

**FINANCE COMMITTEE
AGENDA**

DATE: WEDNESDAY, MAY 17, 2023

TIME: 1:45 P.M.

PLACE: CARL T. LANGFORD BOARD ROOM, ORLANDO INTERNATIONAL AIRPORT, ONE JEFF FUQUA BOULEVARD

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. 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 on the Aviation Authority's offices web site. Please contact the Chief Administrative Officer with questions at (407) 825-7105.

- I. CALL TO ORDER

- II. ROLL CALL

- III. CONSIDERATION OF FINANCE COMMITTEE MINUTES FOR APRIL 19, 2023

- IV. CONSENT AGENDA
 - A. Recommendation of the Ad Hoc Committee to Rank Firms for Request for Proposals 23-313 and Award Financial Advisory Services

DRAFT

On **WEDNESDAY, APRIL 19, 2023**, the **FINANCE COMMITTEE** of the Greater Orlando Aviation Authority met in the Carl T. Langford Board Room located in the main terminal building at the Orlando International Airport (MCO), One Jeff Fuqua Boulevard, Orlando, Florida. Chairman Good called the meeting to order at 1:45 p.m. The meeting was posted in accordance with Florida Statutes and a quorum was present.

Committee members present, M. Carson Good, Chairman
 Mayor Buddy Dyer
 Tim Weisheyer
 Belinda Kirkegard (alternate)

Also present, Kevin J. Thibault, Chief Executive Officer
 Kathleen Sharman, Chief Financial Officer
 Yovannie Rodriguez, Chief Administrative Officer
 Victoria Jaramillo, Chief Development Officer
 Carolyn Fennel, SVP, Public Affairs
 Tianna Dumond, Vice President, Internal Audit
 Marie Dennis, Vice President, Finance
 Doug Starcher, Nelson Mullins
 Dan Gerber, General Counsel
 Anna Farmer, Manager, Board Services and Recording Secretary

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MINUTES

1. Upon motion by Mr. Weisheyer, second by Mrs. Kirkegard, motion passed to accept the March 15, 2023, Finance Committee minutes, as written.

CONSENT AGENDA

2. Mr. Thibault asked that the Consent Agenda be approved as presented.

A. Recommendation to Exercise the First One-Year Renewal Option for Professional Services Agreement PS-632 Auditing Services, with MSL, PA

Upon motion by Mr. Weisheyer, second by Mrs. Kirkegard, vote carried to approve the recommendation of the Consent Agenda as presented.

INFORMATION ITEMS

3. Ms. Sharman indicated that the following item is provided for information only:

A. Status of the Annual Audit Plan as of March 31, 2023

ADJOURNMENT

4. There being no further business to be considered, Chairman Good adjourned the meeting at 1:46 p.m.

(Digitally signed on, 2023)

Anna Farmer
Manager, Board Services and Recording Secretary

Kevin J. Thibault
Chief Executive Officer



GREATER ORLANDO AVIATION AUTHORITY

Orlando International Airport
One Jeff Fuqua Boulevard
Orlando, Florida 32827-4392

MEMORANDUM

TO: Members of the Finance Committee

FROM: Tianna Dumond, Chair, Ad Hoc Committee

DATE: May 17, 2023

ITEM DESCRIPTION

Recommendation of the Ad Hoc Committee to Rank Firms for Request for Proposals 23-313 and Award Financial Advisory Services

BACKGROUND

On June 20, 2018, the Aviation Authority Board approved the selection of the following firms to serve as the Aviation Authority's Financial Advisors:

- Frasca & Associates, LLC
- National Minority Consultants, Inc.
- Raymond James & Associates, Inc.

The current agreement expires on August 30, 2023. On January 29, 2023, the Aviation Authority Board approved the release of Request for Proposals 23-313 (RFP) for Financial Advisory Services. Services may include, but are not limited to, assisting the Aviation Authority and its Finance Committee to:

- Provide as-needed financial advice regarding market conditions and trends, financial products, credit and credit analysis, third party alternative financing and special facility financing.
- Prepare analyses and evaluations of potential refundings and new money issues.
- Review and evaluate financing options, derivative and other innovative products, financial feasibility studies, legal documents, and pricing of any financing and any escrow requirements.
- Participate in rating agency presentations and preparation of official statements.
- Provide structuring and pricing advice in connection with Authority financings.
- Assist with financial planning and portfolio management.
- Provide other financial services as requested.

During the term of its contract, the financial advisors may not serve as underwriter or swap counterparty for any Aviation Authority financing transaction. Furthermore, the financial advisors may not terminate their contracts prematurely for the purpose of then serving as underwriter or swap counterparty for any Aviation Authority financing transaction.

On Sunday March 5, 2023, the Aviation Authority issued the RFP for Financial Advisory Services, and on Tuesday, April 4, 2023, responses were received from the following Proposers (in alphabetical order):

1. Ford & Associates, Inc. (Ford & Associates)
2. Frasca & Associates, Inc. (Frasca)
3. PFM Financial Advisors, LLC (PFM)

ISSUES

On April 20, 2023, an Ad Hoc Committee (Committee) met to review the responses to the RFP based on the evaluation criteria detailed in the RFP documentation. All three Proposers have a minimum of five years of continuous and recent experience, are registered to do business in the State of Florida, and indicated their willingness to execute the Aviation Authority's professional services agreement. The Committee consensed that all Proposers met the minimum requirements.

All three Proposers are qualified with relevant municipal advisory experience. Ford & Associates did not list airport financing transaction experience in their response, however, both Frasca and PFM demonstrated significant airport transportation finance experience. In addition, Fords' designated Minority Women Business Enterprise (MWBE) partner is not registered as an MWBE with the Aviation Authority or any agency recognized by the Aviation Authority.

After careful evaluation and deliberation, the Committee agreed that, although all three proposals were favorable and appreciated by the Aviation Authority, proposals from Frasca and PFM appeared to best meet the needs of the Aviation Authority at this time, followed by Ford & Associates, Inc. The Committee voted unanimously to interview Frasca and PFM.

On May 1, 2023, the Committee met to conduct interviews with Frasca and PFM, and to evaluate their proposals in light of such interviews, based on the following evaluation criteria:

- Proposer's Experience, Qualifications and Methodology
- Qualifications and Experience of Proposer's Personnel
- Conflicts of Interest
- MWBE Participation
- Schedule of Fees

At the conclusion of the interviews, the Committee evaluated each Proposer comparatively considering the proposal submissions, presentations and interviews, and selected, in order of preference, the Proposer that is deemed most advantageous to the Aviation Authority.

Based on the quality and experience of PFM's MWBE partner, PFM's 50% MWBE commitment, the pricing tools and resources available to PFM, PFM's lower hourly rates, anticipated access to and in-person response from PFM's project lead, and an opportunity for fresh perspective, innovation, and strategy afforded by PFM, the Committee voted unanimously to recommend to the Finance Committee to rank proposals in response to Request for Proposals 23-313 as follows:

- First: PFM Financial Advisors, LLC
Second: Frasca & Associates, Inc.

SMALL BUSINESS

Due to the complexity of the services, the Aviation Authority did not establish specific MWBE goals for this RFP. Proposers were requested to propose their own level of MWBE participation, and submit a detailed MWBE action plan that the Proposer will commit to implementing in order to maximize participation and promote small business development in support of the Aviation Authority's MWBE program. The first ranked firm, PFM Financial Advisors, LLC, proposed a MWBE participation goal of 50%.

ALTERNATIVES

The Finance Committee may accept, reject, or amend the proposed recommendation of the Ad Hoc Committee.

FISCAL IMPACT

Fees for all advisory services shall be invoiced in detail based on the hourly rates which were submitted by the Financial Advisors in response to the RFP. A negotiated fee will be set for all Aviation Authority bond transactions or other significant financing transactions and projects, and will be paid from the proceeds of the transaction, upon approval by the Aviation Authority Board.

The fiscal impact anticipated for on call financial advisory services to be allocated from the Operations and Maintenance Fund for the base term of 36 months is a not-to-exceed amount of \$250,000. Required funding will be approved through the budget process and when funds become available.

RECOMMENDED ACTION

It is respectfully requested that the Finance Committee accept the Ad Hoc Committee's recommendation and recommend to the Aviation Authority Board to: (1) approve the ranking of the Proposers for Request for Proposals 23-313 Financial Advisory Services as follows: first – PFM Financial Advisors, LLC, and second – Frasca & Associates, Inc.; (2) authorize Aviation Authority staff to negotiate with the first ranked firm for a contract term of thirty-six months with the initial service to commence on or about September 1, 2023, and with the Aviation Authority having options to renew the contract for two additional periods of one year each, upon mutual agreement; (3) should negotiations with the first ranked firm be unsuccessful then enter into negotiations with the second ranked firm; (4) authorize funding for hourly rate services in a not-to-exceed amount of \$250,000 from the Operations and Maintenance Fund for the base thirty-six month term of the contract; and (5) authorize staff to take any and all actions and execute any and all documents deemed necessary to enter into an agreement for Financial Advisory Services following satisfactory legal review.