authority's Officers or Chief Executive Officer:

A. accept for filing the following minutes: February 25 and March 3, 2020, Professional Services Committee; February 10, February 24 and March 9 2020, Concessions/Procurement Committee; March 10, 2020, Mayor Buddy Dyer and Vice Chairman Good; and March 10, 2020, Construction Oversight Committee;

CONSENT AGENDA (con't)

B. accept the recommendation of the Construction Committee to approve Amendment No. 2 to Addendum No. 12 to the Construction Management at Risk (CM@R) Entity Services for South Terminal C, Phase 1, Agreement with Hensel Phelps Construction to establish a revised Baseline Program Schedule for the South Terminal C, Phase 1 and Phase 1 Expansion, Program at the Orlando International Airport, with the Program Substantial Completion date as February 28, 2022 and authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100792**];

C. accept the recommendation of the Construction Committee to approve Amendment No. 1 to Addendum No. 12 to the Construction Management at Risk (CM@R) Entity Services for South Terminal C, Phase 1, Agreement with Turner-Kiewit Joint Venture to establish a revised Baseline Program Schedule for the South Terminal C, Phase 1, Program at the Orlando International Airport, with the Program Substantial Completion date as February 28, 2022 and authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100793**];

D. accept to the recommendation of the Construction Committee to approve a Job Order Construction Services Addendum to the Continuing Horizontal Construction Services Agreement with Cathcart Construction Company - Florida, LLC for H-00331, A and B Sides Quick Turn-Around (QTA) Site Improvements, at the Orlando International Airport, for the total direct-negotiated amount of \$359,998.06, with funding from Rent-A-Car (RAC) Deferred Maintenance and Refurbishment (RAC Key Money) and authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100794**];

E. accept the recommendation of the Construction Committee to approve a Job Order Construction Services Addendum to the Continuing Vertical Construction Services Agreement with Gomez Construction Company for V-00951, A and B Sides Quick Turn-Around (QTA) Equipment Upgrades, at the Orlando International Airport, for the total direct-negotiated amount of \$421,944.47, with funding from Rental Car (RAC) Deferred Maintenance and Refurbishment (RAC Key Money) and authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100795**];

F. accept the recommendation of the Construction Committee to approve a Job Order Construction Services Addendum to the Continuing Vertical Construction Services Agreement with Collage Design and Construction Group, Inc. dba The Collage Companies for V-00952, Quick Turn-Around (QTA) Buildings A1, A2 and A3 Upgrades, at the Orlando International Airport, for the total direct-negotiated amount of \$830,113, with funding from Rental Car (RAC) Deferred Maintenance and Refurbishment (RAC Key Money); and, authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100796**];

G. accept the recommendation of the Construction Committee and approve a Job Order Construction Services Addendum to the Continuing Vertical Construction Services Agreement with T&G Corporation dba T&G Constructors for V-00953, Quick Turn-Around (QTA) Buildings B1 and B2 Upgrades, at the Orlando International Airport, for the total direct-negotiated amount of \$848,360.44, with funding from Rental Car (RAC) Deferred Maintenance and Refurbishment (RAC Key Money); and, authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100797**];

H. accept the recommendation of the Construction Committee to (1) approve Change Order No. BP-00043-01 in the amount of \$2,758.79 and no time extension, and request Orlando City Council and Federal Aviation Administration (FAA) concurrence (as required because of FAA funding), with funding as outlined in Attachment A; (2) approve Change Order No. BP-00043-02 in the amount of \$2,447.22 and no time extension, and request Orlando City Council and FAA concurrence (as required because of FAA funding), with funding as outlined in Attachment A; (3) approve Change Order No. BP-00043-03 in the amount of \$2,891.31 and no time extension, and request Orlando City Council and FAA concurrence (as required because of FAA funding), with funding as outlined in Attachment A; (4) approve Change Order No. BP-00488-12R in the amount of \$0 and a 71 calendar day time extension to Substantial Completion; (5) approve Change Order No. BP-00491-04 in the amount of \$0 and a 117 calendar day time extension to Substantial Completion; (6) approve Change Order No. E-S00009-01 in the amount of \$629,572 and a 551 calendar day time extension to Substantial Completion, with funding as outlined in Attachment A and, (7) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the Change Order(s) following satisfactory review by legal counsel;

I. accept the recommendation of the Construction Committee for the Single Source Procurement of Furniture for the Aviation Authority Office Trailers at the South Terminal C Site Logistics Complex at the Orlando International Airport, from

CONSENT AGENDA (con't)

Modular Building Systems International, for the total not-to-exceed amount of \$735,588.53, with funding from previously-approved Capital Expenditure Funds; and authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100798**];

J. accept the recommendation of the Concessions/Procurement Committee to: (1) award the purchase of one E-ONE Custom Typhoon Pumper, through Florida Sheriff's Association Contract No. FSA18-VEF13.0, to REV RTC, Inc. d/b/a Hall-Mark RTC, in the not-to-exceed amount of \$601,832.10; (2) authorize funding from previously-approved Capital Expenditure Fund in the amount of \$601,832.10; and (3) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the appropriate purchase agreement, following satisfactory review by legal counsel;

K. accept the recommendation to (1) approve Amendment No. 1 to the Theme Retail Concession Agreements at Orlando International Airport with DNC Parks & Resorts at KSC, Inc., through August 31, 2020; and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the appropriate amendment following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100799**]; and

L. accept the recommendation to (1) approve a six-month extension to the engagement letter with Rumberger Kirk through November 30, 2020, with funding from the Operations and Maintenance Fund and (2) authorize an Aviation Authority Officer or the Chief Executive Director to execute the necessary documents [**FILED DOCUMENTARY NO. 100800**].

By roll call vote, the consent agenda was approved unanimously.

Chairman Sanchez stated that before Mr. Brown begins the presentations he would like to review the framework for speakers who want to address the Board on these items. Mr. Brown will present each item after this presentation and before Board consideration; email comments from the public on that issue will be read or summarized. Mr. Brown will identify any speaker who registered to address the Board on the item. Each speaker will have three minutes. Does the Board have any questions? Hearing none, the presentations were started.

RECOMMENDATION OF THE CONCESSIONS/PROCUREMENT COMMITTEE TO AWARD SOLE SOURCE PURCHASING CONTRACT NO. 22-20, AIRFIELD LIGHTING PARTS AND MAINTENANCE SERVICES, AT ORLANDO INTERNATIONAL AIRPORT AND ORLANDO EXECUTIVE AIRPORT, TO ALLEN ENTERPRISES, INC.

4. Mr. Brown began with the first presentation. He stated that this was a sole source contract to provide airfield lighting parts and maintenance services with Allen Enterprises, Inc. Allen Enterprise is the only authorized OEM dealer for the airfield lighting systems that we use at Orlando Executive Airport and Orlando International Airport. Only authorized partners can provide parts and services for the equipment that conform to FAA certification. The contract expires on June 26, 2020. As he previously mentioned, Allen is the exclusive representative for ADB Safegate equipment. Mr. Brown added that there is no small business participation because of the specialized nature of the services to be provided. The impact for the five-year total is \$3,850,000.

It was respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Concessions/Procurement Committee; award Purchasing Sole Source Contract 20-22 to Allen Enterprises, Inc. for 60 months; authorize funding from the Operations and Maintenance Fund in the amount not-to-exceed \$3,850,000, and authorize an Aviation Authority Officer or the Chief Executive Officer to execute the appropriate agreement following satisfactory review by legal counsel.

Motion was made by Vice Chairman Good, seconded by Mayor Demings. Mr. Brown called for a roll call vote with the item receiving unanimous approval.

RECOMMENDATION TO RATIFY AND APPROVE PROPERTY AND ALL OTHER LINES INSURANCE AWARDS FOR THE MAY 1, 2020 TO MAY 1, 2021 POLICY PERIOD

5. Moving on to the next item, Mr. Brown stated that this item is to ratify and approve property and all of their lines of insurance awards for the policy year May 2020 through May 2021. The Aviation Authority purchases Property and Casualty Insurance to protect its assets from physical harm and from liability from third parties. This insurance program is consistent with the program purchased by other Florida airports.

RECOMMENDATION TO RATIFY AND APPROVE PROPERTY AND ALL OTHER LINES INSURANCE AWARDS FOR THE MAY 1, 2020 TO MAY 1, 2021 POLICY PERIOD (con't)

On May 1, 2020, insurance renewals are due for property, workers compensation, employers liability, business automobile, crime, fiduciary liability, public officials liability, storage tank liability, pollution liability, cyber liability, travel accident obtained by Author J Gallagher Risk Management Services as the Aviation Authority's broker. Available alternatives have been explored to maintain a comprehensive and cost-effective insurance program considering the premiums limits, terms, risks, and market conditions for each individual line of coverage. Independent Insurance Consultant, Siver Insurance Consultants, assisted with the evaluation of quotes and concurs with the recommendation.

Using visual aids (copy on file) Mr. Brown discussed a summary of quotes received and associated recommendations set forth totaling \$5,282,583. There is a significant increase over the prior year. The bulk of this increase occurs in the excess property, which is currently offered by FM Global and we are recommending that we retain FM Global to provide this insurance despite the increase. The increase is a consequence of a number of factors. There is a hard market that has existed since 2017 that has contributed to premium increases this year. The year 2017 saw a \$105.7 billion insured losses, which was the highest amount since 1949. In 2018, there were five catastrophes each at \$25 million or more; the highest number of catastrophes in any year with \$25 million or more insured losses. In 2019, there were 14 separate billion-dollar events; the fifth consecutive year of 10 or more such separate events. Mr. Brown then mentioned that the Aviation Authority's brokers approached 63 providers about excess property coverage for the Aviation Authority. One response was received from AmWins with an estimated premium of \$5.50 million through \$6.75 million. The limits were \$250 million and a 3% wind deductible. Excess property recommendation has a premium of \$3.76 million. The limits are \$500 million and the wind deductible for this year is 1.5%.

It was respectfully requested that the Aviation Authority Board resolve to ratify and approve placement of insurance coverage for the May 1, 2020 to May 1, 2021, insurance policy period as outlined in the memorandum on file to the extent applicable to these coverages; authorize funding from the Operation and Maintenance Fund in the not-to-exceed amount of \$5,285,583; and authorize the Chief Executive Officer to execute the necessary documents.

Motion was made by Mayor Dyer, seconded by Vice Chairman Good. Following roll call vote, the item passed unanimously.

RECOMMENDATION TO APPROVE THE 12KV LINE INSTALLATION AGREEMENT BY AND BETWEEN THE GREATER ORLANDO AVIATION AUTHORITY AND THE ORLANDO UTILITIES COMMISSION

6. Mr. Brown stated that this item is a 12 kilovolt (kV) line installation agreement between the Greater Orlando Aviation Authority and Orlando Utilities Commission. As background, in June of last year the Aviation Authority approved a global agreement between the Aviation Authority and OUC, which will provide the framework for transactions and individual projects.

The structure of the agreement is set forth on the slide and includes OUC ownership, operation, and maintenance of a backup generator facility; OUC construction, ownership, operation, and maintenance of the 12kV emergency distribution services; OUC ownership, operation, and maintenance of the Central Energy Plant; OUC ownership, construction operation, and maintenance of a floating solar energy facility that was approved on July 17, 2019. The South Terminal Complex has requirements for power, which include the installation of cable and transformers for 12kV emergency distribution system. OUC's cost to complete the work is \$5.5 million dollars, which is approximately \$1.2 million dollars less than the estimate provided by the South Terminal Construction Management at Risk.

The agreement defines the schedule, payment, the work to be completed and liquidated damages. The fiscal impact is \$5.5 million dollars. It will be funded from the Aviation Authority's Line of Credit to be reimbursed by OUC funds to be received under the previously-approved OUC Global agreement.

It was respectfully requested that the Aviation Authority resolve to approve the 12kV Line Installation Agreement by and between the Aviation Authority and OUC and authorize an Aviation Authority Officer or the Chief Executive Officer to execute the 12kV Line Installation Agreement, following satisfactory review by legal counsel.

Motion was made by Mr. Martinez, seconded by Mayor Demings. Following roll call vote, recommendation passed unanimously.

RECOMMENDATION TO APPROVE RESOLUTIONS FOR THE LIMITED DEFERRAL OF SPECIFIC FEES DUE TO THE GREATER ORLANDO AVIATION AUTHORITY FROM AIRLINES, IN-TERMINAL CONCESSIONAIRES, AND ON-SITE RENTAL AUTOMOBILE CONCESSIONS

7. Mr. Brown indicated that before he begins the presentation it would be helpful if he could provide some perspective on what we have been doing in terms of staff and looking at issues related to the downturn in traffic. He thinks it is an overused term these days, but we are in uncharted territory. We had slightly over 1,000 outbound passengers yesterday. We have overall since beginning of April seen over 90% reduction in traffic. We currently only have a handful of food and beverage concessions open to provide service on the various airside and land side. We have had some news gift operations, but those have steadily requested closure and we have agreed with that so we do not have very much activity in the airport.

The challenge is one that we are all facing. The first challenge is the health challenge. Trying to determine when we can flatten the curve on the coronavirus. I have been privileged to participate almost on a daily basis with Mayor Demings' Executive Policy Group calls where we continue to look at how the virus expands and measures that we can take to contain it.

This has had an impact clearly on all the concessionaires, on the airlines and on the rental automobile companies that operate at Orlando International Airport. The concern that he has is one that he thinks all of you share. The challenge that we face is it is very difficult to determine what the future is going to bring with regard to when we are going to be able to see the health crisis addressed.

Whether it is going to be extensive enough that markets can open up; stores can open up; and restaurants can open up because it is only at that point when we see an opportunity for traffic to be able to return to Orlando International Airport. Clearly, a fundamental part of that is when the theme parks and the attractions will be able to reopen.

We know that Universal has stated that they're not going to reopen before May 31; Walt Disney world has not indicated when they expect to reopen and regardless, both the theme parks and retail operations and restaurants and for that matter airlines and airports will face some challenges in terms of how to convince the public that it's safe to use their facilities and looking forward he does not see an opportunity for this to resolve itself quickly.

His expectation is this depressed level of traffic will continue for the balance of the fiscal year and perhaps even beyond. I do not have a crystal ball. Nevertheless, when he looks at past instances: 9/11, the recession, it's taken central Florida a little bit longer than some other places to reclaim its traffic and move back to normal levels.

In 2009, we experienced the low point in the recession. We had lost about 9% of our total traffic. We went from roughly 37 million passengers annually to about 33 million passengers and it was not until 2014, almost five years later, that we were able to get above pre-recession highs.

His view of the current circumstances are much more drastic. Therefore, by way of background, we have had 50-60 requests for relief in one form or another. Many have asked for abatement or deferrals for a longer term than we are proposing. He thinks it is fair to say that we will discuss this issue today but this is not the final recommendation. We will be back discussing this again in May and in all likelihood months beyond that.

This is unprecedented. There are certain things that we need to provide the Board in order for you to make a judgment on whether or not to consider additional actions on behalf of the concessionaires, airlines, and rental automobile concessions. He is expecting about half of the passengers that we had at the end of the last fiscal year. He does not see much opportunity for us to reclaim passenger traffic for the balance of this year. We are halfway through the fiscal year right now. So instead of looking at 50 million passengers, which we were approaching in September of 2019, we are probably looking at 25 million.

Two-thirds of our revenue comes from non-airline sources such as rental cars, \$100 million dollars from parking, which as of today is pretty much non-existent. We have a lot of excess capacity in parking right now to the extent that we have taken employees and put them into the parking garage instead of running a shuttle system to

RECOMMENDATION TO APPROVE RESOLUTIONS FOR THE LIMITED DEFERRAL OF SPECIFIC FEES DUE TO THE GREATER ORLANDO AVIATION AUTHORITY FROM AIRLINES, IN-TERMINAL CONCESSIONAIRES, AND ON-SITE RENTAL AUTOMOBILE CONCESSIONS (con't)

the employee parking lot. What he is not able to tell you is how deep the hole may get.

Mr. Brown mentioned that he was on a phone call yesterday that a number of airports participated on (a listen-only mode) when US Secretary of the Department of Transportation, Elaine Chao announced the process for airlines to receive Care Act Funds. Orlando International Airport is eligible for up to a \$170 million in Care Act Funds. These are funds that will be provided from the US Treasury; they will be managed by the Federal Aviation Administration. This is a reimbursement grant and it is only after we expend funds and provide documentation that we will receive any funds that are subject to audit subject to review by the FAA. As part of the agenda today, there is an item for Board consideration dealing with the application and acceptance of grants.

He mentioned that the Aviation Authority's annual debt service including all sources is about \$200 million dollars. Every month we make a deposit with our Trustee for one sixth of the interest that's due in the next payment period and 1/12 of the principal. We pay twice a year in April 1 and October 1. We have almost \$3 billion dollars of outstanding debt. Mr. Brown mentioned that a condition of accepting funds, the Aviation Authority has to agree to maintain 90% of its payroll as of March 27, 2020 through December 31, 2020. It wasn't until noon yesterday that we were sure what the amount was so we are in the process right now of trying to strategically determine where the funds can be spent that will be most advantageous. It is particularly key because if we continue at these depressed levels next year is going to be much worse than this year. We have almost half a year under our belt. The traffic really did not start declining until about the middle of March but it dropped precipitously. So a part of what we have is a stopgap measure for our airport partners.

Mr. Brown said that he did not believe this would be the final determination because he does not think that the Board has enough information to determine the balance of issues of the Aviation Authority with solvency obligations to debt holders and the interest in assisting our stakeholders and our partners at the airport.

He then moved on to the slide presentation (copy on file). The Cares Act authorizes the airlines to apply for up to \$50 billion in loans and grants. Cares Act authorizes \$349 billion for job retention, mortgages, rent, and utilities for small businesses. He mentioned the announcement yesterday about discussions between the airlines and the U.S. government and condition of their funding. There are conditions to the funding for small business such as the number of employees in a single site. It fits some concessionaires but not others such as the rental automobile concessions.

As to fiscal impact, the amount of the deferrals for May billings is approximately \$17 million between airlines, In-Terminal Concessionaires, and Rental Automobile Concessions. As stated previously, it is staff's view that this is only the beginning of this discussion and working towards a solution for our airport and our airport partners.

It was respectfully requested that the Aviation Authority Board resolve to approve the Limited Deferral of Passenger Airline Rates and Charges resolution; the Limited Deferral of Terminal Complex Concession Fees resolution; the Limited Deferral of Rental Automobile Privilege Fees resolution; authorize the Chairman and Chief Executive Officer to execute the resolutions; authorize the Chief Executive Officer and the Chief Financial Officer to accept limited deferred payments as specified in the resolutions; and authorize the Chief Executive Officer to have discretion to enforce the terms and conditions of the resolutions.

Mr. Brown mentioned conversations on what other airports have implemented. He recognized that all airports are different. Orlando International Airport is a tourism and leisure business. That is what we have enjoyed for the past 30 plus years. We will take a hard hit and it is going to be difficult to recover for a number of reasons including how airlines continue to operate their business model. Flights have decreased and they are going to continue to decrease because it takes a lot of money to keep an airplane operating. Our challenge is and has been that Orlando is a low yield market. Airlines will go to the markets where they can get yield. Our business model is geared so that 2/3 revenues come from other sources to ensure that airlines can continue to fly into Orlando International and have a cost-effective rate. He then mentioned the concessionaires and how many will remain operating. He predicts that more of our costs will have to be borne by the airlines

RECOMMENDATION TO APPROVE RESOLUTIONS FOR THE LIMITED DEFERRAL OF SPECIFIC FEES DUE TO THE GREATER ORLANDO AVIATION AUTHORITY FROM AIRLINES, IN-TERMINAL CONCESSIONAIRES, AND ON-SITE RENTAL AUTOMOBILE CONCESSIONS (con't)

if we continue to operate. He reiterated that as we look forward, there are some fundamental decisions that this Board will have to make going forward as to where, how, and if we spend money.

He stated that we have begun adjusting our preliminary 2021 budget, which is due to the Board for consideration in August. We do not think based on what we're seeing now in terms of enplanements for the rest of the year that going forward we're going to be able to support anywhere near the budget that was approved last August. His concern is next year because we will not have six months of heavy traffic to live off.

The same requests and issues also have to be addressed and dealt with at Orlando Executive Airport. The situation and budget there is much more difficult than at OIA.

He thinks that we are going to have to look strategically in other directions because if he is anywhere close to being correct on how long it takes to get back to employment levels, we are going to have to look at revenue sources that we have not tapped into in order to generate revenue.

Chairman Sanchez thanked Mr. Brown for this very informative and detailed presentation. Mayor Demings believes that this is a prudent course of action. There's still quite a bit of uncertainty about how much longer the economic impact will be felt by all of us here and across the nation and because of that uncertainty, he recognizes that those of us who operate at the local and state level have to balance our budget unlike perhaps the federal government that can run deficits. We do not have the ability to do so and because of that he believes that the action being recommended by Mr. Brown is an appropriate conservative approach to dealing with the future cost to operate the Greater Orlando Aviation Authority and our airports. So he would like to move approval for the recommended action.

Mr. Gerber stated that before any further deliberations take place, there are public comments for the record. Chairman Sanchez stated that there is a motion on the floor and asked if there was a second. Mayor Dyer seconded the motion.

Mayor Dyer requested one procedural rule. He mentioned that this situation occurred at Orlando City Council meeting the other day. Reading of statements were sometimes longer than the time a speaker would have at the podium. He requested that the statement being read was not longer than the three-minute time frame allotted others. Statements longer than three minutes will be summarized. All statements will be filed for the record.

Mr. Brown read the first statement into the record from Mr. Edward Corey, Managing Director, RCS Real Estate Advisors.

Our firm is the advisor to Lids Inc, a tenant within the Orlando Airport as well as over 1000 locations in the US and Canada and I am writing to you on their behalf as we serve as their exclusive real estate arm. To use the expression "these are unprecedented times" is for our client almost too simplistic. Their business is dependent on a multitude of factors, including the world of sports, without which there is no demand. Today, the world of sports is "shut down" and no one knows when fans will be returning to stadiums, or any of the multiple venues to watch and support their teams/sport. This is a compounding of the problem most retailers have of venues simply not being open, or in the case of the airports, not open at a meaningful operating level. To the typical uncaring landlord, it is simple to say there is a contract. It is just not the case given the pandemic and its impact. The current rent deferral of one month shows everyone impacted there is only marginal understanding and/or concern by the BOD of Orlando Airport. The issue here is a minimum of 9 months of losses and rebuilding effort to once again prosper. Throw away old thinking, open up to more spirited and thoughtful partnerships and we will all survive. For those who do not will certainly break the retailers who are struggling to get through to the other side of this pandemic. We will all fail together.

Mr. Brown then read a statement from Mark Taub, Natalie's Candy Jar.

The Limited Deferral of Specific Fees, as described in the above referenced Resolutions, is seriously inadequate in light of the current circumstances impacting the Orlando International Airport Concessions community. In that regard, we respectfully request that you consider the following information, and revise the Resolutions accordingly: AIRPORTS TOLD TO CONSIDER TENANTS' CHANGED

RECOMMENDATION TO APPROVE RESOLUTIONS FOR THE LIMITED DEFERRAL OF SPECIFIC FEES DUE TO THE GREATER ORLANDO AVIATION AUTHORITY FROM AIRLINES, IN-TERMINAL CONCESSIONAIRES, AND ON-SITE RENTAL AUTOMOBILE CONCESSIONS (con't)

CIRCUMSTANCES IN NEW FAA GUIDANCE The Federal Aviation Administration on April 4, 2020 issued updated guidance that urges airports to consider the "changed circumstances created by the public health emergency," when making a decision to renegotiate rent terms with tenants. The new guidance relates to the recently passed CARES Act, under which Congress awarded approximately \$10 billion in grants for airports to aid in the midst of the COVID-19 pandemic. FAA stressed that the decision to abate rent, including minimum annual guarantees, should be tied to the changed circumstances of tenants as they attempt to recover from the impact of the COVID-19 pandemic on their operations. The agency clarified that renegotiation of rent is acceptable if "a reasonable basis for such an action might be established if the underlying basis for such rent has temporarily declined or materially altered due to COVID-19," according to the guidance. "In such circumstances, the offer of accommodation in the form of rent abatement is not barred by the grant assurances as long as it is reasonable under the circumstances and reflects the decline in fair market value, loss of services, and/or changes to volume of traffic and economy of collection." The guidance continues: "Sponsors considering such relief are encouraged to consider the business situation of the tenant; the changed circumstances created by the public health emergency and the desirability of having solvent tenants that can resume normal operations when the emergency ends. Following is information on the approach several airports around the country are taking to address the current crisis: Miami International Airport (MIA) - is offering its business partners relief and deferrals of payments for three months: Waives minimum annual guarantee (MAG) payments, rent and other related fees for concessions operators contracted to pay MAG monthly payments as well as monthly rent. The waivers will be retroactive to March 1, 2020 through May 31, 2020. Concessionaires will continue to pay assigned concession category percentage fee of gross revenues in lieu of MAG and rent for the period.

The next is a summary of a letter from our airline partners. It's signed by 19 airlines including two cargo airlines. Mr. Brown mentioned that one of these recommendations was already incorporated in the revised resolutions. We have eliminated the interest, the repayment period begins in July (not in June) and three equal installments with the five-day trigger payback at 15 days instead of five days and not implementing a mid-year adjustment.

We, the Airlines serving Orlando International Airport (MCO) appreciate your continued leadership as we navigate this unprecedented global health crisis. As you know, the novel coronavirus (COVID-19) continues to have a profound impact on our industry, our customers, and most importantly, our employees. Over the last few weeks, U.S. airlines, including our members, have taken measures to minimize the economic impact caused by COVID-19. More importantly, we've taken steps to further protect the safety, well-being and livelihood of our employees. While financial assistance via the federal government's stimulus bill, CARES Act, has yet to be distributed, the financial support means that carriers will not conduct any involuntary furloughs or pay cuts in the U.S. before September 30, 2020. While this relief is critical to our survival, we require immediate assistance. For those reasons, the MCO Airlines are appreciative and supportive of GOAA's proposed plan to defer May 2020 fixed rents and charges for Passenger Airlines. After reviewing the plan details in the GOAA Resolution, the MCO Airlines recommend that GOAA consider these additional or nuanced measures to provide the most impactful immediate relief for the airlines: 1. Deferral Amount - Respectfully request that GOAA defer three (3) months of fixed rent, instead of one (1) month, in line with commitments made by other U.S. airports; 2. Payback - Recommend GOAA reconcile the Deferral Amount through GOAA's FY2020 True-Up process instead of collecting the Deferral Amount in four equal installments beginning June 1, 2020; 3. Payback Trigger - Recommend elimination of the five (5) day payback trigger upon receipt of federal funds under Section 4003 of the CARES Act; 4. Interest - Recommend elimination of the proposed interest charge unless required by the Federal Aviation Administration; 5. Cargo Airlines - For equity, recommend including cargo airlines in the deferral program as related to Apron Rent and Use Fees; 6. Non-Terminal Facilities - Recommend adding to the deferral program fixed rent for airline leased hangars, cargo buildings and land; 7. Rates and Charges Adjustments - Recommend GOAA hold airline rates and charges flat for the remainder of FY2020 instead of implementing a mid-year adjustment. We respectfully request that you share this letter with the GOAA Board, and given the urgency, ask that New Business Item D on the Wednesday, April 15th GOAA Board Agenda not be delayed but approved, to include the recommendations outlined above.

RECOMMENDATION TO APPROVE RESOLUTIONS FOR THE LIMITED DEFERRAL OF SPECIFIC FEES DUE TO THE GREATER ORLANDO AVIATION AUTHORITY FROM AIRLINES, IN-TERMINAL CONCESSIONAIRES, AND ON-SITE RENTAL AUTOMOBILE CONCESSIONS (con't)

The next letter is from Mr. Carlos Bernal, Areas CEO.

The COVID-19 pandemic continues to grow globally and, in its wake, generates more fear and continued mandates¹, at the federal, state, and local level, to close restaurants, restrict travel and require individuals to stay at home, all of which are causing a disastrous impact on our business and impeding our ability to perform under the Concession Agreement. The upheaval and uncertainty for the restaurant industry and our company is particularly catastrophic. As a result of the unprecedented measures that have been implemented globally to prevent the further spread of COVID-19, all our restaurants at MCO are now closed. On the last day of operations at Ruby Tuesday total sales were \$178.77, a 99.5% decrease in sales from the same date in 2019. On April 3, 2020, Qboda was closed because two employees tested positive for COVID-19. We believe that closure was the only option given the significant decrease in sales as well as a necessary action to protect our employees and the community from the spread of the virus. The COVID-19 health crisis and the regulations enacted to battle it, are unforeseen circumstances completely outside of our control, and have rendered performance under the Concession Agreement virtually worthless. The very essence of our Concession Agreement has been destroyed by COVID-19 and the mandates enacted to battle it, and we only expect the situation to worsen in the days and weeks to come as we continue to battle this global pandemic. Because of this unprecedented situation Areas is facing an existential crisis and needs your support in order to survive. On March 20, 2020, Governor DeSantis issued Executive Order No. 20-71 suspending on premises food consumption at restaurants. On April 1, 2020, Executive Order No. 20-91, was issued requiring individuals to stay at home to stop the spread of COVID-19. We understand that the Authority has proposed a resolution which recommends relief for concessionaires consisting of a MAG deferral for the month of May with the payments to be made, with interest, in four equal payments starting on June 1, 2020. We appreciate the Authority's efforts to provide relief during this crisis and are grateful for the Authority's support in providing operational flexibility. We value your partnership and recognition that concessionaires will need relief in order to endure this crisis, however, the relief proposed by the Authority is insufficient to address the financial devastation that Areas is currently facing. It is our understanding that pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the airports are receiving federal assistance to survive as an industry because of the massive decline in passenger activity. We face the same existential challenges. We also understand that the FAA has issued new guidance to airports in which it indicated that airports are not barred by the grant assurances from offering accommodation in the form of rent abatement as long as it is reasonable under the circumstances and reflects the decline in fair market value, loss of services, and/or changes to volume of traffic and economy of collection. Rent relief is certainly warranted under these circumstances, considering the complete shut down and total lack of revenues, and has already been granted to Areas by other airports. Accordingly, Areas is respectfully requesting that the MAG be waived for three months, commencing on April 1, 2020, and that the Percentage Rent payments be deferred with repayment over a six-month period commencing on July 1, 2020. Please note that this request is being made due to the circumstances that are completely outside of our control and that are having a devastating impact on our business and our ability to perform under the Concession Agreement. We are hopeful that this situation will be temporary, and we are optimistic that the long-term success of our business is not in jeopardy, but the current drastic times demand a drastic and immediate response in order maintain short-term security for our business. We are asking you, as our business partner and landlord, to support us and do what is necessary in order to avoid compromising the long-term success and livelihood of our company. We have reached out to your office to schedule a time to discuss possible solutions that can help Areas weather this storm. I am available for a call at your earliest opportunity and really appreciate your time and attention to this very important matter. Areas appreciates your partnership and support during these unprecedented times and looks forward to continuing to provide services to the traveling public at the Airport.

The next is a written statement provided by Christopher McNamee, Senior Manager of Business Development, Villa Restaurant Group.

As a food and beverage concessionaire here at MCO, the impact of the coronavirus pandemic and its effects on air travel have caused a drastic decline in sales as many are aware. While the offer and deferrals being proposed and discussed here today are appreciated, they do not go nearly as far as they need to in order to provide meaningful relief to the members of the concessions program who have been collectively suffering massive monthly losses while operating with a virtually

RECOMMENDATION TO APPROVE RESOLUTIONS FOR THE LIMITED DEFERRAL OF SPECIFIC FEES DUE TO THE GREATER ORLANDO AVIATION AUTHORITY FROM AIRLINES, IN-TERMINAL CONCESSIONAIRES, AND ON-SITE RENTAL AUTOMOBILE CONCESSIONS (con't)

non-existent customer base. The current proposal for in terminal concessions also does not offer enough support and relief to concessionaires on a level commensurate with a number of other large airports around the United States who have offered anywhere from 3-9 months of waivers, not deferrals, on minimum annual guaranteed rent. A longer-term waiver of minimum annual concession fees would provide a much more substantive opportunity for a quick financial recovery and we are respectfully requesting that such a structure and plan be considered by GOAA and the Board. Please understand that if forced to pay all minimum annual concession fees during a time with limited to zero sales, it is completely feasible that many concessionaires will not have the funds necessary to pay or retain its staff or to ensure that there is available capital once the time comes to slowly re-open the business in what is likely to be an entirely different operating environment.

This concludes the records documented. Mr. Gerber mentioned that the next comment is from Mrs. Geary.

Good afternoon. My name is Emily Geary. I have been working at HMS host since February. I am a crewmember at Starbucks. I am one of the few HSS workers who has not been laid off. I work four shifts this past week. I am outraged that HMS house has risk our health and safety and our family's health and safety. Clearly, we are essential employees since we are required to work at the airport during this time Base to Base of customers. All of the restaurants in Florida are closed but Host is treating us as disposable as a condition of granting right deferral GOAA should require that concessions and companies immediately institute all control measures recommended by the CDC OSHA and the State of Florida for workers and critical infrastructure jobs such as ours. Last week 35 Host workers filed a federal OSHA form against Host alleging that the company has violated OSHA safety standards and has failed to mitigate hazard and safety of COVID-19 that can cause death or serious injury to workers. I started worrying about COVID-19 when TSA agents started getting sick in early March. I knew it would be a matter of time until food service workers would be exposed. We have direct contact with thousands of passengers and we work in tight spaces. For example at Starbucks, we work within four feet of each other all the time. It is really hard to distance ourselves from customers who would cough or sneeze right in front of us or right before we handed them a drink. When I last worked this Saturday, six weeks after TSA agents got sick. OSHA has not done anything to protect us from the passengers who could infect us. Gloves and masks were optional and in my store we don't have gloves that fit us. Host has not given us protective shields in front of registers. There's no hand sanitizer in our Starbucks. We have not been trained on the use of gloves or masks. I have often gone home crying worried that I will get sick. Since we filed the OSHA complaint a week ago, Host finally put plastic shields in front of our registers today. Although this is a good step it took six weeks for them to do this and only after we went to the government to complain and publicize the dangers. We're facing the wearing of masks on a mandatory basis but they told us to make our own. It must provide us the tools to protect ourselves. The disrespect they are showing is outrageous on behalf of all my co-workers. You want to hold this concessions companies accountable if they're seeking financial assistance from GOAA.

Mr. Brown then read a statement from Mr. Roberto Graziani, Executive Vice Chairman, 3 Sixty (DFASS Group), which is the duty-free operator.

3Sixty Duty Free, with its ACDBE partners, operates the duty free retail stores at MCO, which are now closed. Whilst we appreciate the efforts of MCO to respond to the terrible crisis caused by Covid-19 and the responses of Federal, State and Local Governments, however, we respectfully believe that the proposed Resolution relating to Concessionaires does not provide a response proportional to the severity and scope of this crisis. Temporary Rent relief through a rent wavier, not a deferral with interest as proposed by MCO, is what is needed to help us and our partners survive, and bring back our employees at MCO, which for now we have had to furlough (whilst still paying benefits) but may otherwise be forced to lay off completely unless we can find a more viable resolution. Waiver not deferral is the approach that has been taken by major American airports, including Miami International Airport (MIA), Dallas-Fort Worth (DFW) and Philadelphia International Airport (PHL), and we sincerely believe this is also the right and fair approach at MCO. Specifically regarding our operation in MCO, and as per our previous communications to GOAA, we recommend that, from 1st of March, Minimum Guaranteed Rent be waived, and variable percentage rent be reduced by 50% until traffic returns to the levels MCO has been experiencing before the Covid-19 outbreak. The proposed Resolution perfectly captures the effects of the crisis by

RECOMMENDATION TO APPROVE RESOLUTIONS FOR THE LIMITED DEFERRAL OF SPECIFIC FEES DUE TO THE GREATER ORLANDO AVIATION AUTHORITY FROM AIRLINES, IN-TERMINAL CONCESSIONAIRES, AND ON-SITE RENTAL AUTOMOBILE CONCESSIONS (con't)

noting that in just the two week period from March 28-April 8, passenger traffic decreased by over 90% compared to the same period in 2019. In effect, the airline and travel retail industry has collapsed. In particular, the duty free retail business has ceased to exist for now, due to the pandemic, and the orders of the President closing America to most international air line traffic. Furthermore, given that these government decisions are being backed up by hundred millions of dollars of financial support, most of which are currently being channeled into our industry through airports, with the expectation that a proportion of this support should find its way to also supporting concessionaires, it is difficult to accept how the proposal for a rent deferral, with interest, can be reconciled against the original government intention. Sincerely, we would have expected a much more effective relief to address the critical nature of this situation as we have presented in this letter. Disney World, Universal and the other magnets which draw U.S. and international visitors to Orlando are closed and will remain closed for the months to come. Prior to the crisis, we had 58 employees operating our stores at MCO, today we only have 3 of them. The crisis we are in is not one we created by bad business decisions, it is a clear Force Majeure event as contemplated by Article 17 (H) of the Lease and as such it requires a resolution that is proportionate to this crisis. Beyond our operation at MCO, we, together with our ACDBE partners, are doing our utmost to survive this crisis to try to continue to be part of the MCO and GOAA community, including in our head office where we have eliminated nearly 20% of full-time positions, furloughed (with benefits) a significant part of our team, and where the remaining staff have taken a 50% reduction in their compensation all to help us mitigate this impact. Whilst we are committed to Orlando, MCO and GOAA we respectfully request a review of the current draft Resolution to address the points we have made in this letter and provide more appropriate relief solutions.

The next one is from Pat Chinander, CEO/President/Founder of Love from USA.

As a woman's owned family ACDBE business successfully operating for over 40 years, we think the impact of COVID-19 crisis for most lucky people is a temporary life changing event requiring compliance, patience, and compassion. With great enthusiasm, we recently opened two stores in the fall of 2019 in Orlando's International Airport. We worked closely and feverishly with the teams at URW and the GOAA staff throughout the planning, design and build-out stages to get our stores open prior to the Thanksgiving holiday and very much appreciated everyone's input and assistance throughout the process. We anticipated a very strong winter and spring season given the historical volume of travelers and visitors entering central Florida through the Orlando airport. We prepared ourselves to provide exceptional customer service, stocked our locations with great merchandise and staffed our stores to accommodate the volume of passengers typical this time of year. Unfortunately, we, along with other retailers, fell victim to the fallout of the Coronavirus pandemic and the ensuing flight cancellations, postponement of conferences, conventions, and other activities. All sporting events were also canceled. Disney and other theme parks closed their venues for fear of spreading the coronavirus and counties throughout the State of Florida imposed curfews to restrict social gatherings. Throughout this period, we did our best to maintain normal operating hours and provided our staff with sanitizers and other personal protective equipment to keep them safe and secure. Repeatedly we had suggested reducing our hours of operation to minimize the potential exposure to our staff and more closely match the demand of our prospective consumers. With each request GOAA insisted we maintain our normal hours of operation and failed to adhere to the CDC's guidelines. As conditions worsened and the level of visitors coming through the airport continued to diminish, we were compelled to close our stores on March 26 given the potential harm to our employees and the financial impact on our company. Additionally, the financial hardship caused to our Company by keeping our stores operational made it impossible to continue without any relief or assistance. Our gross revenues in the days leading up to the closure of the stores averaged approximately \$200 per day. Since this time, we have furloughed 100% of our employee base and have applied for assistance and relief from the government-sponsored stimulus programs. We have not yet received any of this support. In the meantime, we are disturbed by GOAA's proposal to treat ACDBEs differently simply due to the fact we have entered a Sub-Concessionaire Agreement with URW rather than with the Greater Orlando Aviation Authority. Frankly, we take the position that URW is an extension of GOAA for purposes of securing, managing, and maintaining relations with Orlando Airport operators and do not agree with the proposal to defer any relief or benefits by 50%. We are receiving rent abatement from other landlords and reasonably think GOAA needs to provide similar rent relief for the period during which our operations have been negatively impacted by this unprecedented event (February and March) and for a 30-

RECOMMENDATION TO APPROVE RESOLUTIONS FOR THE LIMITED DEFERRAL OF SPECIFIC FEES DUE TO THE GREATER ORLANDO AVIATION AUTHORITY FROM AIRLINES, IN-TERMINAL CONCESSIONAIRES, AND ON-SITE RENTAL AUTOMOBILE CONCESSIONS (con't)

day period once we are able to re-open our stores. In conclusion, all ACDBEs should be treated the same, notwithstanding a direct or indirect lease with GOAA. With Disney now laying off all of its 43,000 employees, and the airlines and travel down 96%, it is apparent that GOAA's one month deferral is woefully inadequate, and much more substantial rent relief must be provided. While the airlines and airports are receiving substantial monies from the government, the daily life we knew prior to Covid -19 will take time. We respectfully request the above to help all involved and together we can work for a better Orlando.

This statement is from Constance Serrano, owner of Hold My Luggage.

My name is Constance Serrano and I am the owner of a family-owned, small business called, Hold My Luggage, Inc. This business was founded in May 2017, out of a necessity to provide food and shelter for my family as I could not find a job in my professional field as a Litigation and Family Law Paralegal. My husband, who is disabled, and my two young adult children, helped me build a company that we are very proud to own. When I first contacted Mr. Phil Brown about the services we were providing off-site to the customers at the Orlando International Airport, he painted a picture that would require a series of challenging steps that we would need to address to be considered as a viable service to airport customers. It was not easy to say the least, and at times I/we just wanted to give up. But we persevered and powered through. After our one-year anniversary at the airport, we were just gaining momentum and even saw a small profit for the first time in three years. We built this business from the ground up and bore the brunt of financing this business on our own. The airport did not give us any special treatment just because we were a small business. We had to pay like the bigger more financially secured companies. And because of the type of service we were offering, we were required to pay more for insurance coverage. As discouraging as that was, we did everything that was required of us. We paid astronomical vehicle insurance fees, deposits, rents and ground transportation fees so that we could do business at the airport. We did not have enough collateral for bank loans or any financing whatsoever, so every time we got paid, we put it back into the business just to stay afloat. We sacrificed going on vacation, taking days off, working literally 24/7, and suddenly, without warning, everything we worked for went up in smoke. Our customer base was wiped out in less than two days. We were a successful, thriving business, and now we have nothing. The Paycheck Protection Program/CARE ACT was supposedly put in place to help small businesses. We applied weeks ago and still have not heard a word from them. We have nothing to fall back on. Everything we had went into the monthly operating costs of the business. We have given our heart and soul to providing a service that the Orlando International Airport "powers that be" can be proud of. We have gone beyond the call of duty to assist customers that did not use our service but needed assistance on their journey. Our luggage counter instantly turned into an information booth and we answered every question, provided wheelchair assistance, and even escorted passengers to their gates. This was done not for our glorification and to get accolades, but because as a family who traveled and lived abroad, we knew what it was like to be lost or needed help. We also wanted them to know that someone truly cared. Now we are asking for the same to be done in our situation. We need someone to care about us at this unfortunate and unforeseen time in our lives. Please provide this relief for small business and concessionaires who have given their all to this airport.

Here is a statement from Mr. Peter Amaro, CEO, MCA.

First and foremost, I hope this communication finds you and your families safe and healthy. I am reaching out to you to express our concerns about the impact COVID-19 has had on our operations at MCO. As small business recently graduated from the ACDBE program, we are part of a large family with various backgrounds and experiences in the small business arena. We are the microfiber of the community and we are proud to showcase our talents and brands at MCO. Unfortunately, the last few weeks have been devastating for most of our businesses. As individual local operators and/or local partners in a Joint Venture, we have all experienced massive financial losses with no relief for expenses. Enplanements have drastically declined along with general passenger traffic and our cash flows have all but disappeared. Our ability to retain and pay employees, as well as pay MAG Rents to airports, is in serious jeopardy. Taking no action would require all concessionaires to pay rents at MAG levels established during normal passenger activity and corresponding sales levels. The approximate 90% decline in passenger traffic makes these MAG payments unsustainable. Most analyst have forecasted we will not see any substantial recovery of traffic, until possibly the end of the

RECOMMENDATION TO APPROVE RESOLUTIONS FOR THE LIMITED DEFERRAL OF SPECIFIC FEES DUE TO THE GREATER ORLANDO AVIATION AUTHORITY FROM AIRLINES, IN-TERMINAL CONCESSIONAIRES, AND ON-SITE RENTAL AUTOMOBILE CONCESSIONS (con't)

year. This could possibly force many of us out of business if quick action is not taken to provide relief. As small businesses operating at MCO we are requesting your support for financial relief and assistance in light of the COVID-19 pandemic. We respectfully urge you to waive MAG (Minimum Annual Guarantee) until passenger volumes return. Thank you for your consideration of this urgent request. We look forward to working with you on an equitable plan for rent, staging openings and stabilizing our employee base to resume operations to meet the needs of the traveling public as travel returns to normal at MCO. Thank you for your time.

A statement from Mr. Andre Weddig, Senior Vice President, Business Development - Dining Division, Paradies Lagardere, was read into the record.

On behalf of Paradies Lagardère Travel Retail and our ACDBE joint venture partner, Diamarx Management, I am writing to request your consideration of meaningful rent relief for concessionaires. You know of the catastrophic impact suffered by the travel and hospitality industries as a result of the COVID-19 worldwide pandemic. Airlines, airports, and the companies that operate in airports providing services to the traveling public have been especially hard hit due to the unprecedented low number of passengers. Yesterday, less than 88,000 travelers passed through TSA checkpoints nationwide, a 96% decrease from one year ago. With an uncertain recovery from the public health emergency, stay-at-home orders still in place throughout the country, and drastically reduced airline schedules, it is likely that low passenger levels will continue well into the summer. Our joint venture, HBF and Partners at MCO, LLC, operates three restaurants on Airside 3 under the Areas Hojeij Orlando JV prime contract. We closed Freshens and Nature's Table on April 1, due to unsustainable lack of business; on their last day of operations, total sales were \$576, a 96.5% decrease from the comparable day in 2019. Although we continue to operate Wendy's as a service to MCO's few remaining travelers and airport employees, it suffers daily cash losses. Simply put, without sales, our business is unsustainable. Without sales, the value of our lease and our ability to pay rent are gone. We appreciate the Authority's consideration of concessionaires' financial plight in today's proposed resolution to provide relief for concessionaires in the form of a MAG deferral for the month of May. We appreciate the Authority's efforts to provide relief by allowing us operational flexibility to close restaurants and adjust operating hours to better align with passenger flows. But we also need meaningful financial relief. Simply put, deferral is not relief. Lost sales in March, April, and likely May into the summer, are gone, and will never be available to support the repayment of deferred MAG. Paradies Lagardère and Diamarx Management respectfully request the Authority abate MAG beginning April 1, 2020, for the remainder of the year. Abatement - not deferral - reflects lost sales and the decline in fair market value of our restaurants. We understand the Authority also suffers financial hardship due to the pandemic. However, the Authority is receiving a substantial unrestricted financial grant under the CARES Act to replace lost revenues, some of which are from concessionaires. We respectfully ask that the Authority allocate a fair share of its CARES Act grants to support MAG abatement for concessionaires. We appreciate our partnership with the Authority and would not be asking for this relief if it were not necessary to ensure that we will have the ability and opportunity to serve the traveling public when they return. We know this is an extremely difficult time for all of us in the travel industry, but we will survive if we work together. Thank you for your consideration.

This ended the portion of public comment.

Mayor Dyer stated that he wants to make sure we emphasize a couple things. The last letter that was read into the record mentions the funding the Aviation Authority is receiving as unrestricted financial grants to replace revenues. He asked Mr. Brown to respond to that statement. Mr. Brown stated that as we learned in detail yesterday from the FAA, the funding is a reimbursement grant and the allowable expenses, although they say it can be used for any lawful airport purpose, we were specifically told that you cannot supplant concessionaire revenues that you're not receiving. So from that perspective, it will not flow down what we can spend it on - debt service; extenuating operating costs due to the COVID-19 (example is cleaning costs that we continue to incur) and personnel costs are specific in the statute and it's a reimbursement. So in order for us to receive funding, we have to spend the money. The balance that we are going to have to try and forge - can we forgo any revenues. He then reiterated the Aviation Authority's obligations to bondholders and others.

RECOMMENDATION TO APPROVE RESOLUTIONS FOR THE LIMITED DEFERRAL OF SPECIFIC FEES DUE TO THE GREATER ORLANDO AVIATION AUTHORITY FROM AIRLINES, IN-TERMINAL CONCESSIONAIRES, AND ON-SITE RENTAL AUTOMOBILE CONCESSIONS (con't)

Mayor Dyer's second point was that he is extremely sympathetic to the concessionaires in their plight. The misunderstanding is that this was the only look we were going to take; that this is the only action that we were going to take; and Mr. Brown has made it clear today that it is not the case. This is a quick stopgap so we can analyze prudently. As Mayor Demings' said, what our situation is and what our options are to help our partners in the airport.

Chairman Sanchez thanked Mayor Dyer for his comments and echoed what was stated. He, too, is very sympathetic to the small business owners that are operating. Actually, all businesses that are operating at our airport. He respects Mr. Brown's position because the proposed recommendation today is very prudent. The Chairman added that he was struggling with the fact that a deferral seems like its more debt added to their balance sheet right now. This is not the time in his opinion to take a partner and continue to add debt onto their balance sheet when they are suffering. So again, it's nobody's fault, and he appreciates and respects staff's position. He believes that a bit more can be done. Maybe abating. It is because of Mr. Brown's prudence that we have 340 days in preserves. In addition to our bond reserves that the Aviation Authority is required to have to meet its bond obligation.

The Chairman requested that the Board consider abating. He would like to see language come back next month on what it would look like should this Board decide to abate any months now and moving forward.

Mayor Demings stated that he is sympathetic to the concessionaire but the airport is vital and it needs to balance its needs. The goal of the Board is to ensure the overall fiscal health of the Orlando International Airport. Long-term discussions are needed but the recommended action is warranted at this time.

Chairman Sanchez responded that he was going to support this. He is requesting that Staff look at language to bring forth of whether we should consider abatement or not.

To recall, motion was made by Mayor Demings', seconded by Mayor Dyer. Following roll call vote, the recommended action passed unanimously.

RECOMMENDATION TO ACCEPT AND EXECUTE ANY GRANT OFFERS OR AMENDMENTS TO GRANTS FROM THE FEDERAL AVIATION ADMINISTRATION (FAA) FUNDED BY THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT THAT MAY BE FORTHCOMING FOR THE ORLANDO INTERNATIONAL AIRPORT AND ORLANDO EXECUTIVE AIRPORT

9. Mr. Brown stated that we have an add-on item which is requesting authorization for the CEO to accept the CARES grant and also convey that to the Orlando City Council because our sponsor, the Federal Aviation Administration, the City has to accept the approve the grants as well. Until yesterday, we did not know what that process was going to look like.

It is respectfully requested that the Aviation Authority Board resolve to authorize the Chief Executive Officer to (a) accept and execute any grant offers or amendments to grants from the Federal Aviation Administration funded by the Coronavirus Aid, Relief, and Economic Security (CARES) Act that may be forthcoming for the Orlando International Airport and Orlando Executive Airport; (b) request Orlando City Council approval to authorize the Mayor of the City of Orlando to sign any CARES Act funded grants; (c) to submit invoices or other documentation to the Federal Aviation Administration as may be necessary for the disbursement of such funds to the Aviation Authority; and (d) to use any such grant funds received for any purpose consistent with the uses permitted by the CARES Act and consistent with the Aviation Authority's policies and procedures. Any grants or amendments accepted will be reported to the Aviation Authority Board.

Motion was made by Mayor Dyer, seconded by Vice Chairman Good. Following roll call vote, recommended action passed unanimously.

Chairman Sanchez recapped direction for staff -- information on what an abatement would look like; include concessionaires and ground transportation, partners, and airlines. He would like to see some language on what that would look like. He knows it is going to take some work, but thinks that if this thing gets worse and worse, we are going to be put in a position where we have to make more decisions that are difficult. He wants to ensure that we have all the information when we need it in order to make those decisions when we need to make them.

RECOMMENDATION TO ACCEPT AND EXECUTE ANY GRANT OFFERS OR AMENDMENTS TO GRANTS FROM THE FEDERAL AVIATION ADMINISTRATION (FAA) FUNDED BY THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT THAT MAY BE FORTHCOMING FOR THE ORLANDO INTERNATIONAL AIRPORT AND ORLANDO EXECUTIVE AIRPORT (con't)

Mr. Brown responded that staff plans on putting together a financial analysis with the best estimate of forecast that we can come up with; what it looks like this year, and into next year because he thinks it is going to be important for the Aviation Authority to understand.

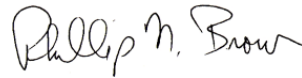
ADJOURNMENT

10. There being no further business to be considered, Chairman Sanchez adjourned the meeting - 3:45 p.m.

(Digitally signed on May 20, 2020)



Dayci S. Burnette-Snyder
Director of Board Services



Phillip N. Brown, A.A.E.
Chief Executive Officer