

On **TUESDAY, FEBRUARY 11, 2020**, the **CAPITAL MANAGEMENT COMMITTEE** of the Greater Orlando Aviation Authority met in Conference Room Lindbergh of the Greater Aviation Authority offices in the main terminal building at the Orlando International Airport (MCO), One Jeff Fuqua Boulevard, Orlando, Florida. Chairman Phillip N. Brown called the meeting to order at 10:30 a.m. The meeting was posted in accordance with Florida Statutes and a quorum was present in the room.

Committee members present, Phillip N. Brown, Chairman
Thomas Draper

Also present,

Davin Ruohomaki, Senior Director of Planning, Construction
and Engineering
Dayci Burnette-Snyder, Director of Board Services
David Benouaich, R.W. Block Consulting
John Guirges, GCI, Inc.
John Scala, GCI, Inc.
Dan Gerber, Rumberger Kirk
Karen Ryan, Nelson Mullins
Robert Alfert, Nelson Mullins (via phone)
Larissa Bou, Recording Secretary

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. As adopted by the Board on September 19, 2012, 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. 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.

MINUTES

1. The Committee was in consensus to approve the meeting minutes of January 7, 2020, as amended.

RECOMMENDATION FOR APPROVAL OF THE PROCUREMENT STRUCTURE FOR THE SOUTH TERMINAL C (STC) PASSENGER BOARDING BRIDGES (PBB) (FORMERLY W-S136) AND THE RECOMMENDED PROCUREMENT METHOD AND SELECTION CRITERIA FOR THE PBBS AND AFFILIATED EQUIPMENT

2. Mr. Scala presented the item.

The Greater Orlando Aviation Authority (Aviation Authority) is currently under contract for construction of the South Terminal C, Phase 1 and expansion (Program), which is primarily being constructed by two Construction Managers at Risk (CMARs), Turner-Kiewit Joint Venture and Hensel Phelps Construction. In addition to the CMARs, there are a few components of the Program for which it is within the best interest of the Aviation Authority to directly procure and contract with independent contractors, vendors and suppliers, such as the Baggage Handling System (BHS) and the Passenger Boarding Bridges (PBBs).

The PBBs are critical Program components as the bridges serve as the connection point between the terminal and the aircraft, and the vast majority of customers will pass through a PBB as they arrive and depart the airport. Typically, each PBB operates in an independent manner; however, in the STC environment there will be a combination of narrow-body aircraft single bridge gates, as well as wide body gates with dual bridge operations. In addition to the narrow body and wide body configured gates, the STC has several configurable gates, known as MARS gates, that can accommodate both single wide body aircraft or multiple narrow body aircraft throughout the course of the day. This mixture of functional complexity throughout the STC requires a high level of technical expertise to ensure that the PBBs are manufactured, installed and commissioned to the highest standards.

On March 13, 2019, this Committee approved a procurement methodology for the Passenger Boarding Bridges that included the purchase, installation, operation, and maintenance for all STC bridges in one procurement, which also included the option to purchase

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additional PBBs and corresponding accessories for a fixed, five-year period, depending on the needs of the Aviation Authority. Following this committee's approval, the Aviation Authority publicly advertised the procurement, the Professional Services Committee (PSC) evaluated the proposals in accordance with the published criteria, and the Aviation Authority board approved a shortlist of three proposers. The shortlisted proposers then submitted price proposals that were opened publicly and evaluated by the PSC.

In November 2019, upon evaluation of the price proposals, the PSC recommended to the Aviation Authority Board, and the Board approved, that two of the proposals be deemed non-responsive due to their failure to comply with the minority and small business requirements and that the third proposal exceeded the budget for this procurement. Due to these procurement issues, the Aviation Authority Board instructed staff to re-evaluate how the PBB procurement was structured and to provide this committee with a recommendation for proceeding.

Since that time, the Program Team has evaluated the previous procurement and re-evaluated the required products and scope of services. The team recommends that the PBBs and related services be procured in sequential procurements:

- 1) Procurement of the STC PBBs and affiliated equipment (products only with traditional warranty and support services, including commissioning, testing and training after installation by others is complete),
- 2) Procurement of the Installation Phase Services for the PBBs and affiliated equipment, once the PBB manufacturer has been selected (anticipate issuance of advertisement in May 2020),
- 3) Procurement of the Operations and Maintenance (O&M) Phase Services for PBBs, affiliated equipment and the visual guidance docking system (anticipate issuance of advertisement in August 2020 or later)

OVERVIEW OF THE FIRST PHASE

PROCUREMENT OF THE PBBs AND AFFILIATED EQUIPMENT

For the procurement of the PBBs and affiliated equipment, the Program Team recommends using the Best Value Request for Proposals (RFP) Method, where the Proposers are ranked in three (3) categories:

- 1) Qualifications and project approach
- 2) Technical product and production schedule
- 3) Price

Each category will be weighed equally and the Proposer with the lowest combined ranking will be recommended to the Aviation Authority Board for award. Further explanation of the evaluation criteria for the PBB and affiliated equipment is discussed in Attachment A (copy on file).

Rationale for Best Value RFP Method

As stated in the March 2019 CMC memorandum, the Program Team conducted preliminary marketplace research on recent, comparable PBB projects, including the work performed by JBT AeroTech Jetway Systems and ThyssenKrupp Airport Solutions. Through the Program Team's analysis, it appears that these are the two companies that comprise the majority of the PBB market share in the United States. Both of these manufacturers have PBBs installed and operational at the Orlando International Airport. There is at least one other international company, Shenzhen CIMC-Tianda Airport Support Ltd., looking to establish a foothold in the U.S. market. Given the specialized nature of this product, and the limited number of suppliers, a Best Value Procurement will optimize the likelihood that the selected Proposer is the most qualified Proposer to perform the work in the timeframe that is required to keep the Program on schedule.

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Based on the Project Team's research, it is also understood that different PBB Manufacturers can produce notably different products. A critical consideration for the Aviation Authority in this procurement is to partner with a company that has the production capacity to accommodate the needs of the Aviation Authority. It is the intent of this procurement to identify a company whose experience, production capacity and location(s) are most suitable for the Aviation Authority's need for PBBs, its accessories, and its spare parts and components.

PBB MANUFACTURER SELECTION PROCESS

The Program Team recommends that the PBB Manufacturer be selected by the PSC based on the RFP procurement method (see Attachment A, copy on file). A similar process was recently used, successfully, for the South Terminal C Baggage Handling System Procurement.

Highlights of the process include:

- The Aviation Authority will publicly re-advertise the services for open-market competition.
- The PSC will utilize a one-step, two-envelope procurement method. At a public meeting, the PSC will rank the proposals based upon the published criteria prior to opening the Price Proposals. The PSC, at its sole discretion, may require interviews and presentations prior to this ranking.
- The PSC will then open the sealed Price Proposals and rank the Proposers' price proposals from lowest to highest total price, subject to staff and legal review for responsiveness and accuracy.
- The Proposer with the lowest "combined rank" for all three categories will be recommended to the Aviation Authority Board for award.
- In the event of a tie in the combined rank, the Proposer with the highest cumulative rank for categories based on the Qualifications/Approach and Technical/Schedule Proposals will be recommended to the Aviation Authority Board for award.

PBB MANUFACTURER DISPUTE REVIEW BOARD (DRB)

In March 2019, the CMC determined that a DRB was not advisable for this project. There has been no new information to change the recommendation of the Program Team. Although DRBs have proven successful on complicated construction projects, any manufacturing, delivery or installation risks can generally be mitigated by the selection of a qualified proposer and proper planning.

ISSUES FOR DISCUSSION

1. Whether the proposed evaluation methodology for the PBBs and affiliated equipment is appropriately tailored to determine which Proposer offers the best value to the Aviation Authority, after weighing qualifications, product, schedule, and price.
2. Whether a DRB is necessary for the STC PBB Installation Phase Services Project.
3. Whether there should be a price cap or published budget for the procurement of PBBs and affiliated equipment.
4. Whether a two-step procurement method (prequalification or shortlisting) is an appropriate procurement method for the PBB Installation Phase Services given the potential impact to the STC construction schedule.

The CMC could provide other direction for the procurement of the PBB equipment, installation and O&M services.

The CMC could also provide other direction for the RFP criteria and/or methodology for the selection of the PBB manufacturer. Specifically, instead of ranking the Proposers as First, Second, Third, etc. in each category, the Aviation Authority could assign point values to each category and award to the Proposer with the highest number of points. The Aviation Authority could also follow its traditional best-value approach where the scores of the

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Proposers on qualifications and product are divided by the price, with award to the lowest adjusted score (a proven method, but emphasizes price over other metrics); revise the proposed number of evaluative criteria but still implement a Best Value procurement; or elect to procure the PBBs with a different methodology entirely.

With respect to whether a DRB should be used on this project, the CMC could empanel a DRB out of an abundance of caution. The current recommendation to forego use of a DRB considers the cost of empaneling a DRB against the minimal, anticipated risk of this Project.

The fiscal impact arising from the re-structuring of this procurement is limited. The STC-Pl and STC-PlX budgets remain the same. It is anticipated that procuring the Installation and O&M Phase Services as separate procurements could result in decreased costs (i.e., decreased mark-ups).

It was respectfully requested that the Capital Management Committee reach consensus to (a) direct staff to proceed with the Best Value RFP procurement methodology described in the memorandum and outlined in Attachment A (copy on file) for the PBB and affiliated equipment; (b) to forego a DRB for the PBB project; (c) to include a published budget in the RFP documents; and (d) to direct staff to proceed with the procurement of the Installation Phase Services and O&M Phase Services, as stated in the memorandum.

In response to Chairman Brown's question, Mr. Scala confirmed that the team will first procure the acquisition of equipment, followed by installation phase services and lastly, they will procure the O&M phase services for PBBs.

By question from Chairman Brown, Mr. Scala responded that the team is still working on some of the details regarding the Installation Phase Services; however, the budget is approximately \$3.3 million dollars. He further explained that when the original solicitation was released as a "turnkey" project, pricing for installation was high; therefore, they are expecting lower pricing with the proposed procurement methodology.

Mr. Scala indicated that legal counsel will review the Proposers' most current airport jobs, to ensure that the firms have the ability to deliver the equipment and services on time.

Discussion ensued regarding coordination between the Aviation Authority, CMARs, selected installation company and manufacturer. Mr. Scala ensured that they are diligently working on the coordination.

Mr. Brown asked if a GMP had been issued to Hensel Phelps. Mr. Scala responded that this work was already incorporated into a GMP.

Discussion ensued regarding liquidated damages.

Mr. Brown asked Mr. Draper if he was comfortable with the item and if he had any questions or concerns. Mr. Draper responded that he agreed with separating the phases, especially because of cost savings. He further stated that the item looks clear and concise.

Chairman Brown asked Mr. Alfert if he had any additional comments. Mr. Alfert recapped the Best Value methodology for the record, as follows:

Each Proposal will be evaluated and ranked in the following categories:

- (1) Qualifications and Project Approach
- (2) Technical Product and Production Schedule
- (3) Price

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Under the Qualifications and Project Approach, the PSC will evaluate the Proposals and consider the following factors in ranking the Proposers:

- Experience of the Proposer's company in this Passenger Boarding Bridge industry
- Financial strength and stability of corporate entity
- Ability to provide required insurance
- Strength and experience of the proposed team in manufacturing and delivery of the required PBBs and affiliated equipment
- Past performance with the Aviation Authority (if applicable) and other entities
- Prior accidents or incidents involving PBBs and/or the affiliated equipment
- Litigation and Claims history
- References for support services

Under the Technical Product and Production Schedule, the PSC will evaluate the Proposals and consider the following factors in ranking the Proposers:

(1) Technical Product:

- PBB product quality, specifications, performance and operational parameters
- Compatibility of the PBBs to the design specifications provided by the Aviation Authority
- Accessories required
- Manufacturing methodology and quality assurance of the PBBs and corresponding parts, accessories, and affiliated equipment, including warranty terms and provisions

(2) Proposed Production Schedule:

- The ability and likelihood of the proposed Production Schedule to support the Aviation Authority's South Terminal C construction schedule. The proposed schedule should account for factors such as the time required for transportation/freight, delivery inspection and acceptance, and minimal onsite storage.
- Production location(s) of PBBs, accessories, parts, and affiliated equipment and its proximity to Orlando International Airport

(2) Maintenance Tasks and Replacement Parts Schedule and Price List:

The Maintenance Schedule should include all of the manufacturer's suggested preventative maintenance tasks and anticipated replacement parts over the first five (5) years of operations. The replacement parts price list must be included. The PSC will consider both in determining the overall best value for the Aviation Authority.

Under the Price Proposal, the sealed price proposals will be opened at a public PSC meeting after the PSC has ranked the proposers on the previous two categories.

Mr. Alfert closed by stating that this proposed procurement method is more condensed than the previous PBB solicitation.

Chairman Brown asked Mr. Alfert to review the process of due diligence as it relates to litigations and claims history, under the "Qualifications" evaluating criteria, in response to a letter received from Senator Rubio, Senator Scott, and Congressman Woltz on CIMC-Tianda. Mr. Alfert explained that, through the RFP, Proposers are asked to release any litigations and claims information from the past 5 years. The legal team proceeds to perform its due diligence, which includes a web-based search and a thorough search of court documents for claims that have been filed.

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Mr. Alfert proceeded to state that, in regards to the letter received, the claims in question go back 20 years, which would not come up during the research.

Chairman Brown asked if the due diligence process applies to all of the Proposers. Mr. Alfert responded that it applies to all of the Proposers, all proposals, and all procurements.


Discussion ensued regarding a DRB, which the team determined was not advisable for this project.

Chairman Brown asked if there were any further questions or comments. Hearing none, the Committee was in consensus of the recommendation.

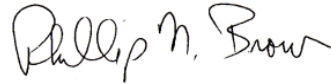
ADJOURNMENT

5. There being no further business to be considered, Chairman Brown adjourned the meeting at 10:46 a.m.

(Digitally signed on April 6, 2020)



Larissa Bou
Recording Secretary



Phillip N. Brown
Chairman