

Hillsborough County Aviation Authority
Regular Board Meeting

Thursday, 9:00 a.m.
March 3, 2022

A Regular Board Meeting was convened in the Boardroom, Main Terminal Building, Level 3 at Tampa International Airport, Tampa, Florida, on Thursday, March 3, 2022.

Members present were: Gary Harrod, General Diehl and Commissioner Stacy White.

Aviation Authority staff members present were Chief Executive Officer Joseph W. Lopano, General Counsel Michael Stephens, Damian Brooke, Chris Minner, John Tiliacos, Scott Knight, Michael Kamprath, Violet Cummins, Adam Bouchard, Brian Miles, Elita McMillon, Laurie Noyes, Jeff Siddle, Laura Tatem, Silvana Muro, James Tarro, Tom Thalheimer, Dan Johnson, Emily Nipps, Tony Conza, Ashley Iaccarino, Veronica Cintron, Rob Porter, Helen Power, Paul Ridgeway, Ben Robbins, Melissa Solberg, Brett Fay, Randy Forister, Alex Heiter, Beth Zurenko, P.O. Carlos Lopez, Chris Reyes, Capt. Teri Uno and Brandon Taugner.

Chairman Gary Harrod welcomed everyone to the March 3, 2022 Regular Board Meeting and announced that Mayor Castor and Robert Watkins would not be in attendance.

General Counsel Stephens announced that, pursuant to TSA Security Directive 1542-21-01 which went into effect on February 1, 2021, all participants within the Main Terminal are required to wear masks at all times during the meeting.

The Pledge of Allegiance was recited.

Chairman Harrod called the Regular Board Meeting to Order and asked anyone in the audience who would like to comment on propositions before the Board to see Violet Cummins for a form.

Chairman Harrod then asked for a Motion to Approve the Agenda.

Upon motion of General Diehl, seconded by Commissioner White, the Agenda was unanimously approved by all Board members present.

Chairman Harrod asked if there were any abstentions from the Regular Board Meeting held on February 3, 2022 that needed to be read into the record.

General Counsel Stephens replied that there were no abstentions from the February 3, 2022 Board Meeting and none were anticipated at this meeting.

Chairman Harrod asked if there were any additions or corrections to the Minutes of the Regular Board Meeting held on February 3, 2022.

Upon motion of General Diehl, seconded by Commissioner White, the Minutes of the Regular Board Meeting held on February 3, 2022 were unanimously approved by all Board Members present.

Mr. Lopano's Management Report was next.

Chris Minner provided the Performance Assessment Report. Mr. Minner reported that total passenger traffic for January was down 18.2% vs. January 2020 and up 77.2% vs. January 2021. There were 46,383 international passengers, which represented a decrease of 52.7% vs. 2020 and increase of 442.6% vs. 2021.

Mr. Minner next reported on market resilience within the region. Current traffic is 4% above pre-pandemic levels and recovering faster than the U.S. overall. Outbound seat capacity will be below pre-COVID capacity this Winter and TPA currently serves more nonstop destinations than pre-COVID. The new combined Frontier and Spirit will have a 16% combined share of TPA seats and serve 43 total routes from TPA. At Routes Americas, the TPA Air Service Development team had 32 airline meetings, more than usual. Tampa Bay hotels are recovering faster than Orlando and Miami. Edelweiss resumed service to Zurich. Spring Break traffic is expected to reach passenger numbers comparable to 2019, which beat all prior records.

Mr. Minner then reported on current events. Hiring Day on February 15th was a success. SkyCenter One's newest tenant, OPSWAT, made headlines. In social media during the month of February, 4,266 new followers were added.

John Tiliacos next introduced new Air Traffic Manager Emilio Malave and VP of Maintenance Ben Robins. He then discussed the G.A.L.A. (Girls Achieving Leadership in Aviation) event taking place at Peter O. Knight Airport March 19th, celebrating women in aviation during Women's History Month.

Lastly, Mr. Tiliacos announced the new avionics school at Plant City Airport affiliated with the University of Central Florida.

Damian Brooke was next with the results of the February 23rd bond sale. He detailed the results of the 2022 New Money Debt Issue and Taxable Refunding Transaction.

This concluded Mr. Lopano's Management Report.

The Chairman then asked if anyone had any items they would like set aside for further consideration on the Consent Agenda. Mr. Lopano stated that one of the Members wanted further discussion of Item G8, Amendment No. 1 to Operating and Capital Budget Fiscal Year 2022, and explained the item concerned salary ranges that mistakenly had not being included in the Operating Budget for FY21 and 22.

Upon motion of Commissioner White, seconded by General Diehl, all Consent items other than G8 were approved.

The following items were contained in the Consent Agenda.

Item G1

Maintenance Contract, Airfield Lighting and Control Monitoring System, Cooper Crouse-Hinds, LLC, Tampa International Airport, Resolution No. 2022-22.

On October 4, 2018, the Board approved a Construction Contract with American Infrastructure Services, Inc. for Airfield Lighting Control System Replacement, Project No. 8800 16/6160 15. A low bid solicitation was advertised on July 18, 2018, that allowed for the procurement and installation of a new Airfield Lighting Control and Monitoring System (ALCMS). The ALCMS allows the Air Traffic Control Tower to turn on or off various sections of the airfield runways or taxiways and provides the ability to control the ALCMS from the airfield lighting vault. Cooper Crouse-Hinds, LLC is the manufacturer of the ALCMS utilized at Tampa International Airport.

On April 28, 2021, a Notice of Intent to Sole Source with Cooper Crouse-Hinds, LLC for the purpose of providing maintenance, support, and services for the ALCMS was publicly advertised. No responses were received.

Authority Policy P410 authorizes sole source purchases when no other authorized vendor can supply the required goods and services.

This item authorizes execution of a Maintenance Contract with Cooper Crouse-Hinds LLC for the purchase of maintenance, support, and services for the ALCMS for the period of March 3, 2022 through March 2, 2027 for a maximum purchase authorization of \$216,731. This item also authorizes up to \$50,000 of Extra Work over the Term of the Maintenance Contract.

This Contract may be terminated by the Authority with or without cause upon thirty (30) days written notice.

This item is included in the O&M Budget.

Management recommended adoption of Resolution No. 2022-22.

Resolution No. 2022-22 approved and authorized execution of Maintenance Contract at Tampa International Airport with Cooper Crouse-Hinds LLC; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item G2

Maintenance Contract Extension, Terminal Automated People Mover Systems, Bombardier Transportation (Holdings) USA, Inc., Tampa International Airport, Resolution No. 2022-20.

The Authority has a full-service Maintenance Contract for the 16 shuttles serving the airside terminals with Bombardier Transportation (Holdings) USA, Inc. The Maintenance Contract had an initial Term of April 1, 2015 until March 31, 2020. Two one-year renewal options have previously been exercised, extending the Maintenance Contract Term to March 31, 2022.

Authority Policy P410, Procurement, authorizes the standardization of purchases based on evaluated criteria such as product performance, consistency of manufacturer(s), life cycle costs, design life, and maintainability.

In 2019, the Authority standardized Bombardier Transportation Systems for the APM systems and associated equipment for the Main Terminal complex.

The Authority is currently in negotiations with Bombardier Transportation (Holdings) USA, Inc. on a new Maintenance Contract.

This item authorizes an extension to the Maintenance Contract with Bombardier Transportation (Holdings) USA, Inc. to continue full-service maintenance of this proprietary equipment for a maximum authorization amount of \$300,000. This extension will extend the Maintenance Contract until April 30, 2022. All other terms and conditions of the Maintenance Contract will remain the same.

This item is included in the O&M Budget.

Management recommended adoption of Resolution No. 2022-20.

Resolution No. 2022-20 approved and authorized extension of Maintenance Contract, Terminal Automated People Mover Systems, at Tampa International Airport with Bombardier Transportation (Holdings) USA, Inc. until April 30, 2022 in the maximum authorization amount of \$300,000; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item G3

Authorization to Dispose of Surplus Property, Tampa International Airport.

The following property has been determined to be surplus and serves no useful function or the continued use is uneconomical or inefficient:

Description	QT Y	Year Purchased	Asset Tag
Chevrolet Tahoe	1	2016	701763
Ford E-450 Shuttle Bus	1	2012	124995
John Deere Front Loader w/Mower Deck	1	2010	123338
ARE Fiberglass Truck Topper	1	N/A	N/A
Wooden Highchairs	24	N/A	N/A
60' GPU Cable	1	N/A	N/A
Water Buffalo Trailer w/Pressure Washer	1	N/A	N/A
APC Kiosks	11	2014	702054, 702047, 702053, 702057, 702052, 702055, 702050, 702051, 702048, 702049, and 702056

Designate the above property as surplus and authorize disposal in accordance with Chapter 274, Florida Statutes. Surplus property will be publicly advertised and auctioned at Tampa Machinery Auction, Inc., Bay Area Auction Services, or on GovDeals.com, an internet-based auction system.

The Chief Executive Officer recommended the Board designate the above property as surplus and authorize disposal in accordance with Chapter 274, Florida Statutes.

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

Item G4

Use and Lease Agreement for Fuel Facilities and Pipeline, Alaska Airlines, Inc., Tampa International Airport, Resolution No. 2022-15.

In 1970, the Authority entered into a lease and pipeline license agreement with several of the signatory airlines then serving Tampa International Airport for the construction of a jet fuel storage facility and pipeline distribution system to the airside buildings. The airlines collectively financed and operated the fuel system. The agreement had a thirty-year term that ended on September 30, 1999. At the end of the term, the fuel system became the property of the Authority.

On November 4, 1999, the Authority entered into a Use and Lease Agreement for Fuel Facilities and Pipeline (Agreement) with airlines (Tampa Fuel Committee) for the operation and maintenance of the fuel system for a twenty five year term beginning October 1, 1999 and ending September 30, 2024.

Since that time, the Authority has entered into Agreements, retroactive to September 30, 1999, with Deutsche Lufthansa AG, Edelweiss Air, Southwest Airlines, and United Parcel Service Inc. The final termination date for the Agreements is September 30, 2024.

Staff recommends entering into an Agreement with Alaska Airlines, Inc. for the Term of March 3, 2022 to September 30, 2024. The Agreement includes provisions for the storage, sale and distribution of aviation fuels and facilities for refueling aircraft on the ramps and airplane loading aprons. The Agreement will provide for the following Rents to be paid to the Authority:

Description of Rent	Annual Payment	Monthly Payment
Ground Rent for Demised Premises*	\$181,955.12	\$15,162.93
Fuel Storage Facilities Rent	\$394,042.82	\$32,836.90
Expansion of System – East Cargo to Emery	\$334,776.24	\$27,898.02
Expansion of System – East Cargo to FedEx	\$53,989.32	\$4,499.11
Secondary Containment for Fuel Storage Tanks	\$445,400.88	\$37,116.74
Bulk Fuel Storage Facility Upgrades	\$777,331.32	\$64,777.61
EFSO Project	\$202,164.36	\$16,847.03
TOTAL	\$2,389,660.06	\$199,138.34

*Annual Ground Rent for Demised Premises escalates every year by 2.15%.

Expansions to the fuel system rent were valued at the total project cost and amortized over the expected life of the improvement at a previously negotiated interest.

The Agreement also approves and ratifies the Memo of Understanding between the Tampa Fuel Committee and the Authority dated August 27, 2020 (MOU). Payments for the Truck Rack Project under that MOU will be added to the above Rents table.

Management recommended adoption of Resolution No. 2022-15.

Resolution No. 2022-15 approved and authorized execution of Use and Lease Agreement for Fuel Facilities and Pipeline at Tampa International Airport with Alaska Airlines, Inc.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item G5

Use and Lease Agreement for Carrier Service Providers, Invicta Group Services Inc, d/b/a Invicta Air Charter, Tampa International Airport, Resolution No. 2022-25.

Invicta Group Services, Inc, d/b/a Invicta Air Charter (Invicta Air Charter) is a Miami based carrier service provider that offers charter passenger air service between Cuba and the United States under a general license from the Office of Foreign Assets Control of the U.S. Department of the Treasury. In order to receive authorization to provide limited passenger services and commence operations between Tampa International Airport (Airport) and Cuba, Invicta Air Charter must enter into a Use and Lease Agreement for Carrier Service Providers (Agreement) with the Authority, and the Agreement must include a provision for Invicta Air Charter to lease space at the Airport in support of its operations. Invicta Air Charter will service the routes through its agreement with Swift Air, LLC.

This Agreement authorizes Invicta Air Charter to provide passenger check-in, ticketing and related passenger services; to prepare clearance documents for passengers, cargo and baggage as may be required by all governmental agencies; to collect fees for oversized cargo and baggage; to furnish linguists for the assistance of passengers speaking a foreign language; and to arrange and contract with companies authorized by the Authority for the provision of passenger air carrier services for departing aircraft, but not to directly provide passenger air carrier services. The Agreement is effective March 1, 2022 and expires September 30, 2027. Either party may terminate the Agreement upon thirty (30) days' written notice.

Utilizing Fiscal Year 2022 rates, the Agreement leases 62 square feet of ticket level counter office space at \$248.79 per square foot to Invicta Air Charter.

Space Description	Sq. Ft.	Rate	Annual	Monthly
Ticket Counter Office	62	\$248.79	\$15,424.98	\$1,285.42

The Agreement provides for an annual rental rate adjustment. A payment security of \$3,856.26 is also required.

Management recommended adoption of Resolution No. 2022-25.

Resolution No. 2022-25 approved and authorized execution of Use and Lease Agreement for Carrier Service Providers at Tampa International Airport with Invicta Group Services, Inc, d/b/a Invicta Air Charter; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item G6

Cargo Building Space Rental Agreement, Spirit Airlines, Inc., Tampa International Airport, Resolution No. 2022-27.

Spirit Airlines, Inc. (Spirit) desires to lease Suite 1700 of the East Cargo Building in support of its air transportation business at Tampa International Airport.

This Cargo Building Space Rental Agreement (Agreement) is effective March 1, 2022 and terminates September 30, 2027. Either party may terminate the Agreement upon 180 days' written notice.

Spirit will lease Cargo Building Space at \$9.15 per square foot and pay an annual O&M Rent at \$1.75 per square foot. Starting October 1, 2022, O&M Rent will increase by 5.5% each year. The initial Rents are as follows:

Company	Suite No.	SF	Annual Cargo Rent	Annual O&M Building Rent	Total Annual Payments
Spirit	1700	12,546	\$114,795.90	\$21,955.50	\$136,751.40

Management recommended adoption of Resolution No. 2022-27.

Resolution No. 2022-27 approved and authorized execution of Cargo Building Space Rental Agreement at Tampa International Airport with Spirit Airlines, Inc.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item G7

Lease and Concession Contract for Automated Mail Service, Mail Safe Express, Inc., Tampa International Airport, Resolution No. 2022-18.

On May 3, 2012, the Authority entered into a sole source contract with Mail Safe Express, Inc. for automated mail service. Mail Safe Express, Inc. provides a service that allows confiscated items to be mailed by passengers, for a fee, to a location outside of Tampa International Airport through automated mail equipment located at the security checkpoints.

On May 3, 2017, the Authority entered into another sole source contract with Mail Safe Express, Inc. for automated mail service. The Term was May 3, 2017 through May 2, 2020, with two (2), one year renewal options at the sole discretion of the Chief Executive Officer or designee. The two (2), one year renewal options were exercised, revising the end date of the contract to May 2, 2022. Mail Safe Express, Inc. currently pays the Authority fourteen percent (14%) of its annual gross receipts which equated to \$6,627 in revenue for Fiscal Year 2021.

On January 23, 2022, a Notice of Intent to Sole Source with Mail Safe Express, Inc. for Automated Mail Service 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.

This item authorizes execution of the Lease and Concession Contract (Contract) for Automated Mail Service with Mail Safe Express, Inc. for the Term of May 3, 2022 through May 2, 2025 with two (2), one year renewal options. Mail Safe Express, Inc. will pay the Authority eleven percent (11%) of its annual gross receipts. The Authority may cancel the Contract with thirty (30) days' written notice to Mail Safe Express, Inc.

Due to the nature of this work, there is no ACDBE expectancy for this Contract.

Management recommended adoption of Resolution No. 2022-18.

Resolution No. 2022-18 approved and authorized execution of Lease and Concession Contract for Automated Mail Service at Tampa International Airport with Mail Safe Express, Inc.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Chairman Harrod then requested that Mr. Lopano start off discussions of Item G8. After discussion, the last Consent item was considered.

Item G8

Amendment No. 1 to Operating and Capital Budget Fiscal Year 2022, Tampa International, Peter O. Knight, Plant City and Tampa Executive Airports, Resolution No. 2022-28.

In September 2021 the Board approved the Authority's original Fiscal Year 2022 Operating and Capital Budget. Per Authority Policies P123 and P610, as part of the regular Budget approval process, the Board adopts the Authority's salary ranges for the upcoming year and the Board authorizes the CEO to adjust salaries during the Fiscal Year.

This item seeks approval of Amendment No. 1 to Operating and Capital Budget for Fiscal Year 2022, resulting in the Authority publishing a new version of the Fiscal Year 2022 Budget book with the following addition:

	MINIMUM	MAXIMUM
Exempt and Non-Exempt Salary Bands	\$ 27,300	\$ 466,217
Pay Grades 1 - 5: Trades, Administrative, Technical, Professional	\$ 27,300	\$ 104,949
Pay Grade 6: Manager	\$ 70,639	\$ 150,864
Pay Grade 7: Senior Manager	\$ 76,593	\$ 165,951
Pay Grade 8: Director	\$ 95,741	\$ 207,438
Pay Grade 9: Vice President	\$ 138,824	\$ 300,785
Pay Grade 10: Executive Vice President	\$ 215,177	\$ 466,217

This item is included in the Fiscal Year 2022 Operating and Capital Budget.

Management recommended adoption of Resolution No. 2022-28.

Upon motion of Commissioner White, seconded by General Diehl, Amendment No. 1 to the Operating and Capital Budget for Fiscal Year 2022 was approved and adopted by Resolution No. 2022-28.

There were no Policies or Rules for Consideration or Action.

Chairman Harrod then proceeded to Committee Reports.

General Diehl presented a report on the Audit Committee Meeting held on February 24, 2022.

The Director of Internal Audit provided an update on the Fiscal Year 2022 audit plan, other projects in progress, and the status of audit recommendations.

The Authority's external auditors, RSM US, presented the audit report for the Fiscal Year 2021 external financial audit, in which there were no significant issues identified and a "clean" opinion was issued.

General Diehl remarked that this was the 29th audit in a row with an unqualified "clean" opinion and that it was remarkable because it took into account federal COVID aid to the Authority, carriers and concessionaires, and changes from old airline agreements to Rates by Resolution. RSM also completed everything on time or early, which assisted with the bond transactions.

This concluded the Committee Report.

Chairman Harrod then proceeded to Unfinished Business.

The following items were contained in Unfinished Business.

Item J1

Part 2 Supplemental Contract A for Design-Build Services, Monorail System Decommissioning and Moving Walkway Installation, HCAA Project No. 8315 20, Manhattan Construction Company, Tampa International Airport, Resolution No. 2022-16, presented by Jeff Siddle.

This Project will install moving walkways on Level 4 in the Long Term Parking Garage (LTPG) aligned with the existing elevator cores. Access to the Main Terminal from Level 4 in the LTPG will be across the new pedestrian bridge.

In addition, this Project will remove all portions of the existing monorail system, maintenance facility, guideway, equipment and other apparatus associated with the monorail system infrastructure. This will increase the number of parking spaces in both the Short Term Parking Garage (STPG) and the LTPG.

On October 30, 2019, a Request for Qualifications entitled Monorail System Decommissioning and Moving Walkway Installation at Tampa International Airport was issued.

On March 5, 2020, the Board approved negotiations with the number one ranked firm, Manhattan Construction Company.

On June 4, 2020, the Board approved a Part 1 Contract for Design-Build Services in the maximum purchase authorization amount of \$2,288,048 for design of the Project.

On August 5, 2021, the Board approved a Part 2 Contract for Design-Build Services in the maximum purchase authorization amount of \$14,137,731 for construction of the moving walkway portion of the Project.

The scope of work of this Part 2 Supplemental Contract A for Design-Build Services will include decommissioning of the monorail, the demolition and removal of all related infrastructure, and the reconfiguration of the affected parking spaces in the STPG and LTPG.

The maximum purchase authorization for this Part 2 Supplemental Contract A for Design-Build Services will be \$14,878,596, bringing the total combined Project Contract amount-to-date to \$31,304,375.

This Part 2 Supplemental Contract A for Design-Build Services will incorporate a W/MBE participation of 23.2% for design and 12.0% for construction.

Per Authority Policy P410, staff may authorize use of the Owner's Direct Purchase Program with respect to construction materials and supplies, if appropriate.

This item is included in the Capital Budget.

Management recommended adoption of Resolution No. 2022-16.

Upon motion of General Diehl, seconded by Commissioner White, Part 2 Supplemental Contract A for Design-Build Services, Monorail System Decommissioning and Moving Walkway Installation, HCAA Project No. 8315 20 at Tampa International Airport with Manhattan Construction Company was unanimously approved by all Board Members present; staff was authorized to use Owner's Direct Purchase Program, if appropriate; and the Chief Executive Officer or his designee was authorized to execute all other ancillary documents by adoption of Resolution No. 2022-16.

Item J2

Part 2 Contract for Design-Build Services, Air Cargo Expansion, HCAA Project No. 8240 19, The Middlesex Corporation, Tampa International Airport, Resolution No. 2022-17, presented by Jeff Siddle.

Due to rapid growth in air cargo service at Tampa International Airport, the Authority is planning the development of new air cargo facilities. This Project provides for the development of a site for an air cargo operator on the east side of the airfield adjacent to the existing air cargo area. The new Air Cargo Expansion includes cargo facilities, site development, taxilanes, taxiways, aircraft parking aprons, ground service equipment storage areas, roadway access improvements, pump station relocation, and aircraft fueling infrastructure.

On June 6, 2018, a Request for Qualifications entitled Air Cargo Expansion at Tampa International Airport was issued.

On October 4, 2018, the Board approved negotiations with the number one ranked firm, The Middlesex Corporation.

On December 6, 2018, the Board awarded a Part 1 Contract for Design-Build Services for \$3,469,950 for design of the Project. The Part 1 Contract for Design-Build Services only included the design for the south Air Cargo Expansion area to the west of the FedEx air cargo facility.

On August 1, 2019, the Board awarded Amendment No. 1 to the Part 1 Contract for Design-Build Services for \$448,870 for additional design services.

On January 23, 2020, the CEO awarded Amendment No. 2 to the Part 1 Contract for Design-Build Services for \$170,312 for additional design services for Taxiway E-1.

On February 3, 2022, the Board awarded Amendment No. 3 to the Part 1 Contract for Design-Build Services for \$536,523 for additional design services.

This Part 2 Contract for Design-Build Services provides for the early procurement of the new UPS pre-engineered metal building.

The maximum purchase authorization amount of this Part 2 Contract for Design-Build Services will be \$11,067,967, bringing the total combined Project Contract amount-to-date to \$15,693,622.

It is anticipated that a Part 2 Supplemental Contract A for Design-Build Services for the remaining construction work will be brought to the Board for award in June 2022.

The Part 2 Contract for Design-Build Services will incorporate a DBE participation of at least 9.2% of the dollar amount earned on the design phase of the Project and at least 11.2% of the dollar amount earned on the construction phase of the Project.

Per Authority Policy P410, staff may authorize use of the Owner's Direct Purchase Program with respect to construction materials and supplies, if appropriate.

This item is included in the Capital Budget.

Management recommended adoption of Resolution No. 2022-17.

Upon motion of Commissioner White, seconded by General Diehl, Part 2 Contract for Design-Build Services, Air Cargo Expansion, HCAA Project No. 8240 19 at Tampa International Airport with The Middlesex Corporation was unanimously approved by all Board Members present; staff was authorized to use Owner's Direct Purchase Program, if appropriate; and the Chief Executive Officer or his designee was authorized to execute all other ancillary documents by adoption of Resolution No. 2022-17.

This concluded Unfinished Business. Chairman Harrod proceeded to New Business.

The following items were contained in New Business.

Item K1

Selection of Design Professional, Replace Airfield Perimeter Fence, HCAA Project No. 6800 22, Tampa International Airport, presented by Jeff Siddle.

This Project will replace the existing airfield perimeter fence at Tampa International Airport with a new airfield perimeter fence including wildlife exclusion barriers and access control upgrades.

On November 4, 2021, a Request for Qualifications entitled Replace Airfield Perimeter Fence at Tampa International Airport was posted.

Two (2) responses were received and evaluated by staff.

The order of technical ranking is as follows:

1. C&S Engineers, Inc.
2. Mead and Hunt, Inc.

A DBE goal of at least 10.0% of the dollar amount earned on the Contract for the design phase of the Project was prescribed. The percentages proposed by all qualified respondents for the amount earned on design will meet or exceed the DBE goal requirements and will be incorporated into the resulting Contract.

This item is included in the Capital Budget.

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

Upon motion of Commissioner White, seconded by General Diehl, the firms were ranked in order of preference by unanimous approval of all Board Members present and staff was authorized to negotiate a contract. No resolution was required.

Item K2

Purchase Order, East and West Vault Emergency Generator and Switch Replacement utilizing Sourcewell Contract No. 120617-Cat, HCAA Project No. 6935 22, Ring Power Corp., Tampa International Airport, presented by Jeff Siddle.

HCAA Project No. 6935 22 replaces the generators and automated transfer switches in the east and west airfield lighting vaults that have reached the end of their service life.

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 advertisement.

Authorize the issuance of a purchase order to Ring Power Corp. for the purchase of two (2) diesel generators and automated transfer switches utilizing Sourcewell Contract No. 120617-Cat with a maximum purchase authorization amount of \$595,368, which includes a \$54,000 contingency.

This item is included in the Capital Budget.

The Chief Executive Officer recommended the Board authorize the issuance of a purchase order to Ring Power Corp., and authorize the Chief Executive Officer or his designee to execute all other ancillary documents.

Upon motion of General Diehl, seconded by Commissioner White, issuance of purchase order to Ring Power Corp. was unanimously approved by all Board Members present, and the Chief Executive Officer or his designee was authorized to execute all other ancillary documents. No resolution was required.

Item K3

Renewal of Property Insurance Coverage, Arthur J. Gallagher Risk Management Services, Inc., Tampa International, Peter O. Knight, Tampa Executive and Plant City Airports, presented by Brian Miles.

The Authority's property insurance program is currently insured by AIG Specialty Insurance Company of American International Group (AIG) for the All Other Perils coverage, and AIG, ACE American Insurance Company (Chubb), National Fire & Marine Ins. Co. (Berkshire), Columbia Casualty Co. (CNA) and Lloyds of London on a quota share basis for the \$75 million of Named Wind and Flood insurance limits. This insurance covers approximately \$2.99 billion in insured values at Tampa International Airport and the three general aviation airports. The current property insurance program will expire April 1, 2022. This renewal proposal was marketed to 11 direct insurance carriers and over 24 insurance markets via wholesaler by Arthur J. Gallagher Risk Management Services, Inc. (Gallagher).

Due to ongoing extreme weather-related losses in 2021, including a deep winter freeze, floods, severe thunderstorms, tornadoes, heatwaves, wildfires, a major hurricane, civil commotion, the ongoing global pandemic and related economic fallout, the property insurance market continues to be challenging. AIG will lead the recommended renewal property insurance program with 50% of the coverage. The remainder of the program includes various other markets (ACE American Ins. Co., Star Surplus Lines Ins. Co., National Fire & Marine Ins. Co., Lloyds of London, Indian Harbor Ins. Co., Homeland Ins. Co. of NY, Scottsdale Insurance Co., and Great American and Columbia Casualty Co.). Lloyds of London will continue to provide the recommended Terrorism coverage, which includes both standard property losses and Nuclear, Chemical, Biological and Radiological losses caused by certified and non-certified acts of "terrorism".

This renewal has the same coverage as the expiring policies of \$500 million for All Other Perils, \$75 million Named Wind, \$75 million Flood, \$100 million of Terrorism, and \$5 million for Nuclear, Chemical, Biological, and Radiological coverage. The Named Wind and Special Flood Hazard Area coverage is subject to a 5% deductible, applied per unit of insurance (i.e. per building/structure) with a \$250,000 per occurrence minimum deductible.

Continental Casualty Company will continue to provide the recommended Equipment Breakdown coverage which will remain the same as the expiring policy at \$200 million with a deductible at \$100,000 per occurrence.

The total cost of the property insurance program, including all surcharges and assessments, recommended by Gallagher is \$4,326,753, which is an increase of \$500,261 (13.07%) over last year. This proposed renewal property program had the best terms and pricing over any of the alternatives.

Authority 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 \$4,326,753.

This item is included in the O&M Budget.

The Chief Executive Officer recommended the Board authorize Arthur J. Gallagher Risk Management Services, Inc. to bind the property program listed above for the 12-month policy period beginning April 1, 2022, and authorize the payment of appraisals, additional property premiums, taxes, fees and/or assessments invoiced throughout the policy period for newly acquired, revalued, or other property added to the policy after renewal.

Upon motion of Commissioner White, seconded by General Diehl, Arthur J. Gallagher Risk Management Services, Inc., was authorized to bind the property program listed above for the 12-month policy period beginning April 1, 2022, by unanimous approval of all Board Members present; and the payment of appraisals, additional property premiums, taxes, fees and/or assessments invoiced throughout the policy period for newly acquired, revalued, or other property added to the policy after renewal was authorized. No resolution was required.

Item K4

Employment Retention Incentives Program, presented by Brian Miles.

Under Policy P610, the Chief Executive Officer may enter into an employment agreement with an employee for a term not exceeding three years, subject to Board approval. Employment agreements may be used as a tool to increase competitiveness in attracting and retaining highly qualified personnel.

To assist with leadership continuity, the Chief Executive Officer requests Board approval to enter into employment agreements with employees effective January 1, 2022 and ending December 31, 2024. Such employment agreements, with financial retention considerations, will support maintenance of critical senior leadership and other personnel through a period of recovery and change and enhance the Authority's competitiveness in the industry.

As an incentive to remain employed for the three-year term, the employment agreements will provide for a deferred compensation benefit of up to 20 percent of the employee's salary, which will fully vest and become non-forfeitable at the end of the Term of the employment agreement provided the employee has remained employed by the Authority.

In the event the employment agreement is terminated early for convenience, the deferred compensation benefit will become immediately vested and non-forfeitable in an amount prorated to the date of separation, and the Authority will pay the employee a termination payment in an amount equal to the employee's monthly salary including benefits, times the number of months until the end of the Term of the employment agreement, not to exceed 20 weeks' worth of salary and benefits. In the event the employment agreement is terminated

early by the employee or the employee is discharged for good and just cause, any and all entitlements under the employment agreement will be forfeited.

Costs associated with the employment agreements will be paid from the O&M Budget.

The Chief Executive Officer recommended approval to establish an Employment Retention Incentives Program.

After Brian Miles' presentation, there were several questions and some discussion regarding the proposed Program. At the conclusion of the discussion, Commissioner White stated that, although he believes that the Authority has a group of fine executives, he was concerned about policy and some parts of the Program and would, therefore, be voting "no" on the item.

Upon motion of Gary Harrod, seconded by General Diehl, establishment of an Employment Retention Incentives Program was approved by a majority of Board Members present, with Commissioner White voting against. No resolution was required.

This concluded New Business and Chairman Harrod proceeded to Staff Reports.

Jeff Siddle began the Staff Report with an update on the SkyCenter Authority offices. Move-in date has been pushed back by one month to give contractors time to finish most of the punch list.

As previously reported, committed costs for the final program of Master Plan Phase 2 had been trending over the \$543 million budget. After Hensel Phelps, our design-builder, completed the bidding phase of the red side curb program in January, it was confirmed that costs will be over the \$543 million budget by 6%. At the May Board meeting the red side curb program will be brought for consideration and an amendment to the 2018 Capital Budget will be presented to take into account the increased costs.

This concluded Staff Reports.

Chairman Harrod then proceeded to the Attorney-Client Closed Session. General Counsel Stephens outlined the procedural rules of the Attorney-Client Closed Session.

Upon motion of Commissioner White, seconded by General Diehl, the Board unanimously approved entering into an Attorney-Client Closed Session to discuss active litigation.

After the conclusion of the Attorney-Client Closed Session, Chairman Harrod reopened the Regular Board Meeting.

Chairman Harrod then proceeded with the remaining item on the Agenda and called for a vote to proceed as discussed in the Closed Session.

Item N1

Amendment No. 2 to Contract for Special Legal Services, Hill, Ward & Henderson, PA, Tampa International Airport, Resolution No. 2022-23, was discussed in the Closed Session.

On May 7, 2020, the Board approved ratification of the previously executed Special Legal Services Contract (Contract) with Hill, Ward & Henderson, PA for legal services with regard to Ad Valorem Tax Exemption law and related legal matters in a total not-to-exceed amount of \$250,000. The initial term of the Contract is April 9, 2020 through April 8, 2022 with one, one-year renewal option. The Authority may cancel the Contract with 30 days advance written notice.

On November 5, 2020, the Board approved Amendment No. 1 authorizing an increase of \$200,000 to the Contract for a total maximum purchase authorization amount of \$450,000.

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.

This Amendment No. 2 authorizes an increase of \$200,000 to the Contract for a new total maximum purchase authorization amount of \$650,000 and exercises the one, one-year renewal option for the period of April 9, 2022 through April 8, 2023. Hill, Ward & Henderson, PA will continue to represent the Authority with regard to Ad Valorem Tax Exemption law and related legal matters.

This item is included in the O&M Budget.

Management recommended adoption of Resolution No. 2022-23.

Upon motion of Commissioner White, seconded by General Diehl, Amendment No. 2 to Contract for Special Legal Services at Tampa International Airport with Hill, Ward & Henderson, PA, was unanimously approved by all Board members present; and the General Counsel or designee was authorized to execute all other ancillary documents by adoption of Resolution No. 2022-23.

Before adjourning the meeting, General Counsel Stephens requested an Attorney-Client Closed Session be held at the April 2022 Board Meeting to discuss pending litigation and to seek the Board's direction in terms of settlement and strategy.

With no further business to be brought before the Board, Chairman Harrod adjourned the meeting.



Gary Harrod, Chairman



Jane Castor, Secretary