

On **WEDNESDAY, AUGUST 20, 2014**, the **GREATER ORLANDO AVIATION AUTHORITY** met in regular session in the Carl T. Langford Board Room of the Aviation Authority offices in the main terminal building at the Orlando International Airport (OIA), One Jeff Fuqua Boulevard, Orlando, Florida. Chairman Frank Kruppenbacher called the meeting to order at 2:02 p.m. The meeting was posted in accordance with Florida Statutes and a quorum was present.

Authority members present,

Frank Kruppenbacher, Chairman
Dean Asher, Vice Chairman
Domingo Sanchez, Treasurer
Mayor Teresa Jacobs
Dr. Jason Pirozzolo

Also present,

Phillip N. Brown, Executive Director and Secretary
Dayci S. Burnette-Snyder, Director of Board Services and Assistant Secretary
Marcos Marchena, General Counsel

For individuals who conduct lobbying activities with Aviation Authority employees or Board members, registration with the Aviation Authority is required each year prior to conducting any lobbying activities. A statement of expenditures incurred in connection with those lobbying instances should also be filed prior to April 1 of each year for the preceding year. As of January 16, 2013, lobbying any Aviation Authority Staff who are members of any committee responsible for ranking Proposals, Letters of Interest, Statements of Qualifications or Bids and thereafter forwarding those recommendations to the Board and/or Board Members is prohibited from the time that a Request for Proposals, Request for Letters of Interests, Request for Qualifications or Request for Bids is released to the time that the Board makes an award. As adopted by the Board on September 19, 2012, lobbyists are now required to sign-in at the Aviation Authority offices prior to any meetings with Staff or Board members. In the event a lobbyist meets with or otherwise communicates with Staff or a Board member at a location other than the Aviation Authority offices, the lobbyist shall file a Notice of Lobbying (Form 4) detailing each instance of lobbying to the Aviation Authority within 7 calendar days of such lobbying. As of January 16, 2013, Lobbyists will also provide a notice to the Aviation Authority when meeting with the Mayor of the City of Orlando or the Mayor of Orange County at their offices. The policy, forms, and instructions are available in the Aviation Authority's offices and the web site. Please contact the Director of Board Services with questions at (407) 825-2032.

MINUTES

1. Upon motion by Mayor Jacobs, second by Mr. Sanchez, vote carried to accept the July 16, 2014, minutes as written.

TWENTY-FIVE YEAR AWARD TO FAY COMMODARIO

2. Mr. Brian Gilliam, Director of Security, along with Mr. Brown and the Board recognized and congratulated Ms. Commodario for her 25 years of service to the Aviation Authority.

AIRSIDE 2 FOOD AND BEVERAGE CONCESSION

3. Mr. Jim Rose, Deputy Executive Director and Ernie Straughn of SchenkelShultz presented this item. No action was required.

Mr. Rose stated that in anticipation of the Release for Proposal for Airside 2, Hub, Food and Beverage, Staff wanted to provide information, background, and analysis to the Board to see how the program is moving forward. He talked about the current contracts for Airside 2 Food and Beverage concession. He reviewed the Aviation Authority's concession program goals to include the Orlando Experience; customer service; financial performance; and sustainability. He then talked about the enplanements by Airsides - (1) 28%; (2) 29%; (3) 22%; and (4) 21%.

Mr. Rose continued by stating that Airside 2 has 22 aircraft gates; accommodates Southwest; Air Tran; and Virgin America. In FY 2013, enplaned passengers using this airside totaled 5,050,900; deplaned totaled 5,028,346; for a total of 10,079,246. The total area of the Airside is 351,857 square feet with a total concessions area of 21,878 square feet. Airside 2 is the only Airside without a table service restaurant. As to MCO financial performance; Mr. Rose mentioned that among reporting airports in 2012, MCO had the 9th highest sales per enplaned passenger (spend rate) in North America. He then reviewed the concession sales for Airside 2 per enplaned passenger with a total of \$29,815,072 for food and beverage.

Dr. Pirozzolo left the room at 2:09 p.m.; returning at 2:11 p.m.

AIRSIDE 2 FOOD AND BEVERAGE CONCESSION (cont)

Mr. Rose then turned the presentation over to Mr. Ernie Straughn. The general consultant was engaged to analyze - configuration and seating; opportunity for additional units; and concept mix. Mr. Straughn talked about the existing Airside 2 hub concessions and that the purpose of the analysis was to evaluate the concession program at Airside 2 hub to address 3 issues to determine the optimum concession strategy - (1) perceived lack of food court seating in the hub; (2) potential for additional concession units; and (3) concessions mix.

Mr. Straughn mentioned that the passenger dwell time at this airside is estimated at slightly over one hour. The existing and project growth in peak demand in this airside raises the requirement for food service seating. Seating area requirements should be balanced against the need to maintain proper passenger circulation space and the desire to provide additional concessions. The concession mix analysis may include 2 key elements for determining the food and beverage mix - type of service and type of food. How is each element addressed in these priorities - balance; differentiation; brands; and sense of place. What does the space configuration allow and what would passengers like.

He then talked about the recommendation criteria that has been identified to rate each concession strategy. The consultant's recommendation is to increase the food court seating from 5,500 square feet to 8,200 square feet with an Option 3 food and beverage concession strategy with a medium food court; direct procurement with burger operator; and sit-down restaurant with additional bar area. The advantage is a variety of dining experience for the passenger; comparable passenger service to other Southwest Airline hub facilities; and it supports available dwell time for passengers in this airside.

Mr. Straughn then returned the presentation back to Mr. Rose. Mr. Rose stated that the Aviation Authority held an industry meeting on August 14, 2014, where 78 representatives attended. The focus of the industry meeting was to discuss goals, concepts, and approach. This was some of the feedback received - length of term (10 years); acceptable concepts; menu item restrictions; food court maintenance; ACDBE goals; investment requirements; and 2 concession rule issues.

The challenges include the fact that the contracts expire concurrently; lack of food options during build-out; and disruption of hub operations. To address these concerns, Staff is recommending to extend the agreements with Au Bon Pain and possibly Kafe Kalik by 6 - 8 months; release the RFP for Food Court; direct negotiate with McDonald's; stagger the RFP release by 6 months for the restaurant/bar; open the food court in February 2016; and open the restaurant in August or September 2016.

Chairman Kruppenbacher clarified the pronunciation of Au Bon Pain (Pan).

As to McDonald's, Mr. Rose stated that it is the most recognized burger concept; it is a dominant concept in the top 50 airports with 44% of locations among 4 major national brands; and it is the strongest burger performer at MCO since 2000.

Mr. Sanchez asked when the RFP would be released. Mr. Rose responded that the initial RFP will be released in late September for the food court.

Mr. Sanchez stated that within our RFP process, he would like to ask the Board to consider adding an element in the agreement that has to do with customer service training that we are rigorously trying to implement at the moment.

Chairman Kruppenbacher stated that based on the Board's previous endorsement of Mr. Sanchez's efforts with customer service, he asked that Mr. Sanchez work with Mr. Marchena to have it included in the agreement. The Chair requested that Mrs. Snyder notify the Board a week in advance when the RFP will be released. He added that it was critical that the Board have no contact with proposers during the proposal process. If anyone tries to contact a board member, please report it to Mr. Marchena.

CONSENT AGENDA

4. Consent Agenda Item Y was pulled for separate consideration (Item No. 5 below). Upon motion by Mr. Asher, second by Mayor Jacobs, vote carried to adopt a resolution as follows: It is hereby resolved by the Greater Orlando Aviation that the following Consent Agenda items are approved, accepted, and adopted and execution of all necessary documents is authorized by the Aviation Authority's Officers or Executive Director:

A. June 3, 2014, Mayor Dyer and Domingo Sanchez met to discuss customer service initiatives at the Aviation Authority; May 28 and July 16, 2014, Ad Hoc Committee of the Financial Advisory Services of the Aviation Authority; April 8, June 17, and July 8, Ad Hoc Committee for Legal Services; June 3, June 10, June 24, July 1, July 8, July 22, and July 29, 2014, Construction Committee; May 23, May 27, June 9, and July 14, 2014, Concessions/Procurement Committee; March 25, April 2, April 21, May 19, June 2, and June 24, 2014, Design Review Committee; July 9, 2013, and June 12, 2014, Ground Transportation Committee; May 7, May 29, June 9, June 10, June 19, June 23, and June 26, 2014, Labor Contract Negotiations; May 27, June 10, July 1, and July 8, 2014, Professional Services Committee; and April 10, 2014, Sub-Committee of the Ground Transportation Committee;

B. find the property listed in the memorandum (copy on file) no longer necessary, useful, or profitable in the operation of the Airport System; request Orlando City Council approval and resolution of this finding; and authorize Staff to dispose of this property in accordance with the Aviation Authority's Policies and Procedures;

C. approve the revisions to Policy 201.05, Employment and Placement of Relatives as described in the memorandum (copy on file); 7951

D. approve the revisions to Policy 204.01, Code of Ethics and Business Conduct as described in the memorandum (copy on file) **[FILED DOCUMENTARY NO. 7952]**

E. approve revisions to Operational Policy 730.01, Access and Operations in the SIDA/AOA and Operational Policy 730.02, Access and Operations on the Movement/Safety Areas **[FILED DOCUMENTARY NO. 7953]**

F. accept the recommendation of the Concessions/Procurement Committee to: (1) find the quotations submitted by Dade Paper for Product #MB548 and by GEM Supply for Product #BMF4B non-responsive for the reasons stated; (2) award Purchasing Request for Written Quotations #91892-14 to Janpak for Product #48690 as the low, responsible and responsive quoter in the not-to-exceed amount of \$384,555.60; (3) authorize funding from the approved Operation and Maintenance Fund; and (4) authorize the Purchasing Office to issue the necessary blanket purchase agreement;

G. concur with the recommendation of the Concessions/Procurement Committee; award the Airside 2 Fashion Jewelry and Accessories Concession to Air Sun Joint Venture; require that Air Sun Joint Venture provide a 100% contract bond or Letter of Credit; and authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents following satisfactory review by legal counsel; 7954

H. concur with the recommendation of the Concessions/Procurement Committee; award the Automated Retail Concession to New Zoom, Inc. and; authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7955]**

I. approve the recommendation of the Finance Committee to reappoint Jacki Churchill, Chief Financial Officer as the Authorized Investment Officer and appoint Carolyn Binder, Director of Finance and Sue Kiang, Assistant Director of Finance as designees for a two-year term beginning June 1, 2014;

J. accept the recommendation of the Finance Committee to: (1) approve the selection of Frasca & Associates, LLC and Raymond James & Associates, Inc. to provide Financial Advisory Services; (2) authorize Staff to negotiate fee schedules and terms with each firm; (3) delegate authority to the Executive Director to approve fees negotiated; and (4) authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents, following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7956-7957]**

K. accept the recommendation of the Concessions/Procurement Committee and: (1) rescind the award to Chesapeake Facility Resources, LLC and remove them from the Qualified Bidder's List; (2) award Purchasing Contract 12-14, Parking Garage Floor Scrubbing Services to Clean Recover, Inc; (3) authorize funding from the Operation and Maintenance Fund in the not-to-exceed amount of \$426,000; and (4) authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7958]**

CONSENT AGENDA (cont)

L. accept the recommendation of the Concessions/Procurement Committee and: (1) approve an amendment to Purchasing Contract 13-14, Elevators, Escalators and Moving Sidewalk Maintenance and Repair with Schindler Elevator Corporation; (2) authorize funding from the Capital Expenditure Fund in the not-to-exceed amount of \$510,800; and (3) authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7959]**

M. accept the recommendation of the Concessions/Procurement Committee and: (1) exercise the fifth renewal option of Purchasing Contract 16-05, Airfield Lighting Parts and Maintenance Services with Allen Enterprises, Inc., expiring June 26, 2015; (2) authorize funding from Operation & Maintenance Funds for this renewal option in an amount not-to-exceed \$625,000; and (3) authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7960]**

N. concur with the recommendation of the Concessions/Procurement Committee and (1) exercise the first renewal option, with contract adjustments, of Purchasing Contract 16-11, Landside Terminal Landscape Maintenance and Irrigation Services, with Carol King; (2) authorize funding from the Operation and Maintenance Fund in the not-to-exceed amount of \$1,273,120.69; and (3) authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents, following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7961]**

O. accept the recommendation of the Concessions/Procurement Committee and: (1) find New Image Upholstery, Inc. and Total Furniture Restoration, Inc. non- responsible; (2) award Purchasing Contract 20-14, Replacement/Installation and Fabrication of Vinyl Slipcovers and Repair of Passenger Style Flyaway Seating to Ocampo Upholstery, Inc.; (3) authorize funding from the Operation and Maintenance Fund in the not-to-exceed amount of \$350,950; and (4) authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7962]**

P. accepting Joint Participation Agreement FM No. 409791 in the amount of \$3,500,000; (2) adopt a Resolution accepting Supplemental No. 2 to Joint Participation Agreement FM No. 431588 in the amount of \$8,081,288; and, (2) authorize the Executive Director and the Assistant Secretary to execute the necessary documents;

Q. accept the recommendation of the Professional Services Committee and (1) approve an Amendment to the Single-Source Agreement (PS-249) for Occupational Medical Services for Fire Fighters with Adventist Health System Sunbelt, Inc. dba Florida Hospital Centra Care for a five-year single-source agreement extension (extending the Agreement to December 31, 2019), for a total not-to-exceed amount of \$200,000, with funding from Operations and Maintenance Fund; and (2) authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7963]**

R. accept the recommendation of the Professional Services Committee and (1) approve the 3 year term extension with two one-year optional renewal periods (Oct 1, 2014-Sept 30, 2019), for the Professional Services Federal Governmental Relations Consulting Agreement with Michael E. Korens, for international air service counsel services; (2) authorize funding in the amount of \$410,000 from the Operations and Maintenance Fund; and (3) authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7964]**

S. accept the recommendation of the Professional Services Committee and (1) approve an Amendment to the Purchasing Agreement for PS-315, Oracle E-Business Suite Consulting Services at the Orlando International Airport, with AST Corporation, for the Scope of Services No. 3, for a not-to-exceed amount of \$605,100, with funding from Capital Expenditure Funds; and, (2) authorize an Aviation Authority Officer or the Executive Director to execute the necessary contract documents following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7965]**

T. accept the recommendation of the Professional Services Committee and (1) approve the ranking of the firms for Continuing Low Voltage Construction Services at the Orlando International Airport and the Orlando Executive Airport as follows: First - Orlando Business Telephone Systems, Inc.; Second - Orion Management Services, LLC; Third - Quality Cable Contractors, Inc.; Fourth - Volt Telecommunications Group, Inc.; Fifth -

CONSENT AGENDA (cont)

Global One Networks, LLC; and, Sixth - Morrisette Electric, Inc.; (2) authorize hourly rate negotiations with each of the top five ranked firms in accordance with the Aviation Authority's policy; and (3) subject to successful negotiations with each of the top five ranked firms: (a) approve a no cost Continuing Low Voltage Construction Services Agreement with each of the top five ranked firms for its negotiated hourly rates; and, (b) authorize an Aviation Authority Officer or the Executive Director to execute the necessary contract documents following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7966-7970]**

U. accept the recommendation of the Construction Committee to approve Change Order V682-01 for a no cost 69 calendar day time extension for substantial completion and authorize an Aviation Authority Officer or the Executive Director to execute the change order(s) following satisfactory review by legal counsel;

V. accept the recommendation of the Construction Committee and (1) approve an Addendum to the Continuing Vertical Construction Services Agreement with R. L. Burns, Inc. for the award of Project V696, Landside Levels 2 and 3 Rehabilitation at the Orlando International Airport, for the bid amount of \$546,000 with funding from Capital Expenditure Funds; and (2) authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents following satisfactory review by legal counsel; 7971

W. accept the recommendation of the Concessions/Procurement Committee to (1) exercise the first renewal option and the adjustment to Purchasing Contract 15-11, Trash Removal Services, at Orlando International Airport with Republic Services of Florida, LP; (2) authorize funding from the Operation and Maintenance Fund in the not-to-exceed amount of \$239,880; and (3) authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents, following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7972]**

X. approve the recommendation of the Concessions/Procurement Committee to (1) allow multiple purchase orders to be issued to various landfill facilities; (2) authorize funding from Operation and Maintenance Fund in the not-to-exceed amount of \$290,620; and (3) authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents, following satisfactory review by legal counsel;

Y. considered separately (see Item No. 5 below);

Z. approve the Space Use Agreement with a 60 day termination notice by and between the City of Orlando and the Aviation Authority; authorize an Aviation Authority officer or the Executive Director to execute any documents necessary to effectuate the Space Use Agreement following satisfactory review by legal counsel; and authorize the Executive Director to approve and execute any future extensions of the Space Use Agreement following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7973]**

AA. approve the Fourth Amendment to the Management Agreement with Hyatt Corporation and (2) authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7974]**

BB. accept the Executive Director's recommendation and confirm the appointment of Mr. Brian Engle as Director of Customer Service;

CC. approve and ratify the placement of Owners Protective Professional Insurance for \$45 million in coverage for the ITF and for \$45 million in coverage for All Other Projects from Catlin Specialty Insurance Company/Catlin Syndicate 2003 London for \$20 million of primary coverage and for \$25 million excess coverage from Indian Harbor Insurance Company (50%) and North American Capacity Insurance Co. (50%); authorize funding from FDOT grants, Line of Credit to be reimbursed by future PFC's and CFC's, future Revenue Bonds, and Aviation Authority funds for a total not-to-exceed amount of \$1,987,404.70 ; and authorize an Aviation Authority Officer or the Executive Director to execute the necessary documents; and

DD. approve the recommendation of the Finance Committee (1) for selection of legal services in each of the respective categories of Bankruptcy; Construction-Professional Services; Federal Aviation Regulatory Matters; Finance Services; Labor and Employment; Liability Defense; Litigation; Procurement; State of Florida Regulatory Matters; and Workers Compensation as outlined in the memorandum; (2) authorize the Executive Director and General Counsel to negotiate the fees and engagement agreements with each of the respective respondents; and (3) authorize the Chairman to execute any necessary documents, following satisfactory review by legal counsel **[FILED DOCUMENTARY NO. 7975]**

RECOMMENDATION OF THE GROUND TRANSPORTATION COMMITTEE TO AMEND THE GROUND TRANSPORTATION RULES & REGULATIONS

5. Vice Chairman Asher thanked the Chairman and the Board for addressing this item separately. After reviewing this item on the Ground Transportation Committee's recommended changes, and it had basically to do with Uber X, he did not want to vote on it as is but he wanted to make some comments publicly that he feels in the rationale there is a \$250 fine if they are caught on airport property. It does not specify if that's one time, two times, three times, four times. He has had the opportunity to talk to some other individuals in other airports around the country and he thinks that after we vote on this he would like the Committee to reconvene and look at whether it is after the first time or the second time, but probably no more than 2 times, that if those folks are caught back on the property that we impound their vehicle. You have to put some teeth in it and I don't know how much the drivers make but it's worth the risk to come back potentially after one or two times but once you take their car they are out of service for a day or two and they probably will not come back on the property. He wanted to vote on it as it stands right now but with the recommendation to go back to the Committee and maybe at the next meeting to bring some more rules forth.

Mr. Marchena made one clarification. He stated to Vice Chairman Asher that it will probably be in October because of the way that Committee works. They are actually 2 public hearings as part of the process so it will probably take 2 months to get back to the Board. Vice Chairman Asher responded that he was fine with that.

Chairman Kruppenbacher stated that he was glad that the Vice Chairman brought this up. He asked Mr. Marchena and Mr. Brown that the Committee consider the time frame of when a vehicle gets impounded. We are running a major business here and a cat and mouse game of giving out multiple tickets is not what he is interested in. Once they get the ticket, they ought to know to obey and if they don't, unless there is some compelling business or legal reason, he would like the vehicle impounded.

On another note, the Chair added that as Chairman he has the power to authorize General Counsel and the Executive Director, when it is recommended, to file legal action to protect the airport. He referenced a case in which a legal action was filed by a governmental entity, and somebody raised the issue about the governmental entity not having the authority to file the legal action. If there is a need to file a legal action, he will dispatch Mr. Marchena to brief the Board immediately.

Mayor Jacobs asked if this is a policy that the Board needs to adopt so there is some clarification. Mr. Marchena responded that the Aviation Authority has taken the position at all times in the past that the Executive Director and at times in consultation with the Chairman, has the authority to enforce all of the policies of this Board, including legal action, if necessary. The Chairman wants to simply have that on the record and be very clear so that if someone were ever to raise the issue as to whether we have the authority to proceed, that we have something even in the minutes discussing it.

Mayor Jacobs added that the reason she is asking, is based on the way the Chair describes this, somebody could challenge whether or not you have the authority to execute that and she just wants to make sure it is not questionable. Chairman Kruppenbacher responded that that is why he wanted it in the minutes and we have the policy.

Following discussion, Mr. Marchena stated that in his opinion it is simple because it does not change the prior policy. It just reminds everyone that that is the case. Mr. Marchena added that it is very likely that in the very near future we will be taking some action in connection with some of these transportation issues that we have been discussing.

Chairman Kruppenbacher reiterated the importance of acting responsibly and taking the necessary action when it is necessary.

The amended action was to request that the Aviation Authority Board resolve to approve the recommendation of the Ground Transportation Committee to amend the Ground Transportation Rules and Regulations pertaining to administrative changes and enhanced enforcement effective on August 20, 2014 and that the Ground Transportation Committee hold their necessary public meetings and report back no earlier than October no later than November on the issue of tickets and at what point are vehicles impounded.

RECOMMENDATION OF THE GROUND TRANSPORTATION COMMITTEE TO AMEND THE GROUND TRANSPORTATION RULES & REGULATIONS (cont)

Upon motion by Vice Chairman Asher, second by Mr. Sanchez, vote carried. [**FILED DOCUMENTARY NO. 7976**]

RECOMMENDATION FOR PRELIMINARY APPROVAL OF FISCAL YEAR 2015 AVIATION AUTHORITY BUDGET

5. Ms. Jacki Churchill, Chief Financial Officer and Ms. Carolyn Binder, Director of Finance, presented the proposed budget to the Board.

Ms. Churchill began the presentation with a budget timeline. The cost centers include airfield; terminal; ground transportation; other buildings and grounds; and hotel. The sub-cost centers include airfield (apron) and terminal (airline equipment, baggage system, and Federal Inspection Station (FIS)). For the calculation of landing fees, the formula is as follows: total airfield cost requirement; less specified airfield revenue; equal net airfield cost; divided by landed weight (1,000 lbs.); equal landing fee. She then compared the Preliminary FY 2015 to the Budgeted FY 2014. The landing fee for Preliminary FY 2015 is \$1.5901 and Budgeted FY 2014 is \$1.5207.

For the calculation of terminal premises rate, the formula is as follows: total terminal cost requirement; less certain terminal revenue; equal net terminal cost requirement; divided by rentable square footage; equal terminal premises rate. The Preliminary FY 2015 terminal premises rate is \$119.22 compared to Budgeted FY 2014 \$111.45. Ms. Churchill then explained the baggage system fee which includes an inbound bag system fee for Preliminary FY 2015 of \$1.15 compared to Budgeted FY 2014 of \$1.04 and an outbound bag system fee of \$1.25 for Preliminary FY 2015 compared to \$1.08 for Budgeted FY 2014.

Continuing the presentation, Ms. Churchill discussed budget comparisons of Preliminary FY 2015 compared to Budgeted FY 2014. For Preliminary FY 2015, the cost per enplaned passenger is \$6.95 compared to Budgeted FY 2014 of \$5.88. The debt service coverage ratio is 1.67 for Preliminary FY 2015 compared to 1.73 for Budgeted FY 2014. She then talked about MCO's Cost per Enplaned Passenger.

Ms. Carolyn Binder talked about the preliminary budgeted revenues for OIA in the amount of \$447,715,000; airline versus other revenues; preliminary budgeted expenses of \$379,247,000; and preliminary Operation and Maintenance Fund of \$232,956,000.

She then mentioned the community partnerships at OIA that include - United Arts of Central Florida, Inc.; Metroplan Orlando; Orlando/Orange County Convention and Visitors Bureau (Visit Orlando); Central Florida Partnership; Hispanic Business and Consumer Expo; Florida Chamber of Commerce; Black Business Investment Fund of Central Florida; Hispanic Business Initiative Fund Nationwide; African American Chamber of Commerce of Central Florida; Florida Minority Supplier Development Council; Host Annual Unified Certified Program Meeting; Central Florida Society of Information Management; Florida Tourism Industry Marketing Corp dba Visit Florida; Tiger Bay Club of Central Florida; Florida Public Relations Association; Hispanic Chamber of Commerce Metro Orlando; Florida Association of Minority Business Enterprise Officials; and the Space Coast Clean Cities Membership.

As to the community partnerships, the Chair reminded the Board that the request to have deliverables for each agreement began in 2013. Chairman Kruppenbacher asked the Board to communicate with Mr. Brown if there are any participants that need to be on this list or if they have issues with any of the partnerships on the list. *(Following the board meeting, Ms. Snyder provided an electronic copy of the chart to each board member for easy reference.)*

Ms. Binder then moved to the Orlando Executive Airport preliminary budget. The Preliminary FY 2015 is \$2,838,000 compared to Budget FY 2014 of \$2,804,000. She then reviewed the preliminary budgeted revenues and expenses.

It is respectfully requested that the Aviation Authority Board resolve to (1) adopt the Resolution approving the preliminary budget; (2) request Orlando City Council to conduct a public hearing on the preliminary budget within ten days of receipt of the budget; and (3) authorize an Aviation Authority Officer to execute any necessary documents.

Motion was made by Mr. Sanchez, seconded by Mr. Asher.

RECOMMENDATION FOR PRELIMINARY APPROVAL OF FISCAL YEAR 2015 AVIATION AUTHORITY BUDGET

(cont)

Chairman Kruppenbacher asked Ms. Churchill and Ms. Binder to add in big, black letters starting on the first page of these slides (1) no local taxes and (2) economic impact (\$). He said that this information puts the budget in context. He asked for the current slides to be revised in case the media requests copies, these facts will be clear.

Mr. Brown informed the Board that Staff held a meeting with the participating airlines plus a few others 2 weeks ago in which we reviewed the budget with them in detail. What is driving some of the slight increases in the preliminary budget as mentioned by Ms. Churchill and Ms. Binder is increase in security costs; baggage handling system improvements; and information technology requiring additional personnel. He reminded the Board that what makes OIA different is that it is a full service airport. Not all airports have responsibility for baggage or conduct 100% screening of airport employees. In addition to these 2 factors, there is also the federal costs for security. OIA is still a good value for the airlines that use our facilities.

Chairman Kruppenbacher complimented Mr. Brown for his work with the airlines, along with Vice Chairman Asher for participating in the airline appreciation luncheons.

Upon the vote, motion passed [**FILED DOCUMENTARY NO. 7977**].

UPDATE ON CUSTOMER SERVICE INITIATIVES

6. Chairman Kruppenbacher stated that about one year ago Mr. Sanchez came forward with the idea of improving the Orlando Experience and focusing on a broad based customer service initiative.

Mr. Sanchez began the presentation by thanking Mr. Brown and Mr. Thornton for their leadership and support. He also personally thanked Mr. Draper for the endless hours he has committed, in addition to his regular duties, on this initiative. Mr. Draper's gift is the hiring of the Director of Customer Service, Mr. Brian Engle.

Mr. Sanchez stated that with the assistance of our consultant, McKinsey & Company, we are able to create programs that will dramatically impact our customer experience.

He highlighted where we are today with the initiatives including design teams; culture; measurement; and governance. Using visual aids (copy on file), he talked about a few examples including changes to comfort; ease; speed; and culture. He mentioned the perfect example of the Ease Design Team analyzing the arrival journey identifying an issue and creating a proven solution with the FIDS. The Airport's ranking improved by 6 places (to No. 5) as a result of refocusing on the customer. By continuing to incorporate ideas and processes from our new partners we will keep achieving better rankings.

Mr. Sanchez then discussed the focus areas moving forward as follows: Accelerating the cultural transformation by ensuring the five behaviors are role-modeled and reinforced; enhancing the employee journey to improve pain points in their daily lives; ensuring we have a robust way to surface, track, test, and scale ideas in a balanced way; and continuing to engage the broader airport community in design teams and improvements to the passenger experience.

He also highly recommends implementing an employee cafeteria. Right now employees receive a 10% discount at the airport eateries and consume their meals in the public seating areas, sometimes interrupted with passengers asking them questions.

Chairman Kruppenbacher stated that the Board supports the idea of an employee cafeteria. Mayor Jacobs questioned about logistics and if it was one cafeteria or more. Mr. Brown responded that logistics will have to be worked out because we are limited to space. He said that the key, as much as it is a benefit to the employee for food, it is the ability to get employees airport-wide in the same place. Mr. Brown stated that Mr. Draper, Mr. Lewis, and Mr. Sanchez have been the glue that have held the customer service initiatives together. We have great partnerships helping us through these initiatives but the Customer Service Advisory Council (CSAC) will be key to our success.

Chairman Kruppenbacher asked Mr. Brown to draft a letter to Walt Disney World thanking them for their participation and assistance.

UPDATE ON CUSTOMER SERVICE INITIATIVES (cont)

The Chair reiterated the attendance of the Board, on an individual basis, to a CSAC meeting. He asked that the Board work with Ms. Snyder on their availability to accommodate attendance at one of these meetings.

Mr. Sanchez thanked the Board for its support.

CHAIRMAN'S REPORT

7. The Chair congratulated Mayor Jacobs for her re-election. She thanked everyone on the Board and in the audience for their support.

Chairman Kruppenbacher recognized Mr. Asher for being selected as the 2014 Florida Realtor of the Year.

Chairman Kruppenbacher also recognized Dr. Pirozzolo for being elected the American Medical Association Delegate for the State of Florida and he is also the only board member that received his Certified Member Program (CM) certification from the American Association of Airport Executives (AAAE).

Chairman Kruppenbacher congratulated Mr. Brown and Staff for successfully bringing Silver Airlines maintenance facility to OIA which brings with it approximately 100 jobs. He also thanked him for his tireless work on the South APM. Mr. Brown responded that many people deserve kudos on that project which was truly a team effort.

As to smoking in the terminal, the Chair asked Mr. Brown to review the Aviation Authority's policy and statutory requirements as to what is required and what is permitted.

The Chair mentioned that Staff is working on renovating the Carl T. Langford Board room to update the technology with the possibility of live streaming meetings.

Chairman Kruppenbacher distributed the proposed scope of the Capital Program Review (CPR) Committee. He asked that comments be provided to Ms. Snyder. To date we have confirmation from Ms. Linda Chapin that she will serve. Invitations have been extended to 2 other individuals. Once they are confirmed, you will be notified.

Chairman Kruppenbacher stated that he and Mr. Brown are working on a project that would "hang" banners throughout the airport with photos and names of prominent individuals that live within our demographics. For example, it can be Arnold Palmer welcoming our passengers to his home. He asked the Board to think of other individuals who live in the community that would publicly send a message that this is the place to do business because this goes hand-in-hand with our business messaging. Please get the names to Ms. Snyder. The bulk of the users of this facility don't realize the local talents who call this place home.

Referencing the Capital Review Committee, Mayor Jacobs recommended Mr. Egerton van den Berg. She said that he was involved in the convention center expansion and he knows the airport. As to the banners, Mayor Jacobs mentioned that if we have names associated with a type of convention in town, i.e. medical, it would be beneficial to have the ability of switching out the banners to suit the occasion. The Chair said to reach out to everyone. He wants it to be all expansive. Mr. Brown responded that we would do something electronically so that the information can be scrolled. Discussion ensued as to the type of banners that will be used. Mayor Jacobs suggested electronic banners.

CHAIRMAN'S REPORT (cont)

Lastly, Chairman Kruppenbacher mentioned a recent trip to Sarasota in which flight information was available on a TV channel in the hotel room. He asked Mr. Rose to research this issue.

ADJOURNMENT

8. There being no further business to be considered, Chairman Kruppenbacher adjourned the meeting - 3:06 p.m.

(Digitally signed on)

Dayci S. Burnette-Snyder
Director of Board Services

Phillip N. Brown, A.A.E.
Executive Director