

On **JUNE 29, 2020**, the **CONCESSIONS/PROCUREMENT COMMITTEE** of the **GREATER ORLANDO AVIATION AUTHORITY** met in regular session telephonically with the meeting live streamed on YOUTUBE (OrlandoAirports) and GOTOMEETING. Chairman Anderson called the meeting to order at 1:30 p.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: Raymond Anderson, Chairman
Kathleen Sharman, Vice Chair
Bradley Friel, Director of Planning
Brian Engle, Director of Customer Experience

Staff/Others present: Gary Hunt, Director of Maintenance
Denise Schneider, Assistant Director of Purchasing
Luis Aviles, Senior Purchasing Agent
Jo Thacker, Nelson Mullins, Legal Counsel
Dan Gerber, Interim General Counsel
Anna Farmer, Recording Secretary
Larissa Bou, Transcription Secretary

Chairman Anderson announced to all present that if a bidder or proposer is aggrieved by any of the proceedings of today's meeting and wishes to appeal the results of actions made by this Committee, they must file an appeal stating the item they wish to appeal and the basis for which they wish to appeal, and it must be received in writing by the Chief Executive Officer, Mr. Phillip N. Brown, via email pbrown@goaa.org with copy to dsnyder@goaa.org, by Monday, July 6, 2020 at 4:00 p.m. (emails will be accepted during the pandemic COVID-19).

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. Upon motion by Mr. Friel, second by Mr. Engle, motion passed unanimously by roll call vote to accept the June 15, 2020, minutes as written.

CONSENT AGENDA

2. Chairman Anderson asked if anyone on the call would like to speak regarding the Consent Agenda item. Hearing none, he then asked if any Committee member had questions or wished to pull the item for discussion.

Motion was moved by Mr. Friel, second by Vice Chair Sharman, to approve the following Consent Agenda item:

A. recommendation to the Chief Executive Officer to: (1) approve Year Two, to Blanket Purchase Agreement (BPA) 91266 for Purchasing Request for Written Quotation (RFQ) 92788-19, Promotional Trades and Flame Resistant Apparel with Uniform Wizard; (2) authorize funding from the Operations and Maintenance Fund in the not-to-exceed amount of \$127,697.19; and (3) authorize the Purchasing Department to extend the existing Blanket Purchase Agreement through August 31, 2021.

By roll call vote, motion passed unanimously.

RECOMMENDATION TO APPROVE AMENDMENT NO. 3, CONTRACT ADJUSTMENT FOR PURCHASING CONTRACT 01-17, AUTOMATED PEOPLE MOVER (APM) OPERATION AND MAINTENANCE, WITH CRYSTAL MOVER SERVICES, INC. (CMSI)

3. Ms. Schneider presented the item.

The initial term of the contract started September 26, 2017, expiring September 25, 2022, with the Aviation Authority having two (2) options to renew the contract for an additional period of five (5) years each.

The contract requires CMSI to furnish all repair parts, materials, consumables, tools, manuals, training, management, supervision, and skilled labor as necessary for the Operation and Maintenance of the Aviation Authority's APM system for Airside 1, Airside 3, and the South Airport APM Complex located at the Orlando International Airport. The Operation and Maintenance services shall be provided on a twenty-four (24) hour per day, seven (7) days per week basis, throughout the term of the contract and in accordance with the contract specifications.

Contract Adjustment - On July 16, 2014, the Aviation Authority Board resolved to accept the recommendation of the Professional Services Committee and approved the award of Bid Package No. S100 (BP-S100), Automated People Mover (APM) Operating System (OS) for Airside 1, Airside 3, and the South Airport APM Complex (Design-Build-Operate-Maintain), to Mitsubishi Heavy Industries America, Inc. (MHIA) for a combined proposal amount of \$155,829,040, which was comprised of a Phase 1 contract agreement with MHIA in the amount of \$132,972,000 for design-build services, and a Phase 2 contract in the amount of \$22,857,040 with CMSI for the initial 5 years of Operation and Maintenance.

The Maintenance Department assumed responsibility for overseeing the APM Operation and Maintenance contract after the Notice to Proceed (NTP) for Phase 2, which included Airside 3 and the South Airport APM systems, which was issued on September 26, 2017. The NTP was issued after a Phase 1 design-build construction contract Certificate of Partial Substantial Completion (CSC), with specific punch lists, carveouts, and exclusions for both the Airside 3 and South Airport APM systems, was granted to MHIA on September 26, 2017. Additionally, a CSC with specific punch lists, carveouts, and exclusions was also granted to MHIA for Airside 1 on February 23, 2018.

Additionally, the Phase 2 Operation and Maintenance Specifications (OMS) Section 3.22.1, allows for an economic price adjustment of the original bid annual lump sum fixed prices, which were based on August 2013 bid submission. This will allow the annual lump sum fixed prices to be adjusted for inflation. It has been determined that funding for the initial 5-year term and optional renewal periods did not include escalations; therefore, additional funding will be required to fund year three services. For year three, which includes a mini-overhaul of the APM system, CMSI has provided the calculated economic price adjustment increase in the amount of \$561,293, or a 1.1248% increase from the revised schedule price of \$5,361,260, based on the Employment Cost Index (CIU 2020000120000I), and otherwise in accordance with the contract provisions.

The Aviation Authority has reviewed, justified, and accepted this calculation and price adjustment for year three of the Phase 2 contract. Economic price adjustments, if any, for future years of the Phase 2 contract will be calculated and reviewed pursuant to the Phase 2 contract specifications at Section 3.22.1, as amended by Amendment No.1, and will be subject to review and approval by the Aviation Authority, up to the maximum adjustment allowed, as set forth in the contract. All authorized deductions and penalties allowed under the contract remain in full force and effect.

Department - Concurs with the contract adjustment.

Contractor - Based on the information known at this time, the contractor is performing satisfactorily during the initial term of the contract.

This is a service contract for the Operation and Maintenance of the Aviation Authority's APM Operating System for Airside 1, Airside 3, and the South Airport APM Complex. Pricing for this service is based on labor, materials and miscellaneous items. Contract terms allow for additional work related to the APM system but not covered under the fixed price portion of the contract, such as vandalism, misuse or third party damage to equipment. The contract specifies the number of hours that each train shall operate in each twenty-four hour period, and additional run time, if desired, is available at a per-hour/month

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rate in the contract. The fee structure also includes penalties for not meeting the required runtimes.

The total not-to-exceed price for this contract adjustment is \$561,293.

At the time of award, a 1.75% MWBE and 4.6% LDB/VBE participation was established. The Small Business Development Department certifies that the vendor is in good standing as it relates to small business participation. The same small business participation requirement will apply to this amendment.

The fiscal impact is a total not-to-exceed amount of \$561,293, with funding from the Operations and Maintenance Fund 301.631.210.5460001.000.100877 and 301.631.692.5460001.000.100877. Funds expected to be spent under the contract in the current fiscal year are within budget. Funding required in current and subsequent fiscal years will be allocated from the Operations and Maintenance Fund as approved through the budget process and when funds become available.

It is respectfully requested that the Concessions/Procurement Committee approve that the following be recommended to the Aviation Authority Board: (1) approve Amendment No. 3, Contract Adjustment for Purchasing Contract 01-17, Automated People Mover (APM) Operation and Maintenance with Crystal Mover Services, Inc.; (2) authorize funding in the not-to-exceed amount of \$561,293 from the Operations and Maintenance Fund; (3) authorize an Aviation Authority Officer or Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel.

Chairman Anderson asked if anyone on the call would like to speak regarding this item. Hearing none, he then asked if any Committee member had questions or comments. There was no reply to either inquiry.

In response to Mr. Gerber's question regarding the rationale for the contract adjustment, Chairman Anderson stated that the contract refers to an "economic price adjustment", that has a few components, including labor, which is based on Consumer Price Index (CPI) adjustment, as well as parts and materials, which are based on the average of two indexes; one which is the electrical machinery and equipment index and the other the metal and metal products index.

By question from Mr. Gerber regarding the need for services and the apparent price escalation, Ms. Schneider explained that the price of services is not at a higher escalation; however, the price increase includes a mini-overhaul, which requires more material. Additionally, there is a 4% cap included. Discussion ensued regarding the CPI's time period, to which Chairman Anderson explained that the period is one month prior to the beginning of each year of Phase 2, to the prevailing index of the date of the contractors' proposal.

Mr. Engle asked if the mini-overhaul includes additional preventative maintenance. Mr. Aviles indicated that the overhaul for year three is for extra parts for overhauling the trains. He further stated that, compared to last year, there is a significant increase in the amount in material costs.

Chairman Anderson asked Mr. Hunt if he anticipates the full amount of the contract to be spent. Mr. Hunt responded in the affirmative. Chairman Anderson asked Mr. Hunt to explain once again what the mini-overhaul entails. Mr. Hunt deferred the question to Mr. Thomas O'Day, Manager, who explained that the mini-overhaul constitutes the removal and visual inspection, re-greasing and bearing settings for the bolts assembly for the vehicles in question.

Chairman Anderson asked if legal counsels had any further questions. Both Mr. Gerber and Ms. Thacker indicated that they did not have any other questions.

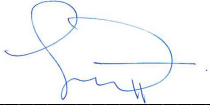
Upon motion by Mr. Friel, second by Mr. Engle, motion passed unanimously by roll call vote, to approve staff's recommendation.

MINUTES FOR THE JUNE 29, 2020, CONCESSIONS/PROCUREMENT COMMITTEE

ADJOURNMENT

4. Chairman Anderson asked if there was further business to discuss before the Committee. Having no further business to discuss, he adjourned the meeting at 2:09 p.m.

(Digitally signed on August 7, 2020)



Larissa Bou
Transcription Secretary

Brad Friel

on behalf of
Raymond Anderson
Chairman