

On **WEDNESDAY, AUGUST 19, 2020**, the **GREATER ORLANDO AVIATION AUTHORITY** met in regular session virtually through Cisco WebEx, with the meeting live streamed on You Tube (OrlandoAirports). Vice Chair Good called the meeting to order at 2:00 p.m. The meeting was posted in accordance with Florida Statutes with a quorum participating. *Office of the Governor, Executive Order Number 20-69*

Authority members present,

M. Carson Good, Chairman
Ralph Martinez, Vice Chairman
Mayor Jerry Demings, Treasurer
Mayor Buddy Dyer

Also present,

Phillip N. Brown, Chief Executive Officer and
Secretary
Kathleen Sharman, Chief Financial Officer
Larissa Bou, Executive Assistant of Board
Services and Recording 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. 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. Lobbyists are now required to sign-in at the Aviation Authority offices prior to any meetings with Staff or Board members. In the event a lobbyist meets with or otherwise communicates with Staff or a Board member at a location other than the Aviation Authority offices, 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. 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.

ELECTION OF OFFICERS

1. Vice Chair Good opened the floor for nominations for Chairman.

Mr. Martinez made the motion to nominate Vice Chair Good, Chairman. Mayor Demings seconded the motion. Motion passed unanimously by roll call vote. Following, Chairman Good opened the floor for nominations for Vice Chair. Mayor Dyer nominated Mr. Martinez. Floor was closed for nominations. Motion passed unanimously by roll call vote. Before proceeding, Chairman Good asked if the Treasurer must be a board member. Mr. Brown explained that, even though in the past staff members have served in that capacity, the tradition has been to have a board member as Treasurer of the Aviation Authority Board. Chairman Good opened the floor for nominations for Treasurer. Mayor Dyer nominated Mayor Demings for Treasurer. Floor was closed for nominations.

Motion passed unanimously by roll call vote.

APPROVAL OF MINUTES

2. Upon motion by Mr. Martinez, second by Mayor Demings, motion passed unanimously by roll call vote to accept the June 17, 2020, minutes as written.

UNIVERSITY OF CENTRAL FLORIDA AND GREATER ORLANDO AVIATION AUTHORITY STRATEGIC COLLABORATION

3. Chairman Good began by providing some background information regarding how conversation started between the Aviation Authority and University of Florida regarding partnership opportunities. He indicated that during a Commercial Properties Development Committee (CPDC) meeting, which took place before the COVID-19 pandemic, the committee discussed seeking out high-tech, state of the art, manufacturing, logistic companies that could drive a diversified income stream for the Aviation Authority and build more high paying jobs for Central Florida. Chairman Good made a point to mention the uniqueness and advantages of the Aviation Authority's available property.

Chairman Good indicated that the COVID-19 pandemic highlighted the realization that the Aviation Authority cannot only rely economically on tourism. He indicated that there is a generational opportunity to embark on this move, because the public is now more acutely attuned with the needs and benefits of a more diversified economy.

Chairman Good continued by stating that he has been working with Mr. Brown and several others for the last 4-5 months, in which time he spoke with consulting firms, CEOs of

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pharmaceutical and logistic companies, local governmental people, local business leaders, and he came across Ms. Beverly Seay at the University of Central Florida (UCF). Chairman Good stated that he was impressed with the various partnership opportunities available between UCF and the Aviation Authority. Today, the first step is to bring the ideas to the Board, and if the Board agrees with what is presented, then staff can start working on a business plan.

Chairman Good proceeded to introduce Ms. Beverley Seay. Using visual aids (copy on file), Ms. Seay briefed the Board about the collaboration initiative between UCF and the Aviation Authority to introduce a plan to diversify the region's economy beyond tourism. She discussed the advantages of partnering; how UCF can support the Aviation Authority's transformation with a proven transformation process; provided examples of potential partnership initiatives, such as the Digital Twin Campus concept; and potential sponsors.

By question from Mayor Demings regarding the location of the Digital Campus, Ms. Seay responded that it would be located on airport property and expounded on the uniqueness and advantages of the airport's land location.

Mayor Dyer made a point to list UCF's significant involvement with most of the various industries that have developed and grown in this region; therefore, it makes sense to extend the partnership opportunity directly to the airport, especially because of the advantages presented by the Aviation Authority's available land.

Vice Chair Martinez expressed his excitement about the proposed collaboration and thanked Ms. Seay for her presentation.

Chairman Good thanked Ms. Seay and everyone on her team for all the work they have done and for putting together the presentation.

Before continuing with the consideration of Consent Agenda items, Mr. Gerber, asked the Board to report any conflicts of interest or violations of the Aviation Authority's Code of Ethics and Business Conduct; lobbying activities policy; or the Florida Sunshine law with regard to any agenda item. None were expressed by any Board member.

CONSENT AGENDA

4. Upon motion by Mayor Dyer, second by Vice Chair Martinez, vote carried to adopt a resolution as follows: It is hereby resolved by the Greater Orlando Aviation Authority 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: June 15 and June 29, 2020, Concessions/Procurement Committee; February 19, 2020, Finance Committee; June 17, 2020, Auditor Selection Committee; July 7, 2020, Construction Finance Oversight Committee;

B. accept the recommendation of the Construction Committee to (1) approve Amendment No. 8 to Addendum No. 13 to the Construction Management at Risk (CM@R) Entity Services for South Terminal C, Phase 1, Agreement with Hensel Phelps Construction, for BP No. S00144, South Terminal C, Phase 1, Airside Terminal Enclosures and Exterior Finishes (GMP No. 6-S.2) at the Orlando International Airport, for a total negotiated GMP Amendment amount of \$320,205, which includes \$300,000 for Owner Contingency, \$2,112 for Performance and Payment Bond, and \$18,093 for the CM@R Fee (6.031%), resulting in a revised GMP amount of \$121,152,912, with funding from Passenger Facility Charges to the extent eligible and General Airport Revenue Bonds and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100861**];

C. accept the recommendation of the Construction Committee to (1) approve Amendment No. 7 to Addendum No. 16 to the Construction Management at Risk (CM@R) Entity Services for South Terminal C, Phase 1, Agreement with Hensel Phelps Construction, for BP No. S00168, South Terminal C, Phase 1, Airside Terminal Interiors, Finishes and Specialties (GMP No. 6-S.4) at the Orlando International Airport, for a total negotiated deductive GMP Amendment amount of (\$1,707,762), which includes a deductive amount of (\$1,600,000) for Owner Contingency, a deductive amount of (\$11,266) for Performance and Payment Bond, and a deductive amount of (\$96,496) for the CM@R Fee (6.031%), resulting in a revised GMP amount of \$57,454,135, with funding credited to Passenger Facility Charges to the extent eligible and General Airport Revenue Bonds; and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100862**];

CONSENT AGENDA (con't)

D. accept the recommendation of the Construction Committee to (1) approve a Job Order Construction Services Addendum to the Continuing Horizontal Construction Services Agreement with The Middlesex Corporation for H-00319, Taxiways C and B Rutting Repairs, at the Orlando International Airport, for the total direct-negotiated amount of \$388,622.75, with funding from previously-approved Capital Expenditure Funds and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100863**];

E. accept to the recommendation of the Construction Committee to (1) approve Change Order No. BP-00486-04 in the deductive amount of (\$249,546.98) 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 (copy on file); (2) approve Change Order No. BP-00486-05 in the amount of \$170,488.28 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; and, (3) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the change order(s) following satisfactory review by legal counsel;

F. accept the recommendation of the Construction Committee to (1) approve an Addendum to the Program and Project Management Services for South Terminal C, Phase 1, Agreement, with Cost Management, Inc. dba CMI for FY 2021 Special Systems Integration Services (OAR) for W-S00111, South Terminal C, Phase 1 - Program and Project Management Services, at the Orlando International Airport, for a total not-to-exceed fee amount of \$252,000, with funding from General Airport Revenue Bonds and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100864**];

G. accept the recommendation of the Professional Services Committee to (1) approve the ranking of the firms for PS-644, Hotel Consulting Services at the Orlando International Airport and Orlando Executive Airport, as follows: First - Pinnacle Advisory Group, Inc.; Second - Jones Lang LaSalle Americas, Inc.; Third - CBRE, Inc.; Fourth - REVPAR International, Inc.; and, Fifth - Hotel Asset Value Enhancement; (2) authorize negotiations with the first-ranked firm in accordance with the Aviation Authority's policy, and if those negotiations are unsuccessful, negotiate with the other firms in their ranked order; and, (3) upon reaching agreement with the successful proposer, present the final agreement terms to the Aviation Authority Board for consideration for PS-644, Hotel Consulting Services, at the Orlando International Airport and Orlando Executive Airport;

H. accept the recommendation to approve (1) approve the Supplemental Lease Agreement No. 10 between the Department of Homeland Security Transportation Security Administration and the Aviation Authority Relating to the Use of Storage Space at the Orlando International Airport for the Five-Year Period from October 1, 2020 through September 30, 2025 and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents, following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100865**];

I. accept the recommendation to approve (1) approve the Supplemental Lease Agreement No. 22 (Lease) with the Department of Homeland Security Transportation Security Administration (TSA) Relating to the Use of Space for Supervisory and Screening Staff at the Orlando International Airport for the Five-Year Period from October 1, 2020 through September 30, 2025; and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents, and any future modifications for rent adjustments and space changes through the contract term, following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100866**];

J. accept the recommendation of the Concessions/Procurement Committee to (1) approve the First Renewal Term to the Expedited Checkpoint Processing Agreement, at Orlando International Airport, with Alclear, LLC through September 2, 2025, under the same terms and conditions listed in the Agreement (copy on file) and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100867**];

K. accept the recommendation of the Concessions/Procurement Committee to (1) award Purchasing Contract 24-20, Data Center HVAC Preventive Maintenance and Repair Services, Local Developing Business (LDB) to Cold Wall, Inc.; (2) authorize funding from the Operations and Maintenance Fund, in the not-to-exceed amount of \$262,612; and (3) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100868**];

CONSENT AGENDA (con't)

L. accept the recommendation of the Concessions/Procurement Committee to (1) approve Amendment No. 1, to Purchasing Contract 12-19, South Airport Complex (SAC) Trailer Complex Janitorial Maintenance, Local Developing Business (LDB) with American Janitorial Maintenance and Services, Inc.; (2) authorize funding in the not-to-exceed amount of \$133,843.50 from the Operations and Maintenance Fund; and (3) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100869**];

M. accept the recommendation to apply Air Service Incentive Program Operating Credits not-to-exceed \$200,000 of the available budgeted amounts for Fiscal Years 2020 and 2021 to offset a maximum of 30 days of FIS fees payable by air carriers using Orlando International Airport's FIS facilities from August 1, 2020, through December 31, 2020;

N. accept the recommendation to approve (1) the Fifth Amendment to the Embankment Funding Agreement and the Sixth Amendment to the Escrow Extension Agreement by and between the Authority and Virgin Trains USA Florida, LLC; (2) request Orlando City Council approval of the Fifth Amendment to the Embankment Funding Agreement and the Sixth Amendment to the Escrow Extension Agreement; and (3) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100870**];

O. accept the recommendation to approve (1) the Second Amendment to the Space Use and Lease Agreement by and between the Aviation Authority and Virgin Trains USA Florida, LLC and (2) authorize Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following subject to satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100871**];

P. accept the recommendation to approve (1) the Sixth Amendment to the Premises Lease and Use Agreement by and between the Aviation Authority and Virgin Trains USA Florida, LLC; (2) request Orlando City Council approval of the Sixth Amendment to the Premises Lease and Use Agreement; and (3) authorize an Aviation Authority Officer or the Chief Executive Officer to execute all documents following subject to satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100872**];

Q. accept the recommendation to (1) approve the contract value for Professional Services Agreement PS-632 for Auditing Services with MSL, P.A. in a not-to-exceed amount of \$664,375 for a period of 36 months with services to commence on or about September 1, 2020, and with the Aviation Authority having options to renew the Agreement for 2 additional periods of 1 year each, upon mutual agreement; (2) authorize funding from the Operations and Maintenance Fund; and (3) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents, following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100873**];

R. accept the recommended changes to Organizational Policy, Section 120.01, Concessions/Procurement Committee, voting membership and confirm the appointment of the Director of Planning as Chairman and the Director of Risk Management as a voting member;

S. accept the recommendation to confirm the appointment of Mr. Rafael Martinez as a voting member to the Commercial Properties Development Committee; and

T. accept the recommendation to (1) find the property listed no longer necessary, useful, or profitable in the operation of the Airport System; (2) request Orlando City Council concurrence and resolution of this finding; and (3) authorize staff to dispose of this property in accordance with the Aviation Authority's Policies and Procedures;

RECOMMENDATION OF THE CONSTRUCTION COMMITTEE TO APPROVE AN ADDENDUM TO THE DESIGN CONSULTANT SERVICES FOR EAST AIRFIELD TAXIWAY REHABILITATION AGREEMENT WITH AECOM TECHNICAL SERVICES, INC. FOR DESIGN PHASE ARCHITECT/ENGINEER (A/E) SERVICES FOR PROJECT BID PACKAGE (BP) NO. 00495, MCO EAST AIRFIELD TAXIWAYS REHABILITATION AND RELATED WORK (PHASES 1 AND 2), AT THE ORLANDO INTERNATIONAL AIRPORT (MCO)

5. Mr. Brown stated that MCO East Airfield Taxiways Rehabilitation and Related Work (Phases 1 and 2) will include the rehabilitation of the existing pavement for Taxiways E, F, J, L and N, which connect to Runway 17L-35R. Work will include concrete joint replacement, asphalt, mill and overlay, improvements of pavement geometry, markings, lighting, signage, shoulders and safety areas.

On February 20, 2019, the Aviation Authority approved the award of a Design Consultant Services Agreement for East Airfield Taxiway Rehabilitation at the Orlando International Airport to AECOM Technical Services, Inc. The design will be completed as one contract in Fiscal Year (FY) 2021, with construction work done as two contracts, per Federal Aviation Administration (FAA) direction. Construction work in FY 2022 will be done as BP No. 00495, MCO East Airfield Taxiways Rehabilitation and Related Work (Phase 1), and in FY 2023 as BP No. 00496, MCO East Airfield Taxiways Rehabilitation

RECOMMENDATION OF THE CONSTRUCTION COMMITTEE TO APPROVE AN ADDENDUM TO THE DESIGN CONSULTANT SERVICES FOR EAST AIRFIELD TAXIWAY REHABILITATION AGREEMENT WITH AECOM TECHNICAL SERVICES, INC. FOR DESIGN PHASE ARCHITECT/ENGINEER (A/E) SERVICES FOR PROJECT BID PACKAGE (BP) NO. 00495, MCO EAST AIRFIELD TAXIWAYS REHABILITATION AND RELATED WORK (PHASES 1 AND 2), AT THE ORLANDO INTERNATIONAL AIRPORT (MCO) (con't)

and Related Work (Phase 2). Mr. Brown presented a graphic aerial (copy on file) which showed the locations of both BP No. 00495 and BP No. 00496.

The negotiated fee with AECOM Technical Services, Inc. is for a total amount of \$1,009,974, to provide the scope of services outlined in the memorandum.

Mr. Brown noted that on April 28, 2020, the Construction Committee recommended approval of an Addendum to this contract. The FAA grant for these services was received in July 2020.

AECOM Technical Services, Inc. proposed to achieve 26.6% DBE participation for these services.

The fiscal impact is \$1,009,974. Funding is from a 100% FAA Grant, which includes both Airport Improvement Program (AIP) and Coronavirus Aid, Relief, and Economic Security (CARES) Act funding.

It was respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Construction Committee to (1) approve an Addendum to the Design Consultant Services for East Airfield Taxiway Rehabilitation Agreement with AECOM Technical Services, Inc. for Design Phase A/E Services for BP No. 00495, MCO East Airfield Taxiways Rehabilitation and Related Work (Phases 1 and 2), at the Orlando International Airport, for a total amount of \$1,009,974, which includes a lump sum fee amount of \$848,145, a not-to-exceed fee amount of \$76,914, and a not-to-exceed reimbursable expenses amount of \$84,915, with funding from a 100% FAA Grant, which includes both AIP and CARES Act funding (Orlando City Council concurred to accept the grant and associated contracts on August 10, 2020), and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel.

Upon motion of Mayor Demings, second by Vice Chair Martinez, motion passed unanimously by roll call vote to accept the Construction Committee recommendation [**FILED DOCUMENTARY NO. 100874**];

Mr. Brown indicated that the following six items (New Business Items B, C, D, E, F, and G) pertain to the South Terminal Complex, Phase 1 program, to accommodate changes in the work and provide continued project management services for Fiscal Year 2020-2021.

One motion was taken for the next six presentations

RECOMMENDATION OF THE CONSTRUCTION COMMITTEE TO APPROVE AMENDMENT NO. 8 TO ADDENDUM NO. 8 TO THE CONSTRUCTION MANAGEMENT AT RISK (CM@R) ENTITY SERVICES FOR SOUTH TERMINAL C, PHASE 1, AGREEMENT WITH HENSEL PHELPS CONSTRUCTION, FOR PROJECT BID PACKAGE (BP) NO. S00143, SOUTH TERMINAL C, PHASE 1, AIRSIDE TERMINAL, STRUCTURE AND ENCLOSURE (GUARANTEED MAXIMUM PRICE (GMP) NO. 6-S.1) AT THE ORLANDO INTERNATIONAL AIRPORT

6. On April 18, 2018, the Aviation Authority Board approved Addendum No. 8 to the Construction Management at Risk Entity Services for South Terminal C, Phase 1, Agreement with Hensel Phelps Construction for BP No. S00143, South Terminal C, Phase 1, Airside Terminal, Structure and Enclosure (GMP No. 6-S.1), for a total negotiated amount of \$150,612,012. Since 2018, the Aviation Authority Board approved Amendment Nos. 1 through 7, resulting in a revised GMP amount of \$172,414,591.

Mr. Brown further indicated that Amendment No. 8 increases the owner contingency, associated bonds and fees for anticipated subcontract modifications as a result of the progression of airside terminal design and other components of the work for GMP No. 6-S.1, for a GMP Amendment amount of \$1,387,557. The Amendment is funded by the reduction of funds from BP No. S100168 (GMP No. 6-S.4), which was prior Consent Agenda Item C. There is no impact to the program schedule, as work will be completed by February 2022.

To summarize, Mr. Brown stated that with the approval of Amendment No. 8, the revised GMP amount will be \$173,802,148. The proposed GMP Amendment to BP No. S00143 does not have any impact on the small business participation. Additionally, the fiscal impact

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is \$1,387,557, reallocated from BP No. S00168 (GMP No. 6-S.4) and funding is from Passenger Facility Charges to the extent eligible, and General Airport Revenue Bonds.

It was respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Construction Committee to (1) approve Amendment No. 8 to Addendum No. 8 to the Construction Management at Risk (CM@R) Entity Services for South Terminal C, Phase 1, Agreement with Hensel Phelps Construction for BP No. S00143, South Terminal C, Phase 1, Airside Terminal, Structure and Enclosure (GMP No. 6-S.1) at the Orlando International Airport, for a total negotiated GMP Amendment amount of \$1,387,557, which includes \$1,300,000 for Owner Contingency, \$9,154 for Performance and Payment Bonds, and \$78,403 for the CM@R Fee (6.031%), resulting in a revised GMP amount of \$173,802,148, with funding from Passenger Facility Charges to the extent eligible and General Airport Revenue Bonds, and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100875**].

Motion taken at the end of Item 11

RECOMMENDATION OF THE CONSTRUCTION COMMITTEE TO APPROVE AN ADDENDUM TO THE PROGRAM AND PROJECT MANAGEMENT SERVICES FOR SOUTH TERMINAL C, PHASE 1, AGREEMENT WITH COST MANAGEMENT, INC. DBA CMI FOR CHANGE MANAGEMENT SERVICES FOR FISCAL YEAR (FY) 2021 FOR W-S00111, SOUTH TERMINAL C, PHASE 1 – PROGRAM AND PROJECT MANAGEMENT SERVICES (OWNER'S AUTHORIZED REPRESENTATIVE (OAR)), AT THE ORLANDO INTERNATIONAL AIRPORT

7. On October 21, 2015, the Aviation Authority Board approved Program and Program Management Services for South Terminal C, Phase 1, Agreement for W-S00111, South Terminal C, Phase 1 – Program and Project Management Services (OAR), at the Orlando International Airport, with five firms following a competitive award process: Geotechnical Consultants International, Inc. dba GCI, Inc.; Cost Management Inc. dba CMI; CMTS Construction Management Services, LLC; Kraus-Manning, Inc.; and NV5, Inc. (formerly known as Page One Consultants, LLC).

Mr. Brown explained that fees have been negotiated for Fiscal Year 2021 for W-S00111 to be provided from October 1, 2020, through September 30, 2021.

The Aviation Authority reviewed the proposals, and determined that, due to the specialized nature of the required services, MWBE/LDB/VBE participation is not proposed on the addenda.

The fiscal impact is \$2,495,487.50 and funding is from General Airport Revenue Bonds.

It was respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Construction Committee to (1) approve an Addendum to the Program and Project Management Services for South Terminal C, Phase 1, Agreement with Cost Management, Inc. dba CMI for Change Management Services for FY 2021 for W-S00111, South Terminal C, Phase 1, Program and Project Management Services (OAR), at the Orlando International Airport, for a total amount of \$2,945,847.50, which includes a not-to-exceed fee amount of \$2,912,847.50 and a not-to-exceed reimbursable expense amount of \$33,000, with funding from General Airport Revenue Bonds, and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100876**].

Motion taken at the end of Item 11

RECOMMENDATION OF THE CONSTRUCTION COMMITTEE TO APPROVE AN ADDENDUM TO THE PROGRAM AND PROJECT MANAGEMENT SERVICES FOR SOUTH TERMINAL C, PHASE 1, AGREEMENT WITH COST MANAGEMENT, INC. DBA CMI FOR FISCAL YEAR (FY) 2021 FOR CONSTRUCTION PHASE TECHNOLOGY CONSULTING AND SUPPORT SERVICES FOR W-S00111, SOUTH TERMINAL C, PHASE 1 – PROGRAM AND PROJECT MANAGEMENT SERVICES (OWNER’S AUTHORIZED REPRESENTATIVE (OAR)), AT THE ORLANDO INTERNATIONAL AIRPORT

8. On October 21, 2015, the Aviation Authority Board approved Program and Program Management Services for South Terminal C, Phase 1, Agreement for W-S00111, South Terminal C, Phase 1 – Program and Project Management Services (OAR), at the Orlando International Airport, with five firms following a competitive award process: Geotechnical Consultants International, Inc. dba GCI, Inc.; Cost Management Inc. dba CMI; CMTS Construction Management Services, LLC; Kraus-Manning, Inc.; and NV5, Inc. (formerly known as Page One Consultants, LLC).

Mr. Brown explained that fees have been negotiated for Fiscal Year 2021 for W-S00111 to be provided from October 1, 2020, through September 30, 2021.

The Aviation Authority reviewed the proposals, and determined that, due to the specialized nature of the required services, MWBE/LDB/VBE participation is not proposed on the addenda.

The fiscal impact is \$2,043,396 and funding is from General Airport Revenue Bonds.

It was respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Construction Committee to (1) approve an Addendum to the Program and Project Management Services for South Terminal C, Phase 1, Agreement with Cost Management, Inc. dba CMI for FY 2021 Construction Phase Technology Consulting and Support Services for W-S00111, South Terminal C, Phase 1 – Program and Project Management Services (OAR), at the Orlando International Airport, for a total amount of \$2,043,396, which includes a not-to-exceed fee amount of \$2,006,196 and a not-to-exceed reimbursable expense amount of \$37,200, with funding from General Airport Revenue Bonds; and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [FILED DOCUMENTARY NO. 100877].

Motion taken at the end of Item 11

RECOMMENDATION OF THE CONSTRUCTION COMMITTEE TO APPROVE AN ADDENDUM TO THE PROGRAM AND PROJECT MANAGEMENT SERVICES FOR SOUTH TERMINAL C, PHASE 1, AGREEMENT WITH CMTS CONSTRUCTION MANAGEMENT SERVICES, LLC FOR FISCAL YEAR (FY) 2021 CONSTRUCTION PHASE OWNER’S AUTHORIZED REPRESENTATIVE (OAR) SUPPORT SERVICES RELATED TO PROJECT MANAGEMENT, SAFETY, PROJECT CONTROLS, INSPECTION AND PROJECT COORDINATION SERVICES FOR W-S00111, SOUTH TERMINAL C, PHASE 1 – PROGRAM AND PROJECT MANAGEMENT SERVICES (OWNER’S AUTHORIZED REPRESENTATIVE (OAR)), AT THE ORLANDO INTERNATIONAL AIRPORT

9. On October 21, 2015, the Aviation Authority Board approved Program and Program Management Services for South Terminal C, Phase 1, Agreement for W-S00111, South Terminal C, Phase 1 – Program and Project Management Services (OAR), at the Orlando International Airport, with five firms following a competitive award process: Geotechnical Consultants International, Inc. dba GCI, Inc.; Cost Management Inc. dba CMI; CMTS Construction Management Services, LLC; Kraus-Manning, Inc.; and NV5, Inc. (formerly known as Page One Consultants, LLC).

Mr. Brown explained that fees have been negotiated for Fiscal Year 2021 for W-S00111 to be provided from October 1, 2020, through September 30, 2021.

The Aviation Authority reviewed the proposals, and determined that, due to the specialized nature of the required services, MWBE/LDB/VBE participation is not proposed on the addenda.

The fiscal impact is \$1,550,336 and funding is from General Airport Revenue Bonds.

It was respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Construction Committee to (1) approve an Addendum to the Program and Project Management Services for South Terminal C, Phase 1, Agreement with CMTS Construction Management Services, LLC for FY 2021 Construction Phase OAR Support Services related to Project Management, Safety, Project Controls, Inspection and Project Coordination Services for W-S00111, South Terminal C, Phase 1 – Program and Project Management Services (OAR), at the Orlando International Airport, for a total not-to-exceed fee amount of \$1,550,336, with funding from General Airport Revenue

RECOMMENDATION OF THE CONSTRUCTION COMMITTEE TO APPROVE AN ADDENDUM TO THE PROGRAM AND PROJECT MANAGEMENT SERVICES FOR SOUTH TERMINAL C, PHASE 1, AGREEMENT WITH CMTS CONSTRUCTION MANAGEMENT SERVICES, LLC FOR FISCAL YEAR (FY) 2021 CONSTRUCTION PHASE OWNER'S AUTHORIZED REPRESENTATIVE (OAR) SUPPORT SERVICES RELATED TO PROJECT MANAGEMENT, SAFETY, PROJECT CONTROLS, INSPECTION AND PROJECT COORDINATION SERVICES FOR W-S00111, SOUTH TERMINAL C, PHASE 1 - PROGRAM AND PROJECT MANAGEMENT SERVICES (OWNER'S AUTHORIZED REPRESENTATIVE (OAR), AT THE ORLANDO INTERNATIONAL AIRPORT (con't)

Bonds; and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [FILED DOCUMENTARY NO. 100878].

Motion taken at the end of Item 11

RECOMMENDATION OF THE CONSTRUCTION COMMITTEE TO APPROVE AN ADDENDUM TO THE PROGRAM AND PROJECT MANAGEMENT SERVICES FOR SOUTH TERMINAL C, PHASE 1, AGREEMENT WITH NV5, INC. FOR FISCAL YEAR (FY) 2021 CONSTRUCTION PHASE OWNER'S AUTHORIZED REPRESENTATIVE (OAR) QUALITY ASSURANCE (QA)/QUALITY CONTROL (QC) REVIEW, PROJECT CONTROLS AND INSPECTION SUPPORT STAFF SERVICES FOR W-S00111, SOUTH TERMINAL C, PHASE 1 - PROGRAM AND PROJECT MANAGEMENT SERVICES (OAR), AT THE ORLANDO INTERNATIONAL AIRPORT

10. On October 21, 2015, the Aviation Authority Board approved Program and Program Management Services for South Terminal C, Phase 1, Agreement for W-S00111, South Terminal C, Phase 1 - Program and Project Management Services (OAR), at the Orlando International Airport, with five firms following a competitive award process: Geotechnical Consultants International, Inc. dba GCI, Inc.; Cost Management Inc. dba CMI; CMTS Construction Management Services, LLC; Kraus-Manning, Inc.; and NV5, Inc. (formerly known as Page One Consultants, LLC).

Mr. Brown explained that fees have been negotiated for Fiscal Year 2021 for W-S00111 to be provided from October 1, 2020, through September 30, 2021.

NV5 proposed a 28.5% MWBE participation on this Addendum.

The fiscal impact is \$2,314,272 and funding is from General Airport Revenue Bonds.

It was respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Construction Committee to (1) approve an Addendum to the Program and Project Management Services for South Terminal C, Phase 1, Agreement with NV5, Inc. for FY 2021 Construction Phase OAR QA/QC Review, Project Controls and Inspection Support Staff Services for W-S00111, South Terminal C, Phase 1 - Program and Project Management Services (OAR), at the Orlando International Airport, for the total not-to-exceed fee amount of \$2,314,272, with funding from General Airport Revenue Bonds; and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [FILED DOCUMENTARY NO. 100879].

Motion taken at the end of Item 11

RECOMMENDATION OF THE CONSTRUCTION COMMITTEE TO APPROVE OF AN ADDENDUM TO THE TECHNOLOGY AND MULTI-MEDIA SYSTEMS SPECIALTY ENGINEER FOR THE SOUTH TERMINAL C, PHASE 1, AGREEMENT WITH BURNS ENGINEERING, INC. FOR FISCAL YEAR (FY) 2021 CONSTRUCTION ADMINISTRATION SERVICES FOR W-S00113, SOUTH TERMINAL C, PHASE 1 - TECHNOLOGY AND MULTI-MEDIA SERVICES, AT THE ORLANDO INTERNATIONAL AIRPORT

11. Mr. Brown stated that on August 19, 2015, the Aviation Authority Board approved the Technology and Multi-Media Systems Specialty Engineer for the South Terminal C, Phase 1, Agreement to Burns Engineering, Inc. On July 21, 2020, the Construction Committee recommended approval of an Addendum to this contract with Burns Engineering, Inc. for FY 2021 Construction Administration Services for W-S00113 for a total amount of \$1,810,178.

The services will include, but are not limited to, assistance to the Aviation Authority in areas of technology and multi-media implementation, oversight, coordination, and construction administration. The services will be effective from October 1, 2020, through September 20, 2021

Burns Engineering, Inc. proposes 2.4% MWBE participation on this Addendum.

RECOMMENDATION OF THE CONSTRUCTION COMMITTEE TO APPROVE OF AN ADDENDUM TO THE TECHNOLOGY AND MULTI-MEDIA SYSTEMS SPECIALTY ENGINEER FOR THE SOUTH TERMINAL C, PHASE 1, AGREEMENT WITH BURNS ENGINEERING, INC. FOR FISCAL YEAR (FY) 2021 CONSTRUCTION ADMINISTRATION SERVICES FOR W-S00113, SOUTH TERMINAL C, PHASE 1 - TECHNOLOGY AND MULTI-MEDIA SERVICES, AT THE ORLANDO INTERNATIONAL AIRPORT (con't)

The fiscal impact is \$1,810,178 with funding from General Airport Revenue Bonds.

It was respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Construction Committee to (1) approve an Addendum to the Technology and Multi-Media Systems Specialty Engineer for the South Terminal C, Phase 1, Agreement with Burns Engineering, Inc. for FY 2021 Construction Administration Services for W-S00113, South Terminal C, Phase 1 - Technology and Multi-Media Services, at the Orlando International Airport, for the total lump sum fee amount of \$1,810,178, with funding from General Airport Revenue Bonds, and (2) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel [**FILED DOCUMENTARY NO. 100880**]

Upon motion of Vice Chair Martinez, second by Mayor Dyer, motion passed unanimously by roll call vote to accept the Construction Committee recommended actions for Items 6, 7, 8, 9, 10 and 11 as outlined on the memoranda.

RECOMMENDATION OF THE CONCESSIONS/PROCUREMENT COMMITTEE TO APPROVE AMENDMENT NO. 5, TO PURCHASING CONTRACT NO. 03-17, LANDSIDE TERMINAL LANDSCAPE MAINTENANCE AND IRRIGATION SERVICES AT ORLANDO INTERNATIONAL AIRPORT WITH CAROL KING LANDSCAPE, INC.

12. Mr. Brown stated that Purchasing Contract No. 03-17, Landside Terminal Landscape Maintenance and Irrigation Services with Carol King Landscape, Inc. (Carol King) requires Carol King to furnish all labor and materials, equipment and supplies required to provide landside terminal landscape and irrigation maintenance services at the Orlando International Airport. Purchasing Contract 03-17 commenced on December 1, 2016, with an initial term of 36 months and two one-year renewal terms. The first renewal term of the contract is scheduled to expire on November 30, 2020. There are no rate increase proposed or requested at this time. The total cost of the Purchasing Contract is determined by the actual work requested and approved by the Aviation Authority.

This contract includes a Minority and Women Business Enterprise (MWBE) participation goal of 45% and a Local Developing Business (LDB) participation goal of 11%. The Office of Small Business verified that the Purchasing Contract is in good standing regarding the participation goals.

The one-year fiscal impact is not-to-exceed \$1,438,995.03 with funding from Operations and Maintenance Fund.

It was respectfully requested that the Aviation Authority Board resolve to approve the Concessions/Procurement Committee's recommendation to (1) approve Amendment No. 5, to Purchasing Contract 03-17, Landside Terminal Landscape Maintenance and Irrigation Services at Orlando International Airport with Carol King Landscape, Inc. to exercise the Second Renewal Option through November 30, 2021, in the not-to-exceed amount of \$1,438,995.03 (2) authorize funding from the Operations and Maintenance Fund in the not-to-exceed amount of \$1,438,995.03 and (3) authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary document following satisfactory review by legal counsel

Upon motion of Mayor Dyer, second by Vice Chair Martinez, motion passed unanimously by roll call vote to accept the recommended action as presented by Mr. Brown [**FILED DOCUMENTARY NO. 100881**];

RECOMMENDATION TO APPROVE PRELIMINARY BUDGET FOR FISCAL YEAR (FY) 2020-2021

13. Ms. Kathleen Sharman, Chief Financial Officer, stated the objective of the budget is to operate the terminal safely and securely and in compliance with CDC guidelines, while providing passengers with world-class customer service with The Orlando Experience®.

Ms. Sharman talked about the effect of COVID-19 pandemic on passenger activity and stated that, on April 2020, traffic went down as low as 96% of the pre-COVID estimates. On June and July, traffic rebounded back to about 70% of pre-COVID estimates, which goes in line with national averages. This drop has caused the Aviation Authority to revise its passenger traffic estimates. Using visual aids (copy on file), Ms. Sharman presented a graphic that demonstrates how the Aviation Authority obtains a forecast by

RECOMMENDATION TO APPROVE PRELIMINARY BUDGET FOR FISCAL YEAR (FY) 2020-2021 (con't)

combining aviation experts forecasts for a weighted average scenario to create the budget. She indicated that in 2019, we had nearly 50 million passengers; however, the estimate for FY 2020 is down to 26.7 million passengers, and 25.3 million for FY 2021.

Before continuing with the budget presentation, Ms. Sharman thanked all the staff involved in the lengthy process of putting together the budget. She made a point to mention that the Aviation Authority received the Distinguished Budget Presentation Award for the FY 2020 budget presentation from the Government Finance Officer Association (GFOA).

She moved on to explain both the airline and non-airline cost centers. She indicated that airfield cost center calculations demonstrate a slight decrease from FY 2020, which net airfield requirement was \$57.1 million to FY 2021, which was \$5.6 million. However, the landing fee rate will increase by \$1.71 from \$2.02 in FY 2020, to 3.73 in FY 2021, which is caused by the significant decrease in projected landed weight.

Ms. Sharman then presented the calculation of the terminal cost center, and indicated that the net terminal requirement for FY 2020 was \$210,323 million, which will slightly decrease to \$208,544 in FY 2021. The rentable square footage remained the same at 1.4 million.

She proceeded to present the comparison of FY 2021 and FY 2020 rates and charges, and indicated that apron fees and airline equipment charges per gate have decreased due to reduction in the Operations and Maintenance (O&M) budget. The baggage fees have increased due to the enplanement per passenger that has significantly decreased. Ms. Sharman made a point to highlight that the Cost per Enplaned Passenger (CPE) for participating airlines in FY 2021 is \$13.90, which is an increase of \$8.58 from FY 2020. This CPE is in range with other large hub airports in Florida, with exception of Miami International Airport, which has an even higher CPE.

Ms. Sharman then detailed how the overall FY 2021 budget compares to FY 2020 budget. Gross revenue for FY 2021 is \$443 million, which includes \$83.4 million of CARES grants. As a reminder, she stated that CARES act funding is a reimbursable grant; therefore, it can only be reimbursed for costs spent from O&M or debt service and cannot be used for lost revenue.

She continued by indicating that there is a reduction of over \$30 million in O&M expenses. For debt service, there is an increase of \$43 million, due to the 2017A subordinated debt, for which we will be using CARES funds to offset that cost.

The remaining revenue is only \$8.1 million compared with \$167 million on FY 2020. Typically, the Aviation Authority uses about \$55 million annually on heavy capital maintenance (what we refer to as CIRs). This budget was reduced to \$40 million this year and we are committed to carefully monitor each budgeted CIR expenditure and only spend what is absolutely needed. However, we will still have to tap into our cash reserves to maintain assets in a state of good repair and fund portions of the capital plan. Additionally, due to the precipitous drop in projected airline operations and passenger traffic, the Aviation Authority does not anticipate sharing revenues with the airlines this year, as under our current agreement, we do not share revenues with the airlines until remaining revenues exceed \$55 million. Ms. Sharman indicated that it is important to note that this budget satisfies all legal debt service coverage requirements.

Ms. Sharman proceeded to explain a graphic (copy on file) with a breakdown of allocations of revenues by type. She highlighted that airline cost centers make about 40% of total revenue, leaving 60% of revenue, including CARES, from non-airline sources. The non-airline revenue graphic demonstrated the comparison between FY 2020 and FY 2021, with significant reductions mainly from Parking/Commercial Lane (approximately \$52 million) and from Rental Cars (approximately \$49 million). She continued to present a list of major changes in revenue, which total an overall decrease of \$150.2 million. She also discussed allocations of expenditures that totaled \$320 million in maintenance and operations expenses, with personnel being the largest expenditure at 29%, which does not include any increase in personnel, since there is currently a hiring freeze. She also provided a detailed breakdown of major changes in expenditure, which represents an overall decrease of \$30.3 million.

She then presented the preliminary budget for FY 2021 for the Orlando Executive Airport. She indicated that this is a balanced budget of \$4,083,000, with an estimated \$531K of CARES Act funding. The changes in aviation revenue are related to Fixed Base

MINUTES OF THE AUGUST 19, 2020, MEETING OF THE GREATER ORLANDO AVIATION AUTHORITY

Operator (FBO) operations, and reductions in commercial properties is related to various vacancies at Colonial Promenade. Overall expenses have decreased due to the COVID-19 pandemic and reduction in extension of staff, partially offset with increases for environmental consulting and insurance costs.

Lastly, Ms. Sharman presented a breakdown of revenues and expenses by major components, which showed that commercial properties generates about 70% of the revenue at OEA (excluding CARES money).

It was respectfully requested that the Aviation Authority Board resolve to (1) adopt the resolution approving the preliminary budget of \$443,356,263 for Orlando International Airport and \$4,083,000 for Orlando Executive Airport; (2) request Orlando City Council to conduct a public hearing on the preliminary budget; and (3) authorize an Aviation Authority Officer to execute any necessary document.

In response to Vice Chair Martinez's question about the reduction of budget, Ms. Sharman responded that there is a reduction of approximately \$150 million.

Chairman Good left the room at 2:54 p.m.; returning at 2:55 p.m.

Upon motion of Mayor Demings, second by Vice Chair Martinez, motion passed unanimously by roll call vote to accept the recommended action as presented by Ms. Sharman [**FILED DOCUMENTARY NO. 100882**];

RECOMMENDATION OF THE CAPITAL MANAGEMENT COMMITTEE TO APPROVE AN UPDATE TO THE FISCAL YEAR 2018-2025 CAPITAL IMPROVEMENT PROGRAM

14. Mr. Brown began by reminding the Board that the Capital Improvement Program (CIP) funding is a continuous process that requires adjustments. In this instance, the adjustments are driven by the decrease in passenger traffic and by the impact to the collection of revenue, due to the COVID-19 pandemic.

The last update to the CIP was approved by the Board on May 15, 2019 and was amended on August 28, 2019, to modify funding for the Airline Terminal Improvement Project. On January 15, 2020, the Board approved to create and implement three projects (\$11.8 million of CFC funding for a Parking Garage C Canopy System; \$10.2 million of Capital Expenditure funds for Office Trailer; and \$6.0 million of Capital Expenditure funds for warehouse renovations) and incorporate into the next CIP update.

Since March 2020, domestic and international flights in and out of Orlando International Airport (MCO) significantly decreased. In July, there was an increase in passenger traffic; however, we are still tracking about 30% of our pre-COVID volume. Traffic is now averaging about 20,000 departing passenger daily. He discussed where MCO's passenger traffic stands in comparison to the top 20 airports, and indicated that these numbers are constantly being monitored.

Mr. Brown alerted the Board that on August 7, 2020, Standard and Poor's (S&P) rating agency released a negative CreditWatch on all U.S. airports, due to the stress the COVID-19 pandemic has placed on the industry. This means that ultimately, if the industry does not recover, there would be downgrades on the ratings, which results on a higher cost of interest in order to access the capital markets. Other major rating agencies have not taken this step as of yet, but they are all watching airports very cautiously.

He continued to show a graphic (copy on file) that showed passenger traffic since 2016 and the estimated passenger traffic until year 2025. He highlighted the percentage change in traffic relative to 2019, which showed an estimated 46% decrease in 2020, 49% decrease in 2021, and then it starts to gradually recover until 2025, when we think we will be approaching pre-COVID levels.

Mr. Brown moved on to explain how the Passenger Facility Charge (PFC) funding operates, which is a collection of \$4.50 that is added to every airline ticket when a passenger flies out of MCO. He showed a comparison of PFC revenue forecast from September 2019 (pre-COVID) versus the forecast based on current estimated enplaned passengers. He indicated that 44% of the current STC plan is funded with PFCs; therefore, there has to be an adjustment to the CIP. Equally important is the Customer Facility Charge (CFC) funding, which results from a collection of \$3.50 per day up to a maximum of seven days per rental transaction. Mr. Brown provided a comparison from December 2019 numbers versus the current activity, which showed a significant decrease. Therefore, the changes being recommended today are in large part because we do not have the revenues to sustain the funding for the projects that were originally planned.

RECOMMENDATION OF THE CAPITAL MANAGEMENT COMMITTEE TO APPROVE AN UPDATE TO THE FISCAL YEAR 2018-2025 CAPITAL IMPROVEMENT PROGRAM (cont')

Mr. Brown detailed the changes to the Capital Improvement Program, which has various categories totaling \$360 million, with the largest change being in the STC, Phase 1 expansion. Originally, the STC plan included 16 gates, with an expansion of 3 additional gates. The proposed change scales back the plan to 15 gates. In addition, there are other adjustments such as a reduction of \$54 million related to other areas of STC terminal; a reduction of \$45 million related to Ground Transportation; a reduction of \$49 million related to North Terminal; a reduction of \$26 million related to other projects; and an increase of \$1 million related to concept design, in order to be prepared for expansion when traffic picks back up.

The proposed CIP funding plan had to be adjusted. In working closely with Florida Department of Transportation (FDOT), the Aviation Authority received \$18 million in grants that were put towards the STC. There is also a reduction of \$4 million in Aviation Authority funds; a reduction of \$157 million in PFC PayGo/Bonds; a reduction of \$117 million in Airport Revenue Bonds; a reduction of \$65 million in CFC funds; and a reduction of \$35 million in other funds.

He detailed the terminal net changes implemented in the North Terminal, with the largest change being in airline terminal improvements. There are some airline terminal improvements that were budgeted over the period of 2018-2025, which are being deferred at this point. There are also adjustments to funding to repurpose Airside 1 Federal Inspection Station (FIS), as we were looking to move airlines to the South. Airlines will still be moved to the South, but we are taking a minimalistic approach. It is important to note that there are some adjustments being added such as an increase of \$15 million for health and safety renovations, in order to instill confidence in the passengers that visit our airport.

Mr. Brown proceeded to discuss the net changes to the airfield, with the largest change being the adjustment to the rehabilitation of Runway 18L-36R of a reduction of \$9.6 million. It was anticipated to make some improvements to accommodate Group 6 aircrafts, but because of the reduction of use of this type of aircraft, we are deferring the project at this point. He moved on to discuss the net changes in Ground Transportation, with the most significant changes being a reduction of \$25 million adjustment to future RAC related projects, and a reduction of \$20 million to the STC Quick Turn Around (QTA) Area. Mr. Brown then presented the adjustment under "other net changes", with the largest adjustment being to the East Fuel Farm for a reduction of \$35.3 million.

He moved on to talk about the STC estimated construction completion time, which is still projected for February 2022. The STC project is currently about 60% completed. STC budget adjustments include a reduction of \$115.8 million from airside concourse; a reduction of \$22.6 million from airfield/apron; and a reduction of \$29.3 from other areas such as general requirements, insurance, and art programs. Mr. Brown provided an aerial exhibit (copy on file) highlighting the proposed deferred STC areas.

In summary, the proposed funding plan for the STC is a total reduction of \$227 million which includes \$18 million in FDOT grants; Aviation Authority Funds are being reduced by \$16 million; PFC PayGo/Bonds are reduced by \$140 million; Airport Revenue Bonds reduced by \$63 million; and CFC Funds reduced by \$26 million. The net decrease to the CIP is \$360.6 million, if all recommended adjustments are accepted.

It was respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Capital Management Committee to (1) approve the update of the FY 2018-2025 Capital Improvement Program as outlined in the memorandum; (2) authorize staff to update the Joint Automated Capital Improvement Program based on the update to the Fiscal Year 2018-2025 Capital Improvement Program; and (3) review both the enplanement forecast and the Capital Improvement Program in January 2021.

By question from Mayor Demings about the deferred constructions projects and their design completion, Mr. Brown explained that the design for STC Phase 1 and STC Phase 1-Expansion projects has been completed; however, through board action, we have authorized additional funding to the Architect of Record for design work, to tie in the revised scope of STC Phase 1 and STC Phase 1-Expansion and make it code compliant and functional. Mayor Demings followed up by asking if the Aviation Authority is still paying for designs associated with any of the deferred projects. Mr. Brown responded in the affirmative and explained that there is some design work that still needs to be done to modify what has been constructed thus far. He used the baggage system as an example, which had to be redesigned to accommodate the changes.

RECOMMENDATION OF THE CAPITAL MANAGEMENT COMMITTEE TO APPROVE AN UPDATE TO THE FISCAL YEAR 2018-2025 CAPITAL IMPROVEMENT PROGRAM (cont')

Mayor Dyer commended staff for their hard work on the preliminary budget and the CIP adjustment. He said it is not an easy task when having to account for millions of dollars while ensuring that it is done in a fiscally prudent and responsible way, especially in the midst of the biggest construction project we have undertaken.

Chairman Good referred back to Ms. Seay's presentation and indicated that the proposed partnership relates to this item, and highlighted how helpful it would be to have a predictable income to fill in these financial gaps with the use of our land. He said that a long-term plan would ensure the Aviation Authority has a solid augmented rental income that can cover us in the instance something like this happens again.

Upon motion of Mayor Dyer, second by Vice Chair Martinez, motion passed unanimously by roll call vote to accept the recommended action as presented by Mr. Brown [**FILED DOCUMENTARY NO. 100883**].

RECOMMENDATION TO APPROVE AUGUST 2020 SUPPLEMENTAL IN-TERMINAL CONCESSIONS (ITC) AND RENTAL AUTOMOBILE COMPANIES (RAC) RELIEF PROGRAM RESOLUTION

15. Mr. Brown reviewed the previously-approved relief options offered in May to airlines, concessionaires, and rental automobile companies.

He presented the resolutions approved until August and indicated that deferrals totaled over \$15 million and waivers totaled over \$14 million. He provided the following breakdown: Airlines/Cargo \$13,383,198; Cargo \$190,896; Concessions \$2,255,931 deferral and \$8,088,860 waiver; and RAC \$6,732,370 waiver.

Mr. Brown also presented a breakdown of the airlines that took advantage of the 90-day deferral of fixed costs in addition to the breakdown of the companies that took advantage of the 90-day plan deferral or waiver option. He highlighted that 8 concessions opted for the deferral option, 13 concessions opted for waivers and 1 RAC opted for waiver.

Mr. Brown stated that today we are proposing two Resolutions; one for ITC, and one for RAC companies, in which the Aviation Authority would defer August and September Minimum Annual Guarantee (MAG) payments. This deferral can turn into a waiver if the ITC and RAC remains current in its obligations to the Aviation Authority. If the ITC or RAC does not remain current, the deferred amounts are due in April 2021 and May 2021, respectively. We are also proposing a 50% waiver of MAG for both ITC and RAC from October 2020 through March 2021. In order to be considered, companies must submit the executed Resolution by September 4, 2020, and the approval of the Resolution would be subject to the following: (1) they must be current in their payment to the Aviation Authority through August 31, 2020; (2) if other federal or state relief is received, the waivers are null and void; and (3) other conditions similar to the ones set forth for the May Resolution, will be incorporated into the current Resolution.

The estimate if all ITCs and RACs exercise the convertible deferrals as well as the 50% waivers is a total package of \$47,613,870. This is a substantial amount, which will significantly impact the Aviation Authority's unrestricted reserve funds. The rationale from the staff standpoint is that it will be difficult for many of ITCs to make the MAG payments and this will offer at least 6 months of relief in the next Fiscal Year. It will also balance the scale for us to hopefully receive some of this revenue. Ultimately, any recovery going forward will depend on our ability to receive more traffic, and how the economy in Central Florida improves.

Mr. Brown asked if there were any questions regarding this item. Hearing none, he then indicated that there were some speakers requests. Before opening for public comment, Mr. Gerber requested a 5-minute recess on behalf of one of the Board members. Mr Gerber reminded the Board that we are still in a public meeting and no discussion regarding agenda items may take place during the recess.

The Chairman called a recessed at 3:26 p.m.; reconvened the meeting at 3:34 p.m.

Chairman Good asked Mr. Gerber to open the call for individuals who submitted a request to speak on this item.

Mr. Gerber indicated that there are 13 speaker requests. Each speaker will be provided 2 minutes, with the exception of Mr. Eric Clinton, with Unite Here, which will be allowed 3 minutes to speak. He further indicated that, if for some reason, the

RECOMMENDATION TO APPROVE AUGUST 2020 SUPPLEMENTAL IN-TERMINAL CONCESSIONS (ITC) AND RENTAL AUTOMOBILE COMPANIES (RAC) RELIEF PROGRAM RESOLUTION (con't)

individual cannot be unmuted; to please email their statement to speaker.request@goaa.org and the comments will be recorded on file.

Employees of HMSHost at MCO, Ms. Kourtney Monroe, Ms. Lacrechia Lewis, Ms. Maria Gonzalez, Mr. Delaun Stokes, Ms. Hilda Renteria Hernandez, Ms. Yanina Ochoa, Ms. Isabel Geary, Ms. Veronica Jackson, Ms. Emily Geary, Ms. Angela McKinnon, and Mr. Abismael Gomez Colon, spoke concerning working conditions, their furloughed work status and requested a fair recall requirement to be approved by the Board for when business resumes. Ms. Annixasbelle Torres provided a written statement regarding the same matters.

Mr. Gerber called on Ms. Jennyffer Deida and Ms. Veronica Jackson; however, there were no speakers registered on the call under any of the two names.

Mr Gerber proceeded to call on the next speaker, Mr. Eric Clinton, with Unite Here.

Chairman Good thanked the speakers for their comments and asked if any Board member had any questions. Mayor Demings stated that he sympathized with all of the individuals that took the time to call today. He asked Mr. Gerber for further information regarding the Board's legal authority to give any directive on the recall of employees. Mr. Gerber indicated that he looked carefully at this question, with cooperation of legal counsel for union representatives, and it was concluded that the Board does not have the authority to grant the recall rights and benefits that HMS Host employees discussed. First, they are not Aviation Authority employees, and by contract, the Aviation Authority does not have the authority to control certain parts of their employment. The Aviation Authority can dictate terms of employment with regard to OSHA Health and Safety issues and other federal laws, as it was previously done with the establishment of CDC guidelines. Florida Statue 218.077 states that, "A political subdivision may not establish, mandate, or otherwise require, an employer to provide employment benefits not otherwise required by state or federal law." The rights that the HMS Host employees are seeking are not required by state or federal law. Mr. Gerber also discussed with union counsel what exceptions to the statues could apply. The exception that they pointed out was (3).a.3, stating that this Resolution amounted to a subsidy in favor of HMS Host; however, the United State Supreme Court and Florida courts have adopted "subsidy" differently: "A subsidy involves the direct transfer of public monies to the subsidized enterprise and uses resources extracted from taxpayers as a whole." Therefore, this does not fall under the subsidy or direct tax abatement exceptions under the statute. In regards to Mr. Clinton's comment regarding airports in California granting this employment benefit as part of the modification of resolutions, it is important to note that California does not have the same statutes as Florida, and Florida has specific statutes that limit the authority of the Board. Additionally, the cities that granted the employment benefits (Los Angeles, Oakland and San Diego), are charter cities, which have extended powers under California law. Lastly, what is being requested is to discriminate against one concessionaire and the Aviation Authority cannot adopt that solution. Mayor Demings acknowledged Mr. Gerber's recommendation.

Mayor Dyer continued by stating that he is extremely sympathetic to the furloughed workers and any one that does not have their job right now, but also sympathetic to the businesses at the airport. Mayor Dyer indicated that he had an opportunity to talk to Mr. Gerber regarding his recommendation, and accepts that the Board cannot discriminate against one of the concessionaires. Mayor Dyer also expressed that he is puzzled about the disconnect between HMS Host and its employees, as he was under the understanding that they were planning to bring their employees back to work.

Upon motion of Mayor Dyer, second by Vice Chair Martinez, motion passed unanimously by roll call vote to accept the recommended action as presented by Mr. Brown [**FILED DOCUMENTARY NO. 100884**].

Before the meeting ended, Mr. Brown informed the Board that Mr. Stanley J. Thornton, Chief Operating Officer, will be retiring and this would be his last Board meeting. Mr. Brown stated that Mr. Thornton has had a pivotal role on everything the Aviation Authority has been able to accomplish this last decade. He will be missed and we wish him well. Board members thanked Mr. Thornton for his knowledge and hard work, and recognized him for his amazing dedication to the Aviation Authority.

Mr. Brown congratulated all of the elected officers.

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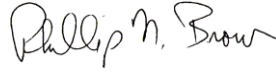
ADJOURNMENT

16. There being no further business to be considered, Chairman Good adjourned the meeting at 4:11 p.m.

(Digitally signed on September 21, 2020)



Larissa Bou
Executive Assistant of Board Services



Phillip N. Brown
Chief Executive Officer