On **TUESDAY, FEBRUARY 27, 2024**, the **AD HOC COMMITTEE FOR REQUEST FOR PROPOSALS 24-111 UNDERWRITER SERVICES** met in the Carl T. Langford Board Room of the Aviation Authority offices in the main terminal building at the Orlando International Airport, One Jeff Fuqua Boulevard, Orlando, Florida. The meeting, having been posted in accordance with Florida Statutes, was called to order at 11:03 a.m.

Committee Members Present:	Kathleen M. Sharman, Chief Financial Officer, Chair Tianna Dumond, Senior Vice President, Internal Audit Brad Friel, Senior Vice President, Planning and Environmental
Also present:	Olimpia Lonsdale, Assistant Vice President, Procurement Services Mickey Joseph, Senior Manager, Debt and Investments Racha El Khalil, Senior Purchasing Agent Jill Overstreet, Manager, Risk Management LuAnn Fisher, Manager of Finance Administration and Strategic Projects William Case, PFM Financial Advisors (telephonically) Doug Starcher, Legal Counsel, Nelson Mullins Riley & Scarborough Kasie Berube, Recording Secretary

Chair Sharman read the following statement: For individuals who conduct lobbying activities with Aviation Authority employees or Board members, registration with the Aviation Authority is required each year prior to conducting any lobbying activities. A statement of expenditures incurred in connection with those lobbying instances should also be filed prior to April 1 of each year for the preceding year. Lobbying any Aviation Authority Staff who are members of any committee responsible for ranking Proposals, Letters of Interest, Statements of Qualifications or Bids and thereafter forwarding those recommendations to the Board and/or Board Members is prohibited from the time that a Request for Proposals, Request for Letters of Interests, Request for Qualifications or Request for Bids is released to the time that the Board makes an award. The policy, forms, and instructions are available on the Aviation Authority's web site. Please contact the Chief Administrative Officer with questions at (407) 825-7105.

If a bidder or proposer is aggrieved by any of the proceedings of today's meeting and wishes to appeal the results of actions made by this Committee, they must file an appeal stating the item they wish to appeal and the basis for which they wish to appeal. Any appeal must be received in writing by the Chief Executive Officer, Mr. Kevin J. Thibault, via email kevin.thibault@goaa.org with copy to yovannie.rodriguez@goaa.org by 4:00 p.m., March 5th, 2024.

Any member of the public who wishes to address the committee on an agenda item being considered at this meeting must notify the committee in writing by submitting a completed Appearance Request Form. This form may be requested from the Recording Secretary.

All Ad Hoc Committee (Committee) members confirmed there were no conflicts of interest related to the evaluation of proposals regarding 24-111 Underwriter Services (RFP).

CONSIDERATION OF PROPOSALS RECEIVED

Prior to the presentation of Staff Reports, Chair Sharman turned to Doug Starcher, Legal Counsel, for opening statements regarding the process of the meeting.

Mr. Starcher stated that the Committee Members will use the evaluation criteria that is in the RFP to identify a team of underwriters and that team is of an unspecified number. It is up to the Committee members to choose as few or as many to create the team. All proposers that have proposed in the RFP are eligible to be Co-Managers, or in other words, "on the team", while some also proposed to be considered Senior Managers. Individual Senior Managers, are selected on a transaction-by-transaction basis on ~~said~~ specific transaction from the limited pool of underwriters identified as Senior Managers. Mr. Starcher's procedural recommendation brought to the Committee's consideration was to identify the number of underwriters wanted on the team (a range, non-specific number) then using the criteria to identify the group of underwriters to be on the team within the agreed numerical range. Noting that there is no particular MWBE requirement, Mr. Starcher recommended that in selecting the most advantageous team, the Committee may consider diversity as an attribute contributing to the quality of the group as a whole. Once the team is selected, the recommendation was to revisit and identify the sub-set of considerations of the Senior Manager roles for future transactions.

All Committee members consented to the recommended process.

Ms. Olimpia Lonsdale began the staff reports with a presentation of general information from the response forms of the proposers. Ms. Lonsdale listed all 20 firms that were submitted and under consideration for today. In alphabetical order, the list of firms was as follows:

- AmeriVet Securities
- Barclays Capital
- Bancroft Capital
- Blaylock Van
- Bank of America Securities
- Janney Montgomery Scott
- Estrada Hinojosa & Company, Inc.
- Jefferies
- J.P. Morgan Securities
- Loop Capital
- Mischler Financial Group
- Morgan Stanley
- Ramirez & Co
- Raymund James
- RBC Capital Markets
- Rockfleet Financial
- Seibert Williams Shank
- Stern Brothers
- Truist Securities
- Wells Fargo Bank

The Scope of Services were described in section 2.1 of the RFP document and among other items, it included developing information and presenting information to the Aviation Authority, Rating Agencies and other parties as requested by the Aviation Authority, in addition to implementing marketing plans, selling the bonds with quality execution according to the expectations. The Minimum Requirements were described in section 3.1, after staff reviewed all twenty responses, it was found that all responses are registered and qualified to do business in Florida in addition to all having the minimum requirement of 5-years' experience. Additionally, all respondents included at least three references with staff reaching out to each reference provided. Ms. Lonsdale posed the question to the Committee asking if they would prefer that she go on a company-by-company basis with a quick summary regarding what the staff findings were for reference responses. Committee agreed. Ms. Lonsdale continued, adding that every response from the references were positive, satisfactory, or above satisfactory, however as noted in the matrix, there were a couple companies that were either not allowed to give references or simply did not respond to the Aviation Authority's request. Chair Sharman requested Ms. Lonsdale highlight the differentiators of the proposers. Ms. Lonsdale agreed and presented all respondents with their respective number of received positive responses or non-responses. To conclude the summary of the procurement, Ms. Lonsdale's final comment was regarding Section 2.3 of the RFP, Fees and Expenses: Fees for the services will be negotiated on a transaction-by-transaction basis for the underwriting team that is selected for each particular transaction. Hence, pricing is not included in the responses.

Chair Sharman turned to Mr. Mickey Jospeh to present the experience and qualifications of the proposers. Mr. Joseph began with the highlights of each firm beginning with the firms submitting responses for consideration as a Senior Manager:

- Bank of America: deep bench of airport bankers, top Senior Manager of airport bonds in the last 5-years at $21 billion, Co-Manager airport volume at $25 billion, provides a $275 million credit facility to the Aviation Authority, have a strong Florida presence
- Barclays: one experienced airport banker, Senior Underwriter airport volume at $8 billion, Co-Manager airport volume at $18 billion
- Estrada: MBE firm, primary lead in South Florida, no Senior managed airport volume in last 5-years, Co-Manager airport volume at $6.5 billion, airport FA experience in Miami and San Antonio, no CFC or special facility volume
- Jeffries: experienced lead airport banker, fair amount of Senior managed airport volume at $6 billion, Co-Manager airport volume at $12 billion
- J.P Morgan: experienced airport banker, holds Transportation Investor Conferences each year, strong Senior managed airport volume at $12 billion, Co-Manager airport volume at $18 billion, strong Florida presence
- Loop: experienced airport banker, MBE firm, moderate Senior managed airport volume at $3.6 billion, Co-Manager airport volume at $23 billion
- Morgan Stanley: project lead has left the firm, good Senior managed airport volume at $6.2 billion, Co-Manager airport volume at $19 billion
- Ramirez: MBE firm, one of the leading Senior airport underwriters in 2023, solid Senior managed airport volume at $7 billion, Co-Manager airport volume at $24 billion, experienced airport banker

- Raymond James: very strong presence in Orlando, head-quartered in St. Pete, low Senior managed airport volume at $1.5 billion, Co-Manager airport volume at $9 billion, previously GOAA Financial Advisor ~~FA~~
- RBC: low Senior managed airport volume at $1 billion, Co-Manager airport volume at $11 billion, experienced airport banker
- Seibert: MBE and women-owned firm, experienced airport banker, good Senior airport volume at $6.4 billion, Co-Manager airport volume at $38 billion
- Stern: Women-owned firm, experienced airport banker, low Senior managed airport volume at $14 million, Co-Manager airport volume at $ 12 billion
- Truist: no airport experience other than commercial lending, small amount of underwriting experience overall
- Wells Fargo: experienced airport banking team, strong Florida presence, provides $275 million of credit facility to GOAA, modest Senior airport volume at $1.4 billion, Co-Manager airport volume at $12 billion

In the same manner, Mr. Joseph proceeded with the Co-Manager responses:

- AmeriVet: veteran-owned and minority-owned firm, seven co-managed airport deals at $3 billion
- Bancroft: veteran-owned firm, experienced airport banker, no airport underwriting experience
- Blaylock: MBE firm, Co-Senior on two airport deals and Co-Manager on 25 airport deals at $8 billion
- Janney: Senior manager of only one airport special facility deal at $4 million, no airport underwriting experience
- Michler: veteran-owned firm, only one airport co-managed deal at $389 million, no airport underwriting experience
- Rockfleet: women-owned firm, no airport underwriting experience

Mr, Friel requested Mr. Joseph repeat the highlights of AmeriVet once more. Following the reiteration, Mr. Case, the Aviation Authority's current financial advisor, stated Mr. Joseph's summary of the firms was very succinct with nothing more to add, however happy to answer any questions.

With no further questions, Chair Sharman turned to Ms. Overstreet for the insurance findings of each firm. Ms. Overstreet began stating that most proposers acknowledged or evidenced adherence to the stated insurance requirements apart from the following firms:

- AmeriVet Securities: provided only professional liability
- Rocklfeet Financial: provided only professional liability
- Mischler Financial Group: evidenced only general liability
- Truist Securities: provided everything except for professional liability
- Bancroft Capital: provided everything except for professional liability

Ms. Overstreet went on to state that current insurance evidencing the minimum limits as outlined in the RFP will be required upon award ~~reward~~. Self-insured retentions exceeding $10,000 will be subject to further review and all suggested redlines or edits are rejected. Chair Sharman requested Ms. Overstreet to summarize which firms would need more insurance if they were selected. Ms. Overstreet went on listing AmeriVet Securities, Mischler Financial, Rocklfeet Financial, Truist Securities and Bancroft Capitals. Chair Sharman confirmed that to further do business with said firms, the insurance requirements would need to be satisfied. Mr. Friel posed the question to Ms. Overstreet that the outlined issues are fairly easy to overcome as to which Ms. Overstreet concurred, additionally mentioning that most of the firms provided an acknowledgement that they would heighten their limits to the minimum upon award. Ms. Dumond made mention of a note about Bancroft Capital provided insurance however it was expired and inquired if they provided any active insurance based on the list. Ms. Overstreet confirmed and stated Bancroft provided an evidence that expired in 2020 and believes that this was an overlooked document that they have continued to use but it is assumed that they have maintained insurance, agreeing that will be verified if they were selected. Mr. Starcher added that whichever firms are selected for the team are merely required to maintain the insurance during the term; they do not have to have the stated coverages to be responsible for this proposal and in fact, the requirement is the firms show proof of insurability not insurance. Once a firm is selected for the team, that is when confirmation of proper insurance takes place.

Mr. Starcher proceeded with the legal information findings stating that as far as litigation, conflicts, and regulatory issues it was founded that most proposers reported something. The bigger firms, as expected, reported more claims versus the smaller firms reporting fewer. Mr. Starcher stated it is tough to say from the claims if there are actual liability or wrongdoing or if they are just one of many people who are sued by an investor. He added that some of the regulatory matters that some of the firms are involved in look somewhat politically motivated by various states putting them on the list because they will not deal with certain energy type companies over others. Mr. Starcher looked to the Aviation Authority's Financial Advisor, Bill Case, inquiring as to whether any of the stated matters were concerning or disqualifying, or was this level of proceedings expected as part of doing business. Mr. Case weighed in concurring with Mr. Starcher as to there being no regulatory or litigation issue of any concern, adding that he does not believe that at this point there is any restriction in Florida against doing business with any of the firms.

Chair Sharman asked if Committee Members had more to add, as well as if the Recording Secretary had ~~of~~ any public comment requests, with both responses being none, deliberations began.

Chair Sharman opened the deliberations by stating the Aviation Authority is lucky to have had so many excellent proposals and firms and her ~~the~~ appreciation for the firms ~~of~~ taking interest in serving the Aviation Authority. With respect to legal's opening comment, Chair Sharman stated she agreed with the recommended approach and due to the process of working on the Capital Improvement Plan (CIP) there are going to be a fair amount of transactions taking place over the next 5-years. It was agreed by Mr. Case and the Committee to have a pool of a dozen firms and then have a subset for the Senior firms.

Ms. Dumond began by stating that proposals are overwhelming, recognizing that a lot of time was spent putting together these proposals and the Aviation Authority appreciates the response; however, it is clear that there are some proposers with no airport experience, which may be easiest to consider first to dissect and eliminate proposers to build a pool. Mr. Friel agreed with Ms. Dumond's statement. Committee members began speaking on their findings, starting with Ms. Dumond in random reverse order began listing the firms with little to no airport experience for elimination. The firms agreeably eliminated amongst the committee were as follows:

- Truist Securities
- Rockfleet Financial
- Mischler Financial Group
- Bancroft Capital
- Janney Mongomery Scott

Chair Sharman mentioned the extreme importance of liquidity to the Aviation Authority that was also stated in the RFP, stating that Wells Fargo and Bank of America provide that for the Aviation Authority and have consistently for many years, leading to the opinion of having those two firms included on the team. Barclays and JP Morgan have consistently bid when the ~~The~~ Aviation Authority goes out for liquidity, they just have not quite been able to match the terms. In the past RBC has bid on lines of credit. Raymond James was supported as they have been the Aviation Authority's Financial Advisor for a long time and are Florida based, they have deep knowledge of the Aviation Authority. All six firms have the experience and qualifications, and the proposed personnel, to be airport underwriters. The "big six" agreeably selected by the Committee as being among the most advantageous are listed as follows:

- Wells Fargo Bank
- Bank of America
- Barclays Capital
- JP Morgan Securities
- RBC Capital Markets
- Raymond James

Discussion ensued regarding adding Jefferies to the team ~~Senior pool~~ as they have been part of it before, they have a great lead airport banker and have deep knowledge of the ~~The~~ Aviation Authority as well. Jefferies was added as the seventh firm to the team. The Committee noted that the proposed lead banker for Morgan Stanley recently left the firm, resulting in their elimination from further consideration. The committee continued to discuss the remaining top contending firms, keeping MBE/MWBE considerations in mind. Selected firms were as follows:

- Seibert Williams Shank
- Ramirez & Co
- AmeriVet Securities
- Loop Capital Markets
- Estrada Hinojosa

As the total of twelve firms were chosen, Chair Sharman turned to Mr. Case for support regarding the fact that the committee agreed on twelve firms but asked if there would be room for thirteen due to Blaylock consistently applying to be in the pool, the same to be said for Estrada with the only differentiator being

Estrada evidenced more transactions. Mr. Case reiterated that there is no set number, it is up to the committee on how many firms are chosen to make up the pool. It was agreed by the committee to add Blaylock as the thirteenth firm.

Mr. Starcher reiterated the selected pool of proposers ~~list~~ as follows, in no particular order:

- Wells Fargo Bank
- Bank of America
- Barclays Capital
- JP Morgan Securities
- Raymond James
- RBC Capital Markets
- Jefferies
- Seibert Williams Shank
- Ramirez & Co
- AmeriVet Securities
- Loop Capital Markets
- Estrada Hinojosa
- Blaylock Van

Chair Sharman posed the question to legal ensuring the sufficiency of the committee documenting the rationale throughout the conversation. Mr. Starcher stated yes, as they have spoken on the anticipated financial needs, cross referenced the financial structures, the qualifications and experience across the firms in various transactions that they have been involved in over the past 5-years, the key personnel making mention whether they have strong airport bankers and conflicts of interest. Discussion to create the Senior subset began. Four firms was the number of firms fairly agreed upon on for Senior Managers due to the number of projected transactions. After discussion, the selected Senior Managers are as follows:

- Bank of America
- Wells Fargo Bank
- JP Morgan Securities
- Raymond James

The selected nine firms for Co-Management are as follows:

- Barclays Capital
- RBC Capital Markets
- Jefferies
- Seibert Williams Shank
- Ramirez & Co
- Loop Capital Markets
- AmeriVet Securities
- Estrada Hinojosa

- Blaylock Van

With no further discussion, Chair Sharman entertained a motion. Ms. Dumond made the motion for selection for the Underwriting Services with a pool of thirteen that were chosen, using short names. The motion to select Barclays, Bank of America, JP Morgan, Jefferies, Ramirez, Raymond James, RBC, Seibert, Wells, Loop, AmeriVet, Estrada, and Blaylock with the Senior Managers being Bank of America, Wells, JP Morgan and Raymond James. Second to motion from Mr. Friel. With all in favor, it is to recommend to the Finance Committee to recommend to The Board the selection of the pool of underwriters and Senior Managers.

Having no further business to be considered, Chair Sharman adjourned the meeting at 12:08 p.m.

Kathleen M. Sharman, CFO

Kathleen M. Sharman
Chairperson

Kasie Berube
Recording Secretary