GREATER ORLANDO AVIATION AUTHORITY

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AVIATION AUTHORITY BOARD MEETING

August 21, 2024

GREATER ORLANDO AVIATION AUTHORITY

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CONSIDERATION OF MEETING MINUTES

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SERVICE RECOGNITIONS

RECOGNIZING YEARS OF SERVICE

20 YEARS

Gawain Morton
Heavy Equipment Operator
Airfield & Grounds

Jammi Hacket Filbert
Assistant Manager
Emergency Communications

Travis Miller
Lieutenant
ARFF

Kevin O'Donnell
Supervisor
Maintenance Shifts

RECOGNIZING YEARS OF SERVICE

25 YEARS

Dwayne Gage – Supervisor – Maintenance Support

Darren Meade – K-9 Handler – Security

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CHAIRMAN’S REPORT

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CEO REPORT

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BOARD PRESENTATIONS

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CONSENT AGENDA ITEMS

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NEW BUSINESS ITEM A

Recommendation to Approve an Addendum to the General Consulting Agreement with Ricondo & Associates, Inc. (Ricondo) for Professional Services in support of Project W-00525, MCO Airport Master Plan Update at the Orlando International Airport (MCO)

THE AIRPORT MASTER PLANS:
ENABLES THE ACHIEVEMENT OF THE 2023 STRATEGIC PLAN

2023 Strategic Plan

Priorities

PEOPLE | CONNECTION | COMMUNITY | INNOVATION

16 Strategic Goals

64 Strategic Objectives

MCO Master Plan | **ORL Master Plan**

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What is an Airport Master Plan?

"An airport master plan is a comprehensive study of an airport and usually describes the short-, medium-, and long-term development plans to meet future aviation demand."

-FAA Advisory Circular 150/5070 – 6B – Airport Master Plans

MCO MASTER PLAN – WHY NOW?

Why update the Master Plan now?

Most recent update to the MCO Master Plan was completed in 2014.

Many changes have transpired globally, nationally, and locally to warrant a comprehensive assessment of MCO's future growth and the needs to support such growth.

What is the main purpose for this update?

To inform decision-making relative to airport investments based on a holistic and cohesive plan for serving MCO’s needs based on forecast growth over the next 20 years.

GENERAL THEMES AND PRIORITIES FOR MCO'S MASTER PLAN UPDATE

Airfield Operational Efficiency

Improved Connectivity

Landside and Terminal Decongestion

Demand-Driven Capacity Enhancements

ELEVATING THE CUSTOMER EXPERIENCE – Always an Overriding Priority

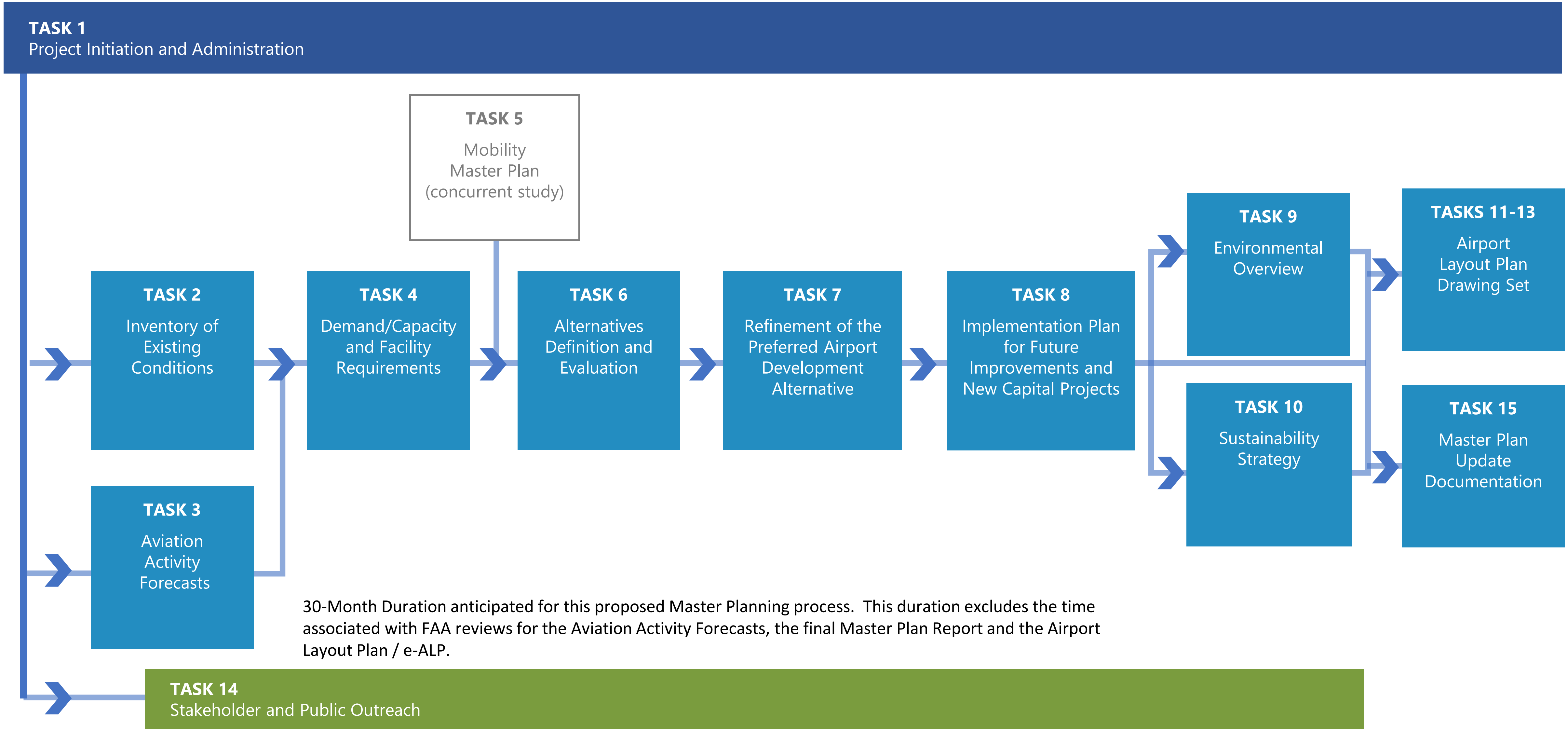
Revenue Growth and Business Diversification

Balancing Terminal/Gate Expansion and Renovations

Land Use Optimization

Leveraging Innovation and Technology

PROPOSED STUDY APPROACH/PROCESS FOR THE MCO MASTER PLAN UPDATE



30-Month Duration anticipated for this proposed Master Planning process. This duration excludes the time associated with FAA reviews for the Aviation Activity Forecasts, the final Master Plan Report and the Airport Layout Plan / e-ALP.

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SEQUENCE OF MASTER PLANNING TASKS

PUBLIC INVOLVEMENT

INVENTORY OF EXISTING CONDITIONS	What are MCO's current facilities and infrastructure assets? What are the existing conditions?
AVIATION ACTIVITY FORECAST ☐ *FAA APPROVAL*	What is the projected future growth for MCO's traffic and activity levels?
DEMAND/CAPACITY & REQUIREMENTS	How much capacity does MCO have? Are there capacity gaps in the future?
DEVELOPMENT ALTERNATIVES & EVALUATION	How should the capacity gaps be addressed? How can the Airport be improved? What projects are needed to fulfill MCO's future needs?
IMPLEMENTATION PLAN	How much will the recommended improvements cost and what are preliminary funding options? How should project construction be sequenced to satisfy incremental facility requirements?
ENVIRONMENTAL OVERVIEW & SUSTAINABILITY STRATEGY	What environmental documentation is required for the planned projects? What sustainability strategies are incorporated into the planned projects?
AIRPORT LAYOUT PLAN ☐ *FAA APPROVAL*	What is the 20-year development plan for MCO?
FINAL REPORT & EXECUTIVE SUMMARY	Successful completion of the master planning process

RECOMMENDED ACTION

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

- **Approve an Addendum to the General Consulting Services Agreement with Ricondo & Associates, Inc. for Professional Services in support of W-00525, MCO Airport Master Plan Update at MCO;**
- **Authorize funding from General Revenue Bonds in the not-to-exceed amount of $4,799,486; 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.**

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NEW BUSINESS ITEM B

Recommendation to Approve an Addendum to the Continuing On-Call Architecture and Engineering Consulting Services with Kimley-Horn and Associates, Inc. for East Airfield Site Development Planning Services at the Orlando International Airport (MCO)

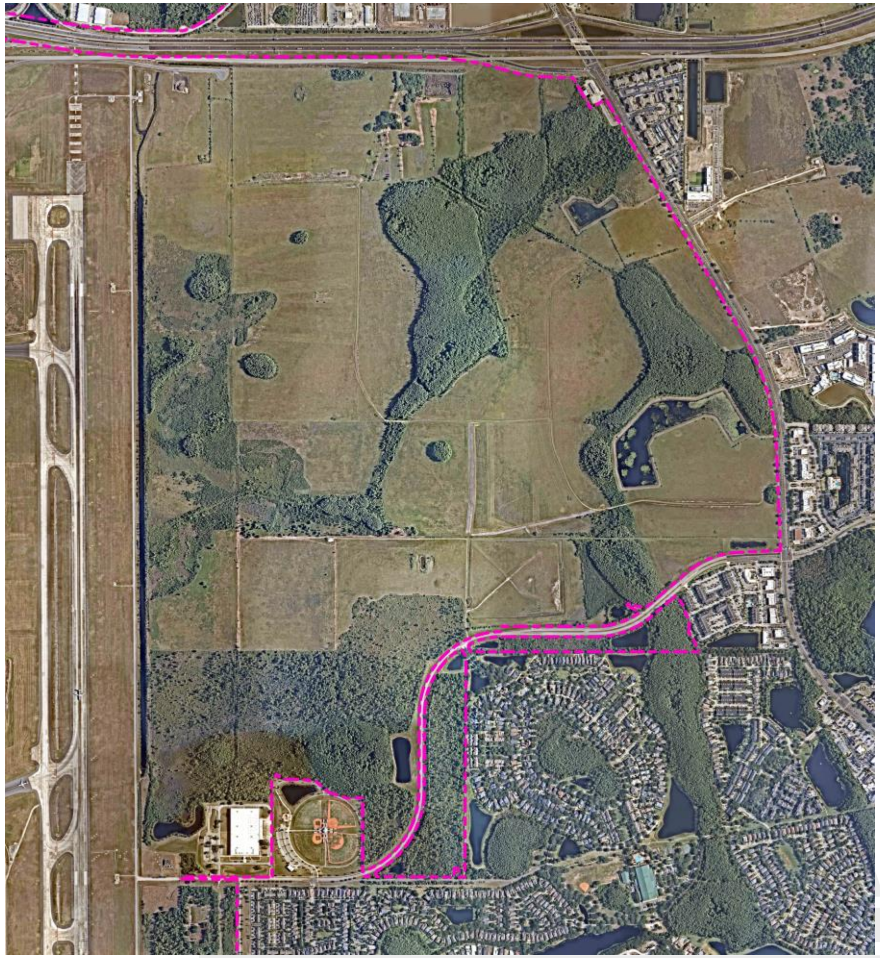
BACKGROUND

The East Airfield Development area consists of approximately 1,300 acres. The property was acquired by the Aviation Authority through a series of land purchases beginning in 1986 with the final parcel purchased in 2006.

Since 2006, the Authority has taken numerous steps to entitle and permit the property for future development. This effort included approvals from the FAA, City of Orlando, SFWMD and ACOE.

The next step is to complete a detailed site development plan.

On May 15, 2024, the Aviation Authority Board approved a Continuing On-Call Architecture and Engineering Services Agreement with Kimley-Horn and Associates, Inc. which allows for site development plans.



ISSUES

The Aviation Authority has negotiated a scope of services and fee to engage with Kimley-Horn and Associates to develop the East Airfield Site Development Plan. This plan will include, but not be limited to, detailed survey of the project area, stormwater master planning and permitting, Federal Emergency Management Agency (FEMA) Conditional Letter of Map Revision (CLOMR) flood plain analysis, water, reclaim, sanitary sewer, electrical/communications, and natural gas utility master planning.

Additionally, these services will include:

- Updating the master conceptual stormwater approval permitting through the South Florida Water Management District for the proposed East Airfield development areas and will require the development of master conceptual stormwater plans as well as mass grading plans for the associated areas; and,
- Developing the master infrastructure plans which include roadways, wet utilities, such as potable water, sanitary sewer and reclaim water, dry utilities such as power and communications, and natural gas.

SMALL BUSINESS

Kimley-Horn proposes 12% Minority and Women Business Enterprise (MWBE) participation on this addendum.

FISCAL IMPACT

The fiscal impact is a not-to-exceed amount of $1,225,970.

- 2025 Capital Expenditure Funds (subject to future approval by the Aviation Authority Board)

RECOMMENDED ACTION

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

- **Approve an Addendum to the Continuing On-Call Architecture and Engineering Consulting Services Agreement with Kimley-Horn and Associates, Inc. for East Airfield Site Development Planning Services;**
- **Authorize funding from Capital Expenditure Funds in the not-to-exceed amount of $1,225,970; 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.**

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NEW BUSINESS ITEM C

Recommendation of the Procurement Committee to Award Invitation for Bid 24-123 IFB Aquatic Weed Control Services to Bio-Tech Consulting, LLC at the Orlando International Airport (MCO) and Orlando Executive Airport (ORL)

BACKGROUND & ISSUES

Invitation for Bid 24-123 IFB was issued on June 9, 2024 and supplies all material and labor to perform aquatic weed control services at MCO and ORL for a five-year term with initial services starting on or about September 1, 2024.

On July 9, 2024, three bids were received:

BIDDER	FIVE-YEAR BID PRICE
Bio-Tech Consulting, LLC	$1,053,418.80
Karina's Lakefront Maintenance	$2,110,821.04
Environmental Management Acquisition LLC dba Estate Mgmt. Services	$2,325,716.50

Staff reviewed the price difference between the three bids and found that Bio-Tech's total proposed bid price was in accordance with the expiring contract for comparable services.

On July 30, 2024, the Procurement Committee recommended the Award of Invitation for Bid 24-123 IFB, Aquatic Weed Control Services, to Bio-Tech Consulting, LLC as the lowest responsive and responsible bidder.

SMALL BUSINESS

This solicitation does not include a Minority and Woman Business Enterprise (MWBE) or Local Developing Business (LDB) participation requirement due to the limited and specialized scope.

FISCAL IMPACT

The five-year fiscal impact is a not-to-exceed $1,053,418.80. 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 Award Invitation for Bid 24-123 IFB Aquatic Weed Control Services to Bio-Tech Consulting, LLC;**
- **Authorize funding in a not-to-exceed amount of $1,053,418.80 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.**

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NEW BUSINESS ITEM D

Recommendation to Approve the Maintenance Facility Lease Agreement with Enterprise Leasing Company of Orlando, at Orlando International Airport (MCO)

BACKGROUND

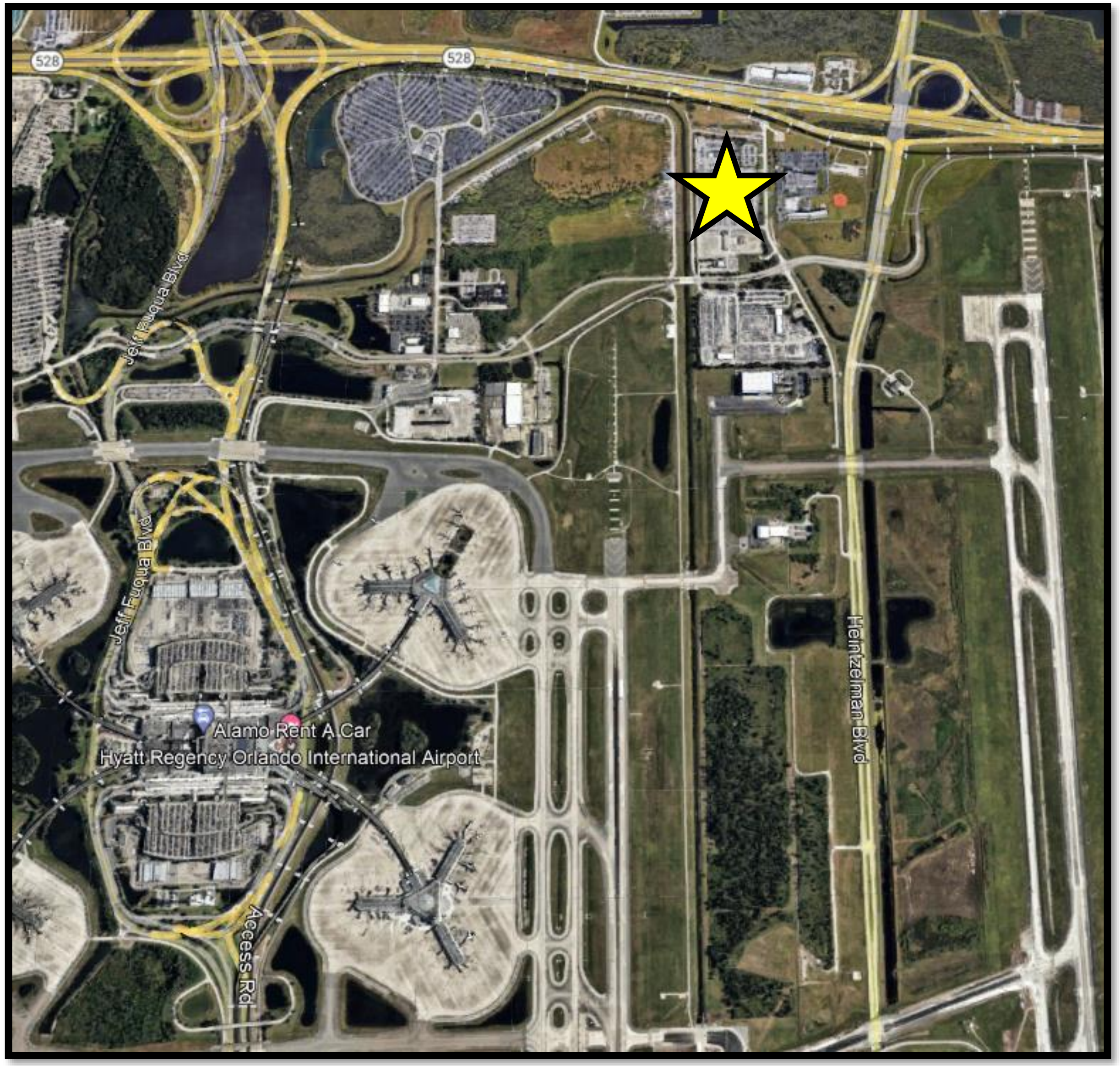
In connection with the operation of the Rental Automobile Concession Agreement, the Aviation Authority and Enterprise entered into a Maintenance Facility Ground Lease Agreement dated December 29, 1989, for approximately 25 acres. Effective October 1, 2019, Enterprise exercised a five-year option to extend the Maintenance Facility Ground Lease Agreement, thereby extending the lease term until September 30, 2024.

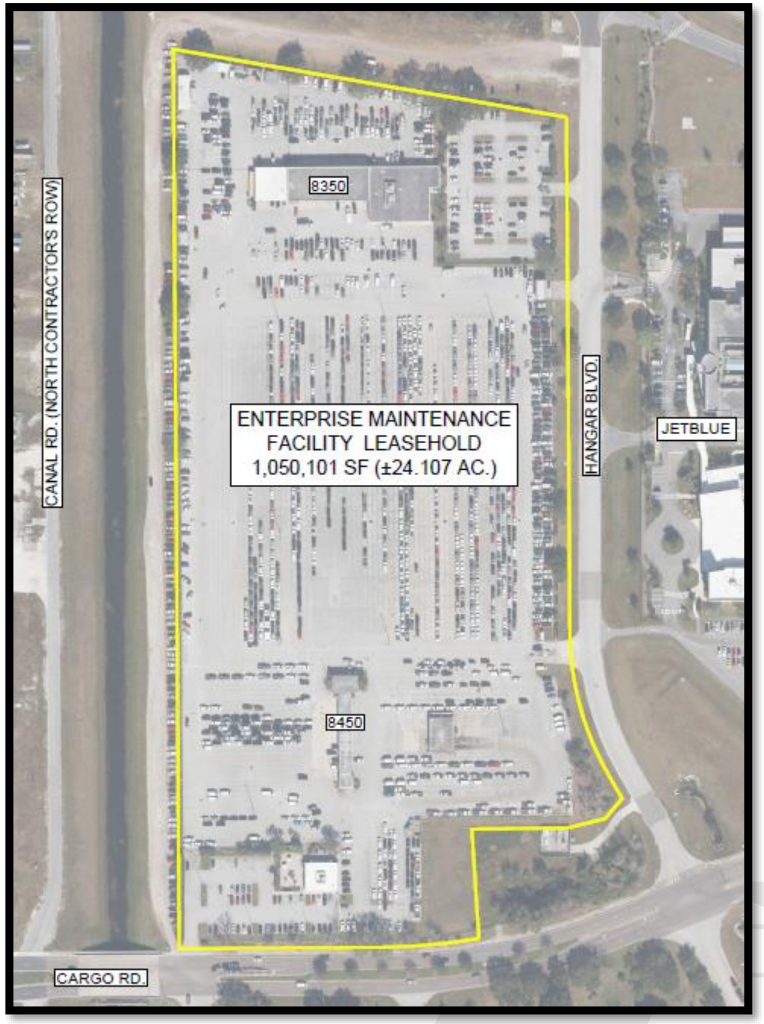
ISSUES

The parties desire to enter into a new Maintenance Facility Lease Agreement for the 24-acre site, commencing on October 1, 2024, and ending on September 30, 2032.

If the Rental Automobile Concession Agreement is extended two years or more, Enterprise shall have the option to extend the term of the Maintenance Facility Ground Lease Agreement for an additional two years.

The new annual rent is based on a fair market value appraisal for the land and improvements. The annual rent will increase 25% from $1,023,495 to $1,283,766. A rent adjustment will occur in year six following a reappraisal. Enterprise assumes all maintenance and repair responsibilities of the premises.





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SMALL BUSINESS

Small business goals do not apply to real estate leases.

FISCAL IMPACT

The annual rent of the proposed Maintenance Facility Lease Agreement is $1,283,766. The estimated total rent revenue over the term is $10,270,128.

RECOMMENDED ACTION

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

- **Approve the Maintenance Facility Lease Agreement with Enterprise at Orlando International Airport; 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.**

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NEW BUSINESS ITEM E

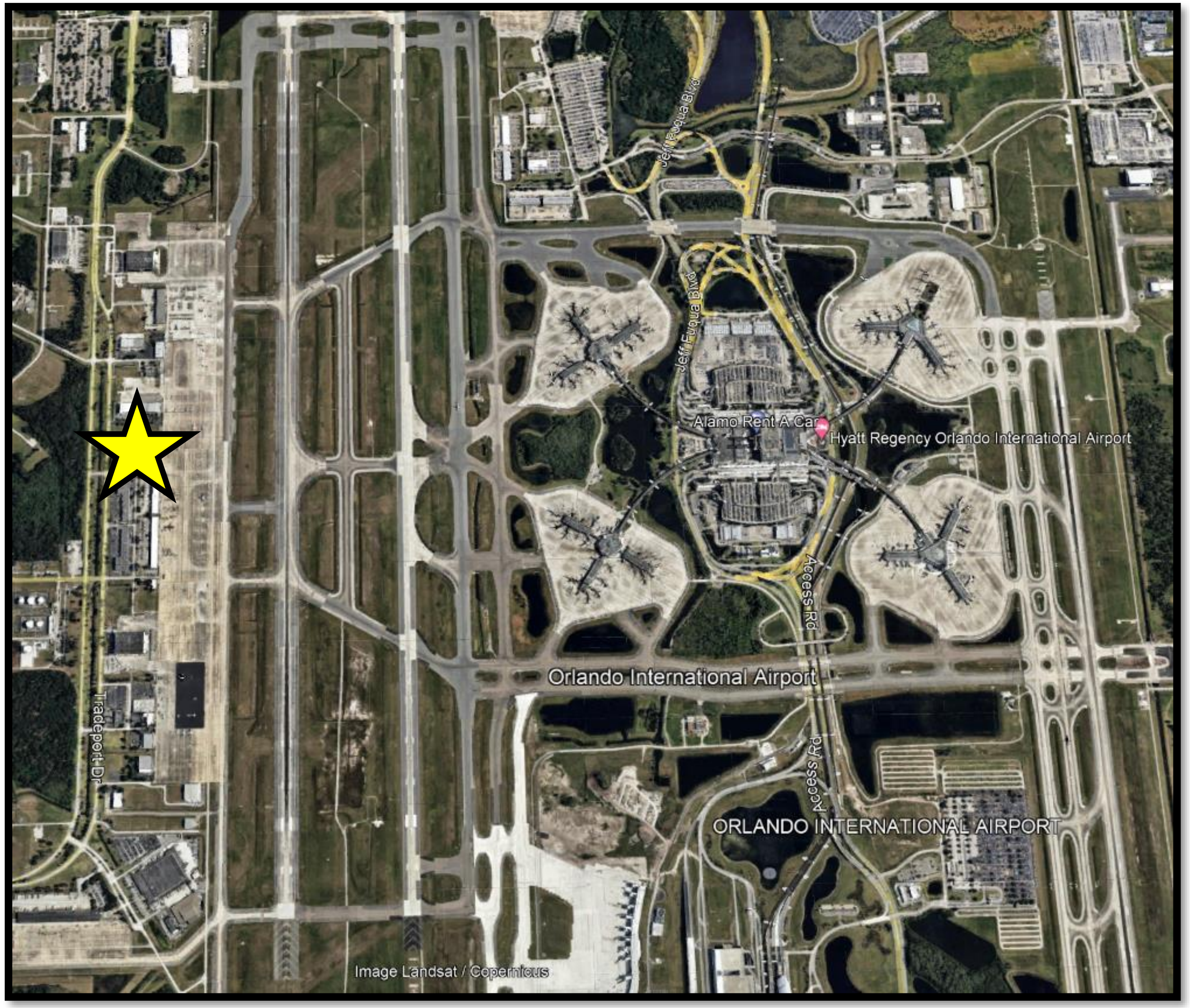
Recommendation to Approve Amendment No. 5 to U.S. Government Lease for Real Estate Property with the United States of America for a U.S. Department of Agriculture (USDA), at Orlando International Airport (MCO)

BACKGROUND

On March 3, 2000, the Aviation Authority executed a lease and subsequent amendments with the U.S. Department of Agriculture (USDA) to conduct inspection activities at Orlando International Airport, occupying 16,892 square feet within the multi-tenant Building 446 on Tradeport Drive.

The USDA collaborates closely with Customs and Border Protection, U.S. Fish and Wildlife Service, Florida Department of Agriculture and Consumer Services, as well as exporters, importers, brokers, shippers, and fumigators. This collaboration is essential in protecting agricultural interests in Central Florida and ensuring that regulated plant material enters U.S. commerce safely.

Amendment No. 3 to the USDA lease provided a four-year extension from October 1, 2015, to September 30, 2019, with an option for an additional five-year term effective October 1, 2019. USDA exercised this option, extending the lease until September 30, 2024 (Amendment No. 4).



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ISSUES

The parties wish to extend the current agreement for an additional period of five years.

The annual rent of $233,110 is based on the fair market value of the facility and includes fixed three percent annual escalations throughout the term. Operating expenses of $38,007 are billed annually during the lease term. These expenses are reconciled each year and may be adjusted at the end of the lease year to reflect the actual costs of operating and maintaining the facility.
Annual rent will increase 21%.

SMALL BUSINESS

Small business goals do not apply to real estate leases.

FISCAL IMPACT

Amendment No. 5 to the lease as negotiated will generate $233,110 in annual rent, plus $38,007 in operating expense recovery. The total rent collected over the five-year term will be $1,237,611 and operating expenses of $190,035.

RECOMMENDED ACTION

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

- **Approve Amendment No. 4 to the U.S. Government Lease for Real Property with the United States of America for USDA, extending the term for five years through September 30, 2029; and,**

- **Authorize an Aviation Authority Officer or the Chief Executive Officer to execute all necessary related documents following satisfactory review by legal counsel.**

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NEW BUSINESS ITEM F

Recommendation to Approve an Other Transaction Agreement (OTA) with the Department of Homeland Security, Transportation Security Administration (TSA), at Orlando International Airport (MCO)

BACKGROUND

Pursuant to the Department of Homeland Security Appropriations Act, airports are required to provide baggage and passenger screening space at no cost to TSA. This obligation is part of their compliance with a security program, recognizing the benefits that TSA's security function provides to airports, passengers, and others entering airport property.

Beginning October 1, 2003, TSA and the Aviation Authority entered into agreements for TSA's use of federally-mandated security screening space at no cost, and also established a mechanism for the reimbursement of utility costs incurred by the Aviation Authority attributable to TSA's equipment. This agreement is referred to as a TSA OTA, or Other Transaction Agreement. Subsequent amendments have followed to extend the arrangement.

ISSUES

The parties desire to extend the OTA for one year, with four additional one-year option periods, effective June 1, 2024, including cost adjustments for utility usage.

FISCAL IMPACT

The reimbursable agreement will generate $307,342.68 annually in expense recovery for the initial one-year period and is estimated to total $1,536,713.40 over the five-year period.

RECOMMENDED ACTION

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

- **Approve the OTA with the Department of Homeland Security, Transportation Security Administration (TSA), for an initial term of one year with four one-year option periods commencing June 1, 2024, for TSA's use of federal-mandated checkpoint space and provide a vehicle for the reimbursement of utility costs incurred by the Aviation Authority attributable to TSA's equipment;**

- **Authorize an Aviation Authority Officer or the Chief Executive Officer to execute modifications for cost adjustments following satisfactory review by legal counsel; and,**

- **Authorize an Aviation Authority Officer or the Chief Executive Officer to execute all necessary related documents following satisfactory review by legal counsel.**

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NEW BUSINESS ITEM G

Recommendation of the Procurement Committee to Award Invitation for Bid 24-162-2-IFB, Fire Sprinkler System Maintenance Services, to Sciens Orlando, LLC

BACKGROUND & ISSUES

Invitation for Bid 24-162-2-IFB was issued on April 30, 2024, and supplies all material and labor to perform Fire Sprinkler Systems Maintenance Services at MCO for a five-year term with initial services starting on or about October 1, 2024.

On May 21, 2024, four responses were received:

RESPONDENT	FIVE-YEAR BID PRICE
Sciens Orlando, LLC	$3,110,999.71
Randall Mechanical, Inc	$3,726,625.00
Summit Fire & Security	$3,977,410.00
Int'l Fire Protection, Inc.	$4,789,594.00

On July 30, 2024, the Procurement Committee recommended the award of Invitation for Bid 24-162-2-IFB, Fire Sprinkler System Maintenance Services, to Sciens Orlando, LLC as the lowest responsive and responsible bidder.

SMALL BUSINESS

Due to the limited scope and the lack of certified small business firms that are ready, willing, and able to participate, the Small Business Development Department did not recommend a small business participation goal.

FISCAL IMPACT

The five-year fiscal impact is a not-to-exceed amount of $3,110,999.71. 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:

- Award Invitation for Bid 24-162-2-IFB, Fire Sprinkler System Maintenance Services, to Sciens Orlando, LLC;

- Authorize funding in a not-to-exceed amount of $3,110,999.71 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.

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NEW BUSINESS ITEM H

Recommendation of the Procurement Committee to Award Invitation for Bid 24-320-IFB, Pest Control Services, to Home Paramount Pest Control

BACKGROUND & ISSUES

Invitation for Bid 24-320-2-IFB was issued on April 30, 2024, and supplies all material and labor to perform Pest Control Services at MCO and ORL for a five-year term with initial services starting on or about September 1, 2024.

On May 21, 2024, five responses were received:

RESPONDENT	FIVE-YEAR BID PRICE
Home Paramount Pest Control	$1,041,448.00
Wilton Exterminating Service, Inc.	$1,159,817.39
Rentokil North America	$1,982,406.00
Grow Care Outdoor Solutions	$2,178,058.43
McCall Service NW, LLC	$3,474,225.00

On July 30, 2024, the Procurement Committee recommended the award of Invitation for Bid 24-320-IFB, Pest Control Services, to Home Paramount Pest Control as the lowest responsive and responsible bidder.

SMALL BUSINESS

Due to the limited scope and the lack of certified small business firms that are ready, willing, and able to participate, the Small Business Development Department did not recommend a small business participation goal.

FISCAL IMPACT

The five-year fiscal impact is a not-to-exceed amount of $1,041,448. 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:

- Award Invitation for Bid 24-320-IFB, Pest Control Services, to Home Paramount Pest Control;
- Authorize funding in a not-to-exceed amount of $1,041,448 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.

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NEW BUSINESS ITEM I

Recommendation of the Procurement Committee to Award Invitation for Bid 24-515-IFB, Landscape Maintenance Services for the Air Operations Area (AOA), to P & L Lawn Maintenance and Irrigation, Inc.

BACKGROUND & ISSUES

Invitation for Bid 24-515-IFB was issued on May 5, 2024, and supplies all material and labor to perform Landscape Maintenance for the AOA at MCO for a five-year term with initial services starting on or about October 1, 2024.

On June 4, 2024, seven responses were received:

RESPONDENT	FIVE-YEAR BID PRICE
*A.L.G. Landscaping and Concrete Work, Inc.	$1,862,106.04
P & L Lawn Maintenance and Irrigation, Inc.	$2,301,930.00
Rotol Consultants, Inc.	$3,461,327.75
Helping Hand Lawn Care	$4,610,200.00
Superior Landscaping & Lawn Care	$7,938,892.05
Atria Landscape Development	$12,528,480.00
Able Business Services	$25,620,763.23
* = Non-Responsive	

BACKGROUND & ISSUES

On July 23, 2024, the Procurement Committee recommended the award of Invitation for Bid 24-515-IFB, Landscape Maintenance Services for the AOA, to P & L Lawn Maintenance and Irrigation, Inc. as the lowest responsive and responsible bidder.

SMALL BUSINESS

Due to the limited scope and the lack of certified small business firms that are ready, willing, and able to participate, the Small Business Development Department did not recommend a small business participation goal.

FISCAL IMPACT

The five-year fiscal impact is a not-to-exceed amount of $2,301,930. 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:

- Award Invitation for Bid 24-515-IFB, Landscape Maintenance Services for the AOA, to P & L Lawn Maintenance;
- Authorize funding in a not-to-exceed amount of $2,301,930 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.

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NEW BUSINESS ITEM J

Recommendation of the Procurement Committee to Award Request for Proposals 24-163-RFP, Customer Service Ambassadors at Orlando International Airport

BACKGROUND

On January 21, 2024, the Aviation Authority issued Request for Proposals 24-163-RFP, Customer Service Ambassadors. The RFP will result in the award of two contracts as follows: Location One, Terminals A & B and Location Two, Terminal C and Train Station. The term of the contracts will be for five years, with the goal to commence initial service on or about November 1, 2024.

The contracts are to provide all labor, supervision, management, administrative oversight, supplies, and all other items necessary or proper for, or incidental to, providing premium level Customer Service Ambassador Services at the Orlando International Airport.

ISSUES

On February 27, 2024, the Aviation Authority received eleven proposals. On April 9, 2024, the Procurement Committee deemed Aviotec Services and Innovative Systems Group of Florida as non-responsive due to not meeting Small Business Program requirements. Below are the remaining nine firms listed in alphabetical order, with the total five-year price for each.

Proposer	Location One: Total 5-Year Price	Location Two: Total 5-Year Price
ABM Aviation, Inc.	$37,531,594.44	$31,136,257.12
BAGS	$39,820,448.00	$33,347,125.00
Flagship Aviation Services	$38,446,786.39	$32,088,832.57
GC Services	$47,110,922.77	$40,106,317.20
Realtime Services	$35,832,525.00	$29,878,825.00
Sunshine Enterprise USA LLC	$42,295,837.00	$35,154,800.00
Triangle Services Inc	$38,034,311.41	$31,476,686.13
Tryfacta, Inc.	$34,362,189.36	$28,739,454.93
VIP Hospitality LLC	$37,583,192.00	$31,006,158.00

The above-proposed prices include the Management Fee and the Aviation Authority provided reimbursable payroll and operating expense budget.

ISSUES

On May 21, 2024, the Procurement Committee met to comparatively consider the proposal submissions and scored the Proposers. Tryfacta's proposed management fee was unreasonably low. Therefore, Tryfacta, Inc. was deemed non-responsible and was not included in the evaluation scoring.

Based thereon, the Procurement Committee recommended the award as follows:

- Location One: Terminals A & B to ABM Aviation, Inc.
- Location Two: Terminal C and Train Station to VIP Hospitality LLC

Following these recommendations, Realtime Services appealed. The Chief Executive Officer affirmed the Procurement Committee's decision after the appeal. A copy of relevant documents from the appeal are attached for your consideration.

SMALL BUSINESS

The contract includes a Minority and Women Business Enterprise (MWBE) participation goal of 20%. ABM Aviation, Inc. proposed a MWBE goal of 29.2% and VIP Hospitality, LLC proposed a MWBE goal of 20%.

FISCAL IMPACT

The five-year value of Request for Proposals 24-163-RFP is a not-to-exceed $37,531,594.44 for Location One and $31,006,158.00 for Location Two. Funding will be allocated from the Operations and Maintenance Fund as approved through the budget process and when funds become available.

RECOMMENDED ACTION

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

- **Approve the Procurement Committee’s ranking and award Contract 24-163-RFP, Location One to ABM Aviation, Inc. and Location Two to VIP Hospitality, LLC;**
- **Authorize funding from the Operations and Maintenance Fund in a not-to-exceed amount of $37,531,594.44 for Location One and $31,006,158.00 for Location Two; and,**
- **Authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents, following satisfactory review by legal counsel.**

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NEW BUSINESS ITEM K

Recommendation to Approve Amendment 4 to the Duty Free/Duty Paid Concessions Agreement with DFASS Group (Orlando), LLC

BACKGROUND

DFASS Group (Orlando), LLC ("DFASS") currently operates a Duty Free/Duty Paid concession on Airsides 1 and 4 of Terminals A & B and in Terminal C. The Airside 1 and 4 locations are due to expire on November 3, 2027. The Terminal C location expires on September 30, 2032.

DFASS currently pays the greater of a Minimum Annual Concession Fee (MACF) or a tiered percentage of gross receipts as follows: 27% of gross receipts from $0-$10,000,000; 33% of gross receipts from $10,000,001-$18,000,000; and 37% of gross receipts over $18,000,001.

ISSUES

As we evolve our operational needs, it is in the best interests of the Aviation Authority to have one duty free/duty paid operator with a coterminous Term.

Additionally, due to the uncertainty of Federal Inspection Station staffing models, Staff negotiated this proposed amendment with DFASS to provide for the coterminous dates of the locations, as discussed, require DFASS to refurbish its locations at designated times during the agreement and pay the Aviation Authority an enhanced tiered percentage of gross receipts.

The Aviation Authority reserves the right, in its sole discretion, to terminate all, or a portion of, the Airsides 1 and 4 locations with 180 days' notice.

SMALL BUSINESS

The Airport Concession Disadvantage Business Enterprise participation goal for this agreement is 25%.

FISCAL IMPACT

DFASS will pay to the Aviation Authority the greater of MACF, currently $4,514,253, or the enhanced tiered percent of gross receipts as follows:

- 27% of gross receipts $0-$5,500,000
- 30% of gross receipts $5,500,001-$11,000,000
- 33% of gross receipts $11,000,001-$17,000,000
- 37% of gross receipts over $17,000,001

RECOMMENDED ACTION

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

- Approve Amendment 4 to the Duty Free/Duty Paid Concession Agreement with DFASS Group (Orlando) LLC; and,

- Authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following satisfactory review by legal counsel.

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NEW BUSINESS ITEM L

Recommendation to Approve Benefit Plan Renewals for Active and Retired Employees

BACKGROUND

Our Benefits Consultant, Alliant and Human Resources conducted an RFP for medical providers on a fully insured and self-funded basis. Aetna, CIGNA, United Health and Rosensure were selected as finalists and interviewed. CIGNA was selected as the recommended partner going forward.

CIGNA provides the following coverages:

- **Five fully-insured plans: Choice In-Network Plan, Choice Plus Point-of-Service (POS) Plan, High Deductible Health Plan with Health Savings Account (HSA), and for post-65 retirees, a Prescription Drug Plan (PDP), and Medicare Supplemental Plans**
- **Two fully-insured dental plans: Dental Health Maintenance Organization (DHMO) and Preferred Provider Organization (PPO)**
- **Base and Buy-Up Vision plans on a fully-insured basis**
- **Administrative services for the FSA and the HSA**

Mutual of Omaha provides the following coverages:

- **Life, Accidental Death & Dismemberment (AD&D) and Long-Term Disability plans on a fully insured basis**
- **Employee Paid Optional Life Insurance plan**
- **Advice-to-Pay for the self-insured Short-Term Disability plan**

BACKGROUND

COST SHARING

EMPLOYEES:

Non-Wellness Participant

- Employee Only 10 – 15% (based on Plan Type)
- Employee and Dependent 20 – 25% (based on Plan Type)

Wellness Participant

- Employee Only 0 – 13.36% (based on Plan Type)
- Employee and Dependent 13 – 22.26% (based on Plan Type)

RETIREES:

- Hired on or before 9/30/2006, cost share is based on tenure
- Hired after 9/30/2006, Retirees pay 100% of premiums
- All Retirees pay 100% of premium for dependents

ISSUES

The Aviation Authority's current fully insured program with CIGNA is eligible for a dividend based on experience. We have placed heavy emphasis on promoting wellness and discount programs that support a healthy lifestyle.

The positive experience in 2022 resulted in a surplus of $2,643,618 of which the Authority received $1,321,809 into a Premium Stabilization Reserve. The dividend for 2023 was approximately $853,863. The dividend for 2024 will be calculated in May of 2025. There is a guaranteed $500,000 dividend for 2025 that will be credited to GOAA's Premium Stabilization Reserve in the first quarter of 2025.

The funding methodology was reviewed. Based on claims through May 2024, it was determined that a self-funded program would cost approximately $286,709 more than the final fully insured offer and come with an additional worst-case liability of $5,012,212 that could be addressed through stop-loss coverage.

ISSUES

CIGNA will be opening a clinic staffed by a nurse with a remote physician on Aviation Authority property. There will be no cost to the Aviation Authority other than build-out and space for 2025. Pricing is being negotiated beyond the first year.

The current annualized premium for Active Employees and Pre-65 Retirees is $21,514,626. CIGNA's proposed renewal for the fully insured medical and pharmacy plans for 2025 is 0%.

Staff recommends we remain fully insured for Plan Year 2025, continue the wellness program that offers a financial incentive for participating employees, and re-evaluate self-funding for Plan Year 2026.

SMALL BUSINESS

Participation goals are not applicable.

FISCAL IMPACT

2025 Calendar Year Cost

Benefit	Total	GOAA Contribution	Employee & Retiree Contribution
Medical, Dental, Vision	$24,119,836	$20,336,672	$3,783,164
Life Insurance, Disability, Disability Advisement, FSA Administration	$570,280	$570,280	$ -
Health Saving Account Contribution	$201,250	$201,250	$ -
Opt-Out payments	$83,400	$83,400	$ -
Total Cost	$24,974,766	$21,191,602	$3,783,164

RECOMMENDED ACTION

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

- **Approve the proposed renewals with CIGNA for medical, dental, vision and FSA and the Mutual of Omaha for life, long term disability, short term disability advice-to-pay services, and voluntary life;**
- **Approve the continuation of the medical and/or dental opt-out program;**
- **Approve CIGNA's post-65 Medicare Supplemental and Part D Prescription Drug Plan with removal of CIGNA's group Medicare Advantage plan;**
- **Approve the continued employer contribution percentages for Wellness Program Participants;**
- **Approve the standard employer/employee contribution percentages for Non-Wellness Program Participants;**
- **Authorize funding from previously approved Operations and Maintenance Fund; and,**
- **Authorize an Aviation Authority Officer or the Chief Executive Officer to execute the necessary documents following review by legal counsel.**

GREATER ORLANDO AVIATION AUTHORITY

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NEW BUSINESS ITEM M

Recommendation to Award a Professional Services Agreement for 24-106-RFP Auditing Services to MSL PA

BACKGROUND

At its meeting on June 19, 2024, the Aviation Authority authorized staff to negotiate a contract with the first-ranked firm, MSL PA, for 24-106-RFP Audit Services.

The scope of services includes, but is not limited to:

- Annual audit of the Aviation Authority's financial statements including quarterly reviews
- Annual audit of the special-purpose financial statements of the accounts maintained by Hyatt Corporation for the Hyatt Regency Orlando International Airport
- Audit of the Aviation Authority's Defined Benefit Retirement Plan, Defined Contribution Retirement Plan and Other Post Employment Benefit Plan

ISSUES

The first ranked firm, MSL, PA, proposed the following rates for the five-year contract term:

24-106-RFP AUDIT SERVICES	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
GOAA Year End Audit	$ 165,000.00	$ 169,000.00	$ 173,500.00	$ 177,500.00	$ 182,000.00
Hyatt Year End Audit	$ 39,500.00	$ 40,500.00	$ 41,500.00	$ 42,500.00	$ 43,550.00
Quarterly Reviews	$ 20,700.00	$ 21,225.00	$ 21,750.00	$ 22,290.00	$ 22,800.00
Retirement and Other Post Employment Benefit Plan Audits	$ 39,000.00	$ 39,975.00	$ 40,950.00	$ 41,800.00	$ 42,850.00
Annual Totals:	$ 264,200.00	$ 270,700.00	$ 277,700.00	$ 284,090.00	$ 291,200.00
				TOTAL CONTRACT VALUE:	**$ 1,387,890.00**

SMALL BUSINESS

The Aviation Authority established a combined 17% MWBE/LDB/VBE goal for this agreement. MSL, PA has committed to meeting the goal.

FISCAL IMPACT

The five-year fiscal impact is a not-to-exceed $1,387,890. Funding is from the Operations and Maintenance Fund.

RECOMMENDED ACTION

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

- Award a Professional Services Agreement for 24-106-RFP Audit Services to MSL, PA for a five-year term, beginning on or about September 1, 2024;
- Approve funding from the Operations and Maintenance Fund in a not-to-exceed amount of $1,387,890; 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

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NEW BUSINESS ITEM N

Recommendation to Approve Sixth Amended and Restated Resolution Authorizing the Collection of a Customer Facility Charge at the Orlando International Airport

BACKGROUND

2008 – Initial CFC rate was $2.50 per transaction day with a five-transaction day limit

- **Support upgrade of Terminal A&B RAC facilities**

2017 – CFC rate was increased to $3.50 per transaction day with a seven-transaction day limit

- **2018 – the Authority authorized the issuance of $160 million Taxable Revenue Note to finance Terminal C Parking Facility and related projects.**

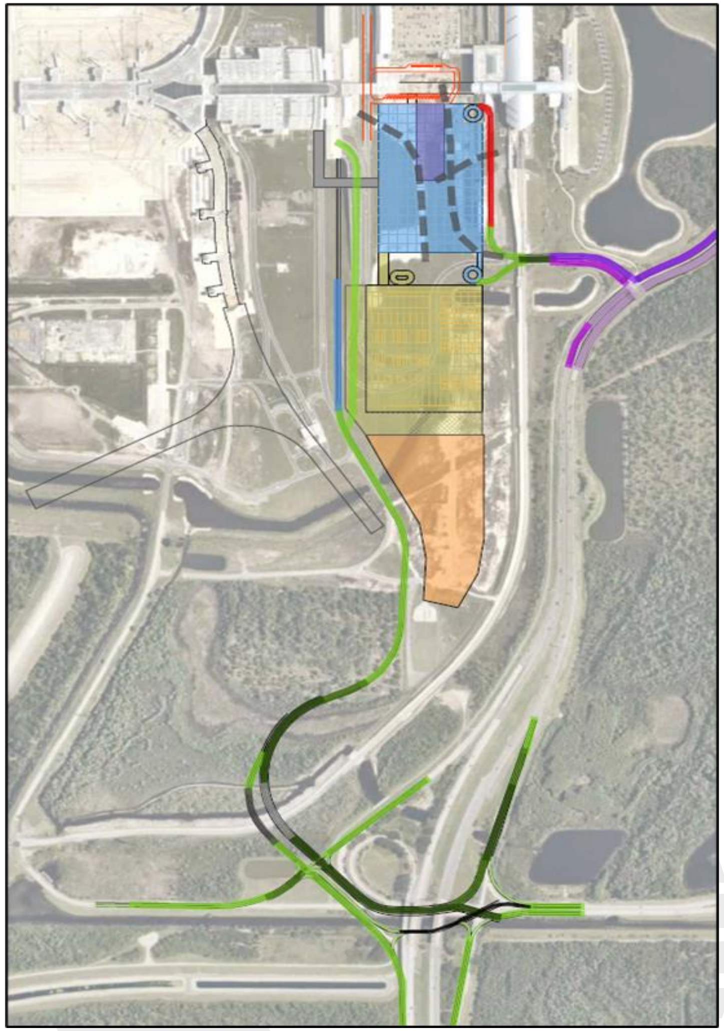
2023 – CFC rate was increased to $6.00 per transaction day

- **Generate CFC Pay Go to support initial planning and design for new ConRAC**

PRELIMINARY RENTAL CAR EXPANSION PROGRAM FUNDING PLAN*

(In millions)	June 24 CIP	Non PFC Bonds	CFCs
NT Px Mods for RACs access to APM	$229.4	$229.4	
RAC – APS & Facility	$1,435.5		$1,435.5
RAC – GTC, Parking, A/B/C Garage Conversion	$230.4	$230.4	
RAC – Roads and APM	$289.0	$289.0	
Total	**$2,184.3**	**$748.8**	**$1,435.5**

*Supported by CFCs, non-aeronautical rents and other user fees



BACKGROUND

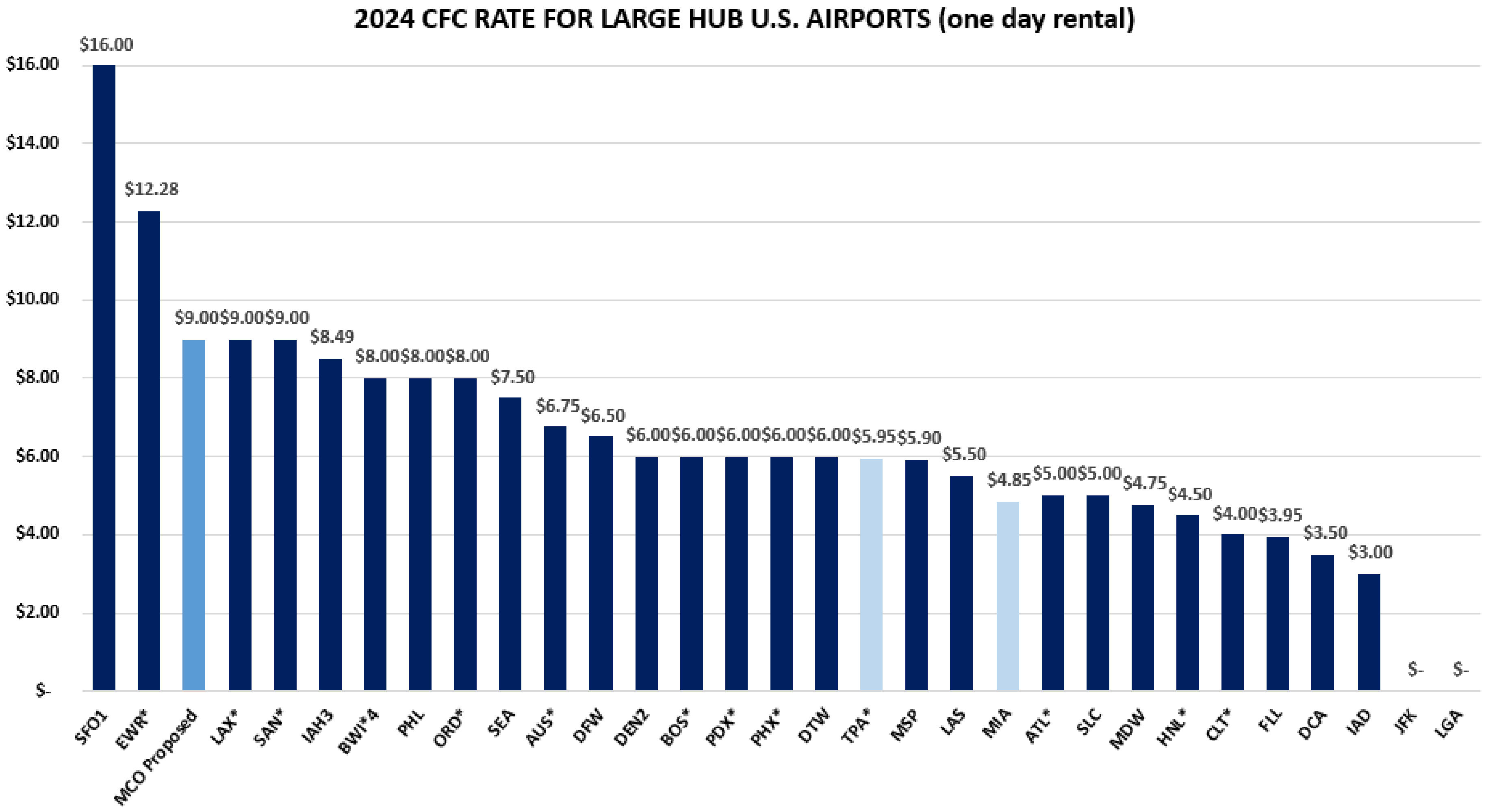
Benefits of ConRAC for MCO include:

- Reduces traffic congestion on roads and curbs
- Repurposes current RAC areas for public parking
- Reduces customer confusion
- Provides more efficient operation for rental car companies

LAX ConRAC served by APM from Terminals.
Photo courtesy of PCL Construction

TPA ConRAC served by APM from Terminals.
Photo courtesy of Arora Engineers

2024 CFC RATES FOR LARGE HUB AIRPORTS



*Airports with CFC Standalone Debt

Note:

1. SFO charges on a per transaction, all other values are per day.
2. DEN Major ConRAC project in planning stages
3. IAH Includes shared shuttle recovery fee of $4.49 per transaction (not per day)
4. BWI Includes transportation fee of $2.25 per transaction (not per day)

Source: Data from Avis.com, Hertz.com, Sixt.com, as compiled by Leigh Fisher, accessed July 23, 2024

RECOMMENDED ACTION

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

- **Adopt the Sixth Amended and Restated Resolution Authorizing the Collection of a Customer Facility Charge.**

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NEW BUSINESS ITEM P

PRELIMINARY BUDGET FY 2025

BUDGET OBJECTIVE

The Budget Objective

- To seamlessly connect Florida and the world through exceptional experiences, collaboration, and creativity

- Retain revenue to support modular demand driven capital program while maintaining existing assets in a state of good repair

BUDGET CHALLENGES

The Challenge

- Retaining current and attracting new employees to handle post COVID demand
- Increase in contractual services (rising cost of goods and services)
- Keeping pace with rapid changes in technology

The Effect

- Increased wages and benefits for current staff and to attract new talent, internal and with our contractors and ambassadors
- Increase in number of Staff both contracted and GOAA
- The general cost of providing goods and services

BUDGET TIMELINE

Month	Description
February	▪ Preparation and Kickoff
March/April	▪ O&M and Revenue budgets ▪ Capital Requests (CIR's) ▪ Personnel Requests due from departments
May/June	▪ Senior Management reviews and prioritizes capital and staff requests ▪ Rates and Charges are calculated
July	▪ Meeting with Participating Airlines
August	▪ Preliminary presentation to the Board
September	▪ Public Hearing with the City of Orlando ▪ Final adoption by the Board

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DISTINGUISHED BUDGET AWARD FOR FY 2023-2024

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

Greater Orlando Aviation Authority
Florida

For the Fiscal Year Beginning

October 01, 2023

Christopher P. Morrill

Executive Director

Rates & Charges Methodologies

Residual Ratemaking

- Airlines assume the risk of the airport's financial performance
- Airlines pay *all* airport costs and receive a credit for non-airline revenue (e.g., concessions, parking)
- Airlines retain surplus non-airline revenues

Compensatory Ratemaking

- Airport operator assumes the risk of the airport's financial performance
- Airlines pay fees and rental rates *only* for the facilities and services they use
- Airport operator retains surplus non-airline revenues
- Airport operator determines the capital program

RESIDUAL	HYBRID	COMPENSATORY
✓ *Less financial risk for airport operator*	*Risk*	✓ *Greater financial risk for airport operator*
✓ *Less financial upside for airport operator*	*Reward*	✓ *Greater financial upside for airport operator*
✓ *Airline approval for capital projects*	*Control*	✓ *No airline approval for capital projects*

COST CENTERS

AIRLINE		
Airfield (RESIDUAL)	▪ Area provided for the landings, takeoffs, and taxiing of aircraft	**Rates Set by Rate Methodology effective October 1, 2024 (must be in accordance with FAA guidelines)**
Terminal (COMPENSATORY)	▪ All landside facilities ▪ Airside Passenger Terminal facilities	
NON-AIRLINE		
Ground Transportation	▪ Airport parking facilities ▪ Rental Car facilities ▪ Commercial lane	**Rates Set by Aviation Authority Board**
Other Buildings and Grounds	▪ All other airport areas not identified elsewhere	
Hotel	▪ Hotel facility located in the landside terminal building	

BUDGET TO BUDGET COMPARISON
AIRFIELD COST CENTER (IN THOUSANDS)

	Preliminary FY 2025	Adopted FY 2024
Operation & Maintenance Expenses & Reserve	$48,361	$51,190
GOAA Office Space	533	-
Debt Service - GARB	18,952	9,732
Capital Expenditures Amortization	4,430	6,604
Fuel System Revenues	(5,523)	(5,311)
Net Airfield Requirement	$66,753	$62,216
Landed Weight (1,000 lbs)	30,310,028	30,614,000
Landing Fee	$2.2023	$2.0323

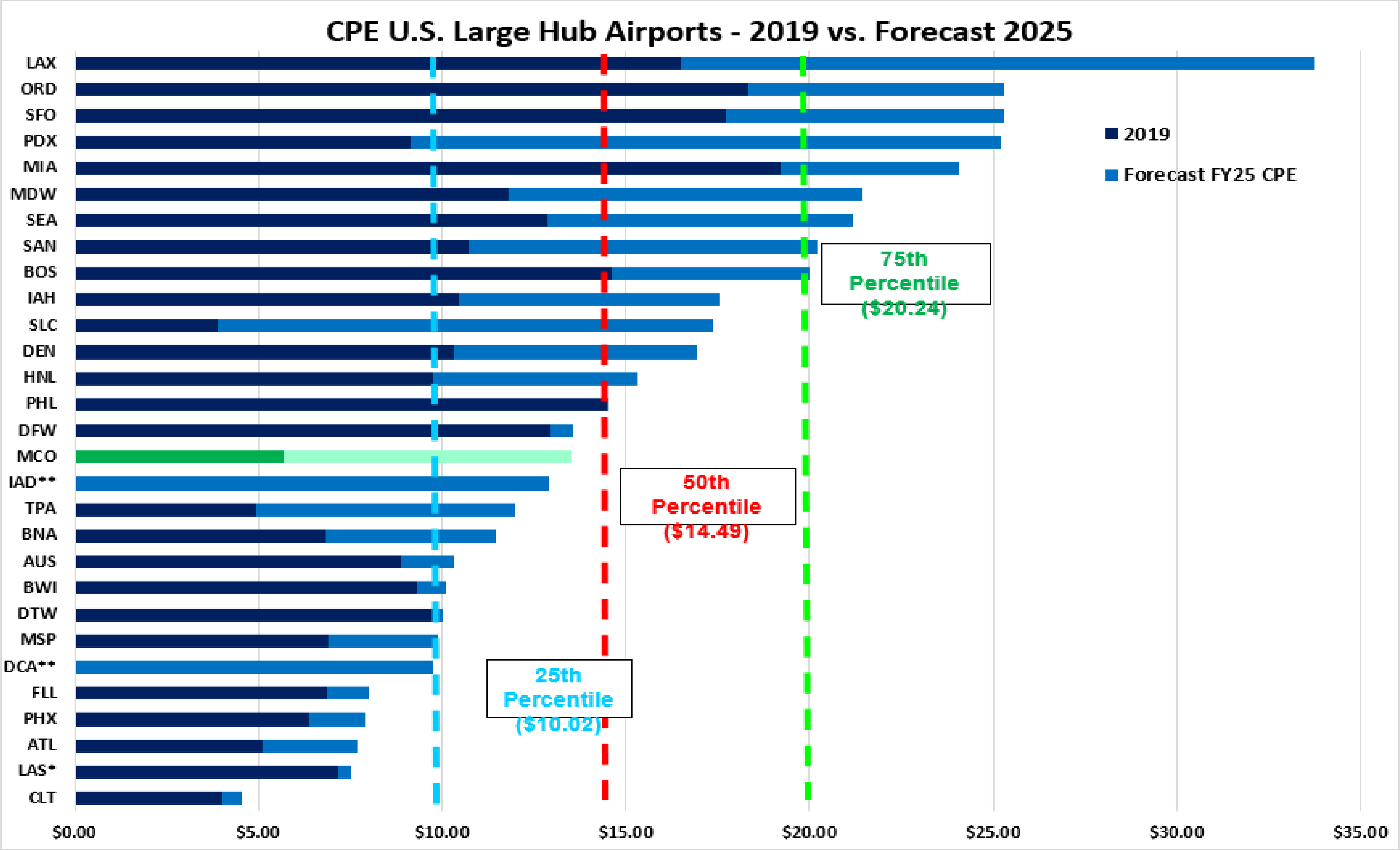
BUDGET TO BUDGET COMPARISON
TERMINAL COST CENTER (IN THOUSANDS)

	Preliminary FY 2025	Adopted FY 2024
Operation & Maintenance Expenses & Reserve	$386,155	$348,247
GOAA Office Space	3,640	-
Debt Service - GARB	120,532	73,484
Central Energy Plant	10,189	10,189
Allocable South APM	9,134	6,819
Capital Expenditures Amortization	20,457	26,760
Federal Inspection Services	(48,846)	(40,222)
Airline Equipment	(12,563)	(11,008)
Baggage System	(37,125)	(36,812)
Other misc. reimbursements	(89)	(1,189)
Net Terminal Requirement	$451,483	$376,268
Rentable Space (SF)	1,989,544	1,840,613
Terminal Premises Rate/ Per Sq. Ft.	$226.93	$204.43

FY 25 TO FY 24 RATES AND CHARGES COMPARISON

	Preliminary FY 2025	Adopted FY 2024
Landing Fees per 1000/lbs	$2.2023	$2.0323
Apron Fee per gate	$113,964	$94,397
Terminal Premises Rate per sq. ft.	$226.93	$204.43
Airline Equipment Charge per gate	$111,181	$97,415
Inbound Baggage System Fee - North	-	$1.84
Outbound Baggage System Fee - North	-	$1.85
Inbound Baggage System Fee - South	-	$2.30
Outbound Baggage System Fee - South	-	$3.10
Single Airport Wide Baggage Fee	$2.22	-
Security Screening Fee	$1.17	-
Ticket Counters/Bag Make Up – South	$642,757	$580,673
CPE for Non-Participating Airlines	$13.53	$10.64
CPE for Participating Airlines	$11.92	$9.28
Enplaned Passengers	27,914,796	27,932,820
Landed Weight	30,310,028	30,614,000

CPE U.S. LARGE HUB AIRPORTS – 2019 VS FORECAST 2025



Sources: Various Official Statements, rating agency reports, FAA 5100-127, and certain other sources. Data is for fiscal year of each airport shown as of August 12, 2024.

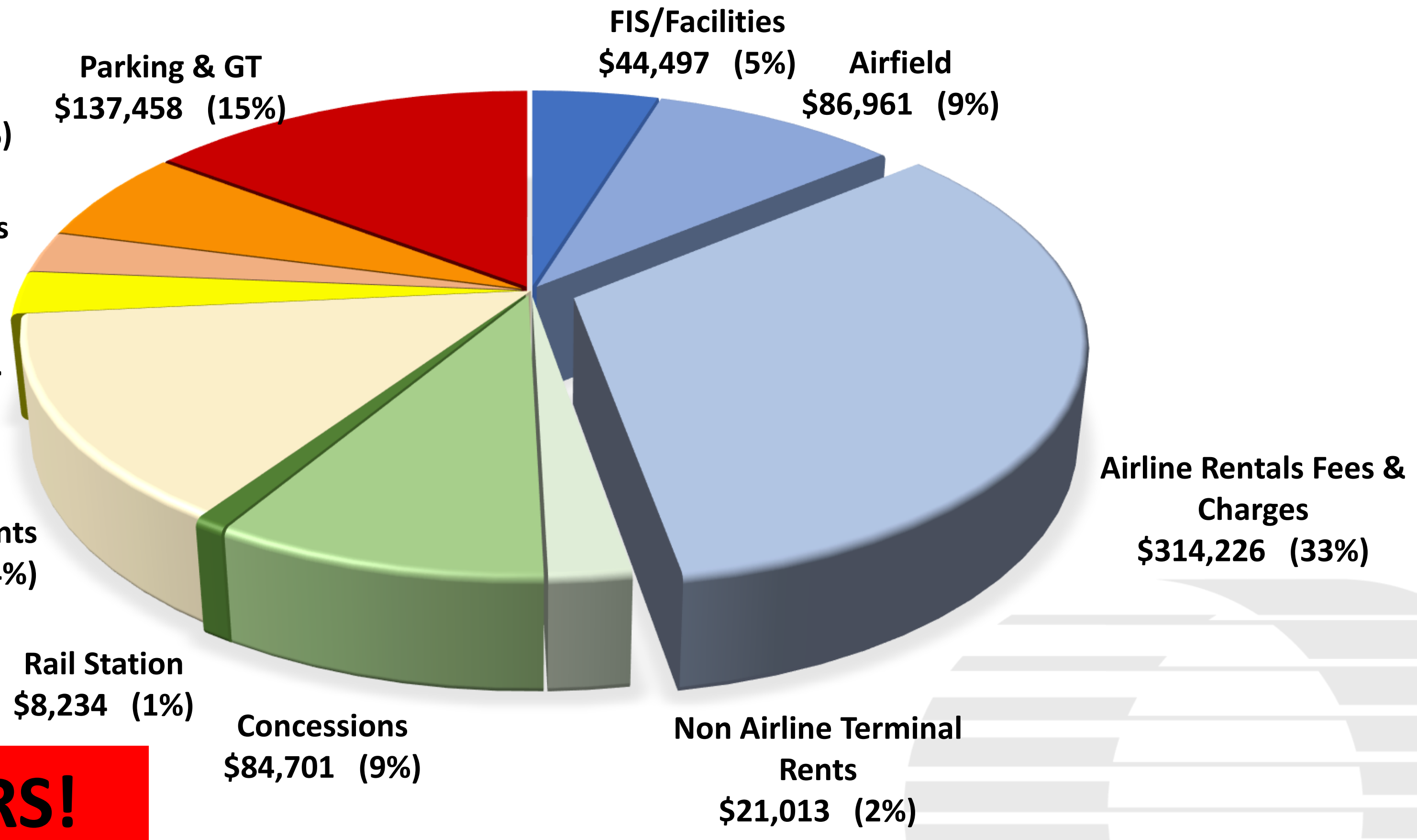
* LAS historical CPE is for 2023 because its future CPE is less than 2019; ATL & IAD CPEs includs special facility revenue bond debt service for terminal improvements payable by the airlines.

PRELIMINARY BUDGET FY 25

	Budget FY 2025	Budget FY 2024
Airline Revenues	$ 440,161,983	$ 363,621,426
Non Airline Revenues	501,116,017	467,715,574
Total Revenue	941,278,000	831,337,000
Less: Operation and Maintenance Exp/Reserve	(575,826,667)	(536,878,333)
Less: Non PFC Supported Debt Service	(139,958,889)	(104,754,711)
Less: Central Energy Plant Obligation	(10,189,285)	(10,189,285)
Less: Rail Station Building	(8,234,366)	(6,317,042)
Remaining Revenues	$ 207,068,794	$ 173,197,630
Senior Lien Coverage	5.10x	5.84x
Priority Subordinated Indebtedness	5.96x	5.21x
All Indebtedness	2.47x	2.04x

FISCAL YEAR 2024-2025 BUDGET

Total Revenues: $941,278 *($ in thousands)*



NO LOCAL TAX DOLLARS!

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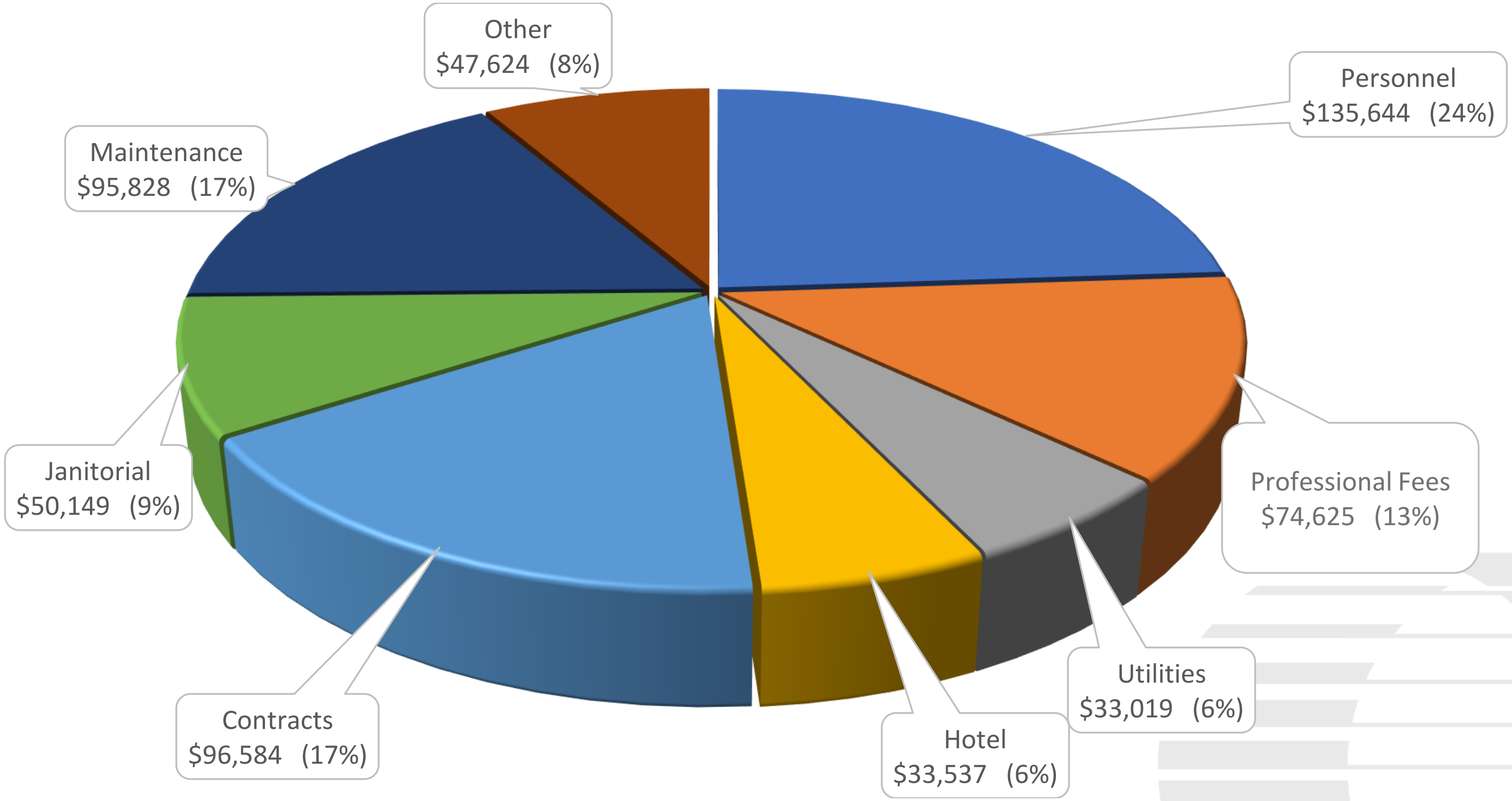
MAJOR CHANGES IN REVENUE

Increase of $109.7 million

- +46.8M Airline Rental Fees & Charges
- +16.0M Ground Transportation
- +14.4M Baggage Fees
- +10.4M Concessions and Non-Airline Terminal
- +7.7M FIS Facility Fees
- +6.6M Airfield
- +2.5M Hotel
- +1.6M Rail
- +1.8M Interest and Other
- +1.0M Airline Equipment
- +0.9M Other Building and Grounds

FY 25 PRELIMINARY BUDGETED EXPENDITURES – ORLANDO INTERNATIONAL AIRPORT

Total Expenditures: $567,010 *($ in thousands) excluding reserves*

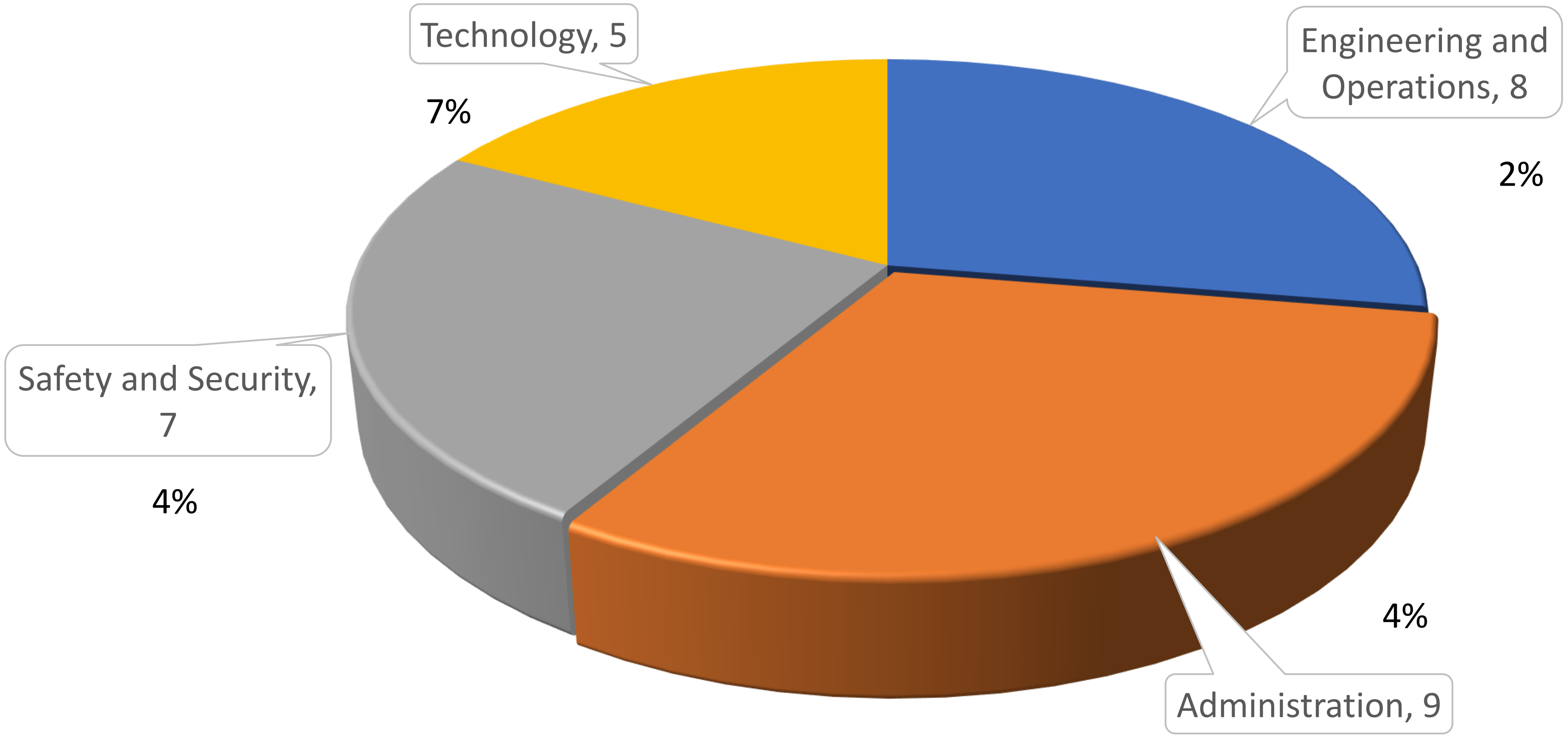


MAJOR CHANGES IN O&M EXPENDITURES

Increase of $52.9 million

- +14.8M Management Contracts
- +9.2M Salaries and Benefits
- +6.0M Maintenance Contracts
- + 5.3M Janitorial Services
- +5.1M Professional Services
- +3.6M Other Contractual Services
- +2.5M Property & Casualty, Gen Liab. Ins
- +2.3M Hotel
- +1.9M Other Expense
- + 1.1M Landscaping Services
- +1.0M Utility Services
- +0.7M Retiree Health & Life Ins
- +0.7M Other Promotional Activities

FY 25 PERSONNEL REQUESTS



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PRELIMINARY BUDGET FY 2025

ORLANDO EXECUTIVE AIRPORT

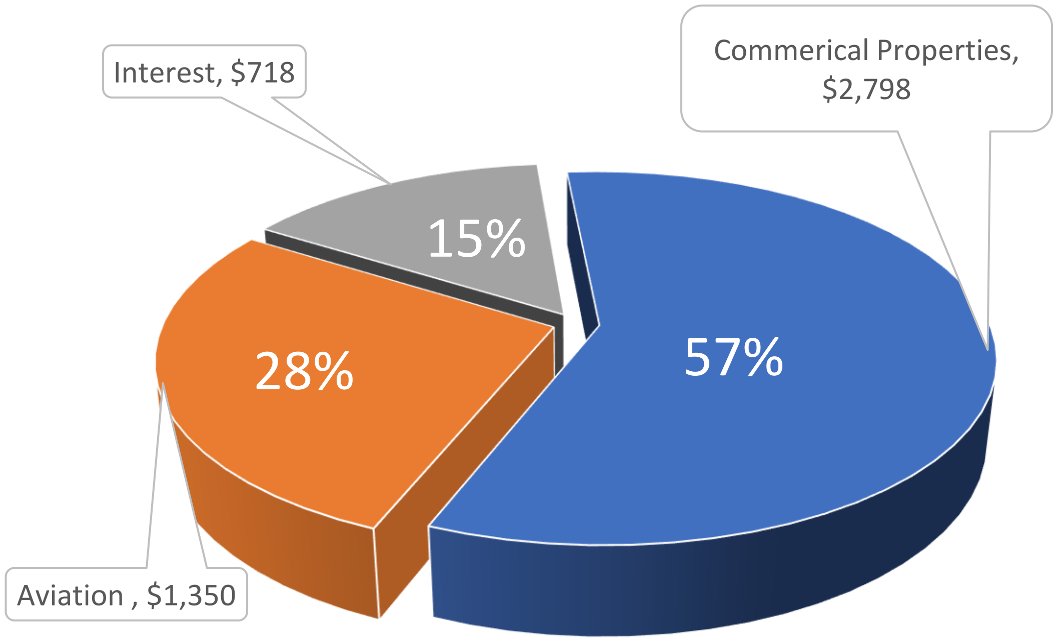
BUDGET COMPARISONS ORLANDO EXECUTIVE AIRPORT

	Preliminary FY 2025	Adopted FY 2024
Revenues		
Aviation Related	$ 1,349,797	$ 1,330,554
Commercial Properties	2,798,010	3,115,486
Other Revenue	717,726	513,960
Federal Relief	0	748,100
Total Revenues	4,865,533	5,708,100
Contribution from Fund Balance	5,826,848	0
Total Revenues and Other Contributions	$ 10,692,381	$ 5,708,100
Expenses		
Operations & Facilities	$ 2,092,580	$ 1,961,820
Safety & Security	1,325,190	1,811,230
Administration	736,770	754,020
Non Allocated Operating	351,400	329,930
Total Expenses	4,505,940	4,857,000
Capital Outlay and Improvements	6,186,441	851,100
Total Expenses and Capital Outlay	$ 10,692,381	$ 5,708,100

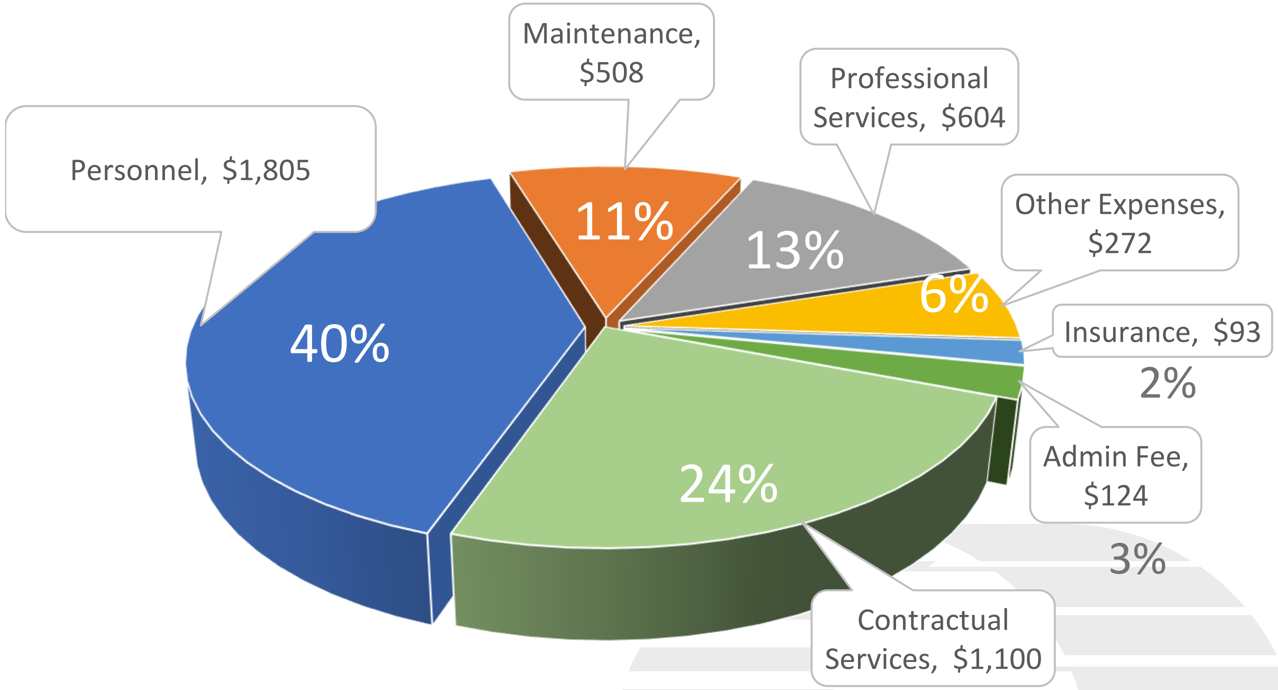
FY 25 PRELIMINARY REVENUES & EXPENSES – ORLANDO EXECUTIVE AIRPORT

($ in thousands)

Revenues



Expenses



*Excludes Contributions from Fund Balance and Capital Expenditures

RECOMMENDED ACTION

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

- Adopt the resolution approving the preliminary budget of $941,278,000 for Orlando International Airport and $10,692,381 for Orlando Executive Airport;
- Request Orlando City Council to conduct a public hearing on the preliminary budget; and,
- Authorize an Aviation Authority Officer to execute any necessary documents.

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PROCUREMENTS

GREATER ORLANDO AVIATION AUTHORITY

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NEXT MEETING

SEPTEMBER 18, 2024