



GREATER ORLANDO AVIATION AUTHORITY

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AVIATION AUTHORITY BOARD MEETING

April 24, 2024





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ELECTION OF OFFICERS





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CONSIDERATION OF MEETING MINUTES



RECOGNIZING YEARS OF SERVICE

20 YEARS



Latiff Hosein – Grounds Maintenance Lead – ORL Maintenance



Mark Gray – Electronics Technician

25 YEARS



Juniffer Alvarez – Equipment Operator/Trades – Airfield & Grounds



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RECOGNIZING YEARS OF SERVICE

Kurt Klima
20 Years of Service



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CONSENT AGENDA ITEMS





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CEO REPORT





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NEW BUSINESS ITEMS A AND B

Construction Phase Architect of Record Support
Services with HNTB Corporation for Terminal C
Phase 1 Expansion



BACKGROUND

On October 21, 2015, the Aviation Authority Board approved the Architect of Record (AOR) for the South Terminal C, Phase 1, Agreement with HNTB Corporation, following a competitive award process in compliance with state statutes and Aviation Authority policies.

Scope includes AOR Services for both Phase 1 (P1) and Phase 1 Expansion (P1X) projects, to include all professional design and engineering services and construction phase AOR services, through project closeout. Currently, these projects include:

- BP No. S195, Airside Concourse (Gates C250 – C253)
- BP No. S196, Airfield Civil Apron and Taxiway Paving and Ground Support Equipment
- BP No. S198, Multi-Modal Pedestrian Connector Corridor and Rental Car Lobby



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ISSUES



BP No. S00196
North RON

BP No. S00195
Gates C250-C253

BP No. S00196
Airfield Civil, Apron
and Taxiway Paving

BP No. S00196
South RON

BP No. S00196
GSE



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ISSUES

Fees with HNTB Corporation have been negotiated as follows:

New Business Item	Project	Services	Amount	DBE/MWBE/LDB Program Participation
NB-A	BP No. S196	Amendment to Addendum No. 50 for Supplemental Construction Administration Services	\$1,000,318	6.5% DBE (cumulative on Addendum No. 50)
NB-B	BP No. S195	Amendment to Addendum No. 45 for Additional Design and Construction Administration Services	\$1,551,178	26.2% MWBE and 4.5% LDB (cumulative on Addendum No. 45)



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RECOMMENDED ACTION FOR NEW BUSINESS ITEM A

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

- Approve an Amendment to Addendum No. 50 to the Architect of Record for South Terminal C, Phase 1, Agreement with HNTB Corporation for Supplemental CA Services for BP No. S00196, Terminal C P1X, Airfield Civil Apron and Taxiway Paving, and GSE Facility, at MCO, for the total amount of \$1,000,318, which includes the lump sum fees amount of \$950,318 and the not-to-exceed reimbursable expenses amount of \$50,000, with funding from Passenger Facility Charges to the extent eligible, and 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.



RECOMMENDED ACTION FOR NEW BUSINESS ITEM B

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

- Approve an Amendment to Addendum No. 45 to the Architect of Record for South Terminal C, Phase 1, Agreement with HNTB Corporation for Additional Design Services and Construction Phase Services for BP No. S00195, Terminal C P1X, Airside Concourse (Gates C250 – C253), at MCO for the total lump sum fees amount of \$1,551,178, with funding from FDOT Grants to the extent eligible, Passenger Facility Charges to the extent eligible, and 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.





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NEW BUSINESS ITEM C

**Recommendation of the Procurement Committee to
Approve Amendment No. 8, Contract Adjustment, and
Approval for Year Four Funding for Purchasing Contract
01-21, Elevators, Escalators and Moving Sidewalks
Maintenance and Repair Services with Schindler
Elevator Corporation**

BACKGROUND & ISSUES

Material and labor to perform 24/7 on-site maintenance and repair services for elevators, escalators and moving sidewalks located at MCO.

- **Four-year Term**

- Commenced – June 1, 2021
- Expiring – May 31, 2025
- Options – Three additional one-year periods

Per the contract, the Year Four contract adjustment, June 1, 2024, through May 31, 2025, is based on the published Producer Price Index and the National Elevator Industry, Inc. Mechanic Rate, subject to a maximum of plus or minus 5%.

On April 2, 2024, the Procurement Committee recommended the approval of Amendment No. 8, Contract Adjustment, and approval for Year Four Funding for Purchasing Contract 01-21.



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SMALL BUSINESS

The Small Business Development Department certifies that Schindler Elevator Corporation is in good standing as it relates to the 18% MWBE participation goal.

FISCAL IMPACT

The one-year fiscal impact is a not-to-exceed amount of \$8,448,786.20. Funding is from the Operations and Maintenance Fund.



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RECOMMENDED ACTION

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

- Approve Amendment No. 8, contract adjustment, and approval for Year Four funding for purchasing contract 01-21, Elevators, Escalators and Moving Sidewalks Maintenance and Repair Services with Schindler Elevator Corporation;
- Authorize funding in a not-to-exceed amount of \$8,448,786.20 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 Amendment 1 to the
Distributed Antenna System Agreement with
SprintCom, LLC**



BACKGROUND

In April 2018, the Aviation Authority Board approved Distributed Antenna System Agreements (DAS Agreements) with T-Mobile South, LLC (T-Mobile) and SprintCom, LLC (Sprint) to provide cellular coverage in Terminals A, B, and C existing facilities. The Agreements will expire on April 30, 2025.

ISSUES

In 2020, Sprint merged with T-Mobile (Sprint/T-Mobile) and assumed the rights and obligations of the Sprint DAS agreement. The entity will operate as SprintCom, LLC.

Sprint/T-Mobile will invest between \$4-7 million to upgrade and enhance the existing DAS system to:

- Provide more consistently reliable connections in Terminals A, B, and C
- Design and install DAS in the South Concourse of Terminal C
- Extend cellular coverage in the Pedestrian Bridge/Rental Car lobby space
- Extend DAS coverage to outdoor airside ramps and parking garages
- Introduce 5G services



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ISSUES

The T-Mobile agreement will terminate on April 30, 2025. In order to amortize the investment, Sprint/T-Mobile, operating as SprintCom, LLC, is requesting an extension to the existing SprintCom agreement. The new termination date will be April 30, 2030.

SMALL BUSINESS

Because of the specialized nature of the services provided, there is no Airport Concession Disadvantaged Business Enterprise goal for this agreement.

FISCAL IMPACT

The Aviation Authority will continue to receive the revenue stipulated in the SprintCom agreement, currently \$376,504, with an annual increase of five percent.



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RECOMMENDED ACTION

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

- **Approve Amendment 1 to the DAS Agreement with SprintCom, LLC to extend the term to expire on April 30, 2030; 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 E

**Recommendation to Extend Certain Concession
Agreements to Align with the Terminals A and B
Concession Master Plan Leasing Strategy**

BACKGROUND

In April 2023, the Aviation Authority Board approved one-year extensions to certain concession agreements set to expire in May 2023, to align with finalization of the Aviation Authority's Strategic Plan and North Terminal Visioning Study.

The results of the studies were to be incorporated into the comprehensive redevelopment of the Terminals A and B Concessions Master Plan.

Upon completion of the plans, Staff committed to return to the Aviation Authority's Board on future needs for extensions necessary for aligning concession terms with the Aviation Authority's needs and interests for optimal packaging.



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ISSUES

Staff, in conjunction with the Aviation Authority's Concession Consultant, have created a plan that will:

- **Modernize the overall program and create impactful spaces and concepts**
- **Increase customer satisfaction and engagement**
- **Increase revenue generation to the Aviation Authority**
- **Establish concession packages in a variety of sizes, which adhere to new FAA regulations and attract a variety of Concessionaires**
- **Provide ample opportunities for Airport Concession Disadvantaged Business Enterprise (ACDBE) participants**



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ISSUES

The Aviation Authority's Policy 910.01, Awarding and Operating Concessions and Consumer Service Privileges in the Terminal, allows the extension of terms in order to better coordinate the redevelopment of the concessions and the terminals.

The requested extensions will be subject to termination, at the Aviation Authority's sole discretion, upon 120 days' notice.

Concessionaires will be required to maintain the units, as needed, to ensure that they present attractive and welcoming locations.

Staff further requests the approval of month-to-month extensions deemed necessary due to unforeseen delays in the pre-construction permitting process and unforeseen supply chain delays. Staff will immediately notify the Board, by information item, should month-to-month extensions be deemed necessary.



SMALL BUSINESS

All extended agreements will maintain their existing ACDBE goals.

FISCAL IMPACT

The Aviation Authority will continue to receive the revenue stipulated in the agreements.



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RECOMMENDED ACTION

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

- **Extend certain concession agreements to align with the Terminals A and B Concession Master Plan leasing strategy and authorize month-to-month extensions as necessary;**
- **Authorize Staff to enter into negotiations to extend those certain concession agreements, while retaining the right, at the Aviation Authority's sole discretion, to terminate with 120 days' notice; 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 F

**Recommendation to Approve the Maintenance Facility
Lease Agreement with Avis Rent A Car System, LLC at
Orlando International Airport (MCO)**

BACKGROUND

Avis Rent a Car operates at Orlando International Airport under the Rental Automobile Concession Agreement, expiring on September 30, 2032.

In 1998, the Aviation Authority and Avis Rent a Car entered into a Ground Lease Agreement for approximately twenty-four acres to construct and operate a maintenance facility located on Cargo Rd.

The initial ground lease expired July 31, 2023, and ownership of the facility improvements reverted to the Aviation Authority's ownership.

The agreement has been month-to-month since August 1, 2023.



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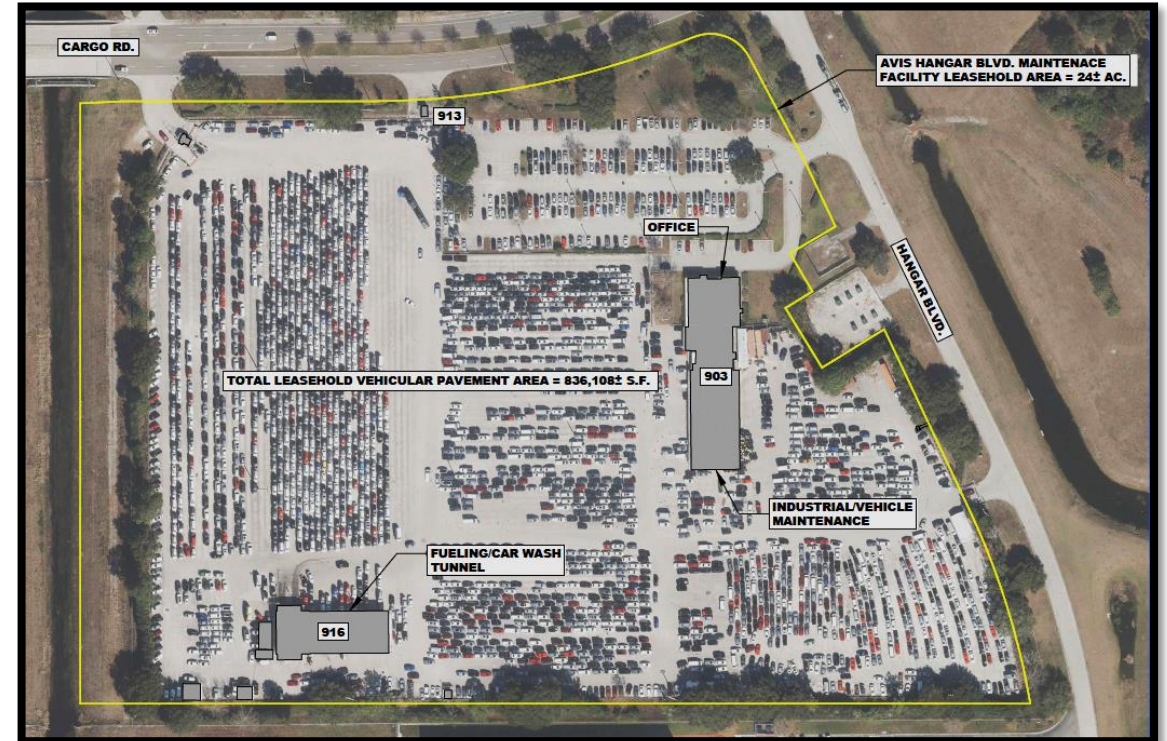


BACKGROUND

Location on Cargo Rd



Avis Leasehold



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ISSUES

The Parties desire to enter into a long-term Maintenance Facility Lease Agreement, commencing on August 1, 2023, and will expire September 30, 2032.

Avis Rent a Car has agreed to assume all maintenance responsibilities and will pay fair market rent for the facility improvements and underlying land.

Annual rent will increase from \$937,500 to \$1,212,915.

A rent adjustment will occur in year-six following a reappraisal of the land and facility improvements.



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SMALL BUSINESS

Small business goals do not apply to real estate leases.

FISCAL IMPACT

The annual rent of the proposed new Maintenance Facility Lease Agreement is \$1,212,915.
The estimated total rent revenue over the term is \$11,643,992.



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RECOMMENDED ACTION

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

- Approve the Maintenance Facility Lease Agreement with Avis Rent A Car System, LLC 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 G

Recommendation to Ratify and Approve Insurance Programs



BACKGROUND

The insurance programs for the Aviation Authority are due to renew May 1, 2024. For the expiring 2023-2024 insurance program, the Board approved \$12,743,673, including surcharges and fees.

Staff and Insurance Broker, Arthur J. Gallagher Risk Management Services, maintain the insurance program, perform benchmarking, and sought indications from other insurance markets to ensure the best terms and premiums are comparable.



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ISSUES

Staff and Siver Insurance Consultants recommend that we renew the insurance programs for 2024-2025 for \$14,474,498, which is an overall increase of 8.8%.

- **Property Insurance:** Premium increase directly related to increase in value. Other insurers cannot match FM Global's rates, capacity, and deductibles.
- **Airport Operator's Liability:** Renewal remains with Chubb. Only two other insurers offer this coverage, asking for three times the expiring premium.
- **All Other Lines** had little to no increase in premium.



FISCAL IMPACT

The fiscal impact is a not-to-exceed amount of \$14,474,498 from the Operations and Maintenance Fund.

RATIFICATION

In accordance with Policy 450.04, on March 29, 2024 the Chief Executive Officer elected to bind the insurance with concurrence from Chairman Good, as supported by Siver Insurance Consultants' recommendation letters.

It was determined prudent to bind all quotations to reduce exposure to any adverse incident that could affect quotations and seek ratification and approval from the Aviation Authority Board.



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RECOMMENDED ACTION

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

- Ratify and approve the placement of the 2024-2025 insurance program and coverage lines addressed in the memorandum;
- Authorize funding from the Operations and Maintenance Fund based on the approved insurance programs' rates, subject to audit or adjustment due to changes in exposure; 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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NEXT MEETING

MAY 15, 2024

