



Tampa International Airport

AVIATION AUTHORITY

REGULAR BOARD MEETING

Thursday, March 2, 2017

9:00 A.M.

Boardroom

Level 3 at Tampa International Airport

AGENDA

Any person who desires to appeal any decisions made at this meeting will need a record of the proceedings and for that purpose may need to ensure that a verbatim record of the proceeding is made which includes the testimony and evidence upon which the appeal is based. Any person requiring reasonable accommodations to attend any public meeting because of a disability or physical impairment must submit a written request to Joseph W. Lopano, Chief Executive Officer, Hillsborough County Aviation Authority, Post Office Box 22287, Tampa, FL 33622 or via facsimile at (813) 870-7868. Such request must be received at least 48 hours before the meeting. If you have any questions, please call (813) 870-8701.

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- A. **CALL TO ORDER**
- B. **PLEDGE OF ALLEGIANCE**
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- D. **PUBLIC COMMENTS**
- E. **APPROVAL OF THE MINUTES** - Regular Authority Meeting – February 2, 2017
- F. **MANAGEMENT REPORT**
- G. **APPROVAL OF THE CONSENT AGENDA**

G. CONSENT ITEM

1. Amendment No. 5 to Lease Agreement for Operation of Automatic Teller Machines Landside and Airside Buildings, SunTrust Bank, Tampa International Airport, Resolution No. 2017-20
-

I. Background:

On January 10, 2002, the Board approved a Lease Agreement for Operation of Automatic Teller Machines Landside and Airside Buildings (Agreement) with SunTrust Bank (SunTrust) to install, operate and maintain Automatic Teller Machines (ATMs) at Tampa International Airport. The initial term of the Agreement was for 2 ½ years, expiring on June 30, 2004.

To remain concurrent with Marriott Hotel Services (Marriott) sublease for a SunTrust branch bank, the Board has previously approved three Amendments to extend the term of the Agreement through June 30, 2017. Marriott recently entered into a new sublease with SunTrust securing the branch bank services for an additional five-year term expiring on June 30, 2022.

II. Proposal:

This Amendment No. 5 extends the term of the Agreement to June 30, 2022, coinciding with Marriott's recently extended sublease with SunTrust.

This Amendment No. 5 also provides for an increase in the Minimum Annual Privilege Fee paid by SunTrust from \$305,844 to \$330,000 effective July 1, 2017 with a 3% annual escalator thereafter, for a total of \$1,752,015 over the remaining term of the Agreement; increases the transaction fee charged by SunTrust to its customers for use of the ATMs from \$2.95 to \$3.25; revises the requirements of the Monthly Transaction Report; revises the End of Term Transition requirement; and adds other required administrative provisions.

III. Funding:

N/A

IV. Recommendation:

Management recommends adoption of Resolution No. 2017-20.

G1 (Continued)

V. Resolution:

Resolution No. 2017-20 approves and authorizes execution of Amendment No. 5 to Lease Agreement for Operation of Automatic Teller Machines Landside and Airside Buildings at Tampa International Airport with SunTrust Bank; and authorizes the Chief Executive Officer or his designee to execute all other ancillary documents.

G. CONSENT ITEM**2. Authorization for Expenditure of Federal Forfeiture Funds, Tampa International Airport**

I. Background:

Under provisions of the U.S. Department of Treasury Guide to Equitable Sharing for Foreign Countries and Federal, State and Local Law Enforcement Agencies (Guide), Federal forfeiture funds shared with local law enforcement agencies must be expended for law enforcement purposes.

Authority Standard Procedure S440.14 requires expenditures from Federal forfeiture funds to be made only after approval from Legal Affairs and the Authority Board. Legal Affairs has reviewed this request and agrees with the expenditures.

II. Proposal:

Authorize the expenditure of Federal forfeiture funds to be used by the Tampa International Airport Police Department in an amount not-to-exceed \$72,041.01 for the purchase of a mobile radio, explosive detection interdiction canine and explosive detection interdiction canine handler course.

III. Funding:

This item is included in the Federal Forfeiture Funds Budget.

IV. Recommendation:

The Chief Executive Officer recommends the Board authorize the expenditure of Federal forfeiture funds and authorize the Chief Executive Officer or his designee to execute all other ancillary documents.

The Board may act on this by motion; no resolution is required.

G. CONSENT ITEM

3. Ground Services Equipment Facilities Space Rental Agreement, Global Aviation Services, GAS, LLC, Tampa International Airport, Resolution No. 2017-17

I. Background:

Commencing April 1, 2017, Global Aviation Services, GAS, LLC (GAS) desires to lease space in Suite 2200 of the Authority’s Ground Service Equipment (GSE) Building under a Ground Services Equipment Facilities Space Rental Agreement (Agreement). GAS will provide GSE maintenance support to its Tampa International Airport customers, Sky Chefs and WGA NavStar.

II. Proposal:

GAS desires to lease 5,120 square feet of warehouse space for a term of April 1, 2017 through September 30, 2018, with one two-year renewal option upon GAS’s request and the consent of the Authority’s Chief Executive Officer or designee. Either party may terminate the Agreement upon 180 days’ notice. The Agreement requires GAS to pay GSE Building Rent, Customized Improvements Rent, and O&M Rent. Payment of the Customized Improvements Rent will continue beyond the termination of the Agreement until a replacement tenant is secured or the balance of Customized Improvements Rent is paid in full, whichever occurs first. GAS must provide payment security in the amount of \$15,585.09, equal to three months’ rent.

FY2017 Rents	Rate	Annual Rent	Monthly Rent
GSE Building Rent	\$9.15	\$46,848.00	\$3,904.00
Customized Improvements Rent	Lump Sum	\$8,989.92	\$749.16
O&M Rent - Phased Increase	\$1.27	\$6,502.40	\$541.87
Total, Plus Applicable Taxes:		\$62,340.32	\$5,195.03

III. Funding:

N/A

IV. Recommendation:

Management recommends adoption of Resolution No. 2017-17.

G3 (Continued)

V. Resolution:

Resolution No. 2017-17 approves and authorizes the execution of the Ground Services Equipment Facilities Space Rental Agreement at Tampa International Airport with Global Aviation Services, GAS, LLC; and authorizes the Chief Executive Officer or his designee to execute all other ancillary documents.

G. CONSENT ITEM

4. Operating Agreement for Ground Handlers, Global Aviation Services, GAS, LLC, Tampa International Airport, Resolution No. 2017-19
-

I. Background:

Ground service equipment maintenance providers at Tampa International Airport (Airport) must have, at a minimum, a ground handling operating agreement prior to commencing operations.

II. Proposal:

Global Aviation Services, GAS, LLC (GAS) desires to perform preventative maintenance and repair on ground service equipment for its customers at the Airport for a term commencing April 1, 2017 through September 30, 2020. Initially, this service will be provided to WGA NavStar and Sky Chefs. For the privilege of providing services to signatory air carriers at the Airport, no privilege fee will be remitted, per the Authority's signatory airline agreement. For the privilege of providing services to WGA NavStar, Sky Chefs and any non-signatory air carriers and non-airline customers at the Airport, GAS will pay to the Authority five percent of gross receipts, payable in equal monthly installments. Gross receipts include the gross revenues from all sales made and services performed for cash, credit or otherwise, pursuant to GAS's limited ground handling operations at the Airport. Gross receipts exclude the retail value of fuel and oil and the related fuel service fee, gross revenues that GAS receives for all services provided to signatory air carriers, certain catering sales, and ferrying and diverted landings. Either party may terminate the Agreement upon 30 days' written notice.

III. Funding:

N/A

IV. Recommendation:

Management recommends adoption of Resolution No. 2017-19.

V. Resolution:

Resolution No. 2017-19 approves and authorizes execution of the Operating Agreement for Ground Handlers at Tampa International Airport with Global Aviation Services, GAS, LLC; and authorizes the Chief Executive Officer or his designee to execute all other ancillary documents.

G. CONSENT ITEM

5. Renewal of Property Insurance for Coverage of Tampa International, Peter O. Knight, Plant City and Tampa Executive Airports
-

I. Background:

The Authority's property insurance program is currently with Lexington Insurance Company (property) and Lloyds of London (terrorism), which are both A rated insurance carriers by AM Best. This insurance covers approximately \$2.15 billion in insured values at Tampa International Airport and the Authority's three general aviation airports. The Authority's current property insurance policies will expire April 1, 2017. Arthur J. Gallagher Risk Management Services (Gallagher), the Authority's property insurance broker, marketed the Authority's property coverage to 13 available carriers and recommended the incumbent carriers to participate in the property insurance program.

II. Proposal:

Gallagher recommends property insurance renewal containing the same coverage as the expiring policies of \$1 billion all other perils, \$75 million wind, \$75 million flood and \$100 million of terrorism provided by the two incumbent carriers: Lexington Insurance Company and Lloyds of London. Wind coverage is subject to a 5% deductible with a \$250,000 per occurrence minimum deductible. The cost of the renewal premium is \$1,884,640, which is a decrease of 4.36% from last year due to a 5% rate reduction by Lexington Insurance Company. It is anticipated that completed Master Plan projects will result in an increase in the Authority's insured value by approximately \$554,696,251 and a premium payment during the policy term not to exceed \$260,597.

Staff and the Authority's insurance consultant, Siver Insurance Consultants, have reviewed the proposed property insurance program and recommend the Authority accept Gallagher's property insurance renewal at a total cost of \$1,884,640.

III. Funding:

This item is included in the FY2017 O&M Budget.

G5 (Continued)

IV. Recommendation:

The Chief Executive Officer recommends the Board authorize Gallagher to bind the property insurance coverage listed above for the 12-month policy period beginning April 1, 2017, at a total cost of \$1,884,640, and authorize the payment of additional property premiums, taxes, fees and/or assessments invoiced throughout the policy period for newly acquired, revalued, or new property added to the policy after renewal in an amount not to exceed \$260,597.

The Board may act on this by motion; no resolution is required.

H. POLICIES OR RULES FOR CONSIDERATION OR ACTION

I. **COMMITTEE REPORTS**

1. Report of Audit Committee Meeting held on February 6, 2017 in the Aviation Authority Boardroom
-

The Audit Committee met on February 6, 2017, with all members in attendance. The Committee heard presentations from the Director of Internal Audit regarding the Annual Internal Audit Report and fiscal year 2017 audit plan and from the Authority's external auditors, RSM US, regarding the fiscal year 2016 external financial audit. Committee Members asked questions of the Director of Internal Audit and the external auditors.

J. **UNFINISHED BUSINESS**

K. NEW BUSINESS

1. Selection of Design-Builder, Reclaim Long Term Parking Garage Levels 1 and 2, HCAA Project No. 6505 17, Tampa International Airport
-

I. Background:

As part of the Authority's Master Plan Phase 1 program, a Consolidated Rental Car Facility and Automated People Mover are being constructed. The existing rental car operations are located on Levels 1 and 2 of the Long Term Parking Garage (LTPG). This Project will provide for the design and construction to convert Levels 1 and 2 of the LTPG to public parking. Currently the LTPG has approximately 6,800 parking spaces. This Project will add approximately 2,200 additional parking spaces.

This project includes the following scope of work:

- Convert Levels 1 and 2 of the LTPG from their current use as rental car operations to public parking.
- Environmental remediation and closure of the existing petroleum system within the LTPG.
- New signage for all Levels of the LTPG.
- Modifications to the parking guidance and Level count system.
- Renovation of vacated rental car office facilities.
- Structural rehabilitation of Levels 1 and 2.
- Functional improvements as needed to accommodate public parking.
- Other ancillary work necessary for the conversion.

II. Proposal:

On November 16, 2016, a request for qualifications titled Reclaim Long Term Parking Garage Levels 1 and 2 at Tampa International Airport was issued.

Seven responses were received and evaluated by staff. The order of technical ranking is:

1. Creative Contractors, Inc.
2. Manhattan Construction (Florida), Inc.
3. Charles Perry Partners, Inc.*
3. HCBeck, Ltd. d/b/a The Beck Group*

K1 (Continued)

5. R.R. Simmons Construction Corporation
6. The A.D. Morgan Corporation
7. DPR Construction, A General Partnership

*Tied for third

A W/MBE goal of at least 9% of the dollar amount earned on the contract for the design phase of the Project was prescribed. A W/MBE goal of at least 17% of the dollar amount earned on the contract for construction was prescribed. The percentages proposed by all 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 respondents assured that they will meet the W/MBE goal for construction.

III. Funding:

This item is included in the Capital Budget.

IV. Recommendation:

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

The Board may request presentations from the firms prior to the vote and may vote either by motion or by clear indication, to rank firms in order of preference and authorize staff to negotiate a contract; no resolution is required.

K. NEW BUSINESS

2. Lease and Concession Contract for Security Bin Advertising Program, SecurityPoint Media, LLC, Tampa International Airport, Resolution No. 2017-18
-

- I. Background:

On April 5, 2012, the Board approved and authorized execution of a Concession Lease Agreement for Security Bin Advertising Program (Agreement) with SecurityPoint Media, LLC. The initial term of the Agreement was April 5, 2012 through March 31, 2015, with two, one-year renewal options at the sole discretion of the Authority's Board. The two, one year renewal options were exercised, revising the end date of the Agreement to March 31, 2017. SecurityPoint Media, LLC provides enhancements to the TSA security checkpoint queuing process with passenger divestiture equipment at no cost to TSA which includes security checkpoint bins, security checkpoint bin carts and any other furnishings as specified by the TSA.

The Agreement provides SecurityPoint Media, LLC the opportunity to sell Authority-approved advertising within the security bins as well as provide the security bins and bin housing equipment. SecurityPoint Media, LLC currently pays the Authority 15% of its annual gross receipts earned through the Security Bin Advertising Program.

SecurityPoint Media, LLC was the only respondent to the solicitation resulting in the previous Agreement and remains the only known supplier for these services in the industry. On October 28, 2016, a Notice of Intent to Sole Source with SecurityPoint Media, LLC to provide a Security Bin Advertising Program at Tampa International Airport was publicly advertised. No responses were received.

Authority Policy P410 authorizes sole source purchases when no other authorized vendor can supply the required equipment, materials, supplies or services.

- II. Proposal:

This item authorizes execution of the Lease and Concession Contract for Security Bin Advertising Program with SecurityPoint Media, LLC for the period of April 1, 2017 through March 31, 2020, with two, one-year renewal options at the sole discretion of the Chief Executive Officer or designee. The Authority may cancel the Lease and Concession Contract with 30 days advance written notice.

K2 (Continued)

Under the terms of the Lease and Concession Contract, SecurityPoint Media, LLC will pay the Authority 20% of its annual gross receipts earned through the Security Bin Advertising Program, a 5% increase over the previous contract.

There is no ACDBE expectancy for this Lease and Concession Contract.

III. Funding:

N/A

IV. Recommendation:

Management recommends adoption of Resolution No. 2017-18.

V. Resolution:

Resolution No. 2017-18 approves and authorizes the execution of the Lease and Concession Contract for Security Bin Advertising Program at Tampa International Airport with SecurityPoint Media, LLC; and authorizes the Chief Executive Officer or his designee to execute all other ancillary documents.

L. PRESENTATIONS - None

M. STAFF REPORTS

N. ADJOURNMENT