GREATER ORLANDO AVIATION AUTHORITY

Innovation Connecting the World

FINANCE COMMITTEE MEETING

March 27, 2024

GREATER ORLANDO AVIATION AUTHORITY

Innovation Connecting the World

AVIATION AUTHORITY BOARD MEETING

March 27, 2024

GREATER ORLANDO AVIATION AUTHORITY

Innovation Connecting the World

CONSIDERATION OF MEETING MINUTES

RECOGNIZING YEARS OF SERVICE

25 YEARS

Donald McNeill – Supervisor – Maintenance Administration

GREATER ORLANDO AVIATION AUTHORITY

Innovation Connecting the World

CONSENT AGENDA ITEMS

GREATER ORLANDO AVIATION AUTHORITY
Innovation Connecting the World

PROCUREMENTS

GREATER ORLANDO AVIATION AUTHORITY

Innovation Connecting the World

CEO REPORT

NEW BUSINESS ITEM A

Recommendation to Approve the Second Amendment with Aero Orlando, LLC and Sublease to U.S. Customs

BACKGROUND

Federal law requires airports to provide adequate facilities for the proper inspection and disposition of international travelers, including office and detention quarters for Customs and Border Protection (CBP).

- Aero Orlando, LLC is the owner and operator of Building 402
- Aviation Authority subleases 8,431 square feet within Building 402 from Aero Orlando, LLC to fulfill its requirement under Title 8 of United States Code (8 U.S.C.§ 234.4)
- CBP occupies 22,470 square feet in Building 402 on the west ramp
- Remaining 14,039 square feet is leased directly to CBP at their own cost
- The building provides operational support space for processing of international general aviation passengers, trade/cargo and other CBP services
- The current agreement expires March 31, 2024
- The Aviation Authority's annual rent expense obligation for the CBP sublease is $430,231

ISSUES

To remain compliant with federal law, staff has agreed to a new sublease and term extension with Aero Orlando, LLC.

- **Annual rent expense in year one will be $278,633 ($151,598 decrease)**
- **Term will be April 1, 2024, through August 27, 2032**
- **Upon sublease expiration, Building 402 ownership will revert to Aviation Authority**

SMALL BUSINESS

Small Business goals do not apply to real estate leases.

FISCAL IMPACT

The fiscal impact is a not-to-exceed amount of $2,582,262. Funding is from the Operations and Maintenance Fund.

RECOMMENDED ACTION

It is respectfully requested that the Aviation Authority Board resolve to accept the recommendation to:

- **Approve the Second Amendment to Lease for Real Property with Aero Orlando, LLC, to extend the term through August 27, 2032;**
- **Approve the no cost sublease agreement between the Aviation Authority and CBP;**
- **Authorize funding from the Operations and Maintenance Fund in the not-to-exceed amount of $2,582,262; and,**
- **Authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents in a form satisfactory to such officer, following satisfactory review by legal counsel.**

GREATER ORLANDO AVIATION AUTHORITY

Innovation Connecting the World

NEW BUSINESS ITEM B

Recommendation to Approve the Fixed Based Operator Lease Agreement with SHOLA,LLC and Due Diligence (Access) Agreement at Orlando Executive Airport

BACKGROUND

On September 11, 2023, the Real Estate Department received an application pursuant to the Orlando Executive Airport Aeronautical Service Operator Minimum Standards from SHOLA, LLC to develop and operate as a Category A Fixed Base Operator at Orlando Executive Airport.

- **The Federal Aviation Administration (FAA) requires that the Aviation Authority make the airport available for aeronautical uses on fair and reasonable terms**
- **SHOLA, LLC is a fully owned subsidiary of Sky Harbour Group Corporation**
- **SHOLA is a publicly traded company that operates commercial hangar operations around the United States, including locations in Miami, Houston, Dallas, Nashville, Denver and Phoenix**

Following a diligent review of the application and of SHOLA's financial ability to perform, the Real Estate Department determined that the application met the Minimum Standards for a Category A FBO.

- **SHOLA and the Aviation Authority executed a non-binding term sheet on November 1, 2023**

ISSUES

Addresses Growing Aeronautical Demand by Adding:

- 67,600 square feet of hangar storage per phase, totaling 202,800 square feet over three phases
- 350,000 square feet of apron in Phase 1 , totaling 462,000 square feet over three phases
- Twenty aircraft tie-downs in Phase 1
- Additional public aircraft fuel provider
- Aeronautical service options by providing a new 5,000 square foot FBO terminal
- Infrastructure improvements, which enables additional development opportunities
- Airport competition

Lease Agreement:

- SHOLA will invest an estimated $30,000,000 in the first Phase and $10,000,000 over phases 2 and 3
- Leasehold minimum of twenty acres
- Initial term of 30 years
- Term of the agreement will be adjusted up or down by one year for each $1 million in investment over or under the estimated investment

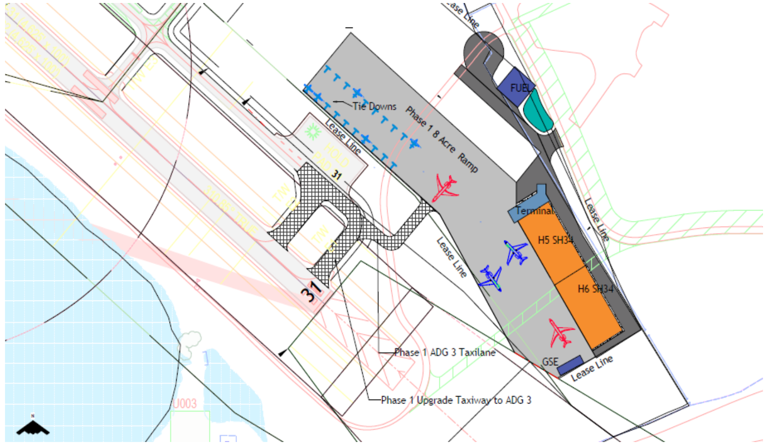
ISSUES

Lease Agreement (Cont'd):

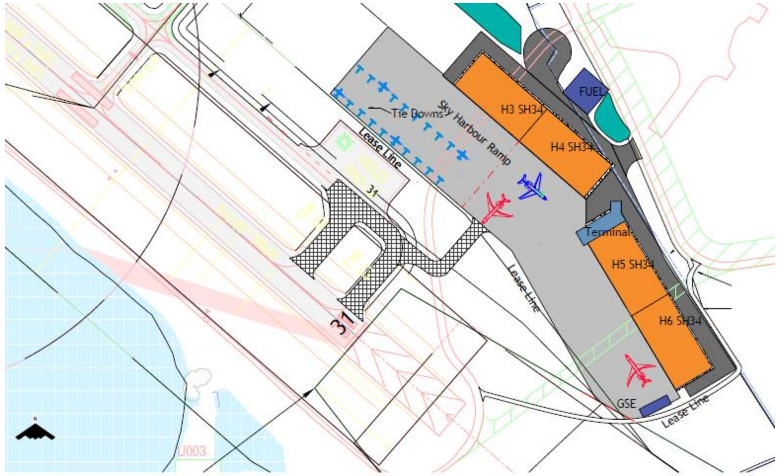
- Ground rent is based on a Fair Market Value appraisal and will commence upon completion of Phase 1, for the entire 20-acre parcel
- Rent increases 3.5% annually throughout the term
- Phase 1 must be completed within 24 months of the Notice to Proceed, followed by Phases 2 & 3 with specific construction milestones
- SHOLA is responsible for all off-site infrastructure improvements needed, including utilities and taxiway improvements
- SHOLA will pay the same Fuel Flowage Fee and Percentage Privilege Fee as the existing ORL FBO's
- SHOLA is required to provide all FBO services to the public, including fueling, terminal facilities, parking, rental cars, and other services required by the Minimum Standards

PHASES & LOCATION

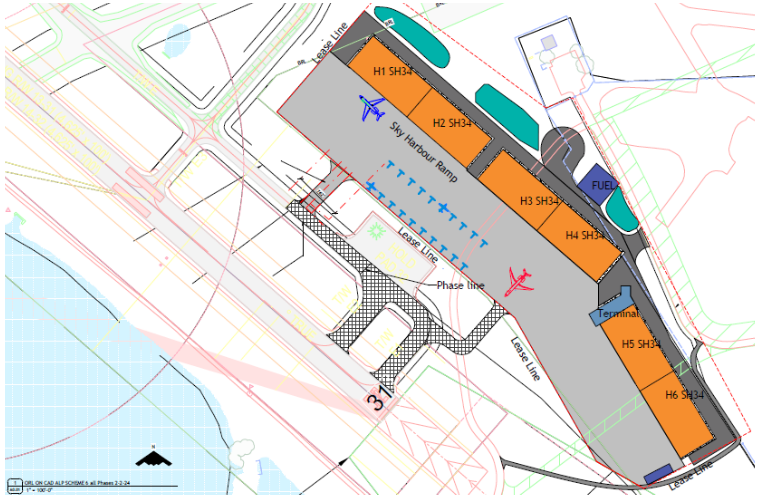
Phase 1

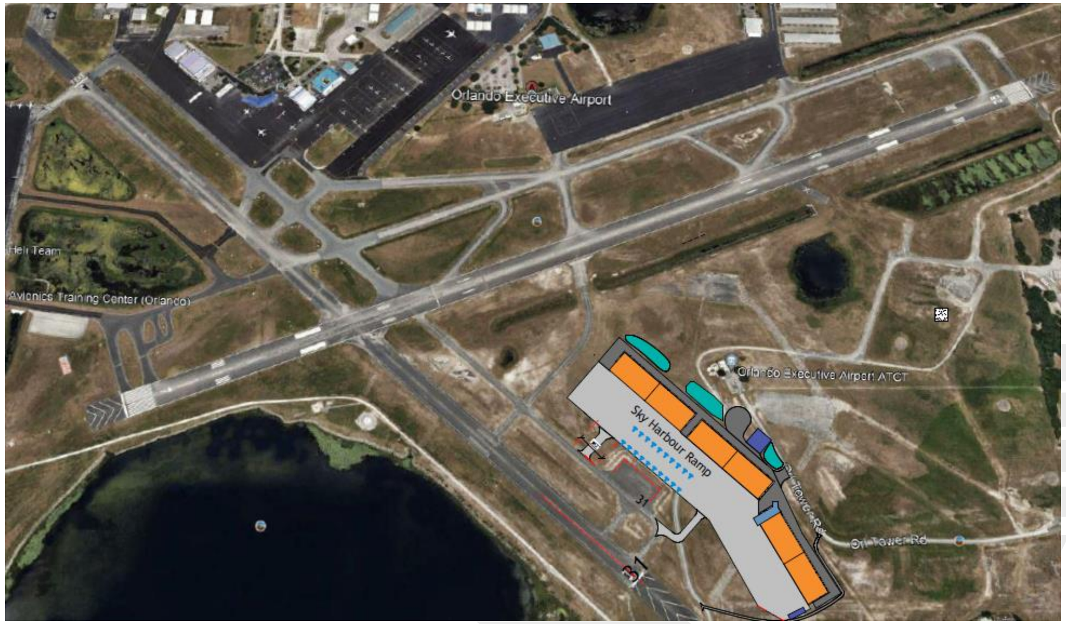


Phase 2



Phase 3





GREATER ORLANDO AVIATION AUTHORITY
Innovation Connecting the World

ISSUES

Due Diligence License (Access Agreement):

- Access Agreement allows SHOLA a 90-day period to conduct due diligence on the site, including environmental, survey, and other physical tests of the site
- The 90-day period may be extended one time by the Chief Executive Officer for an additional 60 days, at the Chief Executive Officer's sole discretion
- Prior to expiration of the Access Agreement, SHOLA will either issue a notice terminating the Access Agreement or will issue a Notice to Proceed, at which time the Lease will become effective, and Phase 1 commences

SMALL BUSINESS

Small Business goals do not apply to real estate leases.

FISCAL IMPACT

SHOLA will pay the Aviation Authority annual ground rent of $392,040 (Minimum Annual Guarantee) for the entire twenty-acre leasehold, with an annual adjustment rate of 3.5% or 5.5 of gross receipts, whichever is greater. The approximate total ground rent over the term of the agreement will be $33,000,000. Additionally, SHOLA will be responsible for fuel flowage fees of $0.12 per gallon, generating approximately $3,600,000 or $120,000 annually.

RECOMMENDED ACTION

It is respectfully requested that the Aviation Authority Board resolve to accept the recommendation to:

- **Approve the Access and Due Diligence Agreement and Fixed Base Operator Lease Agreement with SHOLA, LLC at Orlando Executive Airport;**
- **Seek concurrence from the City of Orlando as to the Lease; and,**
- **Authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents in a form satisfactory to such officer, following satisfactory review by legal counsel.**

GREATER ORLANDO AVIATION AUTHORITY
Innovation Connecting the World

NEW BUSINESS ITEM C

Award of a Single Source Agreement (SG-00251) with COBUS, LLC, for Project W-00509, Automated People Mover (APM) Continuity of Operations Plan (COOP) Bus Owner-Direct Purchase of Airport Apron Buses in support of Project Bid Package (BP) No. 00477, Airsides 2 and 4 Automated People Movers (APM) Improvements

BACKGROUND

BP No. 00477 provides for the replacement of the existing APM Operating System (OS) serving Airsides 2 and 4 at MCO.

Maintaining passenger service to Airsides 2 and 4 during the work and minimizing the time that any one of the two APM lanes to each airside is out of service during construction is essential.

ISSUES

To provide for the movement of passengers during a planned APM outage or in the event any APM system is out of service, the procurement of large capacity COBUS 3000 model buses is required during the construction of BP No. 00477.

The APM COOP (i.e., having the buses onsite) must be in place prior to the start of onsite construction activities anticipated in late 2025.

COBUS 3000

ISSUES

A Single Source Procurement Request (SG-00251) has been initiated for the total estimated amount of $5,510,000 in accordance with Aviation Authority Policy 450.03, Non-Competitive Procurements.

The Notice of Intent to Award Single Source Procurement SG-00251 for W-00509 was electronically posted on the Aviation Authority's website for fifteen business days on March 8, 2024. No challenges were received.

COBUS, LLC has submitted a proposal for the manufacture of ten large capacity COBUS 3000 model buses, to be provided within fifteen months of an executed purchase order.

SMALL BUSINESS

The Aviation Authority has reviewed this procurement and determined that no small business participation goals could be established because of the single source method of procurement.

FISCAL IMPACT

The fiscal impact is $5,510,000. Funding is from General Airport Revenue Bonds.

RECOMMENDED ACTION

It is respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Construction Committee to:

- Award the Single Source Agreement (SG-00251) with COBUS, LLC for the Purchase of Airport Apron Buses in support of BP No. 00477, Airsides 2 and 4 APM Improvements at MCO, for the total amount of $5,510,000, with funding from General Airport Revenue Bonds; and,

- Authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents in a form satisfactory to such officer, following satisfactory review by legal counsel.

GREATER ORLANDO AVIATION AUTHORITY
Innovation Connecting the World

NEW BUSINESS ITEM D

Approve the Owner-Furnished Furniture, Fixtures and Equipment (FF&E) and Information Technology (IT) Estimate, Procurement Plan and Process for Updating the Construction Committee and the Aviation Authority Board for W-S00150, Owner-Procured FF&E and IT Items for Project Bid Package (BP) No. S00195, Terminal C Phase 1 Expansion (P1X) Airside Concourse (Gates C250-C253)

BACKGROUND

The Aviation Authority has established a method for Owner-Procured FF&E and IT Items including South Terminal C, Phase 1 (W-S00145)- Owner Furnished FF&E and IT Items, utilizing a two–part process that includes approving a Procurement Estimate which allows procurements to move forward, with updates to the Construction Committee.

ISSUES

With the size and scope of P1X, the Terminal C Program proposes to utilize a similar methodology used for Phase 1 with a defined Procurement Plan intended to assist with effective management of the project budget.

The P1X FF&E and IT Procurement Estimate, dated February 21, 2024, shows the total estimated cost for the Procurement of FF&E and IT for P1X, including attic stock (for select FF&E items) and a 5% contingency, as $9,501,304.71.

Standard procurement methods will be implemented. There are a number of long-lead items that require Purchase Orders (POs) to be issued well in advance of the anticipated opening date of P1X.

ISSUES

Executive Summary Table

Owner Furnished	Fiscal Year (FY) 2024	FY 2025	Grand Total
FF&E		$1,946,548.29	$1,946,548.29
Capital Expenditure Funds		$275,121.93	$275,121.93
General Airport Revenue Bonds		$1,671,426.36	$1,671,426.36
IT	$2,934,838.50	$4,131,249.84	$7,066,088.34
Capital Expenditure Funds	$2,934,838.50	$4,131,249.84	$7,066,088.34
Shipping & Handling	$17,250.00	$18,975.00	$36,225.00
Capital Expenditure Funds	$17,250.00	$18,975.00	$36,225.00
Contingency	$147,604.43	$304,838.65	$452,443.08
Capital Expenditure Funds	$147,604.43	$221,267.33	$368,871.76
General Airport Revenue Bonds		$83,571.32	$83,571.32
Grand Total	**$3,099,692.93**	**$6,401,611.78**	**$9,501,304.71**

SMALL BUSINESS

The Aviation Authority has reviewed this procurement and determined that small business participation goals will be established on a case-by-case basis depending on the method of procurement for items that will be competitively bid.

FISCAL IMPACT

The fiscal impact is $9,501,304.71. Funding is from previously-approved Capital Expenditure Funds to the extent eligible and General Airport Revenue Bonds.

RECOMMENDED ACTION

It is respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Construction Committee to approve the:

- (a) Owner-Procured detailed line item FF&E and IT Estimate for W-S00150, Owner-Procured FF&E and IT Items for BP No. S00195, Terminal C Airside Concourse (Gates C250-C253), at MCO, for the total not-to-exceed amount of $9,501,304.71, with funding from previously-approved Capital Expenditure Funds to the extent eligible and General Airport Revenue Bonds; (b) FF&E and IT Procurement Plan; and, (c) Process for Updating the Construction Committee and the Aviation Authority Board regarding W-S00150, Owner-Procured FF&E and IT Items Procurement Plan; and,

- Authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents in a form satisfactory to such officer, following satisfactory review by legal counsel.

GREATER ORLANDO AVIATION AUTHORITY

Innovation Connecting the World

NEW BUSINESS ITEM E

Recommendation of the Procurement Committee to Terminate Purchasing Contract 23-364-IFB, Landscape Maintenance of Parking Lots with Brightview Landscape Services, Inc. and Enter into Direct Negotiations with Helping Hand Lawn Care, LLC

BACKGROUND

Invitation for Bid 23-364-IFB Landscape Maintenance of Parking Lots.

Material and labor to perform landscape maintenance of parking lots at MCO.

- **Five-year Term**
  - **June 20, 2023 – Three bid responses received:**

BIDDER	FIVE-YEAR BID PRICE
Brightview Landscape Services, Inc.	$2,062,291.55
Helping Hand Lawn Care, LLC	$3,681,855.00
AERO Groundtek, LLC	$5,215,799.00

  - **October 18, 2023 - Board Award to Brightview Landscape Services, Inc.**
  - **November 6, 2023 - Contract commenced**

ISSUES

On December 6, 2023, the Aviation Authority received a letter from Brightview requesting an immediate release from Contract 23-364-IFB. They cited their pricing structure resulted in a monetary loss due to the omission of labor costs for daily trash and debris removal from each of the six parking lots.

On December 14, 2023, a Purchase Order was issued to Helping Hand in the amount of $125,604 to begin trash and debris removal from the parking lots and to provide as needed landscape maintenance services as BrightView was not able to continue these services.

The Procurement Committee recommends terminating Purchasing Contract 23-364-IFB with Brightview and recommends entering into direct negotiations for up to two years with Helping Hand while the Aviation Authority determines the appropriate procurement method to procure the services. Helping Hand has agreed to honor their bid prices from 23-364-IFB and is willing to begin providing services immediately.

SMALL BUSINESS

Helping Hand has agreed to meet the Minority and Women Business Enterprise (MWBE) participation goal of 25%. Helping Hand is a Veteran Owned Business and is certified as a VBE company.

FISCAL IMPACT

The two-year fiscal impact is a not-to-exceed amount of $1,470,722. Funding is from the Operations and Maintenance Fund.

RECOMMENDED ACTION

It is respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Procurement Committee to:

- Terminate Purchasing Contract 23-364-IFB, Landscape Maintenance of Parking Lots, with Brightview Landscape Services Inc.;
- Request award to Helping Hand Lawn Care, LLC; for the total not-to-exceed amount of $1,470,722;
- Authorize funding from the Operations and Maintenance Fund; and
- Authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents, following satisfactory review by legal counsel.

GREATER ORLANDO AVIATION AUTHORITY

Innovation Connecting the World

NEW BUSINESS ITEM F

Recommendation to Award Request for Proposal 23-380-RFP Terminals A and B Janitorial Maintenance as follows: Location 1: LGC Global Energy FM, Locations 2 & 3: Sunshine Cleaning System

BACKGROUND & ISSUES

Material and labor to perform janitorial maintenance of three locations at MCO.

- **Location 1: Terminals A and B; Location 2: Airsides 1 and 3; and Location 3: Airsides 2 and 4**

Five-year term with initial services to commence on or about July 1, 2024.

Request for Proposal 23-380-RFP issued on August 15, 2023.

- **Eight proposals were received on October 9, 2023, two were deemed non-responsive**

Proposers	Location 1	Location 2	Location 3
ABM	$81,714,759.59	$55,264.820.61	$51,256,507.95
C&W Services	$71,873,013.28	$49,399,644.20	$42,505,435.91
Flagship Facility Services	$74,696,864.39	$51,401,883.42	$43,558,375.01
LGC Global Energy FM LLC	**$67,857,865.00***	$45,949,370.00	$38,635,975.00
Owens Realty Services	$72,708,543.75	$48,669,351.32	$41,320,855.51
Sunshine Cleaning System Inc.	$71,870,052.08	**$47,557,820.00***	**$41,648,448.00***

*Indicates the dollar amount included in the calculation of the fiscal impact

ISSUES

On February 20, 2024, the Procurement Committee met, ranked the Proposers for Location 1, Terminal A & B, and recommended award to LGC Global Energy.

Brief Criteria Description	ABM	C&W	Flagship	LGC	Owens	Sunshine
Experience & Qualifications…	19	18	21	22	18	19
Approach & Methodology; Staffing…	20	18	21	22	21	21
Small Business Participation Goals	19	18	19	24	17	20
Qualifications Score Total	58.00	53.00	61.00	**68.00**	56	60.00
Pricing Score	12.54	19.41	16.78	25	18.55	19.42
Grand Total	70.54	72.51	77.78	**93.00**	74.55	79.42

Pursuant to the rules of the RFP, after the Location 1 award, the recommended Proposer was disqualified from being recommended for Location 2 and Location 3.

ISSUES

On February 20, 2024, the Procurement Committee met, ranked the Proposers for Location 2, Airsides 1 & 3, and recommended award to Sunshine Cleaning System.

Brief Criteria Description	ABM	C&W	Flagship	Owens	Sunshine
Experience & Qualifications… and Approach & Methodology	39	36	42	39	40
Small Business Participation Goals	20	17	20	18	24
Qualifications Score Total	59.00	53.00	62.00	57.00	**64.00**
Pricing Score	14.73	21.43	18.55	22.72	25.00
Grand Total	73.73	74.43	80.55	79.72	**89.00**

ISSUES

On February 20, 2024, the Procurement Committee met, ranked the Proposers for Location 3, Airsides 2 & 4, and recommended award to Sunshine Cleaning System.

Brief Criteria Description	ABM	C&W	Flagship	Owens	Sunshine
Experience & Qualifications… and Approach & Methodology	39	36	42	39	40
Small Business Participation Goals	24	17	19	18	23
Qualifications Score Total	63.00	53.00	61.00	57.00	**63.00**
Pricing Score	12.92	22.49	20.65	25	24.25
Grand Total	75.92	75.49	81.65	82.00	**87.25**

Following these recommendations, Flagship Facility Services appealed. The Chief Executive Officer affirmed the Procurement Committee's decision after appeal.

SMALL BUSINESS

LGC proposed a combined 40% participation from three Minority and Women Business Enterprise MWBE/LDB Small Businesses for Location 1.

Sunshine proposed 40% participation from two MWBE/LDB Small Businesses for Locations 2 and 3.

FISCAL IMPACT

The five-year fiscal impact is a not-to-exceed amount of $157,064,133. Funding is from the Operations and Maintenance Fund.

RECOMMENDED ACTION

It is respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Procurement Committee to:

- Approve the award of Purchasing Request for Proposal 23-380-RFP Terminals A and B Janitorial Maintenance Services as follows: Location 1: LGC Global Energy FM, Locations 2 and 3: Sunshine Cleaning System;
- Concur with the recommendation of the Procurement Committee to deem 24 Hours Inc. and Tryfacta Inc. non-responsive;
- Authorize funding in a not-to-exceed amount of $157,064,133 from the Operations and Maintenance Fund; and
- Authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents, following satisfactory review by legal counsel.

GREATER ORLANDO AVIATION AUTHORITY

Innovation Connecting the World

NEW BUSINESS ITEMS G AND H

Recommendation of the Finance Committee to Approve Final Terms of an Aggregate $550 Million Line of Credit Facility with Bank of America, N.A., and Wells Fargo Bank, N.A.

BACKGROUND

On January 17, 2024, the Finance Committee accepted the recommendation of the Ad Hoc Committee to:

- **Deem proposals received in response to 24-108-RFP for a $550M Revolving Line of Credit (LOC) from Bank of America, N.A. and Wells Fargo, N.A. as being most advantageous to the Aviation Authority, and;**

- **Authorized the Chief Financial Officer, with the assistance of staff and legal counsel to:**
  - **Negotiate final terms of the facility with Bank of America and Wells Fargo, including, but not limited to, the amount, length of agreement, and final pricing of each facility, and;**
  - **Present the results of those negotiations to the Finance Committee and Aviation Authority Board at a future meeting for final approval.**

TERMS – EXISTING VS. NEW

	Unutilized Fee	Tax Exempt Rate (Variable)	Taxable Rate (Variable)	Tax Exempt Rate (Indicative Fixed)	Taxable Rate (Indicative Fixed)	Expiration Date
BANK OF AMERICA Existing	20 bps (waived after 50% utilized)	SIFMA + 29 bps	BSBY + 62 bps	N/A	N/A	July 31, 2024
Bank of America New	20 bps (waived after 50% utilized)	79% of SOFR with a SOFR adj. of 10 bps + 35 bps	100% of SOFR + 67 bps	4.30%	5.50%	July 31, 2026
Wells Fargo- Existing	20 bps (waived after 50% utilized)	80% of SOFR + 29 bps	100% of SOFR + 62 bps	N/A	N/A	July 29, 2024
Wells Fargo- New	20 bps	79% of SOFR + 45 bps	100% of SOFR + 67 bps	4.41%	5.66%	March 31, 2026

SMALL BUSINESS

Due to the nature of services, Small Business participation was not required for this solicitation.

FISCAL IMPACT

If no draws were made, both Bank of America's and Wells Fargo's annual unutilized fee of twenty basis points on their $275,000,000 available amount would total approximately $550,000 each and the fees would be paid from the Operations and Maintenance Fund. Bank of America will waive the unutilized fees if the Line of Credit is greater than 50% utilized.

The actual interest payable for utilized amounts will vary based on draw amounts, SOFR rates, tax status and the duration the draws are outstanding. Accrued interest amounts will be paid and principal advances reimbursed from the proceeds of the permanent financing source.

Closing costs in an estimated not-to-exceed amount of $82,500 for each of the Bank of America and Wells Fargo facilities will be funded from the Operations and Maintenance Fund.

RECOMMENDED ACTION NEW BUSINESS ITEM G

It is respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Finance Committee to:

- **Amend a revolving line of credit facility with Bank of America, NA in the amount of $275,000,000 beginning on or about August 1, 2024, and expiring on July 31, 2026, with the Aviation Authority having an option to renew the facility for an additional period of up to 24 months, subject to mutual agreement;**

- **Authorize funding of unutilized fees from the Operations and Maintenance Fund, funding of principal and interest on variable rate facility draw amounts from the proceeds of the permanent financing source, funding of principal and interest on the fixed rate facility from the Revenue Fund, and the funding of closing costs in an estimated not-to-exceed amount of $82,500 for the Bank of America Facility from the Operations and Maintenance Fund; and,**

- **Authorize staff to take any and all actions necessary to negotiate, execute, and enter into any and all agreements, certificates, and other documents necessary in their reasonable discretion to effect the foregoing, subject to satisfactory review by legal counsel, following consent of the Orlando City Council.**

RECOMMENDED ACTION NEW BUSINESS ITEM H

It is respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Finance Committee to:

- Award a revolving line of credit facility with Wells Fargo Bank, N.A. that replaces the current Wells Fargo line of credit, with the new facility being in the amount of $275,000,000, beginning on or about April 1, 2024, and expiring on March 31, 2026, with the Aviation Authority having an option to renew the facility for an additional period of up to 24 months, subject to mutual agreement;

- Authorize funding of unutilized fees from the Operations and Maintenance Fund, funding of principal and interest on variable rate facility draw amounts from the proceeds of the permanent financing source, funding of principal and interest on the fixed rate facility from the Revenue Fund, and the funding of closing costs in an estimated not-to-exceed amount of $82,500 for each the Wells Fargo Facility from the Operations and Maintenance Fund; and,

- Authorize staff to take any and all actions necessary to negotiate, execute, and enter into any and all agreements, certificates, and other documents necessary in their reasonable discretion to effect the foregoing, subject to satisfactory review by legal counsel, following consent of the Orlando City Council.

GREATER ORLANDO AVIATION AUTHORITY

Innovation Connecting the World

NEW BUSINESS ITEM I

Recommendation of the Finance Committee to Amend the Fiscal Year 2024 Budget and Approve the Authorizing Resolution to Utilize the Line of Credit Facility to Facilitate a Taxable Advance Refunding for Certain Outstanding Series 2016A and 2016B Bonds

BACKGROUND

Recent negotiations with Wells Fargo Bank, N.A. to finalize terms of a $275M line of credit facility resulted in the opportunity to use portion of the facility for a taxable advance refunding of one or more outstanding series of Airport Facilities Revenue Bonds.

ISSUES

The following series of GARB bonds are identified for taxable advance refunding:

2016A	60,840,000
2016B	7,600,000
Total	$68,440,000

Repayments of the amount drawn on the lines of credit for the advance refunding are expected to occur over the next two years, specifically on September 30, 2024, September 30, 2025, and March 31, 2026.

The Authorizing Resolution authorizes:

a) the refunding of Series 2016A and 2016B GARB bonds,
b) the identification of the particular Series 2016A and 2016B Bonds to be refunded ("the Refunded Bonds"),
c) the form of an escrow deposit agreement,
d) the appointment of an escrow agent, and
e) the Aviation Authority officers to approve, modify, execute and deliver the final form of all documents required in connection with the refunded bonds, among other matters.

ISSUES

The utilization of a portion of the line of credit facilities to fund a taxable advance refunding of the 2016A and 2016B Bonds will:

- **Generate substantial debt service and interest savings currently estimated at $47,916,326.99;**
- **Leverage robust debt service coverage in the near term to strengthen debt service coverage in future years; and,**
- **Place the Aviation Authority in a more favorable position to access the capital markets in the future.**

The Aviation Authority is required to amend the FY 2024 Debt Service Budget to account for the required principal and interest amounts payable in FY 2024 to repay the advances made from the lines of credit to advance refund bonds currently estimated at $31,608,115.67.

SMALL BUSINESS

There is no Small Business participation for this item.

FISCAL IMPACT

The taxable advance refunding of the Series 2016A and 2016B GARB bonds is expected to result in net debt service savings of approximately $47.9 million. Debt service payments against the line of credit facilities are expected to be $31.6 million in FY 2024.

The costs related to the execution of the transaction are estimated not-to-exceed $125,000, which shall be funded from the Operations and Maintenance Fund.

RECOMMENDED ACTION

It is respectfully requested that the Aviation Authority Board resolve to accept the recommendation of the Finance Committee to:

- Adopt the Authorizing Resolution authorizing the taxable advance refunding of Series 2016A and 2016B GARB bonds funded by a portion of the Line of Credit Facility, along with other available eligible funds as identified;
- Authorize amendments to the FY24 Debt Service Budget to reflect an amount equal to the additional FY24 debt service payments required to be paid under the terms of the Line of Credit Facility, currently estimated to be $31.6 million but, in any event, not exceed $40 million;
- Approve the costs related to the execution of the transactions not to exceed $125,000 to be funded from the Operations and Maintenance Fund;
- Authorize the Chairman, Vice Chairman or other Authorized Officer of the Aviation Authority and the Secretary or Assistant Secretary of the Aviation Authority to approve, modify, execute and deliver the final form of all documents required in connection with the refunding of such bonds, subject to satisfactory review by legal counsel, and to take other such actions as may be necessary or helpful for the redemption, and
- Request City Council approval, as required, of these actions.

GREATER ORLANDO AVIATION AUTHORITY

Innovation Connecting the World

NEW BUSINESS ITEM J

Recommendation to Accept the Aviation Authority’s Annual Comprehensive Financial Report (ACFR) for the Year Ending September 30, 2023

BACKGROUND

Requirement: In accordance with the Laws of Florida, Chapter 57-1658 Section 13 as amended by Chapter 98-492, the Aviation Authority shall cause an audit to be made by an independent certified public accountant, which audit shall be accompanied by the accountant's opinion.

The Annual Comprehensive Financial Report will fulfill this requirement.

FINANCIAL STATEMENT HIGHLIGHTS

For the Years Ended September 30, 2023 and 2022

	September 2023	September 2022 (Restated)
Total Assets	$8,361,159,000	$7,423,917,000
Total Long-Term Debt	$3,213,920,000	$3,313,021,000
Operating Revenue	$755,392,000	$612,842,000
Operating Expenses	($457,088,000)	($315,023,000)
Operating Income Before depreciation	$298,304,000	$297,819,000
Depreciation	($233,846,000)	($172,503,000)
Total Operating Income	$64,458,000	$125,316,000

- **Unmodified Audit Opinion**
- **No Management Letter Comments**

ISSUES

GASB 96 SBIT

Restatement of September 30, 2022 (in thousands)

	September 2022 (Originally shown)	Net Change	September 2022 (Restated)
Balance Sheet			
Subscription right to use asset, net	$-	$4,105	$4,105
Subscription Liability– Current	-	2,268	2,268
Subscription Liability– Non Current	-	1,268	1,268
Income Statement			
Operating Expenses -Operations/Facilities	163,554	(763)	162,791
Operating Expenses –Safety/Security	51,674	(74)	51,600
Operating Expenses -Administration	72,518	(1,411)	71,107
Depreciation	170,824	1,679	172,503
Non Operating – Subscription Int. Expense	-	95	95
Increase in Net Position	253,057	474	253,531
Total Net Position End of Year	$3,336,509	$474	$3,336,983

ISSUES

Financial Statement Highlights

- **For the Years Ended September 30, 2023 and 2022**

	September 2023	September 2022
Remaining Revenues	$243,927,630	$243,484,962
GOAA Share	$144,463,815	$144,247,481
Airline Share	$99,463,815	$99,247,481

DEBT SERVICE COVERAGE CALCULATION FY 23 AND FY 22

(in thousands)	FY 23 Per Bond Resolution	FY 22 Per Bond Resolution
Revenue Per Bond Resolution	$ 862,092	$ 797,244
Operations and Maintenance Expenses	(434,758)	(318,276)
Net Revenues Available for Senior Debt Service	427,334	478,968
Total Debt Service on Airport Facility Revenue Bonds	138,922	132,556
Less PFC Supported Bonds	(80,709)	(75,659)
Aggregate Debt Service on Airport Faicilties Revenue Bonds	58,213	56,897
Available Net Revenues	369,121	422,071
Debt Service on Subordinate Indebtedness	96,045	48,137
Repayment Obligations (Secondary Subordinate)	-	121,533
Total Debt Service (Senior and Subordinate Debt)	$ 154,258	$ 226,567
Debt Service Coverage		
Airport Facilities Revenue Bonds (Senior)	7.34x	8.42x
Priority Subordinated Indebtedness	3.84x	8.77x
Senior and Subordinate	2.77x	2.11x

ISSUES

Single Audit:

- Audit of Compliance for Each Major Federal Program and Major State Projects for the Year Ended September 30, 2023
  - Procurement
  - Program Cost Eligibility
  - Matching Requirements
    - Federal Award Expenditures: $91.4 million
    - State Financial Assistance Expenditures: $2.9 million
    - Unmodified Audit Opinion
    - No Findings and No Management Letter Comments

ISSUES

Passenger Facility Charge Program

- Compliance for the Year Ended September 30, 2023:
  - Collections: $116.8 million
  - Current Expenditures: $88.8 million
  - Unmodified Audit Opinion
  - No Findings and No Management Letter Comments

Certificate of Achievement for Excellence in Financial Reporting

Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Greater Orlando Aviation Authority
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

RECOMMENDED ACTION

It is respectfully requested that the Aviation Authority Board resolve to:

- **Accept the Annual Comprehensive Financial Report (ACFR) of the Greater Orlando Aviation Authority for the year ending September 30, 2023.**

GREATER ORLANDO AVIATION AUTHORITY

Innovation Connecting the World

NEXT BOARD MEETING

April 24, 2024