

Hillsborough County Aviation Authority  
Regular Board Meeting

Thursday, 9:00 a.m.  
September 7, 2017

A Regular Board Meeting of the Hillsborough County Aviation Authority was convened in the Boardroom, Main Terminal Building, Level 3 at Tampa International Airport, Tampa, Florida, on Thursday, September 7, 2017.

Members present were: Robert I. Watkins, Mayor Bob Buckhorn and General Chip Diehl. Gary Harrod and Commissioner Victor Crist were not in attendance. Chairman Watkins read into the record that Commissioner Crist was attending a previously scheduled Hillsborough County Board of County Commissioners meeting.

Aviation Authority staff members present were Chief Executive Officer Joseph W. Lopano, General Counsel Michael Stephens, Al Illustrato, Damian Brooke, Chris Minner, John Tiliacos, Janet Zink, Michael Kamprath, Scott Knight, Jeff Siddle, Ed Haines, Elita McMillon, Ann Davis, Beth Zurenko, Gina Evans, Violet Cummins, Laurie Noyes, Chief Charlie Vazquez, Police Officer Yost, Lloyd Tillmann, Laura Tatem, Teresa Howell, Dominic Macrone, Randy Forister, Kari Goetz, Rob Porter, Brett Fay, Thomas Johnson, Brian Washburn, Marcus Session, Kenneth Strickland, Tom Thalheimer and Felicia Carlee.

Chairman Watkins welcomed everyone to the Regular Board Meeting of September 7, 2017. Chairman Watkins then advised the audience that anyone wishing to comment on propositions brought before the Board should see Violet Cummins, Board Services Administrator, for a form. He then asked everyone to stand for the Pledge of Allegiance.

Chairman Watkins proceeded to Approve the Agenda for the September 7, 2017 Board Meeting. He stated Board Members had received a copy of the Agenda prior to the meeting and had a chance to review it in advance. Chairman Watkins then called for a motion to approve the Agenda for the Meeting.

Upon motion by Mayor Buckhorn, seconded by General Diehl, the Agenda was unanimously approved by all members present.

Chairman Watkins proceeded to the Public Comments section of the meeting and called Joe Robinson to the podium.

Mr. Joe Robinson, President of RHC and Associates and Second Vice President of the NAACP, introduced himself. Mr. Robinson opened with an invitation to the Freedom Fund dinner on November 2, 2017. Mr. Robinson spoke of the Audit conducted by the Auditor General and stated that both Richard Cochran and Tom Lee had an opportunity to view how the Audit was proceeding. Mr. Robinson spoke briefly on the Design Build Item and stated that Kimmins was a stand-up firm and doing a good job. Mr. Robinson informed the Board that he has not had any work at the Airport since 1998. Mr. Robinson also informed everyone that Lynn Mims, a female African American contractor, has filed a lawsuit against Austin.

Chairman Watkins asked General Counsel Stephens if there were any abstentions that needed to be read into the record. General Counsel Stephens reported no abstentions to be read from the August 3, 2017 Board Meeting and stated he did not anticipate any from this Meeting.

Chairman Watkins then called for a motion to approve the Minutes of the Regular Authority Board Meeting of August 3, 2017.

Upon motion of Mayor Buckhorn, seconded by General Diehl, the Minutes of the Regular Authority Board Meeting of August 3, 2017 were unanimously approved by all members present.

Chairman Watkins then called upon Mr. Lopano to present his Management Report.

Mr. Lopano asked John Tiliacos, Executive Vice President of Operations and Customer Service, to the podium. Mr. Tiliacos gave a presentation on the preparation and planning for Hurricane Irma. Tampa International Airport was working closely with the City of Tampa and State Emergency Operations Centers. The airport campus and construction sites were secured. Daily briefings were being held with internal staff, airlines and all other tenants. A core team of essential employees would remain at the Airport to ride out the storm.

Next to present was Chris Minner, Executive Vice President of Marketing and Communications. Mr. Minner started his presentation by letting the Board know that it was the last Board Meeting for Justine Griffin, reporter for the Tampa Bay Times. She will be covering health care for the region. Mr. Minner wished her the best of luck in her new position.

Mr. Minner then moved on to the Monthly Performance Assessment Report. Total traffic for the month of July was up 6.3%. The biggest growth was by Southwest Airlines at 11.3%. Frontier Airlines was up 101% on their total capacity with new flights to Cincinnati and Las Vegas in addition to major increases at Philadelphia, Cleveland and Trenton, New Jersey.

International Passenger Traffic was up 2.2% for the month of July and Cuba traffic had the biggest amount of passengers to date, 14,162, which represented 18% of all international traffic.

Spirit Airlines announced new year-round daily nonstop flights to New Orleans starting in November. Spirit has grown from three markets in 2012 to 16 today. Mr. Minner reported on the Icelandair Inaugural flight. Kenneth Strickland and Mr. Minner along with the Authority's travel partners traveled to Reykjavik, Iceland. They had a meeting with the CEO of Icelandair, Mr. Birgir Holm Guonason, and his entire Executive Team at their headquarters. The press conference for today needed to be rescheduled to a later date due to Hurricane Irma.

Mr. Damian Brooke, Executive Vice President of Finance and Procurement, was up next to report on bond ratings. Authority Staff recently traveled to New York to meet with the four main bond and credit rating agencies. Information was presented on the Master Plan Phase 1 and an introduction to Master Plan Phase 2, as well as financial projections for the Authority through 2025. Both Moody's and Kroll have reaffirmed the Authority's AA ratings on existing senior debt as well as the single A ratings on both the subordinated and CFC standalone debt. Both Standard and Poor's and Fitch are expected to issue their rating decisions within two weeks. The next meeting with the rating agencies will be during the 3<sup>rd</sup> Quarter of 2018.

The Chairman then asked if anyone had any items they would like set aside for further consideration on the Consent Agenda. Hearing none, Chairman Watkins then called for a motion to approve the items in the Consent Agenda.

Upon motion of Mayor Buckhorn, seconded by General Diehl, the Consent Agenda was unanimously approved by all members present.

The following items were contained in the Consent Agenda.

#### CONSENT ITEM G1

On December 4, 2014, the Board approved a Use and Permit Agreement for Off-Airport Rental Car Concession at Tampa International Airport (Agreement) with Ciskon, LLC d/b/a Ace Rent A Car (Ciskon), Fox Rent A Car, Inc. (Fox), and Payless Car Rental, Inc. (Payless). On June 4, 2015, the Board approved an Agreement with Sixt Rent A Car, LLC (Sixt) and Zipcar, Inc. (Zipcar). The Agreements currently expire on September 30, 2017.

On June 4, 2015, the Board approved a Lease and Concession Contract with Ciskon, Fox, and Sixt for space in the new Rental Car Center. Payless and Zipcar will operate at the new Rental Car Center under the Authority's Lease and Concession Contract with AvisBudget, their parent company. The new Rental Car Center is scheduled to open in February 2018. Due to the difference in time between the expiration of the Agreements and the opening of the new Rental Car Center, the terms of the Agreements need to be extended.

Amendment No. 1 authorized an extension of the term of the Agreements with Cison, Fox, Payless, Sixt and Zipcar to the later of January 31, 2018 or the date the Rental Car Center opens to the public for commencement of operations.

Management recommended adoption of Resolution Nos. 2017-73, 2017-74, 2017-75, 2017-76, and 2017-77.

Resolution No 2017-73 approved and authorized Amendment No. 1 to Use and Permit Agreement for Off-Airport Rental Car Concession at Tampa International Airport with Cison, LLC d/b/a Ace Rent A Car; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Resolution No 2017-74 approved and authorized Amendment No. 1 to Use and Permit Agreement for Off-Airport Rental Car Concession at Tampa International Airport with Fox Rent A Car, Inc.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Resolution No 2017-75 approved and authorized Amendment No. 1 to Use and Permit Agreement for Off-Airport Rental Car Concession at Tampa International Airport with Payless Car Rental, Inc.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Resolution No 2017-76 approved and authorized Amendment No. 1 to Use and Permit Agreement for Off-Airport Rental Car Concession at Tampa International Airport with Sixt Rent A Car, LLC; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Resolution No 2017-77 approved and authorized Amendment No. 1 to Use and Permit Agreement for Off-Airport Rental Car Concession at Tampa International Airport with Zipcar, Inc.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

#### CONSENT ITEM G2

CJB Enterprises, Inc. d/b/a Carl's Van Rentals (CJB) currently has a Use and Permit Agreement for Off-Airport Rental Car Concession (Agreement) at Tampa International Airport (Airport) which expires on September 30, 2017. CJB chose not to occupy space in the new Rental Car Center and desires to continue operating its off-airport rental car business near the Airport.

This item approves and authorizes an Agreement with CJB to operate an off-airport car rental business and to provide transportation for airport customers to its off-airport location by courtesy vehicle.

The Agreement commences on October 1, 2017 and expires on September 30, 2020. The Authority may terminate the Agreement, with or without cause, upon 30 days written notice. In accordance with Authority Policy P822, CJB will pay a privilege fee equal to 1% less than that of the on-airport rental car companies, which is currently nine and one-half percent (9.5%). The privilege fee will increase to ten percent (10%) for the on-airport rental car companies after the Rental Car Center opens to the public. As such, CJB will initially pay a privilege fee of eight and one-half percent (8.5%) of Gross Receipts and will subsequently pay nine percent (9%) of Gross Receipts after the Rental Car Center opens to the public, for the remainder of the term of the Agreement.

Additionally CJB will initially pay an annual courtesy vehicle permit fee of \$100 for each authorized vehicle. At the time the new AVI system is installed at the Airport, and continuing for the remainder of the term of the Agreement, CJB will pay a vehicle per-trip fee of \$2.50 each time a customer is picked up at the Airport. Simultaneously with this change, the annual courtesy vehicle permit fee will be eliminated.

Lastly, CJB will pay the Authority a Transportation Facility Charge (TFC) of \$2.00 per rental transaction day for each rental regardless of length of rental.

The Agreement provides two methods by which CJB can account for and report non-airport business which is exempt from inclusion in Gross Receipts: a flat 5% or a signed affidavit stating an Airport customer did not arrive at the Airport within 24 hours and/or did not utilize a courtesy vehicle for transportation to or from CJB's off-airport facilities. The method chosen is to remain in place throughout the term of the Agreement.

Management recommended adoption of Resolution No. 2017-71.

Resolution No. 2017-71 approved and authorized execution of the Use and Permit Agreement for Off-Airport Rental Car Concession at Tampa International Airport with CJB Enterprises, Inc. d/b/a Carl's Van Rentals; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

#### CONSENT ITEM G3

On October 3, 2013, the Board authorized execution of an Agreement for Special Legal Services with Adams and Reese, LLP for legal services in the area of land use and zoning. The initial term of the Agreement was October 4, 2013 through October 3, 2015 with two, one-year renewal options at the discretion of the Chief Executive Officer or designee. On July 16, 2015, the two, one-year renewal options were exercised, extending the Agreement through October 3, 2017.

Authority Policy P500 authorizes the utilization of non-Authority attorneys without obtaining three quotes or advertisement based upon such factors as needed services, experience, qualifications, geographic location, length of services, and efficiencies.

Authorize execution of a Contract for Special Legal Services for land use and zoning matters with Adams and Reese, LLP for a two-year period beginning October 3, 2017 and continuing through October 2, 2019, with two, one-year renewal options. The Contract authorizes the Authority General Counsel to exercise the two, one-year renewal options. The total not-to-exceed amount for the term of the Contract, including the renewal options, is \$150,000.

This item is included in the O&M Budget.

Management recommended adoption of Resolution No. 2017-65.

Resolution No. 2017-65 approved and authorized execution of the Contract for Special Legal Services at Tampa International, Peter O. Knight, Tampa Executive and Plant City Airports with Adams and Reese, LLP; and authorized the General Counsel or designee to execute all other ancillary documents.

**CONSENT ITEM G4**

On August 5, 2017, the Board awarded Quantem Aviation Services, LLC (Quantem) an Operating Agreement for Ground Handlers (Operating Agreement) at Tampa International Airport (Airport). Initially, Quantem will provide cargo ground handling services to United Parcel Service, Inc. Quantem is also authorized under its Operating Agreement to provide passenger ground handling services to other airlines at the Airport. Quantem desires to lease space in the Authority’s North Cargo Building in support of its activities under the Operating Agreement.

This Agreement leases approximately 10,080 square feet of operations space in Suites E and F of the Authority’s North Cargo Building to Quantem for a term of October 1, 2017 through September 30, 2020. The Authority may terminate the Agreement upon 180 days’ written notice. Quantem has no termination option without cause. The following rents commence October 1, 2017 for use of the space:

<b>Description</b>	<b>Sq. Ft.</b>	<b>Rate</b>	<b>Annual Payment</b>	<b>Monthly Payment</b>
Warehouse Rent	10,080	\$6.50	\$65,520.00	\$5,460.00
O&M Cost Recovery Rent	10,080	\$0.26	\$2,620.80	\$218.40
<b>Total, Plus Tax</b>			<b>\$68,140.80</b>	<b>\$5,678.40</b>

Effective October 1, 2019, each annual rental rate increases by five percent for the final year of the Agreement.

Management recommended adoption of Resolution No. 2017-68.

Resolution No. 2017-68 approved and authorized execution of the North Cargo Building Space Rental Agreement at Tampa International Airport with Quantem Aviation Services, LLC; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

#### CONSENT ITEM G5

Since April 7, 2016 G2 Secure Staff, LLC (G2) has provided interior aircraft cabin cleaning services to its customers at Tampa International Airport under an Operating Agreement for Ground Handlers. G2 desires to lease space from the Authority on the Ticketing Level of the Main Terminal under a Space Rental Agreement (Agreement) in support of its aircraft cabin cleaning operations.

G2 desires to lease Suite 1273 office space at the FY17 non-signatory rate indicated below:

<u>Description</u>	<u>Sq. Ft.</u>	<u>FY17 Rate</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
Ticketing Level Office Space	98	\$207.44	\$20,329.12	\$1,694.09

The Agreement commences September 7, 2017 and terminates concurrently with all other space rental agreements on September 30, 2020. Either party may terminate the Agreement upon 30 days' written notice. G2 must provide payment security in the amount of \$5,082.27, equal to three months' rents, fees and charges.

Management recommended adoption of Resolution No. 2017-48.

Resolution No. 2017-48 approved and authorized execution of the Space Rental Agreement at Tampa International Airport with G2 Secure Staff, LLC; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

#### CONSENT ITEM G6

The Authority's current Business Automobile policy expires on September 30, 2017.

Willis of Florida, Inc. (Willis), the Authority's liability insurance broker, approached eight insurance companies including the incumbent carrier, Preferred Aviation Underwriters, requesting quotes for the Authority's Business Automobile coverage for the renewal period of October 1, 2017 through September 30, 2018. No changes are proposed at the current coverage level of \$1 million

each occurrence and aggregate with a \$0 liability deductible, a \$1,000 collision deductible for passenger vehicles, and a \$5,000 collision deductible for fire rescue vehicles.

The following premium quote was received:

Preferred Aviation Underwriters	\$149,227
---------------------------------	-----------

All other seven companies approached declined to provide a quote due to category of business or because their premium cost would not be competitive with the incumbent carrier.

The proposed premium of \$149,227 received from Preferred Aviation Underwriters is \$10,897 or 7.9% higher than the expiring premium of \$138,330. This premium increase is primarily due to the replacement of older vehicles and a small increase in rates. The term of the policy is one year. Additional premiums may be paid to Preferred Aviation Underwriters or refunded during the policy term as vehicles are added or deleted from the Authority's fleet.

This item is included in the O&M Budget.

The Chief Executive Officer recommended the Board authorize issuance of the purchase order to Willis for the purchase of the Business Automobile policy; authorize additional premiums to be paid when additional vehicles are added to the Business Automobile policy; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

The Board acted on this by motion; no resolution was required.

#### CONSENT ITEM G7

The Authority's current Workers' Compensation and Employer's Liability policy expires on September 30, 2017.

Arthur J. Gallagher Risk Management Services, Inc. of Florida (Gallagher), the Authority's workers' compensation broker, approached six insurance companies including the incumbent carrier, Florida Municipal Insurance Trust (FMIT), and requested quotes for the Authority's Workers' Compensation at statutory limits and Employer's Liability coverage at \$1,000,000 each accident for the renewal period of October 1, 2017 through September 30, 2018.

The following premium quote was received:

Florida Municipal Insurance Trust	\$640,418
-----------------------------------	-----------

The other five companies approached declined to provide a quote because their premium cost would not be competitive with the incumbent carrier or due to class of business. FMIT, as a governmental trust, is able to propose lower premiums than standard insurance companies.

FMIT's proposed premium of \$640,418 for a fully insured, non-deductible program represents a \$92,209 or 16.8% increase in premium over the expiring policy premium of \$548,209. This premium increase is due to a combination of affects including increases in the Authority payroll, premium rates and the Authority's experience modification rate (which is based on three-years' loss experience). The premium quote includes a \$25,000 brokerage fee.

Additional premiums may be paid to FMIT, or refunded, as a result of the Authority's annual payroll audit. The premiums will be adjusted based on the rates reflected in the quote.

This item is included in the O&M Budget.

The Chief Executive Officer recommended the Board authorize issuance of the purchase order to Gallagher for the purchase of the fully insured, non-deductible Workers' Compensation and Employer's Liability policy based on the rates provided in the quote from FMIT; authorize the payment of additional premiums resulting from the Authority's annual payroll audit; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

The Board acted on this by motion; no resolution was required.

#### CONSENT ITEM G8

The Information Technology Department is seeking to purchase a vulnerability management system to help identify, alert, and report vulnerabilities in Information Technology assets used in the course of business activities. Carahsoft Technology Corporation offers Qualys, a cloud based vulnerability management application that identifies vulnerabilities, generates reports to trend these activities over time, and automates reports in a manner that allows remediation efforts to be prioritized based on the most critical vulnerabilities.

Authority Policy P410 authorizes the utilization of federal, state, local or multi-state cooperative purchasing contracts to purchase goods and services without obtaining three quotes or advertising.

Authorize the issuance of purchase orders to Carahsoft Technology Corporation for the purchase of the Qualys vulnerability management application utilizing GSA Contract No. GS-35F-0119Y, for the period of September 7, 2017 through September 6, 2021, in a total not-to-exceed amount of \$322,000.

This item is included in the O&M Budget.

The Chief Executive Officer recommended the Board authorize the issuance of purchase orders to Carahsoft Technology Corporation and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

The Board acted on this by motion; no resolution was required.

This concluded the Consent Agenda, Chairman Watkins then proceeded to Policies or Rules for Consideration or Action.

The Policies up for discussion were the Update to Policy Manual, Revisions to Policy P331, Minimum Standards for Commercial Aeronautical Operations and Update to Policy Manual, Revisions to R331, Minimum Standards for Commercial Aeronautical Operations for Peter O. Knight Airport, Plant City Airport, Tampa Executive Airport, presented by Brett Fay.

The purpose of Minimum Standards is to foster, encourage, promote, and develop general aviation and related aeronautical activities at Peter O. Knight Airport, Plant City Airport, Tampa Executive Airport, and Tampa International Airport General Aviation, while promoting safety and security in all airport activities, enhancing the availability of high quality services for airport users, promoting the orderly development of airport property for aeronautical activities, and providing a fair and reasonable opportunity to all on-airport commercial aeronautical operators. These Minimum Standards include minimum requirements such as: type of service provided, management, and staffing standards; facilities; prior experience; and public service hours.

P331, Minimum Standards for Commercial Aeronautical Operations, was adopted on November 6, 2003 and was last revised on December 20, 2012. The Policy requires the Chief Executive Officer to ensure that the Minimum Standards are reviewed at least every three years and any recommended changes are provided to the Board for approval. The last review of P331 was on February 8, 2016 with no recommended changes.

R331, Minimum Standards for Commercial Aeronautical Operations for Peter O. Knight Airport, Plant City Airport, and Tampa Executive Airport, was adopted on November 6, 2003 and was last revised on April 5, 2012. The last review of R331 was on February 8, 2016 with no recommended changes.

Staff has reviewed Policy P331 and recommends the following:

- Revising the document title to refer to activities instead of operations to be consistent with FAA guidance.

- Including language providing for a fair and reasonable opportunity to all on-airport Commercial Aeronautical Operators.
- Revising to include Tampa International Airport General Aviation.

Staff has reviewed R331 and recommends the following:

- Revising the document title to refer to activities instead of operations to be consistent with FAA guidance.
- Revising to include Tampa International Airport General Aviation.
- Including language providing for a fair and reasonable opportunity to all on-airport Commercial Aeronautical Operators.
- Revising qualification requirements for prospective Fixed Base Operators (FBOs) and Specialized Aviation Service Operators (SASOs) to promote and foster aeronautical activities.
- Updating FBO operation requirements.
- Creating a separate section for SASOs to provide a clear distinction between SASO and FBO requirements.

The Chief Executive Officer recommended the Board approve the revisions to P331, Minimum Standards for Commercial Aeronautical Operations and R331, Rules and Regulations Concerning Commercial Aeronautical Operations for Peter O. Knight Airport, Plant City Airport, and Tampa Executive Airport.

The Board acted on this by motion; no resolution was required.

Upon motion of Mayor Buckhorn, seconded by General Diehl, the revisions to P331, Minimum Standards for Commercial Aeronautical Operations and R331, Rules and Regulations Concerning Commercial Aeronautical Operations for Peter O. Knight Airport, Plant City Airport, and Tampa Executive Airport were unanimously approved by all members present.

Chairman Watkins asked General Diehl to deliver the Audit Committee Report. General Diehl reported that the Audit Committee met on August 16, 2017, with all members in attendance. The first order of business was the election of the Chairman and General Diehl was elected. A presentation was given by the Director of Internal Audit regarding the progress of the State Audit being conducted by the Auditor General's office. Also, the Vice President of Information Technology Services provided an information security update and the Authority's external auditors, RSM US, provided a presentation regarding the fiscal year 2017 external audit and financial audit plan.

The Chairman then proceeded to Unfinished Business. The first and only item in Unfinished Business was the Proposed Capital and Operating Budget for FY 2018, Resolution No. 2017-70, presented by Damian Brooke.

The Authority's FY2017 budget reflected a strategy for sustaining Tampa International Airport's reputation for excellent customer service for its passengers, residents, guests, employees and tenants, all while transforming the facility for the future. The past year has seen the Authority nearing completion of significant construction all around the Tampa International Airport campus. The FY 2018 Proposed Capital and Operating Budget takes the Authority through the final completion of 69 new concessions units, the SkyConnect automated people mover, and the Rental Car Center.

With passenger levels at a record breaking 20.5 million, revenues are projected to reach \$231 million. Net operating expenses are projected at \$128.6 million. Expenses include 5 new staff positions in support of growth and information technology. After revenue sharing of \$9.6 million and annual debt service, which will remain flat at \$50 million, the Authority's FY2018 Operating Budget is projected to generate \$41 million for capital improvements and reserves. The \$457.7 million FY2018 capital improvement projects will utilize \$31.6 of this available Authority funding, and capital equipment is estimated to use another \$2.8 million. Other sources of funding for the Capital Budget include federal and state grants, passenger facility charges and debt.

On July 31, 2017, the Authority met with representatives of the signatory airlines serving Tampa International Airport to review the proposed Capital and Operating Budget. The airlines are in support of the initiatives and have accepted the Budget, including the establishment of terminal rental rates and landing fees. In accordance with the terms of the Authority's revenue bond trust indenture, the proposed FY 2018 Budget has been reviewed and approved by Ricondo & Associates, the airport consultant.

Estimated signatory airline fees and charges for FY 2018 are summarized below:

Average terminal rental rate per square foot	\$140.45
Airsides A, C, E and F rental rate per square foot	\$91.33
Landing fees per 1,000 pounds of landed weight	\$1.572

On August 3, 2017, the Proposed Capital and Operating Budget for Fiscal Year 2018 was presented to the Board Members for their review, accompanied with a comprehensive presentation. The proposed Budget provides for an increase in both revenues and expenses while still maintaining a contribution to reserves in excess of \$6.6 million.

The Chief Executive Officer and the airport consultant recommended adoption of Resolution No. 2017-70.

Upon motion of Mayor Buckhorn, seconded by General Diehl, the Capital and Operating Budget for Fiscal Year 2018 was unanimously approved by all members present; and the Chief

Executive Officer or his designee was authorized to execute all other ancillary documents by adoption of Resolution No. 2017-70.

This concluded Unfinished Business and Chairman Watkins moved on to New Business. The first item in New Business was the Construction Contract, General Aviation Hangar Rehabilitation, HCAA Project No. 6340 17, Nujak Development, Inc., Peter O. Knight Airport, Resolution No. 2017-67, presented by Jeff Siddle.

This Project consists of various architectural, structural, and electrical improvements to three enclosed hangars at Peter O. Knight Airport. Rehabilitation efforts generally consist of interior and exterior cleaning and painting, repairs to interior and exterior panels, structural member repair, concrete slab crack and spall repair, light fixture replacement, removal and replacement of select building hardware, and various electrical improvements. A low bid solicitation was advertised on May 3, 2017.

On July 12, 2017, bids were publicly opened and read aloud as follows:

<u>Company Name</u>	<u>Bid Amount</u>
Nujak Development, Inc.	\$579,000.00
*J.O. Delotto & Sons, Inc.	\$2,324,029.00

\* J.O. Delotto & Sons, Inc. was deemed non-responsive for failing to meet the Authority's bid submission requirements.

The lowest responsive and responsible bidder is Nujak Development, Inc., a certified W/MBE firm.

There was no W/MBE expectancy for this Contract.

This item is included in the Capital Budget.

Management recommended adoption of Resolution No. 2017-67.

Upon motion of Mayor Buckhorn, seconded by General Diehl, the Board unanimously approved the award and execution of the Construction Contract for General Aviation Hangar Rehabilitation, HCAA Project No. 6340 17, at Peter O. Knight Airport with Nujak Development, Inc. in the amount of \$579,000.00, and authorized the Chief Executive Officer or his designee to execute all other ancillary documents by adoption of Resolution No. 201-67.

The second item under New Business was the election of Design-Builder, Demolition of Red Side Rental Car Garage and Airside D Shuttle Guideway, HCAA Project No. 8830 17, Tampa International Airport, presented by Jeff Siddle.

The Red Side Rental Car Garage (Garage) was constructed in 2005 to enhance customer pick-up of rental cars on the Red Side of Tampa International Airport's Main Terminal. With the new Rental Car Center scheduled to open in early 2018, the Garage is no longer needed and is incompatible with the 2012 Master Plan's future Main Terminal curbside expansion project. Additionally, the remaining segment of the Airside D Shuttle Guideway has also been deemed incompatible for future use.

This Project will demolish the Garage, the remaining segment of the existing Airside D Shuttle Guideway, and decommission the Red Side Rental Car Office Area.

On June 1, 2017, a request for qualifications entitled Demolition of Red Side Rental Car Garage and Airside D Shuttle Guideway at Tampa International Airport was issued.

Four responses were received and two responses were evaluated by staff. The response received from Infrastructure and Industrial Constructors Southeast, Inc. was deemed non-responsive for failing to meet the minimum qualification that the respondent has completed two projects as the Prime Contractor, Design-Builder or Construction Manager at Risk with a demolition component of \$2,000,000 or greater since January 1, 2007. The response received from Walbridge Aldinger LLC was deemed non-responsive for failing to meet the minimum qualification that the respondent meet the Women and Minority Business Enterprise (W/MBE) participation goal requirement.

The order of technical ranking is as follows:

1. Kimmins Contracting Corp.
2. Sabre Demolition Corporation

A W/MBE goal of at least 8% of the dollar amount earned on the contract for the design phase of the Project was prescribed. A W/MBE goal of at least 15% of the dollar amount earned on the contract for construction was prescribed. The percentages proposed by all responsive respondents for the amount earned on design will meet or exceed the W/MBE goal requirements and will be incorporated into the resulting contract. All responsive respondents assured that they will meet the W/MBE goal for construction.

This item is included in the Capital Budget.

The Chief Executive Officer recommended ranking the order of firms as listed above.

Upon motion of Mayor Buckhorn, seconded by General Diehl, the Board unanimously approved the ranking; no resolution was required.

The third and last item under New Business was the selection of Firm and Award of Contract, West Side Baggage Handling System Servers – Software Replacement, HCAA Project No. 6105 15, Brock Solutions US Systems LLC, Tampa International Airport, Resolution No. 2017-66, presented by Marcus Session.

The existing West Side Baggage Handling System Servers have reached the end of their useful life and are scheduled to be replaced by the Authority. The operating system for the new servers will need to be upgraded to the current Microsoft Server 2012 R2 operating system. This project will replace the current application software, Sort Allocation Computer and Maintenance Diagnostic System, originally provided by FKI Logistex, now Intelligrated Systems, LLC. Intelligrated Systems, LLC no longer supports this software. The replacement software will run on the new Authority-provided servers and the Microsoft Server 2012 R2 operating system. The Authority will provide all operating system software, replacement servers and ancillary equipment as determined by the selected and awarded Respondent. The selected and awarded Respondent is expected to provide all needed remaining software to meet existing system performance levels.

On May 10, 2017 a request for proposals was issued for West Side Baggage Handling System Servers – Software Replacement at Tampa International Airport.

Three responses were received and evaluated by staff. The following firms are listed in order of technical ranking:

1. Brock Solutions US Systems LLC (*Recommended Award*)
2. JMR Technology, Inc. dba JMR Conveyor Systems, Inc.
3. ControlTouch Systems, LLC

There was no W/MBE goal prescribed for this Contract.

The term of the Contract will continue through completion of the project. The total not-to-exceed amount of the Contract is \$1,173,885.00.

This item is included in the Capital Budget.

The Chief Executive Officer recommended the ranking listed above.

Upon motion of Mayor Buckhorn, seconded by General Diehl, the Contract for West Side Baggage Handling System Servers – Software Replacement, HCAA Project No. 6105 15, at Tampa

International Airport with Brock Solutions US Systems LLC was unanimously approved by all members present; and the Chief Executive Officer or his designee was authorized to execute all other ancillary documents by adoption of Resolution No. 2017-66.

This item concluded New Business.

Al Illustrato began the Staff Reports with an overall assessment of the Master Plan Project. The Authority is on track to complete the Master Plan Project within the program budget of \$971.8 million. The Authority has expended \$769 million to date.

The Rental Car Center Quick Turnaround, SkyConnect Stations, Guideway, Economy Garage and Moving Walkways have a projected completion date of late 2017 and the projected opening for the Rental Car Center is February 2018. The Rental Car Center baggage conveyors, west side ground transportation waiting area and commercial ground transportation facility scope of work has been removed from the Austin contract due to a variety of reasons and the projected completion date is late 2018/early 2019.

On the Main Terminal Expansion, the projected completion is early 2018 with the Sikorsky escalator core and Airside A and Airside F shuttles projected to be completed in late spring/summer 2018.

The Concession Redevelopment Program will have 56 of 69 concessions operating by December 2017. There are 44 locations that are currently open and 12 additional to be open in 2017. The remaining 13 locations will be completed in early 2018.

Mr. Illustrato then gave a recap of the recent progress on SkyConnect, Rental Car Center and MTAC as well as the look ahead for September, October and November.

Mr. Lopano pointed out that HART will have 3 buses coming to the Airport starting October 8<sup>th</sup> with one of the services from Brandon through downtown Tampa and then to the Airport.

Mr. Illustrato concluded with the budget slide. He stated that the estimates at completion have been adjusted and some costs will go up and others will go down depending on the risks and cost exposures on those items. The costs are continually changing but with a snapshot of where the Authority currently is the project will be \$10.7 million under the overall program budget of \$971.8 million. This concluded Mr. Illustrato's Master Plan Update.

This concluded the Staff Reports section of the Meeting. Chairman Watkins next moved to the Attorney-Client Closed Session and turned the meeting over to General Counsel, Michael Stephens. Mr. Stephens went over some of the preliminary instructions pertaining to the Attorney-Client Closed Session in accordance with Florida Statute Section 286.011(8).

Chairman Watkins then called for a motion to proceed to a Closed Session.

Upon motion of Mayor Buckhorn, seconded by General Diehl, the motion to proceed with the Closed Session was unanimously approved by all members present.

*(Closed Session began at approximately 9:43 a.m. and ended at 10:10 a.m.)*

Upon Motion of Mayor Buckhorn, seconded by General Diehl, the motion to reopen the Regular Board Meeting was unanimously approved by all members present.

The Regular Board Meeting was reopened by Chairman Watkins.

Before adjourning Mr. Stephens requested an Attorney-Client Closed Session be held at the October Board Meeting to discuss pending litigation and seek the Board's direction in terms of settlement and strategy.

With no other business to be brought before the Board, the Regular Board meeting adjourned at 10:11 a.m.

---

Robert I. Watkins, Chairman

---

Victor D. Crist, Secretary  
Assistant Secretary, Assistant Treasurer