

Hillsborough County Aviation Authority
Regular Board Meeting

Thursday, 9:00 a.m.
September 2, 2021

A Regular Board Meeting was convened in the Boardroom, Main Terminal Building, Level 3 at Tampa International Airport, Tampa, Florida, on Thursday, September 2, 2021.

Members present were: Gary Harrod, Robert I. Watkins, Commissioner Stacy White, Mayor Castor, and General Diehl.

Aviation Authority staff members present were Chief Executive Officer Joseph W. Lopano, General Counsel Michael Stephens, Damian Brooke, Chris Minner, John Tiliacos, Veronica Cintron, Adam Bouchard, Violet Cummins, Gina Evans, Michael Kamprath, Scott Knight, Brian Miles, Elita McMillon, Laurie Noyes, Rob Porter, Paul Ridgeway, Marcus Session, Jeff Siddle, Laura Tatem, James Tarro, Tom Thalheimer, Barbara Grilli, Teresa Howell, Dan Johnson, Emily Nipps, Diana Tarrant, Chris Reyes, Cheryl Hawkins, Brett Fay, Aimee Pidgeon and Rich Coudurier.

Chairman Harrod welcomed everyone to the September 2, 2021 Regular Board Meeting of the Aviation Authority.

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 Board Meeting to Order and stated that if anyone wanted to comment or bring propositions before the Board they needed to see Violet Cummins for a form.

Mr. Lopano then stated that at the August Board Meeting General Counsel Stephens had advised of the possibility of holding an Attorney-Client Closed Session at this meeting but there was no need to hold the Closed Session at this time.

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

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

Mr. Lopano announced that Chairman Harrod and General Diehl were reappointed to the Authority's Board of Directors and that he would like to proceed with the Election of Officers.

General Counsel stated that in accordance with Policy P102, once the Governor appoints or reappoints new members to the Board of Directors, it is required to reconstitute the officers.

Robert Watkins made a motion to reelect the existing officers with the current slate in its entirety. Commissioner White seconded that motion.

The current slate of officers, Gary Harrod as Chairman, Robert Watkins as Vice Chairman, Mayor Castor as Secretary, General Diehl as Treasurer and Commissioner White Assistant as Secretary/Assistant Treasurer was unanimously approved by all Board Members present.

There were no Public Comments.

Chairman Harrod asked if there were any abstentions from the Regular Board Meeting held on August 5, 2021 that needed to be read into the record.

General Counsel Stephens replied that there were no abstentions from the August 5, 2021 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 August 5, 2021.

Upon motion of Robert Watkins, seconded by Mayor Castor, the Minutes of the Regular Board Meeting held on August 5, 2021 were unanimously approved by all Board Members present.

Mr. Lopano's Management Report was next.

Chris Minner began the Management Report with the Performance Assessment Report.

Mr. Minner started the report with a recap of domestic and international passenger activity along with a market resilience update due to the COVID pandemic. Domestic travel continues to recover, approaching 2019 passenger levels. There are International travel flights to Cuba, Nassau, Panama and Canada, while European service continues to be at a standstill.

Mr. Minner then reported on current events on social media. The biggest story was hiring day at TPA. The Authority put together a video to Baycare saluting and thanking all of their healthcare and frontline workers. The earned media value for August was \$2.8 million, reaching 68 million people.

John Tiliacos was next and reported on the August 25, 2021 job fair at Tampa International Airport. This was an Airport wide job fair which included 30 business partners. There were more than 950

positions that needed to be filled. More than 800 applicants came out to the job fair and more than 400 jobs were offered on the spot with more applicants to be hired in the coming weeks. Mr. Tiliacos gave a special thanks to Aimee Pidgeon, Program Manager for the Airport Operations Department, for leading this effort.

John Tiliacos also recognized Mike Yuska, who leads FAA's Air Traffic Control team, on his retirement from Tampa International Airport after 36 years of service.

Chairman Harrod then mentioned that the next presentation would be by Damian Brooke. Mr. Brooke would take some time to address questions and concerns that Commissioner White had shared in a couple of emails. Many of the questions had to do with the Authority's credit ratings, bond commitments, Federal funding disbursements, and overall financial performance. This information is shared with Board Members during quarterly financial updates, Board Memos and One on Ones with Board Members. Many of the reports are available on the Authority's website.

Damian Brooke began his report with an overview of where the Authority stands financially. Mr. Brooke began with passenger traffic numbers. He then discussed the expense growth at the Authority with the focus on investing in the facility and operations, safety, and people. Then there was a discussion on revenue growth combined with expense management and flat debt service which has allowed the Authority to continue to grow the bottom line.

Mr. Brooke spoke of a significant change for the Authority when it transitioned from the old airline agreement to a cost recovery rate setting methodology on October 1, 2020. Under the cost recovery model, the airlines pay a greater share of their expenses to operate at the Authority. Chris Minner then provided additional background on how the agreement came about.

Mr. Brooke then took some time discussing the impacts of COVID on the Authority as well as discussion on Federal funding through the CARES Act and the Authority's credit ratings.

There was then a discussion of what the Authority's financial picture would look like over the next 10 years in the Capital Program. The upcoming Capital Program will be \$881 million which will be brought to the Board next year for Airside D. The first part of the upcoming bond issue will be in the March or April 2022 timeframe and that will fund approximately \$439 million in project costs. That \$439 million will consist of \$331 million in new project funding and will also pay off the \$107 million current balance on the Truist note.

Mr. Brooke then reported on debt refunding opportunities over the next few years, followed by a discussion on cost per enplanement.

The final portion of Mr. Brooke's presentation addressed responses to Commissioner White's email of August 26th. Mr. Brooke responded to the following questions that were contained in Commissioner White's email.

P1 - "As you know, I have for months been requesting financial information about TIA operations. It seems like I get bits and pieces of information in response to my questions without a full report"

P5 - "I was quite disturbed to recently discover that TIA's credit rating has not actually been maintained by all the credit rating agencies during FY 2021. The leading credit rating agency, S&P Global, on October 2, 2020, actually lowered its credit rating on TIA's senior-lien revenue bonds and subordinate-lien revenue bonds with a negative outlook long-term. Although Kroll Bond Rating Agency maintained its credit rating on these TIA bonds, it assigned a Negative Outlook to both of them on September 22, 2020. In a letter to Mr. Brooke dated October 2, 2020, S&P Global advised him to disseminate these lower ratings to interested parties. I was not provided this information by Mr. Brooke. Were the other Board members provided with it? Shouldn't this information have been placed on the public agenda of our Board meetings? Why hasn't there been a robust public discussion by the Board about this information?"

P7 - "S&P explains in its CFC Bond report that "the severe drop-in activity, in our view, diminishes the ConRAC's overall credit quality and will stress its financial performance over the intermediate term." The Kroll report is much more comprehensive in explaining its Negative Outlook for the CFC Bonds. While the enplanements grew at a robust rate at TIA from 2016 to 2019, rental car transactions were actually down in 2019 from 2016. Kroll explained that TNCs (ridesharing) "present a growing source of competition for rental cars and other ground transportation services at TIA." The flat to declining rental car transactions from 2016 to 2019 pre-dates COVID and is unrelated to the current travel decline according to these credit reports. Why hasn't there been a public discussion with the Board about the status of the declining rental car transactions before COVID? How do these transaction levels compare to the projections in the CFC bond prospectus?

P8 - "To attain the necessary coverage requirements in the bonds documents, Kroll explains that TIA will drawdown its entire CFC Deficiency Reserve Fund by the end of Fiscal Year (FY) 2021, and must now rely upon Deficiency Payments from the rental car companies, which are financially challenged themselves – Kroll explains that the "pandemic creates profound financial and operating challenges for the airport rental car industry." Reading the bankruptcy analysis in both the Kroll bond reports was quite disturbing. I don't remember seeing this before in the TIA credit reports."

P9 - "In addition, I discovered a lot more about TIA's finances and operations from the credit reports. It took TIA only seven months to use all of the \$81.2 million in CARES ACT funding. Without it, Kroll says TIA would have sustained an FY 2020 operating loss of \$40 million. With no CARES funding remaining after October of last year, what supplemental funding will TIA rely upon to make up any negative operating losses in FY 2021 and beyond?"

P10 - "I also discovered in the credit reports that TIA will be more dependent on funding from the airlines and rental car companies to cover its operating expenses and debt service obligations. Both of these industries face financial challenges of their own, as referenced in the credit reports. The credit reports note that TIA has provided significant waivers and deferrals of rent payments to the rental car

companies. They also note that TIA will now be reliant on these same rental car companies to make up deficiency payments on the CFC bonds. These reports indicate that to maintain coverage ratios, TIA may need to increase daily CFC charges. Having to provide rent concessions to companies that must make up debt coverage deficiencies is not a desirable financial situation. Why hasn't there been public Board discussion about these issues and more?

P11 - "The signature project for you and your management team is the Master Plan, which you started developing shortly after you were hired in 2010. The Master Plan was approved in May 2013. Phase 1 was completed in February 2018 and represents the largest Phase of the Master Plan Phase and the most important because the other Phases are dependent on its success. It seems that the Board should regularly review the performance of the Master Plan, particularly Phase 1 since it has been in operation now since 2018. Why hasn't there been public Board discussion about the performance of Phase 1 and the issues in these credit reports?"

P12 - "It seems that a public Board discussion is worthy to compare the financial projections in the 2015 CFC Bond documents to the actual performance of the rental car facility, including an analysis of rental car transactions dating back to when TIA first started collecting CFC fees from airport customers. Kroll notes in its report that TIA's CFC fee to its customers "is the highest among the four major airports in Florida." In comparing TIA's customer charges, how do TIA's TNC charges compare to the other Florida airports?"

P13 - "In addition to the competition that TNCs pose to the rental car industry, Kroll notes in its report that they also pose competition for TIA parking revenue, which historically has been the biggest source of revenue. I note on Figure 19 in the Kroll report (page 14) that parking is no longer projected to be our biggest source of revenue in FY 2021. I know the Board before I joined increased the parking rates for TIA customers. How do TIA parking rates compare to other Florida airports?"

P14 - "With respect to the airlines at TIA, the credit reports say that TIA no longer has an Airline Agreement with them, "which required signature airlines to guarantee the 1.25x debt coverage required by bond covenants in return for rebates of debt service coverage and 20% share of remaining surplus revenues (revenues less expenditures requirement less the operating reserve requirement less debt service), airlines will no longer provide a financial backstop under the new Rate Resolution." Why hasn't there been a public Board discussion about this and the implications to TIA to losing this backstop from the airlines?"

P16 - "The credit rating reports from S&P and Kroll paint a much different picture about TIA's finances than has been presented to me as a Board member. I shouldn't be surprised to discover new financial information in credit rating reports, particularly since I have been asking for this type of financial information for months now. I am very disappointed in what appears to be lack of transparency to me, perhaps to other Board members and more importantly, the public."

P15 - "I note that some of these credit reports I recently discovered were published before the Authority entered into a new employment contract with you last year. These reports were published after many weeks of discussion between the credit rating agencies and TIA management, so TIA management was on notice about the credit agencies' negative perspective about TIA's debt standing. Was Chairman Harrod provided with these credit report's information presumably in management's hands while he was negotiating your new employment contract with you? Were my fellow Board members aware of this information and credit reports before they voted on your new employment contract?"

This concluded Damian Brooke's presentation.

Mr. Harrod requested that future questions from board members be addressed in a public forum so that these questions can be addressed and to maintain transparency.

Commissioner White thanked Mr. Brooke, Mr. Lopano and the Management Team for the public presentation. Commissioner White requested that he would like to get future questions on the Agenda for Board discussion. Commissioner White also stated that he would not be supporting the approval of the budget. He felt that due to COVID he was not sure what the future held for some of the projections the Board were given.

General Counsel Stephens commented for the record that it would be impermissible under the Sunshine Law for a Board Member to correspond directly with another Board Member with respect to anything that would appear on the Agenda or may have action taken by the whole Board. All coordination with respect to the Agenda would go through the CEO.

Chairman Harrod then asked for a motion to approve the Budget as presented.

Upon motion of Robert Watkins, seconded by Mayor Castor, the Capital and Operating Budget for FY2022 was approved in a 4-1 vote, with Commissioner White voting in opposition. Resolution No. 2021-138 was adopted.

Robert Watkins commented that one of the common themes in Commissioner White's email was criticism that the Board has not been informed in a public way. Mr. Watkins stated he wanted to make it abundantly clear that the Board has been informed in a transparent and public way.

This concluded Mr. Lopano's Management Report.

Chairman Harrod then asked for a motion to approve the Consent Agenda

Upon motion of Robert Watkins, seconded by Mayor Castor, the Consent Agenda was unanimously approved by all Board Members present.

The following items were contained in the Consent Agenda.

Item H1

Space Rental Agreement, Alaska Airlines, Inc., Tampa International Airport, Resolution No. 2021-146;
Space Rental Agreement, WestJet, Tampa International Airport, Resolution No. 2021-128.

Alaska Airlines, Inc. (Alaska) currently leases office space under its Space Rental Agreement (SRA) from the Authority in support of its operations at Tampa International Airport (Airport). WestJet currently leases office space under its SRA from the Authority in support of its operations at the Airport. As of October 1, 2020, all airlines operate at the Airport under a Rates by Resolution and any tenant wishing to lease space at the Airport is required to enter into a new SRA with the Authority.

These new SRAs have a six (6) year term effective from October 1, 2021 through September 30, 2027. Utilizing Fiscal Year 2021 rates, these new SRAs lease baggage claim, services, and office space at \$206.79 per square foot; ticket counter and ticket counter office space, and ticketing kiosk space at \$206.79 per square foot; and airside building (ramp operations) space at \$81.47 per square foot. These new SRAs provide for an annual rental rate adjustment.

Tenant	Baggage Claim Level	Ticketing Level	Airside Building	Total Annual	Total Monthly
Alaska	165 SF \$34,120.35	471 SF \$97,398.09	451 SF \$36,742.97	\$168,261.41	\$14,021.78
WestJet		133 SF \$27,503.07		\$27,503.07	\$2,291.92

Management recommended adoption of Resolution Nos. 2021-146 and 2021-128.

Resolution No. 2021-146 approved and authorized execution of Space Rental Agreement at Tampa International Airport with Alaska Airlines, Inc.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Resolution No. 2021-128 approved and authorized execution of Space Rental Agreement at Tampa International Airport with WestJet; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item H2

Space Rental Agreement, Idemia Identity & Security USA LLC, Tampa International Airport, Resolution No. 2021-129; Space Rental Agreement, Pemco World Air Services, Inc., Tampa International Airport, Resolution No. 2021-142.

Idemia Identity & Security USA LLC (Idemia) leases office space from the Authority through a Space Rental Agreement (SRA) pursuant to which it operates a TSA Pre-Check Office. Idemia entered into its current SRA with the Authority on November 6, 2014.

Pemco World Air Services, Inc. (Pemco) leases office space from the Authority through a SRA in support of its ground handling operations at Tampa International Airport. Pemco entered into its current SRA with the Authority on September 5, 2019.

These SRAs terminate on September 30, 2021.

These new SRAs have a six (6) year term effective from October 1, 2021 through September 30, 2027. Either party may terminate the SRA upon thirty (30) days' written notice.

Utilizing Fiscal Year 2021 rates, these new SRAs lease baggage claim, services, and office space at \$217.13 per square foot and airside building (ramp operations) space at \$85.54 per square foot. These new SRAs provide for an annual rental rate adjustment.

Tenant	Baggage Claim Level	Airside Building	Total Annual	Total Monthly
Idemia	204 SF \$44,294.52		\$44,294.52	\$3,691.21
Pemco		377 SF \$32,248.58	\$32,248.58	\$2,687.38

Management recommended adoption of Resolution Nos. 2021-129 and 2021-142.

Resolution No. 2021-129 approved and authorized execution of Space Rental Agreement at Tampa International Airport with Idemia Identity & Security USA LLC; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Resolution No. 2021-142 approved and authorized execution of Space Rental Agreement at Tampa International Airport with Pemco World Air Services, Inc.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item H3

Cargo Building Space Rental Agreement, Southwest Airlines Co., Tampa International Airport, Resolution No. 2021-130; Cargo Building Space Rental Agreement, Southwest Airlines Co., Tampa International Airport, Resolution No. 2021-131.

On March 4, 2010, the Authority and Southwest Airlines Co. (Southwest) entered into a Cargo Building Space Rental Agreement (Agreement) for Suite 1800 in the Authority's Cargo Building at Tampa International Airport (Airport). The Agreement supports Southwest's cargo operations.

On March 4, 2010, the Authority and Southwest entered into an Agreement for Suite 1900 in the Authority's Cargo Building at the Airport. The Agreement supports Southwest's provisioning operations.

These Agreements terminate on September 30, 2021.

As of October 1, 2020, all airlines operate at the Airport under a Rates by Resolution.

These new Agreements are effective October 1, 2021 and terminate September 30, 2027. Either party may terminate upon 180 days' written notice.

Utilizing Fiscal Year 2022 rates, Southwest will lease Cargo Building space at \$9.15 per square foot and will pay an initial annual O&M Rent for Suite 1800 of \$1.75 per square foot. Southwest has its own trash bins for Suite 1900 and will pay \$0.73 less annually for O&M Rent, with an initial annual O&M Rent for Suite 1900 of \$1.02 per square foot. Starting October 1, 2022, O&M Rent will increase by 5.5% each year under both Agreements. The rents under these Agreements are as follows:

Agreement	Suite No.	SF	Annual Warehouse Rent	Initial Annual O&M Rent	Total Initial Annual Payments
Southwest - Cargo	1800	8,960	\$81,984.00	\$15,680.00	\$97,664.00
Southwest - Provisioning	1900	11,577	\$105,929.55	\$11,808.54	\$117,738.09

Management recommended adoption of Resolution Nos. 2021-130 and 2021-131.

Resolution No. 2021-130 approved and authorized execution of Cargo Building Space Rental Agreement at Tampa International Airport with Southwest Airlines Co.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Resolution No. 2021-131 approved and authorized execution of Cargo Building Space Rental Agreement at Tampa International Airport with Southwest Airlines Co.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item H4

Ground Service Equipment Facilities (GSE) Space Rental Agreement, Southwest Airlines Co., Tampa International Airport, Resolution No. 2021-132.

On March 4, 2010, the Authority and Southwest Airlines Co. (Southwest) entered into a Ground Service Equipment Facilities (GSE) Space Rental Agreement (GSE SRA) for Suite 2400. Southwest performs its own GSE maintenance out of Suite 2400. That GSE SRA terminates on September 30, 2021.

This new GSE SRA is for the term of October 1, 2021 to September 30, 2027. Either party may terminate upon 180 days' written notice.

Utilizing Fiscal Year 2022 rates, Southwest will lease space in the GSE Building at \$9.15 per square foot and pay an initial annual O&M Rent of \$1.75 per square foot. O&M Rent will increase by 5.5% each year.

The initial rents are as follows:

Company	Suite No.	SF	Annual Building Rent	GSE Initial O&M Rent	Annual Company's Improvements Rent (CIR)	Total Initial Annual Payments
Southwest	2400	6,400	\$58,560.00	\$11,200.00	\$10,084.56	\$79,844.56

Management recommended adoption of Resolution No. 2021-132.

Resolution No. 2021-132 approved and authorized execution of Ground Service Equipment Facilities (GSE) Space Rental Agreement at Tampa International Airport with Southwest Airlines Co.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item H5

Use and Lease Agreement for Carrier Service Providers, ViajeHoy, LLC d/b/a Havana Air, Tampa International Airport, Resolution No. 2021-133.

ViajeHoy, LLC d/b/a Havana Air (Havana Air), a carrier service provider, has provided passenger air service between Cuba and Tampa International Airport (Airport) under a Use and Lease Agreement for Carrier Service Providers (Agreement) since November 1, 2016. Havana Air serviced the routes through agreements with the following airlines: Eastern Air Lines Group, Inc., Swift Air, LLC, and

Caribbean Sun Airlines, Inc. (World Atlantic Airlines). Havana Air’s current Agreement expires on September 30, 2021. In order to receive authorization to provide limited passenger services and continue operations between the Airport and Cuba, Havana Air must have a current Agreement with the Authority, and the Agreement must include a provision for Havana Air to lease space at the Airport in support of its operations.

This new Agreement authorizes Havana Air 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 Authority for the provision of passenger air carrier services for departing aircraft but not to directly provide passenger air carrier services.

This Agreement has a six (6) year term effective October 1, 2021 through September 30, 2027. Either party may terminate this Agreement upon thirty (30) days' written notice.

Utilizing Fiscal Year 2021 rates, this Agreement leases 62 square feet of ticket level counter office space at \$217.13 per square foot to Havana Air.

Space Description	Sq. Ft.	Rate (FY21)	Annual	Monthly
Ticket Counter Office	62	\$217.13	\$13,462.06	\$1,121.84

Payment security of \$3,365.52 is also required.

Management recommends adoption of Resolution No. 2021-133.

Resolution No. 2021-133 approved and authorized execution of Use and Lease Agreement for Carrier Service Providers at Tampa International Airport with ViajeHoy, LLC d/b/a Havana Air; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item H6

Space Rental Agreement (Radio Base Station), Aeronautical Radio, Inc., Tampa International Airport, Resolution No. 2021-140; Space Rental Agreement (Radio Base Station), Alaska Airlines, Inc., Tampa International Airport, Resolution No. 2021-147.

Aeronautical Radio, Inc. (ARINC) began leasing space from the Authority for two (2) radio base stations on June 1, 2003 through a Space Rental Agreement (Radio Base Station) (Agreement) and later added a third radio base station by amendment to the Agreement on May 1, 2015.

Alaska Airlines, Inc. began leasing space from the Authority for one (1) radio base station through an Agreement on June 5, 2014.

These Agreements expire on September 30, 2021.

These new Agreements will be effective October 1, 2021 and terminate September 30, 2027. Either party may terminate the Agreement within thirty (30) days' written notice. The rent for each radio base station is \$1,200.00 per year or \$100.00 per month.

Management recommended adoption of Resolution Nos. 2021-140 and 2021-147.

Resolution No. 2021-140 approved and authorized execution of Space Rental Agreement (Radio Base Station) at Tampa International Airport with Aeronautical Radio, Inc.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Resolution No. 2021-147 approved and authorized execution of Space Rental Agreement (Radio Base Station) at Tampa International Airport with Alaska Airlines, Inc. and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item H7

Ground Lease with Improvements, Civil Air Patrol in and for the Florida Wing/United States Air Force Auxiliary, Tampa Executive Airport, Resolution No. 2021-141.

The Civil Air Patrol in and for the Florida Wing/United States Air Force Auxiliary (CAP) has a Ground Lease with Improvements for Non-Commercial Aviation Related Activities at Tampa Executive Airport (VDF) that terminates October 31, 2021 and includes a 3,024 square foot facility (former Vandenberg house) and a 10,586 square foot parcel of land (Premises). CAP provides inland search and rescue efforts and aerial reconnaissance for homeland security, disaster relief and damage assessment, as well as transport for time-sensitive medical materials and counter-narcotics missions.

Staff proposes entering into a Ground Lease with Improvements (Lease) with CAP for the continued use and occupancy of the Premises for a period beginning November 1, 2021 and ending October 31, 2024 with two one-year renewal options upon approval by the Authority's Chief Executive Officer or designee. Either party may terminate the Lease upon 30 days written notice.

Federal regulations permit CAP to pay a nominal rental rate (\$10.00/year) in recognition of the benefits provided by CAP to airports and aviation, provided CAP operates an aircraft at VDF in support of its programs. If CAP ceases to operate an aircraft at VDF, the rent will increase as follows:

Premises	Sq. Ft.	FMV Rental Rate per Sq. Ft.	Annual Rent Without Operating Aircraft
Land	10,586	\$0.30	\$3,175.80
Facility*	3,888	\$0.00	\$0.00
Total Rent			\$3,175.80

*In light of the Facility's age, condition, and location which render it incapable of generating more than minimal revenue, and the fact that the Facility is not needed for an airport purpose, no rent would be charged for the Facility.

The Lease allows CAP to have a co-tenant agreement with Experimental Aircraft Association, Inc. Chapter 175 for the purpose of sharing the rent and day-to-day operation and maintenance costs of the Premises. The co-tenant agreement is subject to written approval of the Authority's Chief Executive Officer or designee and the terms and conditions of the Lease.

Management recommended adoption of Resolution No. 2021-141.

Resolution No. 2021-141 approved and authorized execution of Ground Lease with Improvements at Tampa Executive Airport with Civil Air Patrol in and for the Florida Wing/United States Air Force Auxiliary; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item H8

Cargo Building Space Rental Agreement, Breeze Aviation Group, Inc., dba Breeze Airways, Tampa International Airport, Resolution No. 2021-143; Letter of Agreement, SMT Shipping (USA) LLC and Breeze Aviation Group, Inc., dba Breeze Airways, Tampa International Airport, Resolution No. 2021-144.

As of October 1, 2020, all airlines operate at Tampa International Airport (Airport) under a Rates by Resolution.

On September 8, 2010, the Authority and SMT Shipping (USA) LLC (formerly known as Pearl Warehousing and Logistics, LLC) (SMT) entered into a Cargo Building Space Rental Agreement for Suite 1400 at the Airport (Agreement). The Agreement supported SMT's cargo business operations. The Agreement terminated November 8, 2014. SMT is required to continue to reimburse the Authority for Customer Improvements Rent (CIR) for Suite 1400 after termination of the Agreement until a replacement tenant is secured, at which time the reimbursement obligation passes to the new tenant. On May 1, 2021, the Authority and Breeze Aviation Group, Inc., dba Breeze Airways (Breeze) entered into a Letter of Agreement for Cargo Building Space Rental Agreement for Suite 1400 (LOA) and other

operating space around the Authority’s East Cargo Building at the Airport. That LOA supports Breeze’s business operations and terminates September 30, 2021.

Breeze and SMT previously executed a separate LOA to clarify responsibility for repayment of the CIR to Authority under the Agreement during the time period that Breeze leases Suite 1400. That LOA terminates September 30, 2021.

This new Agreement with Breeze is effective October 1, 2021 and terminates September 30, 2027. The Authority or Breeze may terminate the Agreement upon 180 days’ written notice.

Utilizing Fiscal Year 2022 rates, Breeze will lease Cargo Building space at \$9.15 per square foot and will pay an initial annual O&M Rent of \$1.75 per square foot. Starting October 1, 2022, O&M Rent will increase by 5.5% each year. The CIR will remain at \$741.17/month (amortized 30 years at 5.5%). The Rents under the SRA are as follows:

Company	Suite No.	SF	Annual Warehouse Rent	Initial Annual O&M Rent	Customized Improvements Rent	Total Initial Annual Payments
Breeze	1400	5,120	\$46,848.00	\$8,960.00	\$8,894.04	\$64,702.04

Under the terms of the new Agreement, Breeze will assume the obligation for repayment of CIR during the Term of its Agreement, but will not be responsible for repayment of CIR after termination of its Agreement. Upon completion of the Term of the Agreement or earlier termination of the LOA, SMT will retain the obligation to repay the outstanding balance of the CIR to Authority. SMT’s obligation will continue until the CIR is paid in full or until the Authority executes a subsequent Agreement with a replacement tenant.

Management recommended adoption of Resolution Nos. 2021-143 and 2021-144.

Resolution No. 2021-143 approved and authorized execution of Cargo Building Space Rental Agreement at Tampa International Airport with Breeze Aviation Group, Inc., dba Breeze Airways; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Resolution No. 2021-144 approved and authorized execution of Letter of Agreement at Tampa International Airport between SMT Shipping (USA) LLC and Breeze Aviation Group, Inc., dba Breeze Airways; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item H9

Space Rental Agreement, Breeze Aviation Group, Inc., dba Breeze Airways, Tampa International Airport, Resolution No. 2021-145.

Breeze Aviation Group, Inc., dba Breeze Airways (Breeze) currently leases office space under a Letter of Agreement (LOA) from the Authority in support of its operations at Tampa International Airport (Airport). As of October 1, 2020, all airlines operate at the Airport under a Rates by Resolution and any tenant wishing to lease space at the Airport is required to enter into a Space Rental Agreement (SRA) with the Authority.

This SRA has a six (6) year term effective from September 1, 2021 through September 30, 2027. Utilizing Fiscal Year 2021 rates, this SRA leases Airside C Ramp Level space at \$81.47 per square foot. This SRA provides for an annual rental rate adjustment.

Premises	Square Footage	Rate	Annual Payments	Monthly Payments
Airside C – Ramp Level	1,393	\$81.47	\$113,487.71	\$9,457.31

Management recommended adoption of Resolution No. 2021-145.

Resolution No. 2021-145 approved and authorized execution of Space Rental Agreement at Tampa International Airport with Breeze Aviation Group, Inc., dba Breeze Airways; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item H10

Ground Service Equipment Facilities Space Rental Agreement, Air Transport International, Inc., Tampa International Airport, Resolution No. 2021-148; Letter of Agreement, Global Aviation Services, GAS, LLC and Air Transport International, Inc., Tampa International Airport, Resolution No. 2021-149.

As of October 1, 2020, all airlines operate at Tampa International Airport (Airport) under a Rates by Resolution.

On March 2, 2017, the Authority and Global Aviation Services, GAS, LLC (GAS) entered into a Ground Service Equipment (GSE) Facilities Space Rental Agreement for Suite 2200 at the Airport for the term April 1, 2017 to September 30, 2018 (Agreement). The Agreement supported GAS's GSE business operations. The Agreement terminated September 30, 2018. GAS is required to continue to reimburse the Authority under the Agreement for Customized Improvements Rent (CIR) for Suite 2200 after termination of the Agreement until a replacement tenant is secured, at which time the reimbursement obligation passes to the new tenant.

This new GSE Facilities Space Rental Agreement (SRA) with ATI is effective September 1, 2021 and terminates September 30, 2027. The Authority or ATI may terminate the SRA upon 180 days' written notice.

Beginning September 1, 2021, ATI will lease GSE Facility space at \$9.15 per square foot and will pay an initial annual O&M Rent of \$1.50 per square foot. O&M Rent will increase on Oct. 1, 2021 to \$1.75 per square foot. Starting October 1, 2022, O&M Rent will increase by 5.5% each year. The CIR will remain at \$749.16/month (amortized 30 years at 5.5%). The Rents under the SRA are as follows:

Company	Suite No.	SF	Annual Warehouse Rent	Initial O&M Rent	Customized Improvements Rent	Total Initial Annual Payments
ATI	2200	5,120	\$46,848.00	\$7,680.00	\$8,989.92	\$63,517.92

This new LOA between GAS and ATI commences September 1, 2021 and terminates on September 30, 2027. Under the terms of the new LOA, ATI will assume the obligation for repayment of CIR during the Term of its SRA with the Authority, but will not be responsible for repayment of CIR after termination of its SRA. Upon completion of the Term of the SRA or earlier termination of the LOA, GAS will retain the obligation to repay the outstanding balance of the CIR to Authority. GAS' obligation will continue until the CIR is paid in full or until the Authority executes a subsequent GSE Facilities Space Rental Agreement with a replacement tenant.

Management recommended adoption of Resolution Nos. 2021-148 and 2021-149.

Resolution No. 2021-148 approved and authorized execution of Ground Service Equipment Facilities Space Rental Agreement at Tampa International Airport with Air Transport International, Inc.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Resolution No. 2021-149 approved and authorized execution of Letter of Agreement at Tampa International Airport between Global Aviation Services, GAS, LLC and Air Transport International, Inc.; and authorized the Chief Executive Officer or his designee to execute all other ancillary documents.

Item H11

Ground Lessor Estoppel Certificate, Lease (Parcel E), International Plaza, Tampa Westshore Associates Limited Partnership, Resolution No. 2021-150; Ground Lessor Estoppel Certificate, Shopping Center Lease, International Plaza, Tampa Westshore Associates Limited Partnership, Resolution No. 2021-151.

On September 10, 1998, the Authority and Tampa Westshore Associates Limited Partnership entered into a Shopping Center Lease for the lease and development of approximately 109 acres within a 200-acre tract known as the Concorde property located adjacent to Tampa International Airport. On June

14, 2001, the Authority entered into a Ground Lease with Concorde Companies for a carve out parcel from the Concorde property known as Parcel E (Parcel E Lease). In 2008, the Parcel E Lease was assigned to Tampa Westshore Associates Limited Partnership. Paragraph 22, Estoppel Certificates, of both the Shopping Center Lease and the Parcel E Lease states that, upon not less than 10 days written notice, the Authority will execute, acknowledge and deliver statements in writing certifying certain factual representations regarding the existence of each Lease, including whether the Lease is in default or has been modified, and other matters with respect to the Lease as the requesting party may reasonably request.

Tampa Westshore Associates Limited Partnership has requested the execution of a Ground Lessor Estoppel Certificate certifying to certain factual representations regarding the existence of the Parcel E Lease and Shopping Center Lease, including that the Leases are in full effect, all monetary obligations due under the Leases are current, and the Leases are not currently in default. Nothing in either Ground Lessor Estoppel Certificate modifies or releases any liability of Tampa Westshore Associates Limited Partnership under each Lease.

Additionally, staff is requesting that the Chief Executive Officer be authorized to execute future estoppel certificates related to the Parcel E Lease and Shopping Center Lease in order to allow the Authority to better comply with the 10-day requirement.

Management recommended adoption of Resolution Nos. 2021-150 and 2021-151.

Resolution No. 2021-150 approved and authorized execution of Ground Lessor Estoppel Certificate for Parcel E Lease at International Plaza at Tampa International Airport; and authorized the Chief Executive Officer or his designee to execute all future estoppel certificates related to the Parcel E Lease.

Resolution No. 2021-151 approved and authorized execution of Ground Lessor Estoppel Certificate for Shopping Center Lease at International Plaza at Tampa International Airport; and authorized the Chief Executive Officer or his designee to execute all future estoppel certificates related to the Shopping Center Lease.

Chairman Harrod then proceeded to Committee Reports.

General Diehl presented a report on the Audit Committee Meeting held on August 19, 2021.

Two of the three committee members were in attendance. The first item of business was an election where General Diehl was reelected as Chairman of the Audit Committee.

Laura Tatem presented two Policies that would be coming before the Board later at the meeting. Ms. Tatem also presented the status of the FY2021 Audit Plan and the proposed FY2022 Audit Plan.

Assistant General Counsel Elita McMillan spoke of ethics training requirements and conflict of interest requirements.

Marcus Session, Vice President of IT, presented on the Authority cybersecurity program.

Representatives from RSM presented the audit plan for FY2021.

There was also a video from the Department of Transportation, District 7 on the FDOT strategic intermodal system policy plan.

This concluded the Committee Report.

Chairman Harrod then proceeded to Policies or Rules for Consideration or Action.

The following items were contained in Policies or Rules for Consideration or Action.

Item J1

Update to Policy Manual, Revisions to Policy for Approval: Section 100, Policy P102, Election of Officers, presented by Scott Knight.

Policy P102, Election of Officers, identifies the officers of the Authority and provides the process for their election.

Staff proposes revising Policy P102, Election of Officers, to state, in concert with revisions to the recodified Enabling Act approved by the Board at the August 2021 Board Meeting, that following the appointment of a new member to the Board or the re-appointment of an existing member to the Board by the Governor of Florida, the Board will hold an election at its next regular meeting to elect all officers.

The Chief Executive Officer recommended the Board approve the revisions to Policy P102, Election of Officers.

Upon motion of Robert Watkins, seconded by General Diehl, Revisions to Policy 102, Election of Officers was unanimously approved by all Board Members present; no resolution was required.

Item J2

Update to Policy Manual, Policy for Approval: Section 100, Policy P156, Lobbyist Activities, presented by Scott Knight.

Policy P156, Lobbyist Activities, is a new policy to require the registration of Lobbyists dealing with the Authority.

Staff proposes creating Policy P156, Lobbyist Activities, which would require all Lobbyists to register before or at the time of Lobbying but in any event no later than seven business days from the date of such Lobbying on a registration form provided by the Authority.

“Lobbying” is defined in the proposed Policy as communicating or meeting privately in person, by telephone or pursuant to written or electronic communication with a member of the Authority Board, the Chief Executive Officer, an Executive Vice President, a Vice President, the General Counsel, an Assistant General Counsel, a department director, or any Authority employee or representative who makes a final decision or final recommendation to the Board in order to influence decision-making or to encourage the passage, defeat, or modification of any item.

“Lobbyist” is defined in the proposed Policy as a person who is employed and receives payment, or who contracts for economic consideration, for the purpose of Lobbying, or a person who is principally employed for governmental affairs by another person or entity to lobby on behalf of that person or entity.

Under the proposed Policy, registration by a Lobbyist would include providing, at a minimum, the Lobbyist’s name and business address, the name and business address of each Principal represented, the general and specific areas of business interest, and the nature and extent of any direct business association or partnership with any Authority representative. The registration must have attached a statement signed by the Principal or the Principal’s representative that the Lobbyist is authorized to represent the Principal and the Principal’s main business. A separate registration is required for each Principal represented and registration is effective for a period of 12 months.

The following persons and activities are exempted from the requirement of registration under the proposed Policy:

1. Employees or representatives of federal, state, or local governmental agencies discussing the business of their agency;
2. Any person in contractual privity with the Authority who appears only in his or her official contractual capacity or through his or her attorney to discuss issues related to their contract or in connection with the negotiation of an existing contract with the Authority;

3. Any person who only appears in his or her individual capacity for the purpose of self-representation without compensation or reimbursement, whether direct, indirect, or contingent, to express support or opposition to any item; and
4. Persons or representatives of organizations contacted by an Authority official when such contact is initiated by the Authority official.

The proposed Policy provides for investigation of alleged violations of the Policy by the General Counsel and provides that the Board may warn, reprimand, or suspend a violator of the Policy from Lobbying the Authority for a period of time not to exceed two years, upon reasonable notice and an opportunity to be heard.

The proposed Policy will be effective December 1, 2021.

The Chief Executive Officer recommended the Board approve Policy P156, Lobbyist Activities.

Robert Watkins made a motion to deny this Policy. There was no second.

Mr. Watkins said that he was against this Policy because it would create a bureaucratic process for monitoring the registrations. He did not feel that it served any useful purpose to the public. He asked if other boards that were constituted similarly to the Authority had something similar in place.

General Counsel Stephens commented that the Authority is probably the only public agency that does not utilize a Lobbyist Policy.

Mr. Watkins asked if the Port Authority and USF had similar Policies to which General Counsel Stephens replied that the Port Authority did but he was unsure of USF.

Mr. Watkins asked for clarification as to what information would be included in the form.

General Counsel Stephens informed Mr. Watkins that the Authority is only asking for a minimum listing of items which would include the name of the lobbyist, the firm, the principal of the firm and the matter that they would be lobbying for. The lobbyist would also be able to include additional information that they feel may be helpful.

Mayor Castor added that she supported the Policy. General Diehl thought a Lobbyist Policy would provide guidance as to what the next steps were if a Board Member was contacted by a Lobbyist. Commissioner White added that the Lobbyist Policy at the BOCC is a seamless process. He also added that the Policy only pertains to paid professional lobbyists. If someone from the community reached out and had a particular interest to anything related to Hillsborough County government they would be exempted. General Counsel Stephens that the Lobbyist Policy presented would cover that. Commissioner White also gave his support of the Policy.

Robert Watkins made a motion to defer the Lobbyist Policy to another meeting. It was seconded by General Diehl.

The motion to defer Policy P156, Lobbyist Activities, to a subsequent meeting was unanimously approved by all Board Members present; no resolution was required.

Chairman Harrod called for a 5 minute break and the meeting resumed at 10:45 a.m.

Item J3

Update to Policy Manual, Revisions to Policy for Approval: Section 100, Policy P104, Audit Committee, presented by Laura Tatem.

Policy P104, Audit Committee, establishes a policy governing the Audit Committee of the Authority and outlines the tasks for which the Audit Committee is responsible.

The Authority's Internal Audit Department recently completed its transition to The Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing (Standards). These Standards require certain provisions be clearly defined in the Authority's policies related to Internal Audit.

Staff proposes revising Policy P104, Audit Committee, to explicitly address the review and approval of the annual audit plan by the Audit Committee as required by the Standards.

Additionally, staff proposes updating Policy P104 to reflect that the CEO, Director of Internal Audit, or Audit Committee Chairperson can request additional Audit Committee meetings at any time. This provides the ability for greater transparency and affirms that the Director of Internal Audit has unrestricted access to the Audit Committee as required by the Standards.

These proposed revisions were discussed and approved during the August 19, 2021 Audit Committee meeting.

The Chief Executive Officer recommended approval of the revisions to Policy P104, Audit Committee.

Upon motion of Robert Watkins, seconded by Mayor Castor, Revisions to Policy P104, Audit Committee, were unanimously approved by all Board Members present; no resolution was required.

Item J4

Update to Policy Manual, Revisions to Policy for Approval: Section 400, Policy P460, Internal Audits, presented by Laura Tatem.

Policy P460, Internal Audits, establishes guidelines regarding the Authority's internal audit function.

The Authority's Internal Audit Department recently completed its transition to The Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing (Standards). These Standards require certain provisions be clearly defined in the Authority's policies related to internal audit.

Staff proposes revising Policy P460, Internal Audits, as follows:

- Referencing the Internal Audit Department's adherence to the Standards;
- Enhanced description regarding consulting services;
- Reflecting that the CEO, Director of Internal Audit, or Audit Committee Chairperson can request additional Audit Committee meetings;
- Referencing the maintenance of the quality assurance and improvement program and required reporting of the results of internal and external assessments; and
- Enhancing communication in the event independence is impaired.

These proposed revisions were discussed and approved during the August 19, 2021 Audit Committee meeting.

The Chief Executive Officer recommended approval of the revisions to Policy P460, Internal Audits.

Upon motion of Robert Watkins, seconded by Mayor Castor, Revisions to Policy P460, Internal Audits, was unanimously approved by all Board Members present; no resolution was required.

Item J5

Amendment to Hillsborough County Aviation Authority Airport Concession Disadvantaged Business Enterprise (ACDBE) Policy and Program, Tampa International Airport, Resolution No. 2021-139, presented by Elita McMillon.

As a condition of receiving federal grant funds for airport development from the United States Department of Transportation, the Authority has signed an assurance that it will comply with 49 CFR Part 23 to ensure that Airport Concession Disadvantaged Business Enterprises (ACDBEs) have an equal opportunity to participate in concession opportunities at Tampa International Airport (Airport).

ACDBE regulations require the Authority to establish two separate overall ACDBE goals to cover a three-year period: one for concessions other than car rental and one for car rental concessions. The current goal for concessions other than car rental established by the Authority for fiscal years 2018 through 2020 is 25.32% of gross receipts generated by non-car rental concessions. The current goal for car rental concessions for fiscal years 2018 through 2020 is 7.7% of the total expenditures on goods and services at the Airport. The Board approved both goals on March 1, 2018.

This item amends Attachments 3 and 4 to the Hillsborough County Aviation Authority ACDBE Policy and Program to establish the Authority's new overall three-year ACDBE goals for fiscal years 2021 through 2023 as 25.2% of the gross receipts generated by concessions other than car rental and 2.2% of the total expenditure on goods and services by car rental concessions, based on the methodology provided in the ACDBE regulations. The goal for car rentals changed from 7.7% to 2.2% because FAA instructed airports to include vehicle purchases in the calculation of the goal to ensure consistency across the country. The FAA has approved both goals for fiscal years 2021-2023. This item also amends the Policy and Program to update the Authority staff responsible for various administrative duties. The amendment also updates organizational charts, personnel titles, and other miscellaneous items.

Management recommended adoption of Resolution No. 2021-139.

Upon motion of Commissioner White, seconded by General Diehl, amendment to the Hillsborough County Aviation Authority Airport Concession Disadvantaged Business Enterprise (ACDBE) Policy and Program was unanimously approved by all Board Members present; and the Chief Executive Officer or his designee was authorized to execute all other ancillary documents by adoption of Resolution No. 2021-139.

Chairman Harrod proceeded to New Business as the only item in Unfinished Business, the Capital and Operating Budget for FY2022, Resolution No. 2021-138, was approved during the Management Report. The following items were contained in New Business.

Item L1

Construction Contract, Main Terminal Complex Structural Envelope Rehabilitation, HCAA Project No. 6855 21, One Source Restoration and Building Service, Inc., Tampa International Airport, Resolution No. 2021-135, presented by Jeff Siddle.

This project consists of rehabilitation of the Building Envelope of Airside Buildings A, A-Sort, C, E, & F, as well as the Main Terminal Building at Tampa International Airport. A low bid solicitation was advertised on June 24, 2021.

On July 28, 2021, bids were publicly opened and read aloud as follows:

<u>Company Name</u>	<u>Bid Amount</u>
*General Caulking & Coatings Co., Inc.	\$673,894.50
*Fleetwash, Inc. d/b/a Krystal Klean	\$1,069,311.00
One Source Restoration and Building Service, Inc.	\$1,393,686.00
Foresight Construction Group, Inc.	\$1,858,952.37

H.A. Contracting Corp	\$2,318,226.10
*Graciano Corporation	\$2,996,408.59

*General Caulking & Coatings Co., Inc., Fleetwash, Inc. d/b/a Krystal Klean, and Graciano Corporation were deemed non-responsive for failing to meet the prescribed W/MBE Goal.

The lowest responsive and responsible bidder is One Source Restoration and Building Service, Inc.

A W/MBE Goal participation rate of 23.9% was prescribed and a W/MBE Goal participation rate of at least 23.9% is incorporated into this Contract.

This item is included in the Capital Budget.

Management recommended adoption of Resolution No. 2021-135.

Robert Watkins moved the motion and it was seconded by Mayor Castor.

Mr. Watkins had questions regarding how the W/MBE factored into the bid received by General Caulking & Coatings Co., Inc. as their bid amount was significantly lower. The W/MBE goal was at 23.9% and General Coating had come in at 20%. Damian Brooke responded that staff went back to the bidders to see if there was a way to help them with meeting the goal but the bidders were certified in areas that did not have anything to do with what they were bidding on.

The Construction Contract for Main Terminal Complex Structural Envelope Rehabilitation at Tampa International Airport with One Source Restoration and Building Service, Inc. in the amount of \$1,393,686.00 was unanimously approved by all Board Members present; the rejection of bids received from General Caulking & Coatings Co., Inc., Fleetwash, Inc. d/b/a Krystal Klean, and Graciano Corporation as non-responsive was approved; and the Chief Executive Officer or his designee was authorized to execute all other ancillary documents by adoption of Resolution No. 2021-135.

Item L2

Award and Issuance of Purchase Order, Electric Buses, HCAA Project No. 6875 21, BYD Coach and Bus LLC, Tampa International Airport, presented by Laurie Noyes.

The Authority is responsible for transporting Tampa International Airport (Airport) employees from the North Employee Parking Lot located at 4701 N. Hoover Blvd., Tampa, FL 33634 to the Main Terminal 24 hours a day, 7 days a week.

The Authority utilizes seven (7) diesel buses and six (6) CNG buses for the current operation. The diesel buses are leased through an existing contract with the current operator, ABM Aviation, Inc.,

and the CNG buses are owned by the Authority, operated by ABM Aviation, Inc., and maintained by a third-party through ABM Aviation, Inc.

The Authority desires to purchase four (4) electric buses to begin replacing the existing diesel and CNG buses that are near end-of-life.

On March 10, 2021, an Invitation to Negotiate for Electric Buses at Tampa International Airport was issued.

On April 20, 2021, three responses were received and two qualified responses were evaluated by staff. The response from Creative Bus Sales was deemed non-responsive for failing to meet minimum qualifications. The two responsive firms are listed below:

1. BYD Coach and Bus LLC
2. Gillig LLC

After review of the two qualified responses against the evaluation criteria in the Invitation to Negotiate, the technical evaluation committee recommended concurrent negotiations with both firms and subsequent award to BYD Coach and Bus LLC as the firm providing the overall best value to the Authority.

This item awards and authorizes issuance of a Purchase Order for electric buses to BYD Coach and Bus LLC for a maximum purchase authorization of \$3,928,726.00. This purchase includes four (4) electric buses, three (3) chargers, and charger network access fees for ten (10) years.

No specific goal for W/MBE participation was established.

The FAA will provide \$3,261,188 in funding for the four (4) electric buses and three (3) chargers via a grant for zero emissions vehicles with the remaining balance for network access fees and contingency funded by the CIP. This item is included in the Capital Budget.

The Chief Executive Officer recommended the Board authorize the award and issuance of a purchase order to BYD Coach and Bus LLC and authorize the Chief Executive Officer or his designee to execute all other ancillary documents.

Upon motion of Mayor Castor, seconded by General Diehl, the Award and Issuance of Purchase Order, Electric Buses, HCAA Project No. 6875 21, BYD Coach and Bus LLC was unanimously approved by all Board Members present; no resolution was required.

Item L3

Purchase Order(s), Software, Support and Services, Carahsoft Technology Corporation utilizing GSA Contract No. GS-35F-0119Y and NASPO Contract No. AR2472, Tampa International Airport, presented by Marcus Session.

The Authority's Information Technology Services Department routinely purchases equipment, software and related services to support the Authority's information technology needs. Carahsoft Technology Corporation is an authorized distributor of over 500 information technology manufacturers including, but not limited to, DocuSign, Salesforce, BOX, and ServiceNow, which are currently used by the Authority. These software solutions allow Authority staff to deliver and optimize content and applications, facilitate incident notifications as well as automatic escalations, provide tools that monitor and measure critical IT services provided to both external and internal Authority customers, provide automated alerts and notifications in the event of IT service outages or interruptions, and automate customer service and support teams.

These technology manufacturers are available through GSA Contract No. GS-35F-0119Y and National Association State Procurement Officials (NASPO) Contract No. AR2472. Execution of purchase documents, including, but not limited to, statements of work outlining requirements, end user license agreements for the rights to use their software, and service level agreements for support and maintenance, are often required to complete purchase transactions of these solutions.

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 purchase order(s) to Carahsoft Technology Corporation utilizing GSA Contract No. GS-35F-0119Y and NASPO Contract No. AR2472 for the purchase of software, support and services on an as-needed basis for the period of September 2, 2021 through September 1, 2026, in an aggregate maximum purchase authorization amount of \$5,600,000.

In addition, this item authorizes the Chief Executive Officer or his designee to execute all purchase documents required to complete these purchases of software, support, and services, including, but not limited to, statements of work, end user license agreements, and service level agreements.

This item is included in the O&M and Capital Budgets.

Upon motion of Robert Watkins, seconded by General Diehl, the issuance of purchase order(s) to Carahsoft Technology Corporation was unanimously approved by all Board Members present; the Chief Executive Officer or his designee was authorized to execute all purchase documents; and the Chief Executive Officer or his designee was authorized to execute all other ancillary documents. No resolution was required.

Item L4

Purchase Order, Airport Liability Insurance, Arthur J. Gallagher Risk Management Services, Inc., Tampa Executive, Peter O. Knight, Plant City and Tampa International Airports, presented by Brian Miles.

The Authority's current Airport Liability Insurance policy expires on October 1, 2021.

Arthur J. Gallagher Risk Management Services, Inc. (Gallagher), the Authority's liability insurance broker, approached four lead insurance companies offering quota share arrangements, including the incumbent carrier, Global Aerospace, Inc., and requested quotations for the Authority's Airport Liability coverage for the renewal period of October 1, 2021 to October 1, 2022. The Authority requested Gallagher solicit quotations at the current coverage level of \$500 million with \$150 million for war coverage with a zero deductible.

Gallagher received the following premium quote:

Global Aerospace, Inc. \$300 million, AXA XL \$200 million Excess \$384,265

The other insurance companies that were approached declined to provide quotes due to loss history or the premiums not being competitive.

Gallagher and Siver Insurance Consultants, the Authority's insurance consulting firm, recommend purchasing the insurance for the \$500 million coverage from Global Aerospace, Inc. with AXA XL for \$384,265. The proposed total premium of \$309,925 for primary coverage from Global Aerospace, Inc. and excess coverage from AXA XL is \$74,340, which is \$43,965 or 12.92% more than the expiring premium of \$340,300. This premium increase is primarily due to the aviation insurance market, including the market for airport liability insurance continuing to harden, a return to more disciplined underwriting, COVID-19, and the Authority's extended loss history. Aviation insurers are continuing to control their capacity on all lines of coverage with some sectors seeing reductions in liability limits.

This item is included in the O&M Budget.

The Chief Executive Officer recommended the Board authorize issuance of the purchase order to Arthur J. Gallagher Risk Management Services, Inc. for the purchase of the \$500 million Airport Liability program with Global Aerospace, Inc. and AXA XL and authorize the Chief Executive Officer or his designee to execute all other ancillary documents.

Upon motion of Robert Watkins, seconded by Mayor Castor, Purchase Order, Airport Liability Insurance, Arthur J. Gallagher Risk Management Services, Inc., Tampa Executive, Peter O. Knight, Plant City and Tampa International Airports, was unanimously approved by all Board Members present; no resolution was required.

Item L5

Purchase Order, Business Automobile Insurance, Arthur J. Gallagher Risk Management Services, Inc., Tampa Executive, Peter O. Knight, Plant City and Tampa International Airports, presented by Brian Miles.

The Authority's current Business Automobile policy expires on October 1, 2021.

Arthur J. Gallagher Risk Management Services, Inc. (Gallagher), the Authority's liability insurance broker, approached four insurance companies, including the incumbent carrier American Southern Insurance Company, requesting quotes for the Authority's Business Automobile coverage for the renewal period of October 1, 2021 to October 1, 2022. No changes are proposed at the current coverage level of \$1 million each occurrence with a \$0 liability deductible, a \$1,000 collision deductible for passenger vehicles, and a \$5,000 collision deductible for fire rescue vehicles, except the insurer has added an absolute communicable disease exclusion.

The following premium quotation was received:

American Southern Insurance Company \$252,192

The other three companies Gallagher approached declined to quote due to underwriting requirements.

Gallagher and Siver Insurance Consultants, the Authority's insurance consulting firm, recommend accepting the quote of \$252,192 from American Southern Insurance Company at the current coverage level. The proposed premium of \$252,192 received from American Southern Insurance Company is \$19,646 or 8.45% more than the expiring premium of \$232,546. This premium increase is primarily due to an increase in rates industry-wide. The term of the policy is one year. Additional premiums may be paid 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 Gallagher Risk Management Services, Inc. for the purchase of the Business Automobile policy with American Southern Insurance Company; authorize additional premiums to be paid when additional vehicles are added to the Authority's fleet; and authorize the Chief Executive Officer or his designee to execute all other ancillary documents.

Upon motion of Robert Watkins, seconded by Mayor Castor, Purchase Order, Business Automobile Insurance, Arthur J. Gallagher Risk Management Services, Inc., Tampa Executive, Peter O. Knight,

Plant City and Tampa International Airports, was unanimously approved by all Board Members present; no resolution was required.

Item L6

Purchase Order, D&P Liability Insurance, Arthur J. Gallagher Risk Management Services, Inc., Tampa Executive, Peter O. Knight, Plant City and Tampa International Airports, presented by Brian Miles.

The Authority's current D&P Liability policy expires on October 1, 2021.

Arthur J. Gallagher Risk Management Services, Inc. (Gallagher), the Authority's liability insurance broker, approached sixteen markets directly, including the incumbent carrier Beazley Insurance Company, as well as a domestic intermediary and an international intermediary, requesting quotes for the Authority's D&P Liability coverage for the renewal period of October 1, 2021 to October 1, 2022. The proposed changes include a \$100,000 retention for all coverages, but if the incident involves breach response only, the retention will be \$10,000 for legal expenses and \$50,000 for forensic or public relations expenses. The expiring retention was \$50,000 for all coverages and, if the incident involved breach response only, it was \$5,000 for legal expenses and \$10,000 for forensic or public relations expenses.

The following premium quotation was received:

Beazley (Lloyds – Syndicate 2623/623) \$5 million, Homeland Ins. Co. of NY XS \$5million \$254,760

Twelve of the carriers Gallagher approached declined to quote due to the class of business (Public Entity) or underwriting requirements.

Gallagher and Siver Insurance Consultants, the Authority's insurance consulting firm, recommend accepting the quote of \$254,760 from Beazley (Lloyds – Syndicate 2623/623) and Homeland Ins. Co. of NY at the current coverage level. The proposed premium of \$254,760 received from Beazley (Lloyds - Syndicate 2623/623) and Homeland Ins. Co. of NY is \$182,302 or 252% more than the expiring premium of \$72,458. This premium increase is primarily due to D&P Liability insurance continuing to be the most difficult line coverage for the public sector as public entities are perceived to be more easily breached, especially since the start of COVID-19. Carriers are experiencing large increases in claims costs which, in many instances, have exceeded the premium that the insurer collected, resulting in higher premiums, higher retentions and deductibles, and stricter underwriting guidelines for system security and data and privacy loss preparedness. Many carriers are non-renewing policies for public entities or have decided to not write new public sector business. Accounts that are able to obtain renewal quotes are seeing substantial increases in retentions and deductibles as well as corresponding reduction in limits and sublimits.

This item is included in the O&M Budget.

The Chief Executive Officer recommended the Board authorize issuance of the purchase order to Gallagher Risk Management Services, Inc. for the purchase of the D&P Liability Insurance policy with Beazley (Lloyds - Syndicate 2623/623) and Homeland Ins. Co. of NY and authorize the Chief Executive Officer or his designee to execute all other ancillary documents.

Upon motion of Robert Watkins, seconded by Mayor Castor, Purchase Order, D&P Liability Insurance, Arthur J. Gallagher Risk Management Services, Inc., Tampa Executive, Peter O. Knight, Plant City and Tampa International Airports was unanimously approved by all Board Members present; no resolution was required.

Item L7

Purchase Order, Workers' Compensation and Employer's Liability Insurance, Arthur J. Gallagher Risk Management Services, Inc., Tampa Executive, Peter O. Knight, Plant City and Tampa International Airports, presented by Brian Miles.

The Authority's current Workers' Compensation and Employer's Liability policy expires on October 1, 2021.

Arthur J. Gallagher Risk Management Services, Inc. (Gallagher), the Authority's Workers' Compensation Broker, approached six insurance companies, including the incumbent carrier, Florida Municipal Insurance Trust (FMIT), requesting quotes for Florida statutory Workers' Compensation benefits and Employer's Liability coverage at \$1,000,000 each accident for the renewal period of October 1, 2021 to October 1, 2022.

The following premium quotations were received:

FMIT	\$714,411
Public Risk Management of Florida (PRM)	\$800,000
Star	\$1,052,526

Of the six companies approached, three declined to provide a quote due to underwriting requirements because the risk was too large, because of reinsurance exclusions, or because of the class of business. PRM requires that they also write other lines of business that were not quoted. FMIT, as a governmental trust, is able to propose lower premiums and deductibles than standard insurance companies. The premium quotes include a \$25,000 brokerage fee.

Gallagher and Siver Insurance Consultants, the Authority's insurance consulting firm, recommend accepting the quote of FMIT's proposed premium of \$714,411 which is for a fully insured, non-deductible program. The proposed premium represents a 37.3% increase from the expiring policy premium of \$520,336. Payroll increases, prior payroll classification code changes, and several large losses have contributed to the rate increase.

This item is included in the O&M Budget.

The Chief Executive Officer recommended the Board authorize issuance of the purchase order to Arthur J. Gallagher Risk Management Services, Inc. for the purchase of the fully insured, non-deductible Workers' Compensation and Employer's Liability insurance policy with FMIT; authorize the payment of additional premiums resulting from payroll audits, if needed; and authorize the Chief Executive Officer or his designee to execute all other ancillary documents.

Upon motion of Robert Watkins, seconded by Mayor Castor, Purchase Order, Workers' Compensation and Employer's Liability Insurance, Arthur J. Gallagher Risk Management Services, Inc., Tampa Executive, Peter O. Knight, Plant City and Tampa International Airports was unanimously approved by all Board Members present; no resolution was required.

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

Jeff Siddle began the Staff Report with a recap of the work that DPR is doing at SkyCenter One on Level's 3-5.

The roadway expansion program with Cone and Graham is on schedule to be completed the week of November 15th.

The economy parking road exit opened on September 1. Part of the program was to construct a new exiting road for motorists that are heading south on 275. New signage will lead motorists to this road exit.

Night time work will be done over the next three months for the final asphalt rehabilitation program which should be completed the week of November 15.

The CUPP is expected to turn on in October.

Mr. Siddle informed the Board that about 83% of the projects that are currently underway are anticipated to be completed ahead of schedule.

Mr. Siddle concluded the Staff Report with the budget slide with \$543 million and 82% of committed costs. The next phase of the project is the red side curb expansion where there may be an escalation of inflated prices and where the \$543 million budget is trending higher.

This concluded the Staff Report.

Damian Brooke announced the retirement of Ann Davis, Vice President of Finance, after 28 years with the Authority.

Before adjourning the meeting, Mr. Stephens requested an Attorney-Client Closed Session be held at the October 2021 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.



Robert I. Watkins, Vice Chairman



Jane Castor, Secretary