

On **MONDAY, AUGUST 10, 2020**, the **CAPITAL MANAGEMENT COMMITTEE** of the Greater Orlando Aviation Authority met virtually via GoToMeeting. Chairman Phillip N. Brown called the meeting to order at 10:00 a.m. The meeting was posted in accordance with Florida Statutes with a quorum participating. *Office of the Governor, Executive Order Number 20-69*

Committee members present, Phillip N. Brown, Chairman
Stanley J. Thornton
Thomas Draper

Also present, Kathleen Sharman, Chief Executive Officer
Brad Friel, Director of Planning
Dan Gerber, Rumberger Kirk
David Brown, Nelson Mullins
Karen Ryan, Nelson Mullins
Neil Hahn, Hahn Integrated Systems, Inc.
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. In the event a lobbyist meets with or otherwise communicates with Staff or a Board member, including the Mayor of the City of Orlando or the Mayor of Orange County, 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 or Mayor of Orange County at their offices. The policy, forms, and instructions are available on 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 March 9, 2020, as written.

RECOMMENDED PROPOSAL EVALUATION PROCESS FOR MULTI-PHASED PROCUREMENT FOR W-421, HIGH DEFINITION VIDEO DISPLAY MANUFACTURER PROCUREMENT

2. Ms. Ryan presented the item with assistance from Mr. Hahn who presented the technical aspects of the procurement.

The Aviation Authority is currently underway with the South Terminal C, Phase 1 expansion, which is primarily being constructed by two Construction Managers at Risk (CMARs), Turner-Kiewit and Hensel Phelps Construction Company. There are a few components of South Terminal C, Phase 1 that require the Aviation Authority to directly contract with, and purchase from, independent contractors, vendors and suppliers. The memorandum outlines a recommended "Best Value" evaluation and ranking method for procuring the High Definition (HD) Video Display equipment needed for South Terminal C, Phase 1. Installation of the HD Video Display will be administered through a separate procurement, as the appropriate installer will be dependent on the manufacturer/product selection.

The HD Video Display manufacturer will be selected by and contracted directly with the Greater Orlando Aviation Authority (Aviation Authority). The Aviation Authority operates and maintains a fully operative and integrated Electronic Dynamic Signage and Video Display System which is currently comprised of hundreds of 55" HD Displays, intermediate network and video extenders and receivers, media players, and video content servers. HD Displays are a unique aspect of The Orlando Experience. HD Displays are arranged in linear arrays comprised of both portrait and landscape configurations. Image quality, color consistency, reliability, network and Aviation Authority system compatibility are paramount to ensuring a seamless passenger experience throughout the Orlando International Airport (OIA).

The HD Video Displays will provide information and content, which will interface directly to various systems, including, but not limited to IPTV, MUFIDS, ECS, Gate Systems, CMS, IAMS, TSA Checkpoint Wait Times and other systems. A direct contract with the Aviation Authority allows for balanced management of competing priorities and the ability to more easily procure additional HD Video Display equipment for future phases and other Aviation Authority needs.

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HD VIDEO DISPLAY PROCUREMENT - PRELIMINARY ANALYSIS

Given the sensitivity of performance and high reliability in quality and other factors in the marketplace for this product, its critical nature, and the large number of manufacturers (each supplying a product with different features), a Best Value procurement will optimize the likelihood that the selected proposer is most qualified to supply the HD Video Display equipment.

HD VIDEO DISPLAY PROCUREMENT - BEST VALUE EVALUATION AND BASIS OF AWARD

The procurement team recommends that the HD Video Display Manufacturer be selected by the Aviation Authority's Professional Services Committee (PSC) based on the Best Value procurement method proposed in Attachment A (copy on file). Similar processes have been implemented in connection with a previous video monitor procurement, procurement of the Experiential Mediation Experience (EME) equipment and procurement of the Passive Optical Local Area Network (POL) equipment. Highlights of the process include:

- The PSC shall utilize a two-step procurement method. First, proposers will be required to submit Statements of Qualifications (SOQs). Based on the SOQs, and interviews and presentations, if deemed necessary by the PSC, no fewer than three firms will be shortlisted. The shortlisted proposers will then be issued a Request for Proposals (RFP) requiring a Technical Proposal as well as a Price Proposal.
- As part of the RFP, shortlisted proposers will be requested to supply test articles (samples of their HD Video Display equipment) for testing and inspection by the Aviation Authority's representatives and consultants, utilizing test procedures and protocols to be disclosed in the RFPs. The results of these tests procedures will be reported to the PSC and the shortlisted proposers in a written report. The test articles will be returned to proposers at their own expense. The PSC may elect to require interviews and presentations after the proposals and consultant report have been submitted to the PSC.
- The PSC shall rank the proposals as First, Second, Third, or Fourth in three separate categories, 1) Qualifications, 2) Product/Capabilities, and 3) Price. Ranking for Qualifications and product/Capabilities will be determined at a public meeting prior to opening the price Proposals. Among the features that may be considered in ranking each category if determined important by the PSC, are the number and quality of installation firms qualified to handle a proposer's product, and the availability and teams of a maintenance and service contract, if proposed.
- The PSC shall open the sealed price proposals at a public meeting and rank the responsive proposals with the proposal that outlines the most advantageous price for the Aviation Authority for the HD Video Display equipment receiving a score of "1". Factors for the PSC to consider when determining a proposal's overall cost-effectiveness are further outlined in Attachment A (copy on file).
- The proposer with the lowest combined rank for Qualifications, Product/Schedule, and Price will be recommended to the Aviation Authority Board for award.
- In the event of a tie in the combined rank, the proposer with the best rank (that is, lowest numerical rank) in the Product/Capabilities Category will be recommended to the Aviation Authority Board for award.

ISSUES FOR DISCUSSION

1. Whether the proposed evaluation methodology is sufficient for determining which proposer offers the best value to the Aviation Authority.
2. Whether this procurement should be administered by the PSC or an Ad Hoc committee established by the Chief Executive Officer.

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As an alternative, the Committee could provide other direction for the Best Value methodology. Specifically, instead of ranking the proposers First, Second, Third, and Fourth 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 a traditional approach where the scores of the proposers on price and product are divided by the price, with award to the lowest adjusted score (a proven method, but emphasizes price over other metrics).

The Committee could also consider evaluating the price proposals solely on an initial lump-sum price rather than considering the other price components, such as the unit cost of additional HD Video Display equipment for future phases or other areas, and cost of software upgrades and ownership.

This procurement methodology will require the services of consultants, which will have some measure of fiscal impact. The procurement team has estimated the total cost of the HD Video Display equipment to be procured for the South Terminal Program along with the installation (which will be a separate contract) to be approximately \$3.5 million.

It was respectfully recommended that the Capital Management Committee consense to direct staff to proceed with the Best Value procurement methodology described above and outlined in Attachment A (copy on file), and to delegate administration of this procurement to the Professional Services Committee.

In response to Chairman Brown's question regarding the factors that comprise the Qualifications category. Ms. Ryan made reference to Attachment A (copy on file) and listed the following as factors considered under the Qualifications category: (1) approach to the Project, such as the firm's philosophy, methodology for providing a complete solution for the HD Video Display equipment, and any supplemental services or software the firm can provide; (2) ability to provide the required products and services; (3) ability to offer maintenance/support services, including warranty; (4) past performance with the Authority (if applicable); (5) past performance with other entities; and (5) responses to the inquiries set forth in the Request for Qualifications and Statement of Qualifications.

Chairman Brown followed by asking if it is the view of the team to weigh Qualifications at 20%, and Product/Capabilities and Price at 40% each. Ms. Ryan responded in the affirmative. Discussion ensued regarding how categories will be evaluated.

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

Chairman Brown proceeded to ask if the committee was in consensus of having the procurement administered by the Professional Services Committee. The Committee was in consensus of the recommendation.

RECOMMENDATION TO UPDATE THE FISCAL YEAR 2018-2025 CAPITAL IMPROVEMENT PROGRAM

3. Ms. Sharman presented the item.

The Capital Improvement Program (CIP) is a multi-year plan of major capital projects linked to the Aviation Authority's strategic goals that establishes target years for implementation of projects and options for funding. The projects are derived from the Aviation Authority's Master Plan process and are developed to address passenger safety and security as well as the demand for air service to Central Florida. Each year the Aviation Authority evaluates and updates the CIP to ensure resources are allocated in the most effective, efficient, and appropriate manner to manage the demands of the facilities at the Orlando International Airport. As a working plan, the CIP will need to evolve and change as economic and regulatory conditions change. The unprecedented ramifications from the evolving COVID-19 pandemic have caused management to recommend a significant reduction to the CIP.

On May 15, 2019, the Aviation Authority Board approved an update to the CIP Fiscal Year 2018-2025 bringing the total to \$4,116,491,416. This update, together with a subsequent revision to the CIP that was approved by the Aviation Authority Board on August 28, 2019,

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to modify the funding for the Airline Terminal Improvement Project is hereinafter referred to as the 2019 CIP.

On January 15, 2020, the Aviation Authority approved the recommendation of the Capital Management Committee to create and implement a \$27.3 million Campus Wide Enhancements Program including \$11.8 million of Customer Facility Charges (CFC) funding for a Parking Garage C Canopy System, \$10.2 million of Capital Expenditure funds for Office Trailers for Aviation Authority staff and staff extension and \$6.0 million for HBJ Warehouse Renovations and to incorporate these projects into the next CIP update. These plans were based on the information available at the time regarding project needs and costs.

Since March 2020, domestic and international flights in and out of Orlando International Airport (MCO) have been dramatically curtailed because of the global COVID-19 pandemic. The President of the United States, the Governor of the State of Florida, the Mayor of Orange County, and the Mayor of the City of Orlando have issued emergency declarations regarding the pandemic. International travel restrictions have resulted in suspension of flights to virtually every international market served by MCO. Public officials in other states instituted 14-day quarantines for travelers coming from Florida and other areas. Business travel has also been severely cut back reflecting employers' duties to ensure the health, safety, and welfare of their employees. Public health officials, including the National Institutes of Health, United States Centers for Disease Control, Florida Department of Health and local health officials have warned U.S. residents and visitors to maintain physical distancing and to avoid travel among other actions. International organizations have issued similar warnings to people around the globe. In mid-March, the local theme parks closed, cruise line departures suspended, and conventions cancelled to limit the spread of COVID-19. Since that time, the theme parks reopened in June and July; however, many conventions continue to be cancelled or deferred, and cruise line departures remain suspended.

As a result, MCO has experienced an unprecedented decrease in air service, passengers, and associated revenues similar to other airports throughout the U.S. and the world.

In recognition of the severe implications of the pandemic to the aviation industry, Congress enacted legislation to provide economic relief to both airlines and airports called the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Aviation Authority was awarded approximately \$170.7 million, which can be used at either the Orlando International Airport (MCO) or Orlando Executive Airport (ORL). Currently, the Aviation Authority intends to allocate \$167 million to MCO, which can only be used to reimburse operating expenses, debt service, and capital expenditures.

Immediately following the announcement of the theme park closures, the Aviation Authority took action to reduce the fiscal year 2020 Operations and Maintenance (O&M) budget by at least \$18 million and deferred more than \$28 million of capital projects. The proposed fiscal year 2021 operating budget is \$30 million less than the 2020 budget and approximately \$45 million less than previously projected in the Report of the Airport Consultant prepared in connection with the Aviation Authority's issuance of the 2019 General Airport Revenue Senior Bonds. The Aviation Authority is committed to meeting its financial obligations while continuing to operate and maintain MCO with the careful application of limited CARES Act funding. Therefore, it is necessary to adjust the CIP to construct facilities that more appropriately match passenger demand with financial resources.

On May 20, 2020, staff presented a potential plan to reduce the 2019 CIP based on updated financial projections. This plan included a projected \$226.9 million reduction to the existing South Terminal C programs (STC), which include the South Terminal Phase 1 (STC-P1) and Phase 1 Expansion (STC-P1X) programs and a projected net \$133.7 million reduction to the remaining CIP. The plan to reduce the STC and programs included the reduction of existing construction contracts and other budget adjustments. The Aviation Authority Board directed staff to move forward with the plan, to negotiate the construction contract credit amendments and return with a finalized revised CIP.

Subsequently, on July 15, 2020, the Aviation Authority Board approved thirteen GMP amendments reflecting a total reduction of \$159.2 million as detailed in Exhibit 3 (copy on file).

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The revised GMPs are approximately 96% awarded against the proposed revised GMP budget. Work in place through July 31, 2020, is approximately 60% of the total GMP value.

During the month of April, daily departing passenger traffic declined more than 96% compared to the previous year. Since then, passenger traffic has slowly started to recover with July reflecting a 70% decline compared to the same month of the prior year. The Aviation Authority has developed a baseline traffic recovery scenario for purposes of financial projections based on a weighted average of various independent enplanement forecasts prepared by aviation experts. Based on this weighted average scenario, included as Exhibit 4 (copy on file), recovery to 2019 enplanement levels is not projected to occur until 2025. The 2019 CIP includes funding from Passenger Facility Charges (PFC), the \$4.50 user fee approved by the Federal Aviation Administration (FAA) for eligible capital projects and Customer Facility Charges (CFC), the \$3.50 charge per day added to rental car contracts. The collection of these fees is highly correlated with the number of passenger enplanements, and thus, the expected revenues from these funding sources are significantly lower. Forty-four percent of the STC programs are currently funded with PFCs. CFCs, which are used for ground transportation projects including parking garages and rental car capital facilities, constitute 5% of the STC Plan of Finance.

The Project Team has evaluated various scope modifications to the CIP to right-size capacity requirements based on current traffic projections and to realize additional cost savings, including the STC. This evaluation considered the investment in work completed and the revised operational needs based on capacity requirements to determine the appropriate scope modifications. The proposed CIP update reflects a balance of sunk cost with the now anticipated capacity.

R.W. Block Consulting, Inc., the Aviation Authority's Financial Consultant, has considered the impact on anticipated collections of PFC and CFC revenue along with the eligibility of the scope of work to optimize the funding of the proposed CIP. As part of the CIP evaluation process, the Aviation Authority staff has updated its financial model to incorporate the anticipated decline in PFCs and CFCs, the decline in operating revenues available to pay debt service, and available CARES funding to determine the most appropriate mix of funding to be included in the plan.

Proposed Adjustments to CIP:

The CIP Update process used to generate the information in this memo involved collecting proposed CIP revisions from the Project Team consisting of the Planning, Engineering, and Construction Department, Owners Authorized Representatives, Financial Consultant, and other various sources, including senior staff meetings, Construction Committee (CCM) and Construction Finance Oversight Committee (CFOC) actions that impact the CIP, the Annual Budget process and ongoing funding changes that occur during the implementation of a program. Overall, adjustments to the CIP result in a net decrease in an amount of \$360.6 million.

The proposed revisions to the CIP are described in Exhibits 1 and 2 (copy on file). Exhibit 1 summarizes the overall proposed funding plan of the CIP while Exhibit 2 details the specific funding impacts of the proposed revisions to the 2019 CIP. The recommended changes decrease the 2019 CIP of \$4.116 billion to a proposed CIP amount of \$3.756 billion. These changes are summarized as follows:

- **STC Phase 1 and STC Phase 1 Expansion - Net decrease of \$226.9 million**

The 2019 CIP maintained a budget of \$2.303 billion for the STC-P1 and a budget of \$719 million for the STC-P1X for a total of \$3.022 billion. Together, these projects provided a landside and airside terminal facility to support 19 aircraft gates with a capacity of up to 27 Narrow-body aircraft positions. The Project Team has reviewed the current work progression to determine the elements of work that would be good candidates for deferral or deletion. Because the construction of STC-P1 is well underway, the Project Team has focused its scope reduction effort to the work associated with STC-P1X. Certain elements of work for STC-P1X have already been constructed or are under construction such as the Landside Terminal and site work, while others have been awarded but not yet started such as the Ground Transportation Facility (GTF) and the Airside Terminal. Given those constraints and

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taking into account the physical progression of these elements of work and possible stopping points, the Project Team has identified several elements of work that can be reasonably stopped while allowing for the construction of fully functional terminal facilities and associated infrastructure supporting the operation of a total of 15 gates and a capability of up to 19 aircraft positions. Based on the foregoing, STC-P1X will be subdivided for accounting purposes between the Landside Terminal and the Airside Terminal. The STC-P1X Landside Terminal together with STC-P1 (the Project) is anticipated to be completed under this revised CIP Update by February 2022 while the STC-P1X Airside Terminal will be deferred until a later date. The costs incurred related to the STC-P1X Airside Terminal will remain in Work in Progress until such time the deferred scope of work is completed.

The deferral or elimination of the scope elements identified by the Project Team in Table 1 results in an estimated cost saving of \$228.6 million reduced by \$1.7 million to account for redesign fees for a total net projected saving of \$226.9 million.

Table 1 - STC Budget Adjustments (millions)

STC Program Scope Reduction	STC-P1	STC-P1X	Total
Airside Concourse (ASC)	\$ -	\$ (115.8)	\$ (115.8)
Baggage Handling System (BHS)	(6.2)	(1.8)	(8.0)
Passenger Boarding Bridge (PBB)	(1.4)	(6.2)	(7.6)
Airfield/Apron	-	(22.6)	(22.6)
Ground Transportation Facility (GTF)	(7.4)	(9.4)	(16.8)
Landscaping	2.0	(9.9)	(7.9)
FF&E and IT	(1.0)	(4.9)	(5.9)
Ground Support Equipment (GSE)	(6.3)	-	(6.3)
Employee Parking	(2.7)	-	(2.7)
Other (GR, Insurance, Art, Airline Relocation)	(14.9)	(14.4)	(29.3)
Scope Reduction	\$ (37.9)	\$ (185.0)	\$ (222.9)
Transfer Roadway Scope to other CIP Elements	(5.7)	-	(5.7)
Design Increase	-	1.7	1.7
Total STC Program Reduction	\$ (43.6)	\$ (183.3)	\$ (226.9)
Prior CFOC Approved Program Transfers	(10.3)	10.3	-
Net change to STC Programs	\$ (53.9)	\$ (173.0)	\$ (226.9)

The Financial Consultant has identified the following funding source adjustments to the combined STC-P1 and STC-P1X programs. These adjustments include program and funding adjustments approved by CFOC since the 2019 CIP.

Table 2 - STC Funding Source Adjustments (millions)

STC Program Funding Sources	STC-P1	STC-P1X	Total
FDOT Grants	\$ 4.2	\$ 14.0	\$ 18.2
Authority Funds	(15.6)	(0.5)	(16.1)
PFC PayGo	(8.6)	(119.3)	(127.9)
PFC Bonds	(0.2)	(12.2)	(12.4)
General Airport Revenue Bonds	(9.1)	(54.3)	(63.4)
Customer Facility Charges	(23.8)	(1.5)	(25.3)
OUC	(0.8)	0.8	-
Total STC Program Reduction	\$ (53.9)	\$ (173.0)	\$ (226.9)

While elements of the STC-P1X have been deferred with portions of the related Airside Concourse scope removed from the program through GMP credit amendments, it is the Aviation Authority's intention to continue with the original intended Landside Expansion scope. In all cases deferred scope elements have been stopped at the point that allows for future

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project expansion restart that will provide for the least possible disruption on airport operations. Scope reductions associated with the Baggage Handling System (BHS) will provide the Aviation Authority with fully STC-P1 commissioned and functional BHS equipment and infrastructure so that when the Authority determines market conditions support a demand driven expansion, the only tasks required for STC-P1X will be installation and commissioning of the stored expansion equipment. In this scenario, as with all Terminal Expansion scope that has been deferred, the PFC 20 application previously approved by the FAA to support this effort will remain intact with the understanding that the project is intended to continue through completion with a temporary postponement until demand for the deleted scope returns. As such both STC-P1 work included within FAA approved PFC application 18.8 and STC-P1X work included within FAA approved PFC application 20 will continue to be funded with PFC funding to the extent eligible.

It is anticipated the Aviation Authority will realize additional savings in the existing soft cost budget. Any additional cost savings realized in the soft costs will either be applied to program contingency or reserved for the restart of the deferred STC-P1X scope of work. The project team considers the revised budget of \$2.8 billion (\$2.3 billion for STC-P1 and \$545.0 million for the portions of STC-P1X contained in the Project) to be sufficient to complete the Project by February 2022.

- **Adjustments to North Terminal CIP Elements - Net decrease of \$49.5 million**

Adjustments to the North Terminal result from a combination of projects added and deleted, adjustments of budget, and transfer of budget. These adjustments are summarized in Table 3 below:

Table 3 - North Terminal CIP Elements (millions)

2019 CIP - North Terminal Projects		\$ 749.3
Proposed Revisions to CIP		
Deleted/Added Projects	2.3	
Budget Adjustments	(51.8)	
No Cost Budget Transfers	-	
Net Change to NT Projects		(49.5)
Proposed North Terminal Projects		\$ 699.8

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Table 4 summarizes the North Terminal projects added or deleted:

Table 4 - North Terminal - Added/Deleted Projects and Budget Transfers (millions)

Description	2019 CIP	Proposed CIP	Proposed Revisions	Purpose of Revision
<u>Deleted/Added Projects</u>				
Repurpose Airside 1 FIS	\$ 12.7	\$ -	\$ (12.7)	Deletion due to the current passenger forecast no longer indicating a requirement for a third FIS facility to accommodate future international travel during the CIP period
Health & Safety Renovations	0.0	15.0	15.0	Addition to address necessary COVID-19 improvement projects
Ticket Lobby North Terminal	146.2	143.5	(2.7)	The transfer of funds from the Ticket Lobby program to the new CIP element for CUSS/CUPPS enables optimization of funding and closeout of the remainder of the Ticket Lobby program while allowing continuing activity for the CUSS/CUPPS systems
CUSS/CUPPS	0.0	2.7	2.7	
Total NT Deleted/Added Projects			\$ 2.3	

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Budget Adjustments to the North Terminal CIP Elements are summarized in Table 5:

Table 5 - North Terminal CIP Elements - Budget Adjustments (millions)

Description	2019 CIP	Proposed CIP	Proposed Revisions	Purpose of Revision
<u>Budget Adjustments</u>				
Future CCTV Projects	\$ 18.7	\$ 15.0	\$ (3.7)	Deletion of lower priority CCTV projects
NT Building System Replacement	17.0	15.5	(1.5)	Reduction of proposed HVAC and other utility upgrades
NT Building Update	7.5	2.0	(5.5)	Reduction of proposed AS 1 and 3 Ramp upgrades
NT Security Checkpoints	26.2	26.8	0.6	Increase addressed unforeseen conditions
NT Security Systems (Biometric)	10.0	4.5	(5.5)	Removal of all pending and future biometric exit projects beyond what is already implemented or in process due to the decline in projected international operations
Airline Terminal Improvement Account	72.5	38.0	(34.5)	Scope realignment for reduction in airline relocations and space improvements related to the STC resizing
Airside 4	144.3	142.6	(1.7)	Project under budget.
Total Budget Adjustments			\$ (51.8)	

Table 6 summarizes the changes to the funding of the North Terminal CIP elements resulting from both the adjustments listed above and any no cost funding adjustments within elements.

Table 6 - North Terminal Funding Source Adjustments (millions)

North Terminal Funding Sources	2019 CIP	Proposed CIP	Proposed Revisions
Grants	\$ 88.6	\$ 90.2	\$ 1.6
Authority Funds	97.0	94.3	(2.7)
PFC PayGo	41.1	41.1	-
PFC Bonds	197.4	187.3	(10.1)
General Airport Revenue Bonds	325.1	286.8	(38.3)
Other	0.1	0.1	-
Total North Terminal Revision	\$ 749.3	\$ 699.8	\$ (49.5)

- Airfield Projects - Net decrease of \$13.7 million

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The budget changes proposed for the Airfield projects are summarized in Table 7 below:

Table 7 - Airfield CIP Elements - Budget Adjustments (millions)

Description	2019 CIP	Proposed CIP	Proposed Revisions	Purpose of Revision
<u>Budget Adjustments</u>				
Taxiway J Rehab	\$ 25.3	\$ 23.4	\$ (1.9)	Project under budget
Runway 17R-35L Improvements	24.9	22.7	(2.2)	Project under budget
Runway 18L-36R Rehab	44.8	35.1	(9.7)	Reduction of scope to exclude the shoulder rehabilitation
Net Change to Airfield			\$ (13.8)	

These revisions modify the requirement of the Airfield funding sources as summarized in Table 8 below:

Table 8 - Airfield Funding Source Adjustments (millions)

Airfield Funding Sources	2019 CIP	Proposed CIP	Proposed Revisions
Grants	\$ 120.0	\$ 113.1	\$ (6.9)
Authority Funds	14.2	10.1	(4.1)
PFC PayGo	1.2	1.2	-
General Airport Revenue Bonds	16.4	13.6	(2.8)
Net Change to Airfield	\$ 151.8	\$ 138.0	\$ (13.8)

- **Ground Transportation Projects - Net decrease of \$45.8 million**

Ground Transportation projects reflect a net decrease of \$45.8 million including the addition of the Parking Garage C Canopy System for \$8.8 million and a net budget adjustment decrease of \$54.6 million.

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Proposed revisions to the Ground Transportation projects are summarized in Table 9 below:

Table 9 - Ground Transportation CIP Elements - Budget Adjustments (millions)

<u>Description</u>	<u>2019 CIP</u>	<u>Proposed CIP</u>	<u>Proposed Revisions</u>	<u>Purpose of Revision</u>
<u>Added Projects</u>				
Parking Garage C Canopy System	\$ -	\$ 8.8	\$ 8.8	Addition of Parking Garage C Canopy
<u>Budget Adjustments</u>				
South Airport Cell Lot and Travel Plaza	6.0	3.1	(2.9)	Reduction of budget to actual costs
Loop Road System Mill and Overlay	10.5	8.8	(1.7)	Reduction of budget to actual costs
Future RAC Related Projects	90.0	45.0	(45.0)	Deletion of future RAC projects. Stop work on STC QTA
Roadway Improvement Program	17.0	10.0	(7.0)	Deletion of lower priority Roadway projects
Signage - Roadway	10.0	12.0	2.0	Revision of current estimate for signage needs once the STC-P1 becomes operational
Total Budget Adjustments			(54.6)	
Net Change to Ground Transportation			\$ (45.8)	

The proposed Ground Transportation program revisions and additional element modify the requirement of the funding sources as summarized in Table 10 below:

Table 10 - Ground Transportation Funding Source Adjustments (millions)

<u>GT Funding Sources</u>	<u>2019 CIP</u>	<u>Proposed CIP</u>	<u>Proposed Revisions</u>
Grants	\$ 6.5	\$ 11.0	\$ 4.5
Authority Funds	0.8	2.3	1.5
General Airport Revenue Bonds	30.2	17.5	(12.7)
Customer Facility Charges	96.0	56.9	(39.1)
Net Change to Ground Transportation	\$ 133.5	\$ 87.7	\$ (45.8)

- **Other Projects - Net decrease of \$25.6 million**

Other projects reflect a net decrease of \$25.6 million, of which \$16.2 million was added for the office trailers for Aviation Authority staff and extension of staff and for the HBJ Warehouse Renovations as authorized by the Aviation Authority Board on January 15, 2020.

MINUTES OF THE AUGUST 10, 2020, CAPITAL MANAGEMENT COMMITTEE MEETING

RECOMMENDATION TO UPDATE THE FISCAL YEAR 2018-2025 CAPITAL IMPROVEMENT PROGRAM (con't)

The budget changes proposed for the Other Projects are summarized in Table 11 below:

Table 11 - Other CIP Elements - Budget Adjustments (millions)

Description	2019 CIP	Proposed CIP	Proposed Revisions	Purpose of Revision
<u>Deleted/Added Projects</u>				
Office Trailers/Warehouse Renovation	\$ -	\$ 16.2	\$ 16.2	Added the Office Trailers for GOAA Staff and Extension of Staff and for the HBJ Warehouse Renovations as authorized by the Aviation Board on January 15, 2020
East Fuel Farm	35.3	0.0	(35.3)	Move project to outside the CIP period
<u>Budget Adjustments</u>				
Wildlife Attractant Removal	10.0	3.5	(6.5)	reduce scope of program to immediate airfield needs
Net Change to Other			<u>\$ (25.6)</u>	

The proposed "Other" program revisions and additional element modify the requirement of the funding sources as summarized in Table 12 below:

Table 12 - Other CIP Elements Funding Source Adjustments (millions)

Other Funding Sources	2019 CIP	Proposed CIP	Proposed Revisions
Grants	\$ -	\$ -	\$ -
Authority Funds	15.5	31.2	15.7
PFC Paygo	9.0	3.0	(6.0)
Other	35.3	-	(35.3)
Net Change to Other	<u>\$ 59.8</u>	<u>\$ 34.2</u>	<u>\$ (25.6)</u>

- **STC Phase 2 - Net increase of \$1.0 million**

On December 12, 2018, the Aviation Authority authorized the expenditure of \$3.5 million of Discretionary Funds to produce a concept design and a cost estimate for STC Phase 2. Although this expenditure was previously approved, it was never formally incorporated into the CIP, which this proposed CIP does at a reduced value of \$1.0 million.

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RECOMMENDATION TO UPDATE THE FISCAL YEAR 2018-2025 CAPITAL IMPROVEMENT PROGRAM (con't)

The following table summarizes the changes to the funding sources for the proposed CIP:

Table 13 - Overall CIP Funding Source Adjustments (millions)

Area	Total	Authority		PFC	PFC	GARBS	CFC	OUC	Other
		Grants	Funds	Paygo	Bond				
N Terminal	\$ (49.5)	\$ 1.6	\$ (2.7)	\$ -	\$ (10.1)	\$ (38.3)	\$ -	\$ -	\$ -
Airfield	(13.8)	(6.9)	(4.1)	-	-	(2.8)	-	-	-
GT	(45.8)	4.5	1.5	-	-	(12.7)	(39.1)	-	-
Other	(25.6)	-	15.7	(6.0)	-	-	-	-	(35.3)
STC-P1	(53.9)	4.2	(15.6)	(8.6)	(0.2)	(9.1)	(23.8)	(0.8)	-
STC-P1X	(173.0)	14.0	(0.5)	(119.3)	(12.2)	(54.3)	(1.5)	0.8	-
STC-P2	1.0	-	1.0	-	-	-	-	-	-
	\$ (360.6)	\$ 17.4	\$ (4.7)	\$ (133.9)	\$ (22.5)	\$ (117.2)	\$ (64.4)	\$ -	\$ (35.3)

The Aviation Authority updates project funding needs in the Joint Automated Capital Improvement Program (JACIP), used by the FAA and the Florida Department of Transportation (FDOT) to program airport development grants. FDOT has requested the next JACIP update, based on the most current information provided in the Aviation Authority's CIP, to be completed before the end of August.

The net decrease to the CIP is \$360.6 million if all recommended adjustments are accepted. Exhibit 5 (copy on file) shows key financial metrics associated with this funding plan.

It was respectfully requested that the Capital Management Committee recommend to the Aviation Authority Board (1) to approve the update of the Fiscal Year 2018-2025 Capital Improvement Program as presented in the memorandum and (2) to authorize staff to update Joint Automated Capital Improvement Program based on the update to the Fiscal Year 2018-2025 Capital Improvement Program.


Chairman Brown asked if anyone on the Committee had questions. Hearing none, Chairman Brown asked Mr. Friel if the reductions to the East Fuel Farm affect the permitting. Mr. Friel stated that the FAA confirmed that by continuing small-scale improvements, permitting would not be affected.

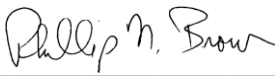
Ms. Sharman highlighted that the plan, funding sources, and metrics presented assume a construction completion date of 2022 for the South Terminal Complex.

Discussion ensued regarding the recommended action. Mr. David Brown made the suggestion to amend the recommended action to include a date to review both the enplanement forecast and the CIP. Following discussion, Chairman Brown asked if the Committee was in consensus of the following amended recommended action: (1) approve the update of the FY 2018-2025 Capital Improvement Program as presented 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. The Committee was in consensus of the recommendation.

ADJOURNMENT

4. There being no further business to be considered, Chairman Brown adjourned the meeting at 10:38 a.m.


 Larissa Bou
 Recording Secretary

(Digitally signed on August 31, 2020)

 Phillip N. Brown
 Chairman