

GREATER ORLANDO AVIATION AUTHORITY
REVISED AGENDA

DATE: AUGUST 17, 2022

DAY: WEDNESDAY

TIME: 2:00 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. INVOCATION

III. PLEDGE OF ALLEGIANCE

IV. ROLL CALL

V. CONSIDERATION OF AVIATION AUTHORITY MINUTES FOR AUGUST 18, 2021, JUNE 15, AND JULY 20, 2022

VI. RECOGNIZING YEARS OF SERVICE

VII. CONSENT AGENDA

(These items are considered routine and will be acted upon by the Aviation Authority in one motion. If discussion is requested on an item, it will be considered separately. Items under this section are less than \$325,000 dollars)

- A. Recommendation to Accept Aviation Authority Committee Minutes
- B. Recommendation to Dispose of Surplus Property
- C. Recommendation of the Construction Committee to Approve Amendment No. 3 to Addendum No. 30 to the Construction Management at Risk (CM@R) Entity Services for South Terminal C, Phase 1, Agreement with Turner-Kiewit Joint Venture, for Project Bid Package (BP) No. S00192, Terminal C, Phase 1, Landside Civil (LSC) Roadway Overhead Signage (Guaranteed Maximum Price (GMP) No. 5-S.7) at the Orlando International Airport
- D. Recommendation of the Construction Committee to Approve Change Order Bid Package (BP) No. 00495-02 with The Middlesex Corporation on BP No. 00495, East Airfield Taxiways Rehabilitation and Related Work – Phase 1, at the Orlando International Airport
- E. Recommendation of the Construction Committee to Approve a No-Cost Time Extension Addendum to the Construction-Engineering-Financial Consulting Services Agreement with Anser Advisory Consulting, LLC
- F. Recommendation of the Professional Services Committee to Rank Firms Shortlisted for Construction-Engineering-Financial Consulting, Capital Planning, Grant Management, Invoice Review, and Construction Audit Services at the Orlando International and Orlando Executive Airports
- G. Recommendation of the Construction Committee to Approve No-Cost Addenda to the Continuing Architectural Consulting Services Agreements to Exercise the Second and Final One-Year Renewal Options
- H. Recommendation of the Professional Services Committee to Approve an Addendum to the Information Technology (IT) Consulting Services Agreement with Barich, Inc. for FY 2023 Information Systems Staff Augmentation to the IT Department for IT Related Projects Support Services, at the Orlando International Airport
- I. Recommendation of the Construction Finance Oversight Committee to Approve Funding Action(s) to Various Contracts
- J. Recommendation of the Finance Committee to Rank Firms and Award a Professional Services Agreement for PS-710 Arbitrage Rebate Calculation Services
- K. Recommendation to Approve Delegation of Authority to the Chief Financial Officer to Approve Budget Transfers in Excess of \$250,000 through September 30, 2022
- L. Recommendation to Eliminate the Sixty Day Employee Health Insurance Eligibility Period and Approve the Corresponding Update to Policy 206.12; Employee Health, Disability and Life Insurance Benefits

NOTE: Any person who desires to appeal any decision made at these meetings will need record of the proceedings and for that purpose may need to ensure that a verbatim record of the proceedings is made which includes the testimony and evidence upon which the appeal is to be based.

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VII. CONSENT AGENDA (cont'd)

- M. Recommendation of the Concessions/Procurement Committee to Approve the Purchases of Palo Alto Refresh Hardware, Subscription, and Maintenance Support through the Utilization of the State of Florida Alternate Contract Source State of Florida# 43220000-NASPO-19-ACS Master Contract Number: AR3228, "Data Communications Products and Services", to Compuquip Cybersecurity
- N. Recommendation of the Concessions/Procurement Committee to Approve Amendment No. 3, Second Renewal Option and Contract Adjustment, for Purchasing Contract 11-18, Landscape Maintenance of Parking Lots, at the Orlando International Airport, with Helping Hand Lawn Care LLC (Helping Hand)
- O. Recommendation to approve Amendment No. 1 To Lease Agreement (Training Center Support Facility) and Amendment No. 2 to Lease Agreement (Training Facility) by and between the Greater Orlando Aviation Authority ("Aviation Authority") and JetBlue Airways Corporation
- P. Recommendation to Approve the Second Amendment to Remediation and Access Agreement with Frontier Airlines, Inc.
- Q. Recommendation to Approve the Declaration of Restrictive Covenant in favor of the Florida Department of Environmental Protection relating to the closure of a petroleum cleanup site
- R. Recommendation to Approve the Lease Agreement at Colonial Promenade Shopping Center, Orlando Executive Airport, with Emporium 7 LLC
- S. Recommendation to Approve Two (2) year Option to Renew the Property Management and Leasing Agreement with Stiles Corporation for Professional Services (PS-00658), Orlando Executive Airport (ORL) Property Management, Brokerage, and Advisory Services, at the Colonial Promenade Shopping Center, Orlando Executive Airport
- T. Recommendation to Accept Public Transportation Grant Agreements (PTGAs) for Orlando International Airport from the Florida Department of Transportation (FDOT)

VIII. PROCUREMENTS

(Notification for release of documents for different services at the Aviation Authority in excess of \$500,000)

- A. Request for Qualifications W-00447, Roadway Signage and Infrastructure Consulting Services
- B. Request for Qualifications W-00462, Continuing Horizontal Construction Services
- C. Request for Qualifications Baggage Handling System (BHS) and Passenger Boarding Bridges (PBB) Maintenance and Repair Services
- D. Invitation for Bid Runway and Taxiway Painting Services at Orlando International Airport

IX. CHIEF EXECUTIVE OFFICER'S REPORT

X. COMPENSATION COMMITTEE DISCUSSION OF AVIATION AUTHORITY GOALS


XI. NEW BUSINESS

(Pursuant to Florida Statute 332.0075, contracts in excess of \$325,000 are listed under this section as separate line items)

- A. Recommendation of the Construction Committee to Approve of an Amendment to Addendum No. 25 to the Technology and Multi-Media Systems Specialty Engineer for the South Terminal C, Phase 1, Agreement with Burns Engineering, Inc. for Additional Construction Administration Services for W-S00113, South Terminal C, Phase 1 - Technology and Multi-Media Services, at the Orlando International Airport
- B. Recommendation of the Construction Committee to Award Project Bid Package (BP) No. 00496, MCO East Airfield Taxiways Rehabilitation and Related Work – Phase 2, at the Orlando International Airport (MCO), to Hubbard Construction Company
- C. 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 Construction Administration Services for Project Bid Package (BP) No. 00496, MCO East Airfield Taxiways Rehabilitation and Related Work – Phase 2, at the Orlando International Airport (MCO)
- D. Recommendation of the Construction Committee to Approve an Addendum to the Continuing Program and Project Management Services Agreement with WSP USA, Inc. for Construction Phase Owner's Authorized Representative (OAR) Services for Project Bid Package (BP) No. 00496, MCO East Airfield Taxiways Rehabilitation and Related Work – Phase 2, at the Orlando International Airport
- E. Recommendation of the Construction Committee to Approve an Addendum to the Design Services for Taxiways G and H Rehabilitation, Phases 1 and 2, Agreement with AECOM Technical Services, Inc. for Design Phase Architect/Engineer (A/E) Services for Project W-00432, MCO Taxiways G and H Rehabilitation, Phases 1 and 2, at the Orlando International Airport (MCO)
- F. Recommendation of the Professional Services Committee to Approve an Addendum to the Information Technology (IT) Consulting Services Agreement with Faith Group Consulting, LLC for Fiscal Year (FY) 2023 Digital Content and Innovation Consulting Services at the Orlando International Airport

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XI. NEW BUSINESS (cont'd)

- G. Recommendation of the Professional Services Committee to Approve an Addendum to the Information Technology (IT) Consulting Services Agreement with Technology Management Corporation dba Technology Management Corporation – 1 Incorporated for Fiscal Year (FY) 2023 Information Systems Staff Augmentation Support, at the Orlando International Airport
- H. Recommendation of the Construction Committee to Approve an Addendum to the General Consulting Services Agreement with Ricondo & Associates, Inc. for Strategic Planning Consulting Services
- I. Ratification of Extending the Builders Risk Insurance Program for Terminal C, Phase 1, and Related Programs at Orlando International Airport, to November 1, 2022, and the Recommendation of the Construction Committee to Authorize Payment for Additional Builders Risk Insurance Premium for the Extension
- J. Recommendation of the Ground Transportation Committee to adopt the Adjusted Public Parking Rate Structure
- K. Recommendation to Approve Amendment No. 3, Renewal Option and Contract Adjustment for Purchasing Contract 03-20, Terminal Janitorial Maintenance, with Flagship Airport Services, Inc. (“Flagship”)
- L. Recommendation of the Concessions/Procurement Committee to Award Request for Proposal (RFP) 12-22, South Terminal Janitorial Maintenance, at the Orlando International Airport, with Flagship Airport Services, Incorporated (Flagship)
-  M. Recommendation for Preliminary Approval of Fiscal Year 2023 Aviation Authority Budget
- N. Recommendation of the Ad Hoc Committee to Award General Counsel Services to Rumberger, Kirk & Caldwell

XII. INFORMATION SECTION

(No action is required on the item(s). Board members should feel free to ask questions on the item(s).)

- A. Notification of Committee Recommendations to the Chief Executive Officer for Approval for August 17, 2022, Aviation Authority Board Meeting
- B. Notification of Release of RFP/RFB/RFQ'S/IFBs
- C. Notification to Correct Amendment and Addendum Numbers from April 20, 2022, Board Agenda
- D. Notification of the Establishment of Operational Procedure: Section 206.05; Employee Hybrid Work Policy
- E. Notification of the Professional Services Committee's Approval of the Lists of Pre-Qualified Subcontractors/Suppliers for Major Trade Packages for the Terminal C, Phase 1, Program, at the Orlando International Airport
- F. Construction Progress Report

DRAFT

On **WEDNESDAY, AUGUST 18, 2021**, the **GREATER ORLANDO AVIATION AUTHORITY** met in a special session in the Carl T. Langford Board Room of the Aviation Authority offices in the main terminal building at the Orlando International Airport (OIA), One Jeff Fuqua Boulevard, Orlando, Florida. Chairman Good called the meeting to order at 1:01 p.m. The meeting was posted in accordance with Florida Statutes and a quorum was present.

Authority members present,

M. Carson Good, Chairman
Mayor Buddy Dyer, Vice Chair
Craig Mateer
Dr. John L. Evans, Jr.
Belinda O. Kirkegard

Also present,

Phillip N. Brown, Chief Executive Officer and
Secretary
Kathleen Sharman, Chief Financial Officer
Yovannie Rodriguez, Chief Administrative Officer
Thomas W. Draper, Chief of Operations
Carolyn Fennell, Senior Director of Public
Affairs
Dan Gerber, Interim General Counsel
Gail Musselwhite, Executive Assistant to the CAO
and Recording Secretary

Before proceeding with business, Chairman Good recognized Mrs. Kirkegard, who made comments about her service on the Aviation Authority Board.

Mr. Gerber read the conflicts of interest statement. Next, Mr. Gerber introduced the Board's task for the meeting and stated that the Board would conduct private interviews in accordance with Florida law. Mr. Gerber then advised the Board on the limitations of the private sessions and the evaluation criteria and process.

INTERVIEWS

The private interviews were conducted with the four proposers (recordings on file).

DELIBERATIONS

Deliberations commenced after the four interviews. Dr. Evans spoke first. Dr. Evans complimented the Korn Ferry team; but, stated he had previous issues with the Korn Ferry firm. Dr. Evans mentioned that Russell Reynolds and Korn Ferry held an edge over Grice and ADK.

Mayor Dyer mentioned that the Korn Ferry firm had specialized knowledge and a large firm experience. ADK was his next choice, followed by the other two firms.

DRAFT MINUTES OF THE AUGUST 18, 2021, MEETING OF THE GREATER ORLANDO AVIATION AUTHORITY

Mrs. Kirkegard complimented all firms for their efforts on the written submission. In Mrs. Kirkegard's view, the task was too large for the Grice Group. Russell Reynolds and Korn Ferry had good experience and submissions.

Mr. Mateer mentioned that Russell Reynolds and Korn Ferry had the large rolodex that he was looking for in a search firm. Mr. Mateer believed that both firms could do the work well; but, Mr. Mateer cautioned that the Board must do the hard work.

Chairman Good asked Mr. Gerber about a non-compete clause. Mr. Gerber said that the Board action would authorize contract negotiations, which could include a non-compete provision.

RANKING

Chairman Good opened discussions about ranking the proposers. Chairman Good discussed his views about the proposers and stated that he heard good things about Korn Ferry, ADK, and Grice and that he was impressed with Russell Reynolds.

Dr. Evans asked about Korn Ferry's commitment to GOAA. Chairman Good said a big company like Korn Ferry is a resource.

Mayor Dyer moved to rank Korn Ferry number one. Dr. Evans seconded the motion. The motion passed unanimously.

Mrs. Kirkegard moved to rank Russell Reynolds number two. Mrs. Kirkegard mentioned that she thought Russell Reynolds submission was thorough. Mr. Mateer made a motion to rank Russell Reynolds second. Dr. Evans seconded the motion. The motion passed unanimously.

Mayor Dyer moved to rank ADK and Grice tied for third. Mr. Mateer seconded the motion. The motion passed unanimously.

Upon motion by Mr. Mateer, second by Dr. Evans, vote carried to rank Korn Ferry first, Russell Reynolds second, and ADK and Grice third and to authorize staff to commence negotiations with Korn Ferry.

There was discussion about commencement of terms to be negotiated. Chairman Good suggested that the terms to be negotiated should be by separate amendment to the main motion. Mr. Mateer offered an amendment that any negotiation should include a term that the successful proposer cannot conduct a CEO search for a similar sized airport until the GOAA search is complete. Chairman Good offered his concern about losing the number one ranked firm with such a provision. Mr. Mateer stated that commitment is the reason the Board is retaining the firm. Dr. Evans seconded the proposed amendment. The amendment passed unanimously.

Mr. Mateer offered an amendment that the contract negotiations include a one-year guarantee so that if the search firm recommended a candidate that did not stay for one year, then the firm would conduct another search at no charge. Dr. Evans seconded the amendment. The amendment passed unanimously.

DRAFT MINUTES OF THE AUGUST 18, 2021, MEETING OF THE GREATER ORLANDO AVIATION AUTHORITY

Chairman Good returned to the main motion. The motion passed, as amended, unanimously.

ADJOURNMENT

16. There being no further business to be considered, Chairman Good adjourned the meeting at 2:45 p.m.

(Digitally signed on, 2022)

Gail Musselwhite
Recording Secretary



GREATER ORLANDO AVIATION AUTHORITY

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

MEMORANDUM

TO: Members of the Aviation Authority

FROM: Kathleen M. Sharman, Chief Financial Officer

DATE: August 17, 2022

ITEM DESCRIPTION

Recommendation for Preliminary Approval of Fiscal Year 2023 Aviation Authority Budget

BACKGROUND

The Aviation Authority Staff has prepared a preliminary 2022-2023 Fiscal Year Budget for Orlando International Airport (MCO) and Orlando Executive Airport (ORL). A resolution authorizing the Aviation Authority's preliminary 2022-2023 Fiscal Year Budget is required by the Aviation Authority board. The Orlando City Council will conduct a public hearing within ten days of receipt of this preliminary budget.

ISSUES

As we move out of the COVID-19 pandemic, the Aviation Authority is experiencing a new set of economic challenges, in particular, unprecedented increases in costs of materials, supplies and labor. With labor shortages at record highs, the Aviation Authority is competing with local municipalities and theme parks to hire bus drivers, maintenance workers and even office workers. The cost to hire quality staff as well as to retain current staffing levels is also increasing.

The effects of these circumstances are reflected in the proposed fiscal year 2023 budget. Of the 23% increase in O&M Expenses only about one-third is related to Terminal C. As you know, Terminal C is needed immediately to accommodate the growth of all airlines as we return to pre pandemic traffic levels and anticipated near-term future demand.

Attached please find more detailed information relating to the proposed budget of the Greater Orlando Aviation Authority for the fiscal year ending September 30, 2023.

MCO Preliminary 2022-2023 Fiscal Year Budget

A summary comparison of the budget from the current fiscal year and the proposed budget are provided below:

	<u>FY 2023</u>	<u>FY 2022</u>
Gross Revenues	\$683,585,000	\$523,380,000
Federal Relief	\$0	\$55,000,000
Gross Revenues	<u>\$683,585,000</u>	<u>\$578,380,000</u>
Less Airport Exclusive Revenues	<u>(\$5,867,040)</u>	<u>(\$4,071,036)</u>
Net Revenues	\$677,717,960	\$574,308,964

Expenses

Operations & Maintenance	\$464,685,000	\$377,500,000
Operations & Maintenance Reserve	\$14,530,833	\$4,536,674
Debt Service – GARB	\$111,692,629	\$110,442,131
Debt Service – PFC Supported	\$80,709,263	\$83,172,788
Available for PFC Revenue	(\$80,709,263)	(\$83,172,788)
Central Energy Plant	\$10,039,000	\$5,618,422
Total Airport Requirement	\$600,947,461	\$498,097,227
Remaining Revenues	\$76,770,499	\$76,211,737
Debt Service Coverage Ratios:		
Senior Lien Debt	3.76x	3.38x
All Indebtedness	1.48x	1.43x
Cost Per Enplaned Passenger (CPE)	\$11.65	\$9.54
CPE for Participating Airlines	\$10.68	\$9.25

Expenditures:

The proposed Operation and Maintenance (O&M) Budget for Fiscal Year 2023, totaling \$464.7 million, is budgeted to increase approximately \$87.2M over Fiscal Year 2022, reflecting increases in airline and passenger activity, an enduring surge in inflation and a full year operation of new Terminal C. The FY 2022 O&M Budget anticipated a partial year of operations in Terminal C. Significant variances are listed below:

- Salaries and Benefits - \$18.2M increase includes cost of living adjustments and 87.5 new full time equivalent positions.
- Other Professional Services - \$8.9M Increase in Secure Area and Monitoring and Employee Screening contract due to rate increases and additional locations requiring coverage. Customs and Border Protection 559 Program increase due to return of international passengers. Also, increases for digital content support, rate increases for product support, technical staff support and new system development and research and other temporary staff support to cover vacancies.
- Environmental Consultants - \$0.6M for hazard clean-up, assessments, storage tank program, and permitting.
- Outside Services - \$2.4M increase for the return of the Ambassador staff to the terminals plus staffing Terminal C for a full year.
- Landscaping - \$0.3M increase for south grounds added to exterior contract.
- Janitorial Services - \$10.0M increase in contract rate and square footage.
- Management Contracts - \$10.9M increase in parking and shuttle contracts due to wage increases and passenger volumes and bus frequencies. Also includes increase in hotel expenses as guests return increasing occupancy.
- Other Contractual Services - \$4.7M increase for new ramp control system, Multi-User Flight Information Display System for Terminal C, and addition of second ambulance service.
- Travel and Per Diem - \$0.4M increase due to the return of in-person education and conferences.
- Utilities - \$7.4M increase for additional power/water usage with the return of passengers and the operation of Terminal C for a full year.
- Property & Casualty - \$1.1M increase in annual insurance premium rate and adding Terminal C.
- Other Insurance and Bonds - \$1.1M increase in annual renewal of premiums.
- Maintenance Contracts - \$19.5M contract increases due to rates and Terminal C for a full year.
- Advertising Costs - \$0.5M increase due to the resumption of sports and events marketing.
- Other Current Charges & Obligations - \$0.3M increase in line of credit fees
- Operating Supplies - \$0.6M increase in paper towels, bath tissue, and custodial supplies due to a full year of Terminal C operations.
- Fuel Costs - \$0.4M increase due to diesel for Employee buses and additional routes.

Revenues:

The proposed Revenue Budget for Fiscal Year 2023 is \$683.6M, an increase of approximately \$160.2M, as compared to the budget for Fiscal Year 2022 before any Federal Relief funding. The factors responsible for the net increases are:

- Landing Revenue – \$10.9M increase in the Net Airfield Requirement, including \$5.5M increased O&M, comprised primarily of salary increases for personnel including security area monitors and utilities, additional power/water for additional passengers and the opening of Terminal C.
- Apron - \$2.4M increase in the Net Apron Requirement, including increased O&M and debt service, in particular no Federal Covid relief for debt service.
- Ramp Parking & Remain Overnight Fees - \$2.5M increase primarily due to rate increases as noted above and increase in activity.
- Airline Equipment - \$1.7M increase in rate increases due to Passenger Boarding Bridges (PBB) and Baggage Handling System (BHS) parts for full-year operation of Terminal C.
- Fuel Systems - \$1.4M increase revenue and corresponding reduction in Net Airfield Requirement in reimbursements for debt service for the Terminal C hydrant fueling system.
- Terminal Premises - \$29.0M increase in rate increases and increase in airline assigned space.
- Baggage - \$19.4M increase in terminal rental rate and BHS O&M expenses as well as adjustment to the annual passenger vacancy rate due to the opening of Terminal C.
- Concession - \$8.2M new concessionaires for Terminal C as reflected in Minimum Annual Guarantees.
- Federal Inspection Station & Facility Fee - \$15.1M increase in rates, demand, and international passengers.
- Other Building and Grounds - \$3.8M increase in ancillary services commission and rental rates.
- Hotel - \$12.0M increase in occupancy, average room rate, and ancillary services as traffic improves.
- Parking - \$26.7M demand increase due to growth in passenger traffic and rates.
- Rental car - \$16.6M demand increase due to increase in passenger traffic, rental car pricing, and various scheduled rental increases.
- Commercial lane - \$6.9M increase in passenger traffic.
- Rail Station - \$1.7 estimated rate increase.
- Other Operating and Non-Operating items – 1.9M activity/demand increase in miscellaneous items such as badges and telecomm charges.

The expenditures and revenues detailed above resulted in rates and charges which were presented to the airlines on July 21, 2022. A budget comparison of the Rates & Charges for Fiscal Year 2023, compared to Fiscal Year 2022, for MCO is summarized below:

	<u>Budget FY 2023</u>	<u>Budget FY 2022</u>
CPE for Participating Airlines	\$10.68	\$9.25
Landing Fees per 1000/lbs.	\$1.9657	\$1.6289
Apron Fee per gate	\$74,471	\$46,434
Terminal Premises Rate per square foot	\$193.21	\$167.50
Airline Equipment Charge per gate	\$87,848	\$69,234
North Inbound Baggage System Fee per deplaned passenger	\$1.70	\$1.53
North Outbound Baggage System Fee per enplaned passenger	\$1.71	\$1.54
South Inbound Baggage System Fee per deplaned passenger	\$2.45	\$2.33
South Outbound Baggage System Fee per enplaned passenger	\$3.28	\$3.16
South Terminal Annual Common Use Fee per annual access gate	\$545,770	\$469,151

ORL Preliminary 2022-2023 Fiscal Year Budget

A budget comparison of the Budget for Fiscal Year 2023 compared to Fiscal Year 2022 for ORL is summarized below:

	<u>FY 2023</u>	<u>FY 2022</u>
Revenues		
Aviation Related	\$1,302,106	\$919,291
Commercial Properties	\$2,383,259	\$2,403,432
Other Revenue	\$114,635	\$112,277
Federal Relief	\$965,000	\$1,500,000
Contribution from OEA Revenue Fund	\$0	\$1,702,000
Total Revenues	\$4,765,000	\$6,637,000
Expenses		
Operations & Facilities	\$1,844,049	\$1,729,570
Safety & Security	\$1,609,562	\$1,471,300
Administration	\$759,259	\$680,310
Other Expenses	\$302,130	\$377,125
Capital Outlay and Improvements	\$250,000	\$2,378,695
Total Expenses	\$4,765,000	\$6,637,000

Revenues:

- Aviation Related - Approximately \$380,000 in increased revenues from fixed base operators (FBOs).
- Commercial Properties - Approximately \$20,000 in decreased revenues from commercial leases due to the vacancies at Colonial Promenade.
- Federal Relief - Approximately \$535,000 in decrease in federal relief from CARES Act Funds.

Expenses:

- Operations and Facilities increases of approximately \$115,000 for increased contractual services for Colonial Promenade and Aviation Authority salaries and benefits.
- Safety and Security increases of \$140,000 due to adjustments to the contract services from Orlando Fire Department and Aviation Authority salaries and benefits.
- Administration expense increases of \$80,000 due to increases in salaries, benefits, legal and consulting fees.
- FY 22 Capital Outlay and Improvements included \$2,000,000 of capital improvements for Colonial Promenade of which \$1,800,000 is uncommitted. FY 23 capital outlay includes funds matching funds for grant funded projects such as the Taxiway A,B, E4 Design Bid and Contingency, East Ramp Phase 1b, and ORL Master Plan as well as other request for lighting improvements, stormwater structure rehabilitation and electronic gate replacement.

In summary, the preliminary 2022-2023 Fiscal Year Budget for MCO is \$683,585,000 and the preliminary budget for ORL is \$4,765,000.

ALTERNATIVES

The Aviation Authority Board could modify the preliminary 2022-2023 Fiscal Year Budget.

FISCAL IMPACT

The total budget for Fiscal Year 2023 is \$683,585,000 for MCO and \$4,765,000 for ORL.

RECOMMENDED ACTION

It is respectfully requested that the Aviation Authority Board resolve to: (1) adopt the attached resolution approving the 2022-2023 preliminary budget; (2) request Orlando City Council to conduct a public hearing on the preliminary budget within ten days of receipt of the budget; and (3) authorize an Aviation Authority Officer to execute any necessary documents.

**RESOLUTION BY THE GREATER ORLANDO AVIATION AUTHORITY
CONCERNING THE AVIATION AUTHORITY'S
2022-2023 FISCAL YEAR BUDGET**

WHEREAS, the City of Orlando, Florida (the "City") a municipal corporation in the County of Orange, State of Florida, owns the Orlando International Airport and Orlando Executive Airport (the "Airports"); and

WHEREAS, the Greater Orlando Aviation Authority (the "Authority"), pursuant to Chapter 57-1658, Special Laws of Florida 1957, as amended, The Greater Orlando Aviation Authority Act as codified and amended (the "Act"), was created and established to exercise those powers granted under the Act; and

WHEREAS, the City, pursuant to the Act and Operation and Use Agreement with the Authority dated September 27, 1976, as amended and restated as of October 1, 2015, transferred custody, control and management of the Airports to the Authority; and

WHEREAS, the Authority, at its meeting of August 17, 2022, considered the matter of its preliminary 2022-2023 Fiscal Year Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE GREATER ORLANDO AVIATION AUTHORITY:

1. That the preliminary annual Budget for the fiscal year beginning October 1, 2022, and ending September 30, 2023, is necessary to provide for anticipated expenditures of the Authority for all of its projects during the ensuing fiscal year, including operating expenses, capital outlays, materials, labor, equipment, supplies, payments of principal and interest on all outstanding revenue bonds and subordinated indebtedness of the Authority, and sinking fund and reserve requirements of such bonds and other subordinated indebtedness; and represents the judgment and intent of the Authority as to the needs of its Departments as to their fiscal requirements for the ensuing fiscal year.

2. That such preliminary Budget provides for expenditures only to the extent of funds legally available to the Authority for the ensuing fiscal year from established sources, based upon past experience and reasonable projections thereof, and from new projects or new sources of income of the Authority.

3. That said preliminary annual Budget, attached hereto and made part hereof, is hereby adopted and submitted to the City Council of the City of Orlando, Florida.

4. That the City Council of the City of Orlando is requested, within ten (10) days of its receipt of such preliminary Budget, to conduct a public hearing with respect thereto.

5. That a copy of the preliminary Budget be filed in the Authority's documentary files.

BE IT FURTHER RESOLVED that funds in the Budget for the fiscal year ended September 30, 2022, which have been encumbered prior to that date as a result of purchase orders issued by the Greater Orlando Aviation Authority are hereby reappropriated as part of the Budget for the fiscal year commencing October 1, 202~~2~~3.

BE IT FURTHER RESOLVED that this resolution shall be effective immediately upon its adoption.

PASSED AND ADOPTED this 17th day of August 2022.

GREATER ORLANDO AVIATION AUTHORITY

BY

ATTEST:

APPROVED AS TO FORM AND LEGALITY:

By:
