

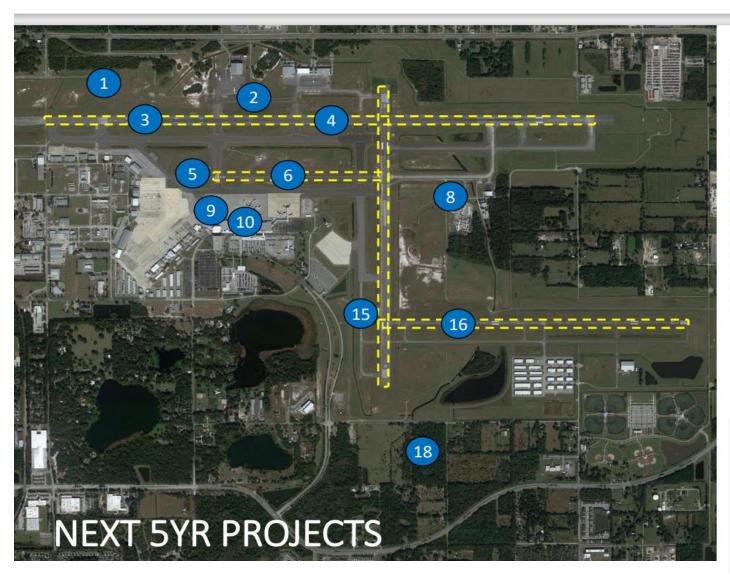


AGENDA JOINT BOARD MEETING OF SANFORD AIRPORT AUTHORITY AND OSI INC. Held at The Orlando Marriott Lake Mary 1501 International Parkway, Lake Mary FL FRIDAY, MARCH 24, 2023 11:00 a.m.

- 1. <u>CALL TO ORDER, PLEDGE OF ALLEGIANCE</u>
- 2. ADVERTISEMENT OF MEETING
- 3. APPROVAL OF MINUTES MARCH 24, 2022
- 4. CHAIR INTRODUCTIONS
- 5. <u>SAA UPDATE</u>
- 6. STRATEGIC PLAN (OSI)
- 7. TERMINAL FOOD & BEVERAGE CONCESSION PROGRAM (OSI)
- 8. US CUSTOMS FACILITY PROJECT (SAA)
- 9. PROPERTY INTERESTS REPORT (OSI)
- 10. <u>CONTRACT ISSUES & DISCUSSION (SAA)</u>
- 11. COUNSEL REPORT
- 12. <u>COMMENTS FROM THE PUBLIC</u>
- 13. <u>ADJOURNMENT</u>



SAA Activities Update – Capital Plan

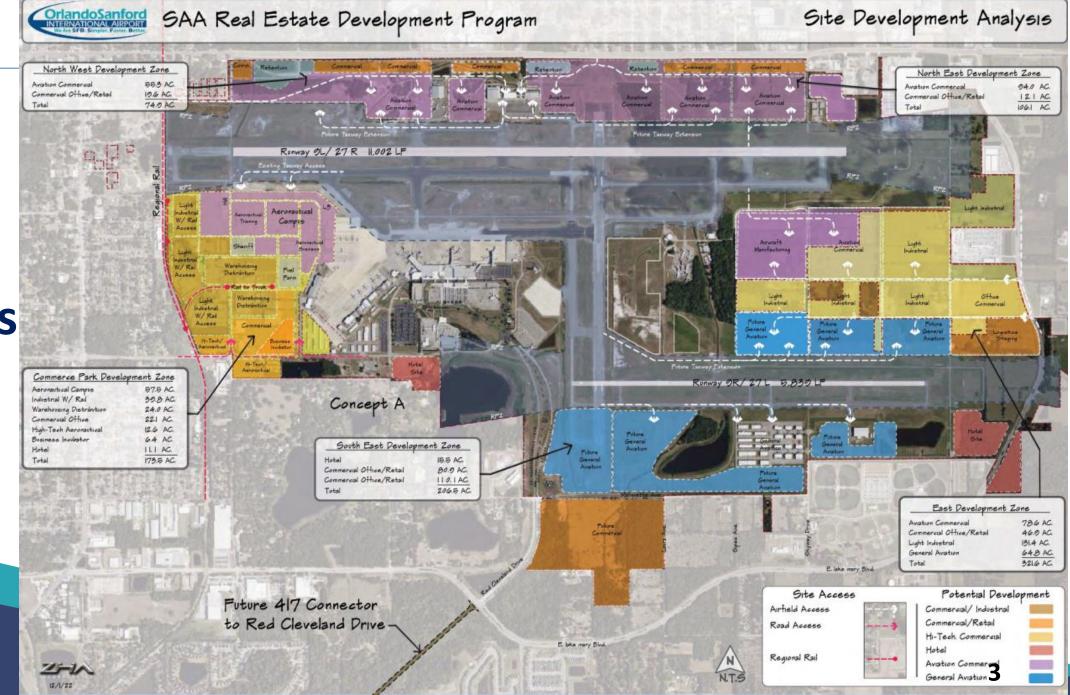


- TWY A EXTENSION
- 2. TWY A REHABILITATION
- 3. 9L ARTIFICIAL TURF
- RWY 9L-27R REHABILITATION
- 5. TWY K1 RELOCATION
- 6. RWY 9C-27C REHABILITATION
- 8. ARFF TRUCKS (2)
- 9. TERMINAL APRON
- 10. FIS IMPROVEMENTS
- 15. TWY R REHABILITATION
- 16. RWY 9R-27L REHABILITATION
- 18. OFFSITE PARKING

Total - \$103M

SAA
Update
Real
Estate
Strategies

XSFB



SAA Activities Update – Other Pending Efforts

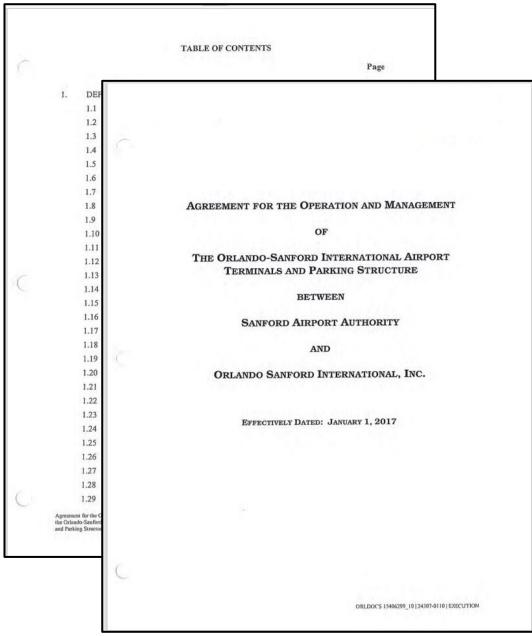
- Exploring construction of a Remote Parking Lot
- Rates and Charges Review
- PFC Authorization
- Strategic Planning Session (April 27th)





Contract Summary

- The basis for the relationship between Orlando Sanford, International, Inc. and the Sanford Airport Authority is the Operation and Management Agreement.
- Effective Date: January 1, 2017
- Termination Date: January 31, 2039
 - Unless extended or terminated early.
- Not a "Partnership."
 - OSI is defined as "an independent contractor to the Authority for the operation and management of the Terminal Facilities..."
 - OSI is the Authority's agent with respect to the operation and management of the Terminal Facilities in all dealings with third parties.
- Delegation of the Authority's public function to OSI.



Contract Summary - OSI Obligations

★ Terminal Operations – including management of the business relationships associated with the Terminal.

★ Maintenance and Repairs, including capital assets.

Air Service Development and Marketing.

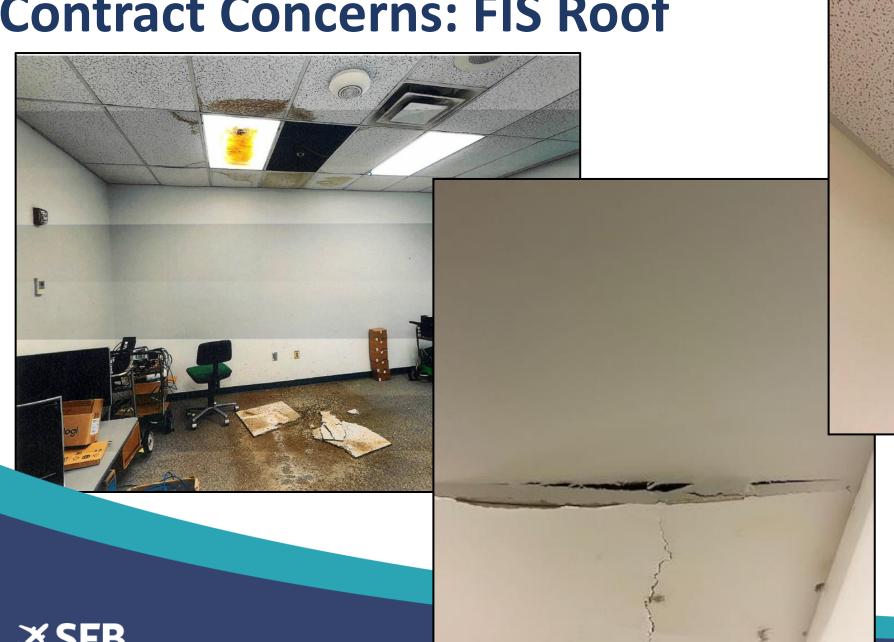
Contract Requirement for Joint Meeting:

Section 12.2.4 (b)(iv):

The Parties shall hold and participate in annual joint Board of Director meetings with their respective Board of Director members for review and discussion of past performance, and Airport future master planning and development to (1) discuss any current or future development initiatives on or adjacent to the Airport within one (1) mile radius of the Airport property; and (2) inform the Authority whether the Contractor or any affiliate, sister, or parent entity of the Contractor acquires or leases additional property within a one (1) mile radius of the Airport property.



Contract Concerns: FIS Roof





Contract Concerns: FIS Roof

- On August 2, 2022, SAA transmitted two (2) third-party reports outlining water damage to the FIS facility.
- OSI indicated that it was having its roofing contractor review the reports.
- Between September 22, 2022, and January 19, 2023, SAA asked on no less than 5 occasions for copies of OSI's report, including at multiple SAA Board meetings.
- The "report," actually a one-page letter, was transmitted to OSI on October 27, 2022.
- SAA ultimately had to file a Public Records Request on January 19, 2023, to obtain the report — it was received on January 23, 2023.



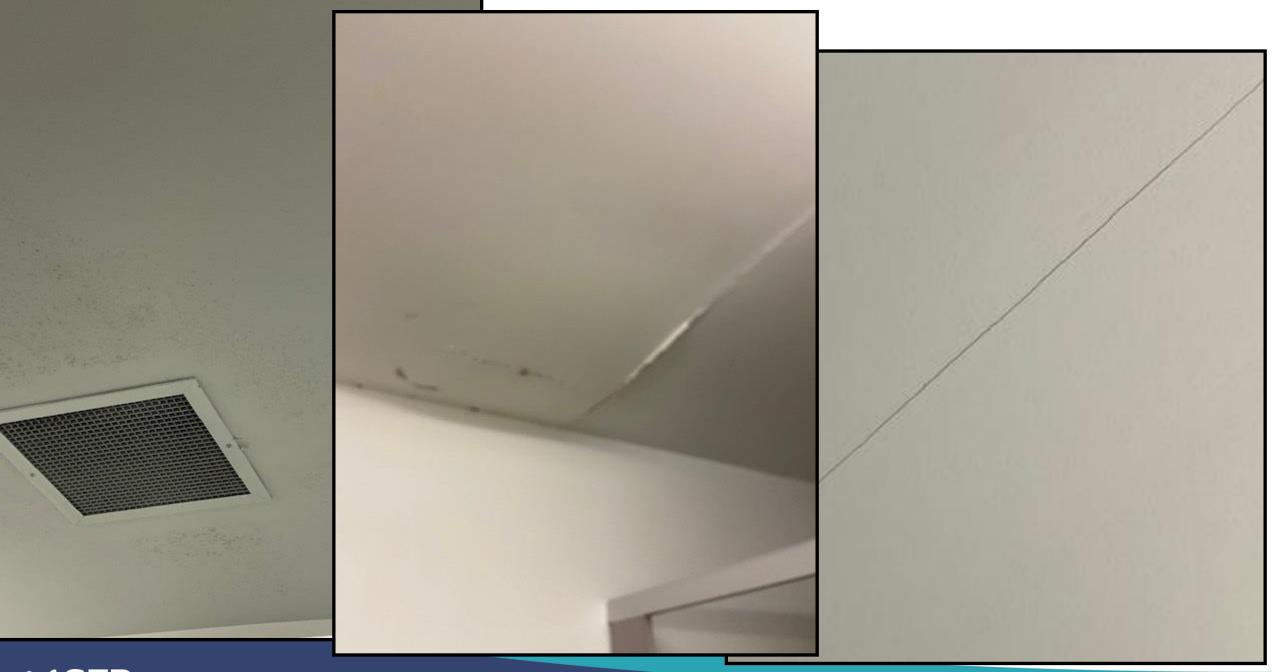
Contract Concerns: FIS Roof

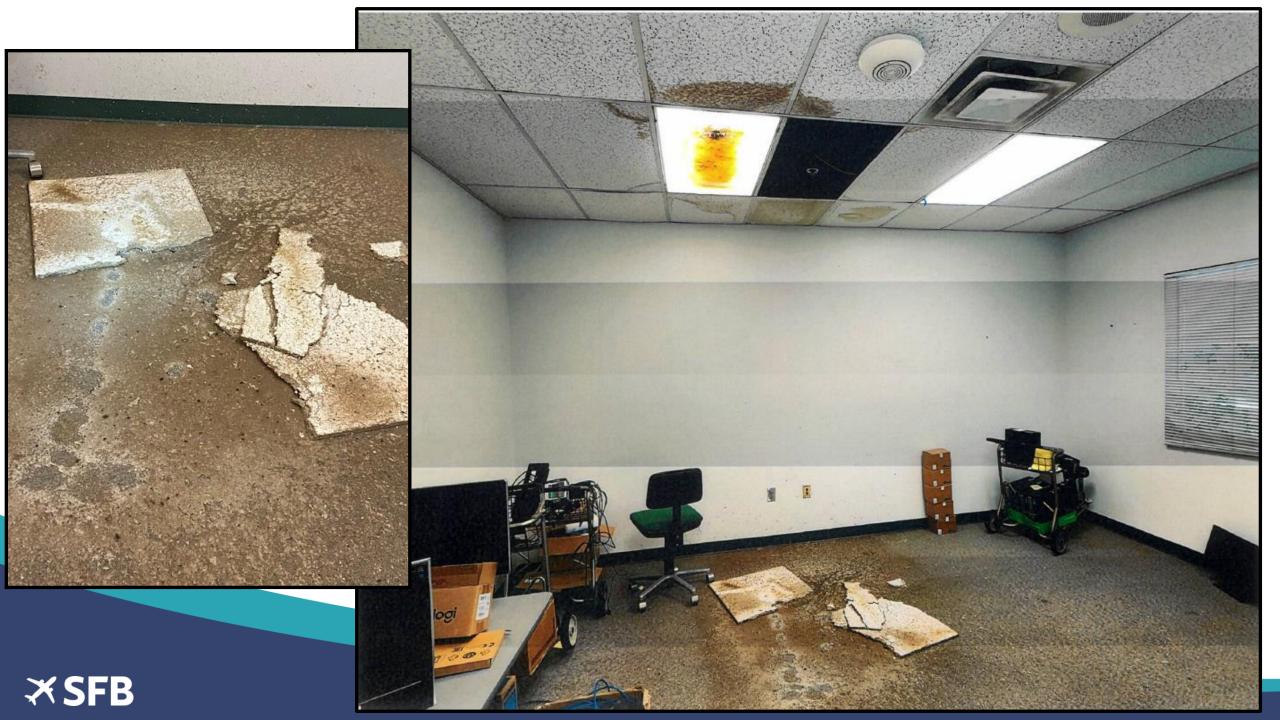
- The "report" did not specifically address any of the identified problems included in the two reports transmitted by SAA and, for the most part, we cannot substantiate that they have been addressed. Follow-up correspondence was transmitted to OSI on March 13, 2023, seeking a status update and clarification.
- Additionally, there are numerous outstanding work orders related to moisture in the FIS that remain unaddressed. These issues were reported by CBP.
- OSI has indicated its resistance to addressing matters in the FIS due to the pending rehabilitation project, however, OSI became aware on 2/14 that the rehab project was no longer a priority for CBP, and work orders requested prior to that date remain unresolved.

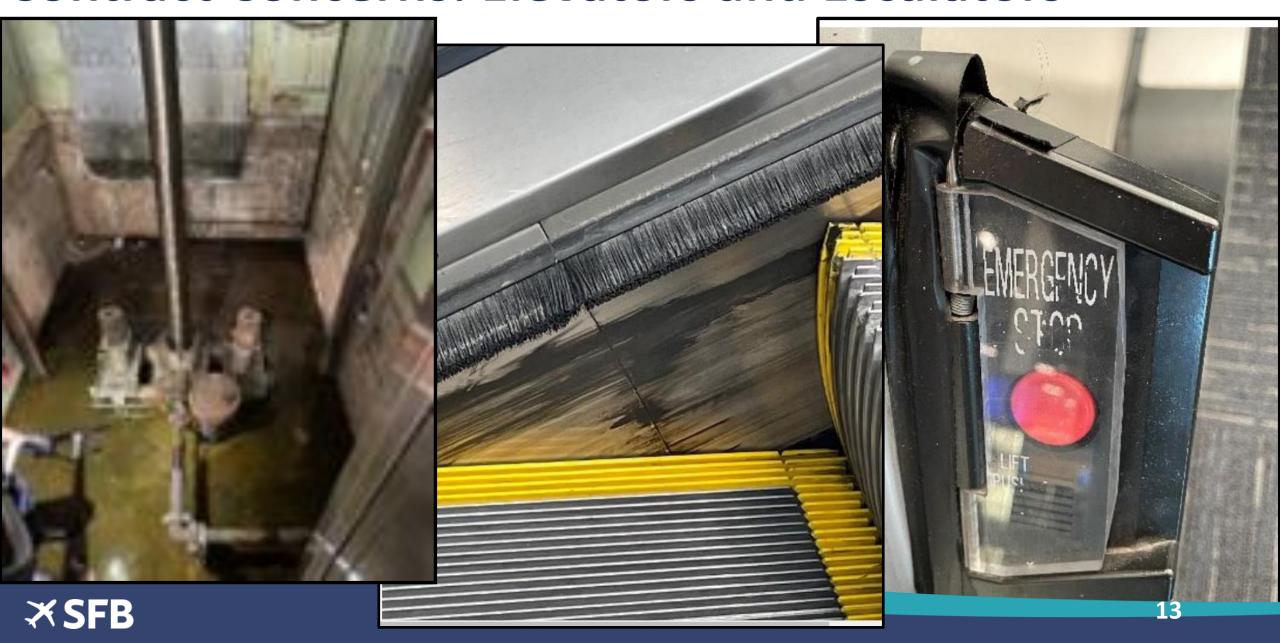












- 2/1/21 Schindler issues report on status of elevators and escalators. SAA was provided a "copy" of the report, consisting of only the first three-pages. Following its January 19th public records request, SAA discovered a more complete report which included the recommended capital upgrades. In 2021, the recommended capital planning investment was \$2.2M between 2021 and 2026. The report also indicated:
 - Elevators #7, 9 & 10 obsolete/past useful life.
 - Elevator #5 past useful life in 2022-24.
 - Elevators #2,3,4 past useful life in 2026-28.
- 10/14/21 Schindler provides proposal to modernize Elevator #9. Parts are not ordered until 3/22.
 - There were significant delays in getting this elevator back in service due in part to an after-the-fact replacement of the shaft. OSI had knowledge of the shaft/gouge issue at least as early as 9/21, prior to initiation of the modernization work.
- 4/19/22 Schindler provides a quote of \$472k to modernize Escalator 6 and indicates a 9-month lead time and 17-week construction timeframe.
- 9/15/22 Schindler advises that OSI should budget \$335k for modernizing Elevators #7, #8, and #10.

- Lerch Bates Report commissioned in August 2022.
- Complete on November 29, 2022.
- Only 5 of the 10 elevators for which OSI has responsibility were addressed:
 - Elevator #2 Parking Garage Mezzanine (Installed 2006).
 - Elevator #3 Parking Garage (Installed 2006).
 - Elevator #4 Parking Garage (Installed 2006).
 - Elevator #5 Ticketing Counter East (Installed 2000).
 - Elevator #12 Ticketing Counter West (Installed 2020 by SAA).

- Not included:
 - Elevator #1 -Terminal B old loading dock. (Installed 2000) According to the Schindler Report, the controller is past its useful life. Currently out of service. (relay issue/bad seal on jack).
 - Elevator #7 FIS elevator (Installed 1995). Obsolete per Schindler.
 - Elevator #8 Terminal A Freight elevator (Installed 1995) has been out of service since 1/22. Plan and timing for bringing it back into service is unclear.
 - Elevator #10 Welcome Center Obsolete per Schindler Report.
 - Elevator #11 New Freight by Gate 16 (Installed by SAA in 2019).

- For the five elevators addressed, Lerch Bates found 36 contractor
 deficiencies ranging from cleaning to travel cable not properly fastened –
 Corrective Action status is unknown not in the CMMS system.
- For the five elevators addressed, Lerch Bates found 9 owner deficiencies including improper storage in machine room, inoperable sump pump in pit, and water intrusion into pit— Corrective Action status is unknown — not in the CMMS system.

- Escalators
 - Escalator #1 Up Parking Garage.
 - Escalator #2 Down Parking Garage.
 - Escalator #3 Down Ticketing.
 - Escalator #4 Up Ticketing.
 - Escalator #5 Customs Per Lerch Bates, Immediate modernization needed.
 - Escalator #6 Terminal A Per Lerch Bates, Immediate modernization needed.
- Lerch Bates recommends a full clean down on all escalators and handrail replacements on escalators 1-4 by 11/29/23.
- Lerch Bates recommends immediate modernization of Escalators 5 & 6 at an estimated cost of \$1M.
- Lerch Bates found 18 deficiencies related to the escalators that must be addressed including insufficient cleaning creating a potential fire hazard and improper wiring to derelict handrails - Corrective Action status is unknown – not in the CMMS system.



- Per Lerch Bates:
 - Typical Elevator Lifespan: 20-25 years.
 - Typical Escalator Lifespan: 25-30 years.
- Although the typical lifespan is cited at the above durations, Lerch Bates noted: "Overall adjustments, maintenance and housekeeping need immediate improvement. Lack of any one of these items leads to decreased equipment lifecycle, preventable shutdowns and unnecessary cost outside of the maintenance agreement. Immediate attention to the deficiency list is highly recommended and spot audits to ensure continued effort is recommended."
- This indicates that the actual lifespan of these facilities could be less than typical due to subpar maintenance. This needs further validation.
- OSI included \$826,850 for escalators in its CAPEX for 2023 and \$254,450 for elevators. It is unknown if this
 will cover the necessary repair and replacement of the fixed assets. The allowance for maintenance issues is
 also unknown.





- 2/27/19 OSI requests proposal for garage assessment....nothing happens...
- 7/3/21 OSI circles back to consultant to resurrect the request for a proposal.
- 9/24/21 Contract with Desman Design Management executed.
- 11/2/21 1st Draft of Garage Assessment Report submitted to OSI.
- 3/1/22 Final Draft (#7 by the records provided to us) submitted to OSI.
- OSI spent the 4 months between the first draft and the 3/1/22 draft requesting revisions to revise characterizations of the safety of the structure and to remove details regarding specific repairs and pricing from the version to be provided to SAA.

The initial version of the report:

B. SUMMARY OF FINDINGS From our observations and review of the existing documents, DESMAN has found the facility generally in fair condition overall with areas deemed in poor condition including portions of the Top Level and overhead areas on lower levels. The facility was found to be structurally safe with repairs identified in this report. The garage has been in service for nearly twelve years and it does not appear that a major maintenance repair program has been implemented. The garage will require preventive maintenance and repair measures for the continued maintenance of the facility to preserve its long-term economic viability.

The version of the report provided to SAA:

From our observations and review of the existing documents, DESMAN has found the facility generally in fair condition overall with no structural concerns.



The initial version of the report:

Within this summary, recommended maintenance measures have been categorized as "Near Term" and "Long Term" or Programmed Maintenance repairs. "Near Term" repairs include the work required to be completed in the first few years to maintain the facility in a safe condition. The initial "Near Term" repairs should be addressed within twelve months of the condition assessment. Deferring the "Near Term" repairs will further undermine the structural integrity and serviceability of the garage which in turn increases the repair quantities and associated costs. Programmed Maintenance repairs are those which include preventive and scheduled maintenance to extend the service life of the facility.

The version of the report provided to SAA:

Within this summary, recommended maintenance measures have been categorized as "Near Term" and "Long Term" repairs. "Near Term" repairs include the work required to be completed within 0-3 years of the condition assessment to maintain the facility in a safe and serviceable condition.



From: James P. HACK

Sent: Tuesday, November 23, 2021 11:25 AM **To:** Santos, Mark <msantos@desman.com>

Subject: RE: Orlando Sanford Int'l Airport Parking Garage Assessment - DESMAN October Invoice

Mark,

A few items the company is looking for

- 1. We would like a high-level structural report stating the safety of the garage. The intent of this report is to give to the owner/airport authority to show the building is safe.
- 2. In our report, we would like you to quantify what condition stands for (fair, poor, and good).
- 3. The verbiage about trip hazards and ADA compliance removed from this report, not in scope.

I have asked our lawyer to send me her questions and if I receive them, I will forward them to you, but I think I got most of her items listed above.

The last thing that was emphasized is we are working with you on the garage and do not want any communications between the airport authority and your firm.



From: James P. HACK

Sent: Wednesday, February 02, 2022 2:22 PM

To: Luz, Christian <cluz@desman.com>

Subject: RE: Condition Assessment Report update

Christian,

Other than Stephanie's comment about the name referenced, there is a concern about the statement below.

<u>Deferring the "Near Term" repairs will further undermine the structural integrity</u> and serviceability of the garage which in turn increases the repair (NOTE: The highlighted emphasis here was included in the original e-mail transmission)

This would have us searching for \$500,000 in our budget this year which was not budgeted for. I am not sure if this can be worded differently?

This line would be in a abbreviated version as well if one was going to be provided to include just 1. Introduction and 2. Executive Summary.

I am getting estimates for #1 and 2 of the near-term repairs, but with budget constraints both may not be completed this calendar year.

I asked Dave for his input so if anything, else arises I will let you know.



From: James P. HACK

Sent: Thursday, February 10, 2022 2:47 PM

To: Luz, Christian <cluz@desman.com>

Cc: Shannon Bentz <sbentz@desman.com>

Subject: RE: Updated Condition Assessment report

Chris,

The highlighted section, I do not think the intention is to give out this information. We intend to do the repairs but do not need outside eyes on our cost of doing business. This will be better served for us during contract negotiations/extensions. (Note: The highlighted Section addressed costs.)

Jim



From: James P. HACK

Sent: Wednesday, February 23, 2022 8:00 AM

To: Christian Luz <cluz@desman.com> **Subject:** FW: Garage Assessment Report

Chris,

It seems like we would like to eliminate any section that has cost in the full document, mainly Section 2.C and all of section 5. The remaining Pg 21,23 and 24 are items the team does not feel are not relevant for this report.

Below is from our president and she has the final say.

From: Elizabeth M. Brown < <u>Elizabeth.Brown@aww.aero</u>>

Sent: Tuesday, February 22, 2022 3:28 PM

To: James P. HACK < <u>James.Hack@aww.aero</u>>; Stephanie Griffin < <u>Stephanie.Griffin@aww.aero</u>>

Subject: Garage Assessment Report

ATTORNEY-CLIENT PRIVILEGED INFORMATION REDACTED



- The initial Desman Report recommended almost \$800,000 of Near-Term Repairs in the first year following the assessment.
- The contract with Western covered \$126,000 of work.
- 1/28/23 Bearing pad project started, 2/18/23 completed.
- 1/25/23 Western submitted a proposal for additional work to seal the top level from leaking. We do not know if this work has been authorized by OSI. We have made multiple requests re: the status of any remaining work as floors 4 & 5 remain closed. To date we have not received any of the requested details.
- We have repeatedly asked for a Preventive Maintenance Program for the Garage but we have not yet been provided a comprehensive plan.
- 7/15/2022 Walker Consultants provided OSI with a Preventative Maintenance Outline, but it does not appear to have gone anywhere.



| (| INTERNATIONAL AIRPORT | | PARKING GARAGE Preventive Maintenance | | | | Near Term Repairs | Programmed Maintenance Repairs | |
|-----|-----------------------|---|--|----------|----------------|-------------------------|-----------------------|---|-----------------------|
| | | | | | | | Year 1 | Years 2-3 | Years 4-5 |
| tem | No. | . Descri | ption | | | | Repairs | Repairs | Repairs |
| 1. | Stru | ctural | Marie Con- | | | | | | |
| | a. | Partial Depth Concrete Slab Repair - Garage | | PC | SF | | \$18,750 | \$9,900 | \$5,200 |
| | b. | Overhead/Vertical Surface Spall | | NC | SF | - | \$15,000 | \$7,800 | \$4,100 |
| | c. | Lift Pocket/connection Grout Replacement Overhead/Vertical Crack Repairs | | NC PC | Each LF | | \$26,400 \$37,000 | \$40,800 \$19,100 | \$16,300 \$10,200 |
| | d. | | | | | | | | |
| | e. | Bearing Pad Replacement | | co | Each | | \$60,000 | \$0 | \$0 |
| | f. | Metal Floor Plate Removal | | NC | Each | | \$8,500 | \$17,600 | \$9,300 |
| | E- | CIP Concrete Wash Addition | | NC | SF | | \$204,000 | \$420,300 | \$223,000 |
| | | | | | | Subtotal | \$369,650 | \$515,500 | \$268,100 |
| 2. | Wat | terproofing | | | | | | | |
| | a, | Rout and Seal Cracks - Garage | | NC | LF | | \$2,800 | \$4,100 | \$1,200 |
| | b. | Rout and Seal Cracks - Stairs | | NC | LF | | \$3,800 | \$0 | \$2,100 |
| | C. | Sealant Replacement - Tee to | Tee | NC | LF | | \$36,900 | \$69,600 | \$37,000 |
| | d, | Cove Sealant Replacement - C | IP Wash | NC | LF | | \$8,800 | \$18,200 | \$9,700 |
| | e. | Sealant Replacement - CIP Wa | sh | NC | LF | | \$6,900 | \$14,200 | \$7,500 |
| | f. | Sealant Replacement - Exterio | r | NC | LF | | \$9,100 | \$25,600 | \$0 |
| | g. | Sealant Replacement - Stair & | Landing Sides | PC | | | \$0 | \$4,400 | \$0 |
| | h. | Powerwash Floors | | CO | SF | | \$0 | \$0 | \$13,500 |
| | i. | Penetrating Sealer Application | | NC | SF | | \$0 | \$0 | \$57,200 |
| | j. | Deck Coating Application | | NC | 5F | | \$25,900 | \$9,700 | \$0 |
| | k_ | Expansion Joint Replacement - | Horizontal | NC | | | \$21,700 | \$25,600 | \$15,300 |
| | l. | Expansion Joint Replacement - | - Vertical | NC | LF | | \$4,800 | \$34,300 | \$0 |
| | | | | 100 | | Subtotal | \$120,700 | \$205,700 | \$143,500 |
| 3. | Drai | inage | | | | | 27,000,000 | 111777 | |
| | a. | Supplementary Floor Drains | | NC | Each | | \$17,500 | \$5,200 | \$0 |
| | b. | Water Ponding - CIP Topping | | NC | Each | | \$4,000 | \$2,100 | \$0 |
| | | | | | | Subtotal | \$21,500 | \$7,300 | \$0 |
| | | nting | | | | | | | |
| | а. | Pavement Markings - Spaces | | co | Each | | \$0 | \$7,900 | \$16,100 |
| | b. | ADA Accessible Routes | | NC | | | \$6,000 | \$0 | \$0 |
| | | | | | | Subtotal | \$6,000 | \$7,900 | \$16,100 |
| -77 | 999 | rtowers | | | Lorenz or I | | | | 5 # Con 1 # Co |
| | a. | Guardrail Post Rust Repairs | | NC | Each | 2240000 | \$4,100 | \$2,200 | \$1,200 |
| | | | | | | Subtotal | \$4,100 | \$2,200 | \$1,200 |
| | Faça | | | NC | e a a t | | 40.000 | śo | |
| | а. | Exposed Rebar Patch | | NO | Each | Subtotal | \$2,000 | \$0 | \$0 |
| - 7 | | | | | 1 | Subtotall | \$2,000 | 50 | \$0 |
| /. | | cellaneous (Allowance) | | NC | Each | | 640,000 | śo | Ś |
| | a. | CMU Wall Repair | 1. h. h | NC | | | \$10,000 | 100000000000000000000000000000000000000 | \$16.40 |
| | b. | Light Fixture Support and Cond | auic Rust | NC | Each LS | | \$15,000 | \$30,900 \$5,200 | \$16,40 |
| | C. | Overhead Sign Support Rust | | 7770 | 1500 | | \$2,500 | 100000000000000000000000000000000000000 | |
| | d. | Pipe Support Rust | | NC CO | LS Each | | \$6,000 | \$0 \$0 | ŞI SI |
| | е, | Bollard Reanchor | | | - Maria (1997) | | \$200 | 0.00 | |
| | f. | Precast Bollard Addition | Addition | NC | Each | | \$18,750 | \$0 \$0 | \$1 |
| | g. | Level Identification Stair Signs | Addition | NC | Each | | \$3,000 | 1,000,000 | \$10.20 |
| | | | | | 1900 | Subtotal total Above | \$55,450 \$579,400 | \$36,100 \$774,700 | \$19,200 \$448,100 |
| | | | | | | | | | |

| - | RNAYIONAL AIRPORT AND SPB: Simpler. Packer Better, Repairs and Preventive Maintenance | | | Near Term Repairs | Programmed Maintenance Repairs | | TOTAL | | | | |
|--------|--|--|----------------|------------------------|--------------------------------------|----------------------|-------------|--|--|--|--|
| |). Description | | | Year 1 | Years 2-3 Repairs | Years 4-5 Repairs | | | | | |
| em No | | | | Repairs | | | | | | | |
| 8. Con | tractor Items | | | | - | | | | | | |
| a. | General conditions | 10% | | \$58,000 | \$77,500 | \$22,500 | \$158,000 | | | | |
| b. | Miscellaneous items (MOT, etc.) | 5% | | \$29,000 | \$38,800 | \$11,300 | \$79,100 | | | | |
| - | | | Subtotal | \$87,000 | \$116,300 | \$33,800 | \$237,100 | | | | |
| | | Total | | \$666,400 | \$891,000 | \$481,900 | \$944,550 | | | | |
| | Estimated Contingency | 10% | | \$58,000 | \$77,500 | \$44,900 | \$180,400 | | | | |
| | | 6 | Frand Total | \$724,400 | \$968,500 | \$526,800 | \$1,124,950 | | | | |
| | Estimated Engineering & Material Testing Fees | 10% | | \$72,400 | \$44,200 | \$28,100 | \$144,700 | | | | |
| - 10 | | Project Total | | \$796,800 | \$1,012,700 | \$554,900 | \$1,269,650 | | | | |
| Not | es: | | | | | | | | | | |
| 1 | Costs are in 2021 dollars. | | | | | | | | | | |
| 2 | Lost revenues are not included. | | | | | | | | | | |
| 3 | Utility costs are not included. | | | | | | | | | | |
| 4 | Contingency for project conditions beyond Owner's control s | uch as v | ariation in qu | antities, bidding clin | nate and regulatory | costs are not includ | ed. | | | | |
| 5 | | | | | | | | | | | |
| 6 | Costs estimate does not account for limited/restricted work | | | | | | | | | | |
| 7 | Costs assumes single phased construction would capture app | 7 Costs assumes single phased construction would capture approximately 20%-25% of the total garage area at one time. 8 Costs does not include repairs to any site structures located outside of the garage footprint or Ground Level occupied spaces. | | | | | | | | | |
| - 100 | | | | | | | | | | | |

Timely Repair and Replacement of Fixed Assets

- Repair and Replacement of Fixed Assets: (Contract Section 2.5)
 - <u>Year 1 through Year 11 (2017-2027)</u>. OSI solely responsible for the repair or replacement of a Fixed Asset (except for Terminal Ramps) resulting from and due to normal wear and tear.
 - <u>Year 12 and After (2028-2039)</u>. Beginning in 2028 and for each year thereafter, OSI's sole responsibility for such repair or replacement of a Fixed Asset shall be reduced by ten percent (10%) each year, with the percentage of responsibility attributed to the SAA increasing with a corresponding ten percent (10%) each year, until such time that SAA is solely responsible for the repair or replacement of a Fixed Asset.
 - Useful Life Reimbursement. For any repair or replacement of a Fixed Asset (including any Terminal Ramp Repair or Terminal Ramp Replacement) not required as a result of the negligence or intentional misconduct of OSI, and which is paid for by OSI, in part or in full, that has a useful life beyond the Term of this Agreement, the SAA will pay to OSI on the Termination Date an amount equal to the percentage of the unamortized out-of-pocket cost in a straight-line manner incurred by OSI for that repair or replacement.

2023 Capex Budget

| Description | LTBP | Budget 2023 | | (Over)/Under | Comments |
|------------------------------------|-----------------|-----------------|---|--------------|--|
| Chillers / HVAC | \$ 200,000 | \$ 25,200 | _ | \$ 174,800 | |
| LED Lighting | - | 75,000 | | (75,000) | LED Lighting (Electrical and Fixtures) - Welcome Center |
| Lounge Redevelopment | 575,000 | - | | 575,000 | Deferred until international traffic increases; funds redirected for more immediate needs |
| Smoking Deck Redevelopment | 325,000 | - | | 325,000 | Project moved into 2022, but will carryover to 2023 |
| Elevator Major Improvements | - | 249,150 | | (249,150) | Life cycle estimated major improvements; Elevators/escalators will be identified/prioritized based on independent review |
| Escalator Major Improvements | - | 826,850 | | (826,850) | completed by Lerch Bates |
| Restroom Upgrades | - | 254,450 | | (254,450) | Earmarked for restrooms on East side of the old food court (furthest from RPL) |
| Seat Slings | - | 31,850 | | (31,850) | |
| Parking EV Chargers - Hourly lot | - | 17,594 | | (17,594) | |
| Concessions / Terminal Development | - | 185,550 | | (185,550) | |
| Green, Commercial and Contingency | - | 175,000 | | (175,000) | |
| Ramp major repairs/renovations | - | 106,050 | | (106,050) | |
| Total Terminal | \$ 1,100,000 | \$ 1,946,694 | - | \$ (846,694) | |
| GSE & Related | \$ 678,538 | \$ 369,454 | | \$ 309,084 | |
| IT Related | \$ 396,250 | \$ 213,650 | | \$ 182,600 | |
| Total Capex | \$ 2,174,788 | \$ 2,529,799 | _ | \$ (355,011) | |

Proprietary Confidential OSI Business Information





2022 Capex

2022 Budget vs Projected Actuals (1 of 2)

| | | | lest | 2022 Actuals imated as of 12/15 | /22) | | |
|---|---------|--------------|-----------|------------------------------------|------------------------------|--|--|
| Description | LTBP | 2022 Budget^ | Completed | WIP | Committed / Deferred to 2023 | 2022 Actual vs Budget (Over)/Under | Comments |
| CUTE Replacements (roll 2021) | \$ - | \$ 27,444 | \$ - | \$ - | \$ - | \$ 27,444 | Due to coming changes to airline check-in app/software and planned movement to the cloud this project is no longer deemed relevant |
| SIMPLEX/JCI Fire Suppression | | 27,285 | | | 28,523 | (1,238) | The vendor that quoted the project communicated on 12/12 they do not have the ability to make these repairs (add on to a system); Pending new quote from suppression company |
| Jet Bridge Canopy replacements (4) | - | 82,945 | 121,064 | - | | (38,119) | Purchased 7 (3 more than budgeted) |
| A-Frame for Jetbridges | 13,500 | 14,360 | 14,360 | - | | | |
| Carpet replacement - Sterile corridor | 55,000 | 54,861 | 48,416 | - | | 6,445 | |
| Carpet replacement - Gates 5-9 corridor | 55,000 | 54,861 | 52,236 | - | | 2,625 | |
| Elevator - Terminal A | 200,000 | 176,700 | | 44,384 | 179,263 | (46,948) | Elevator #9 - major repair; Project was almost complete when an issue with the hydraulic jack was encountered on 12/12; Per vendor it will be January before they can repair properly |
| Escalator - Terminal A Checkpoint | 500,000 | 500,000 | - | | 500,000 | | Escalator #6 - delayed due to supply chain issues as well as pending results of Lerch Bates assessment |
| LED replacement (Terminal A IDL and gates 5-9) | 50,000 | 101,261 | 102,522 | - | | (1,261) | |
| Welcome Center HVAC Split Units (3) | 19,000 | 19,000 | 22,896 | - | - | (3,896) | |
| Gutter replacement (1000 feet) | - | 80,000 | 78,750 | - | - | 1,250 | |
| A/C Equipment | 250,000 | 250,000 | | 30,000 | 269,184 | (49,184) | VAV units for Terminal B (qty 66); 6 completed and installed; Project pending build, delivery and install of remaining 60 VAVs |
| Johnson Controls CPU map for fire | | 30,000 | | - | 71,850 | (41,850) | Johnson Control CPU map for fire; Project will carryover into 2023 - delayed due to vendor |
| Terminal Facility Improvements (post expansion related) | 25,000 | 25,000 | 24,250 | | | 750 | Funds used to complete LED lighting at Welcome Center (exterior) |
| Contingency - Commercial Development | 100,000 | 100,000 | | | 100,000 | | |
| Restroom Facilities Upgrades | 102,000 | 101,499 | - | - | 101,499 | - | Designated for restrooms by baggage claim 1, 2, and 3; Deferred due to supply chain issues (tile flooring is discontinued; additional time need to find flooring that will match or be similar to other restrooms) |

Proprietary Confidential OSI Business Information







2022 Capex

2022 Budget vs Projected Actuals (2 of 2)

| | | | | | | 2022 Actuals | | | | | | | |
|--|-----------------|-----------|-----|------------|----|--------------|-----------|-----------|-------------|-------|----|---------------|--|
| | | | | | | (est | imated as | of 12/15/ | /22) | | _ | | |
| | | | | | | | | | | | 2 | 022 Actual vs | |
| | H | | | | | | | | Committe | d/ | | Budget | |
| Description | $\sqcup \sqcup$ | LTBP | 202 | 22 Budget^ | Co | mpleted | WI | IP | Deferred to | 2023 | (| Over)/Under | Comments |
| Skyline Lounge / RP Lounge renovations | | 350,000 | | 350,000 | | | | 50,000 | 300 | 0,000 | | | Project has started, but due to delays in obtaining TSA review/comment (3+ months) it will not be completed in 2022; estimated progress billing at \$50k for WIP with balance deferred to 2023 |
| Contingency and Green Project(s) | | 150,000 | | 150,000 | | | | | | • | | 150,000 | Funds reallocated to the following Green projects for use in the Operation of the airport facilities: EV Charging Stations for Parking Garage, Electric Shuttle Bus, 3 Trikes, and 6 passenger electric golf cart for in terminal use |
| Maintenance Equipment | | 95,500 | | | | - | | - | | - | | - | |
| Unbudgeted projects added: | | | | | | | | | | | | | |
| Major Ramp Repair/Improvement (Gate 6) | | - | | | | 60,000 | | - | | - | | (60,000) | |
| Seat Slings (300) | | - | | - | | 25,200 | | - | | - | | (25,200) | |
| Seat Slings (300) | | - | | - | | 28,654 | | - | | - | | (28,654) | Scheduled to be delivered week of 12/19/22 |
| Parking EV Chargers - Garage (4) | | - | | - | | - | | - | 14 | 4,193 | | (14,193) | Charging stations have been ordered; delayed due to permitting |
| Total Terminal | \$ | 1,965,000 | \$ | 2,145,216 | \$ | 578,349 | \$ | 124,384 | \$ 1,564 | 4,512 | \$ | (122,029) | |
| GSE & Related | \$ | 785,500 | \$ | 1,065,221 | \$ | 705,487 | \$ | 81,012 | \$ 370 | 0,039 | \$ | (91,315) | Includes \$136k reallocated from Contigency and Green Projects above (for Electric Shuttle Bus, 3 Trikes, and 6 passenger electric golf cart for in terminal use) |
| IT Related | \$ | 1,144,250 | \$ | 137,131 | \$ | 74,886 | \$ | - | \$ 48 | 3,542 | \$ | 13,704 | |
| Total Capex | \$ | 3,894,750 | \$ | 3,347,568 | \$ | 1,358,721 | \$ | 205,396 | \$ 1,983 | 3,092 | \$ | (199,641) | |

^{^ 2022} Budget reviewed with SAA Management November 2021 (updated quarterly)

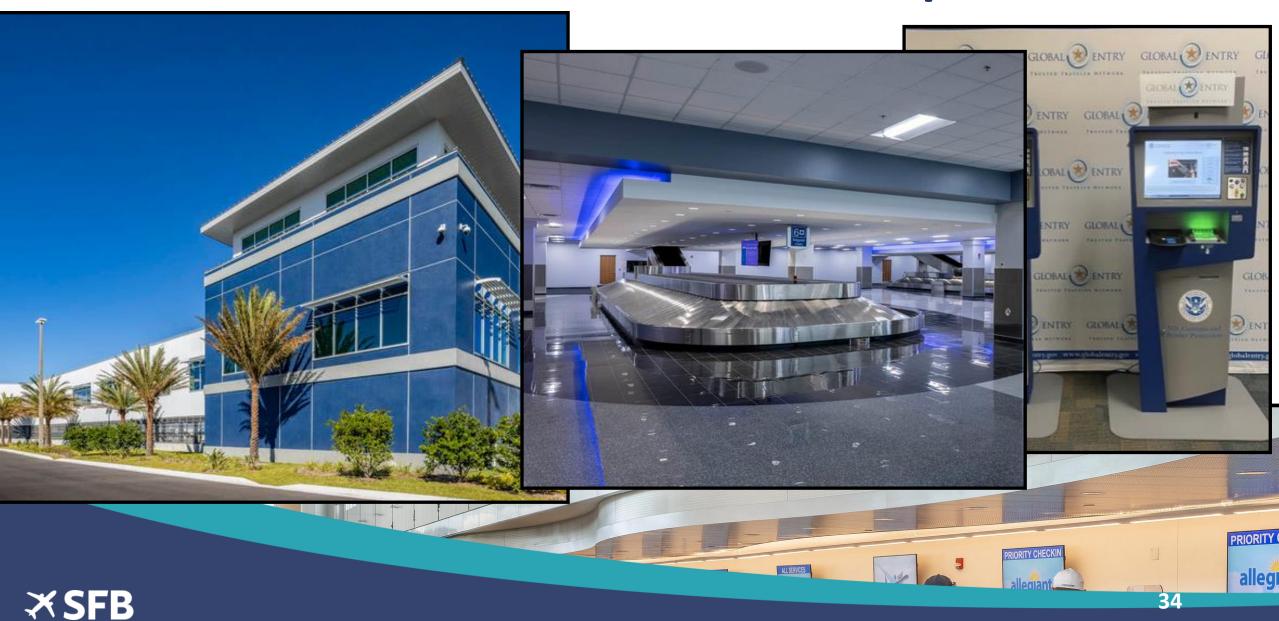
Overages of \$200k include \$145k due to supply chain and inflationary factors driving increases in costs from original quotes/budgeted amounts

Proprietary Confidential OSI Business Information





Contract Concerns: Air Service Development



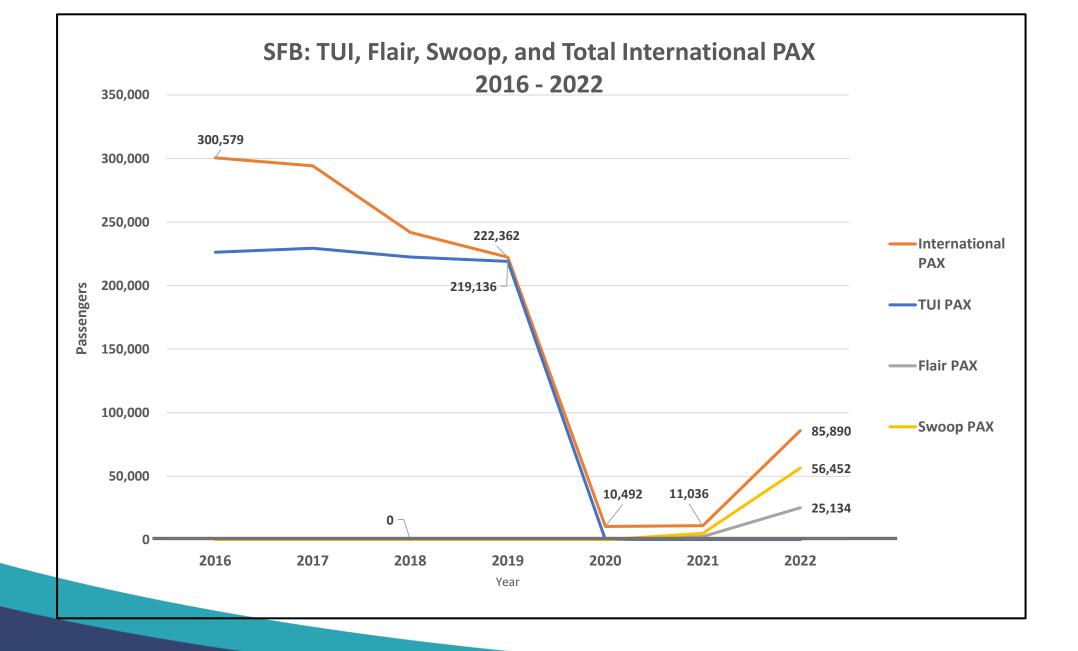
Contract Concerns: Air Service Development

- Marketing and Air Service Development (Contract Section 2.3.11)
- Purpose Increase the amount of Airport passengers, attract new air carriers to the Airport, expand the number of markets served, attract new and/or expand existing aeronautical and non-aeronautical business at the Airport, attract local business to the Airport, and increase local community awareness of and involvement with the Airport
- Goals:
- Increase the number of air carriers at the Airport. Fail no net gain.
- Increase the number of businesses and annual business revenues at the Terminal Facilities. Fail
- Increase the Airport brand identity through measurable terms to be established and mutually agreed to by the Parties –
 Unknown because measurable terms have not been established.
- o Increase the amount of new inbound and outbound markets to and from the Airport. No meaningful gains
- o Increase the number of inbound and outbound passengers to and from the Airport. Fail below 2017 levels
- Retain the existing air carrier service. Fail loss of TUI and Swoop
- Add to the frequency of existing services. No meaningful gains
- o Improve service reliability (recognizing many service reliability issues are out of the Party's control) Measurement not established, however anecdotally we have received reports that reliability has been negatively impacted.

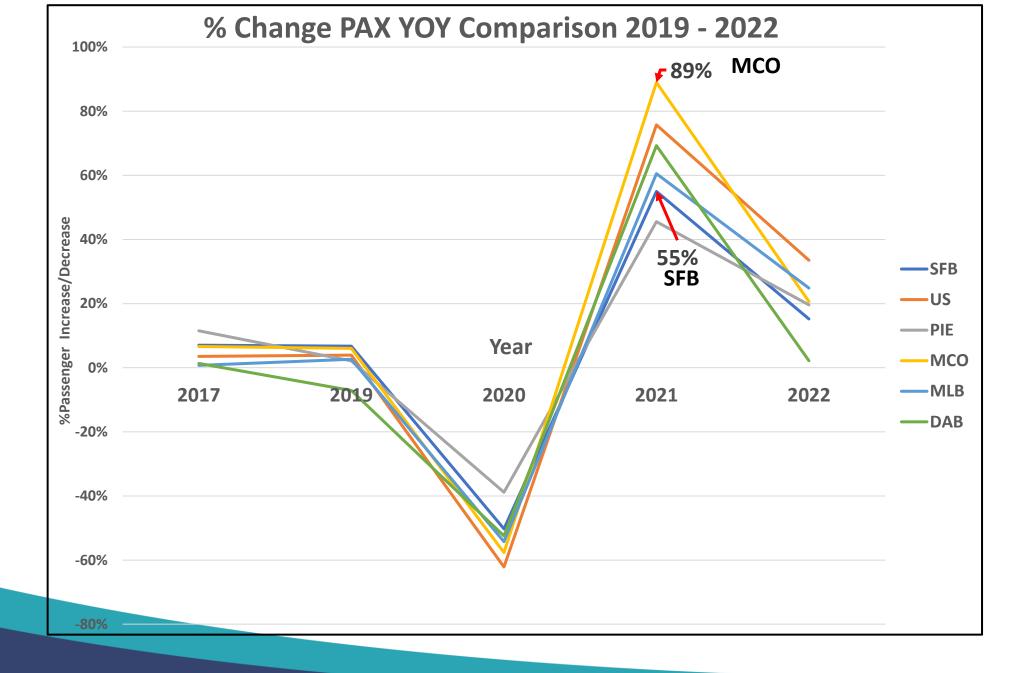


Contract Concerns: Air Service Development

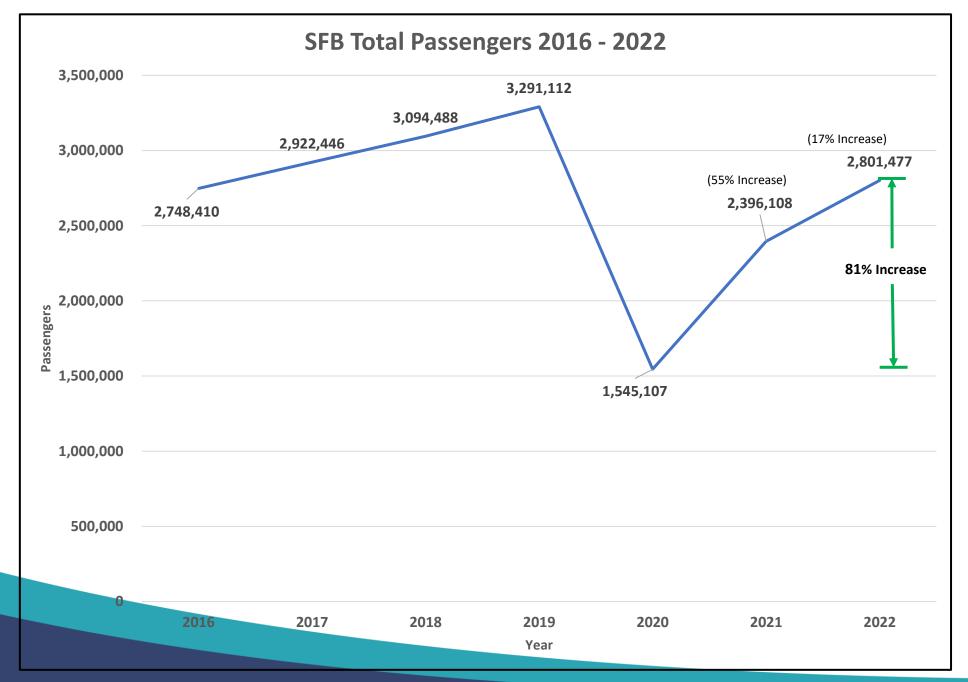
- OSI is to maintain a full-time Director of Marketing whose primary focus is to work with the Authority to develop new air service and maintain/grow existing air service at the Airport through various outreach efforts including without limitation corporate site meetings, locally hosted tours/meetings and attendance at domestic and/or international aviation/air service business development and tourism events/meetings (minimum of four annually). The Contractor shall provide an executive debrief to the President of the Authority after each airline presentation.
- OSI is to provide the Director of Marketing with all of the necessary resources to work with the Authority to execute the goals and objectives of Section 2.3.12 including without limitation the services of an Air Service Consultant, access and use of aviation-specific data software, presentation materials, collateral, marketing keepsakes, trade show booth/pop-ups, banners and other necessary promotional materials, as well as all registration and travel-related funds.



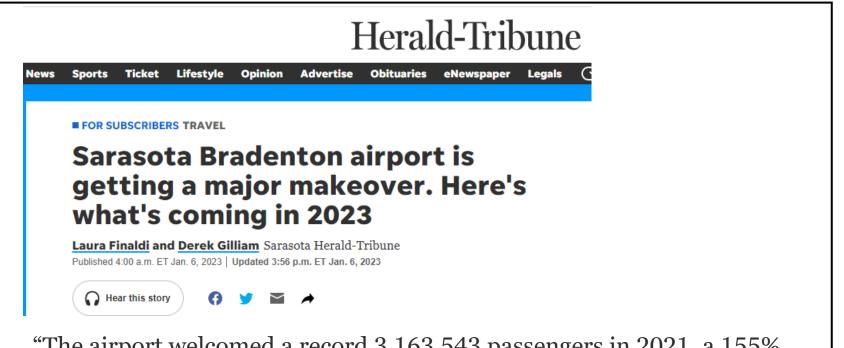








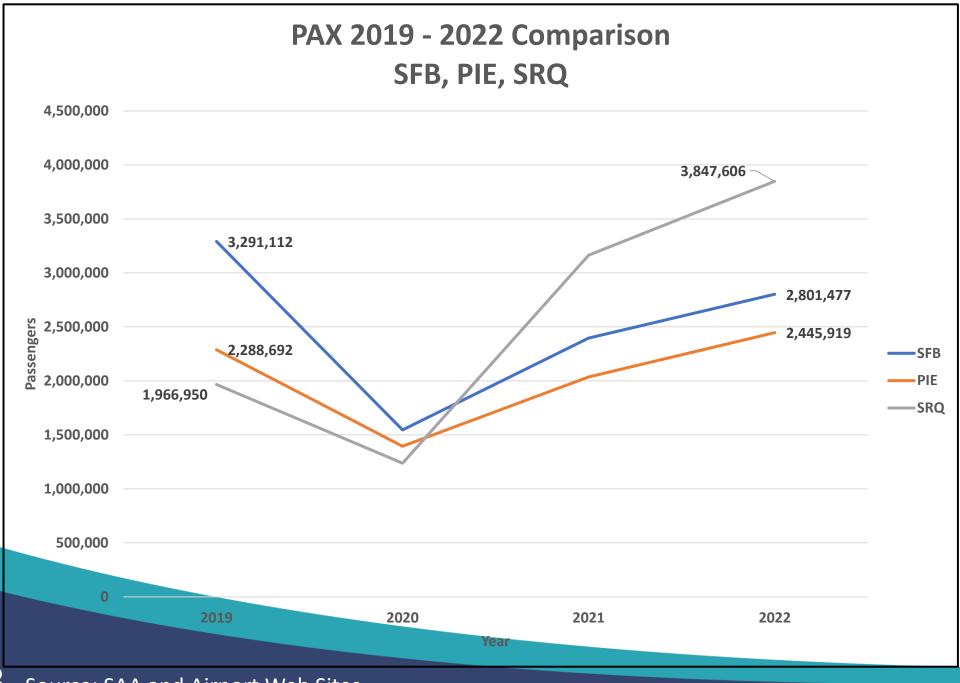




"The airport welcomed a record 3,163,543 passengers in 2021, a 155% increase over 2020 and a 61% increase from 2019. Total passenger traffic for 2022 is expected to be around 3.8 million, according to the airport."







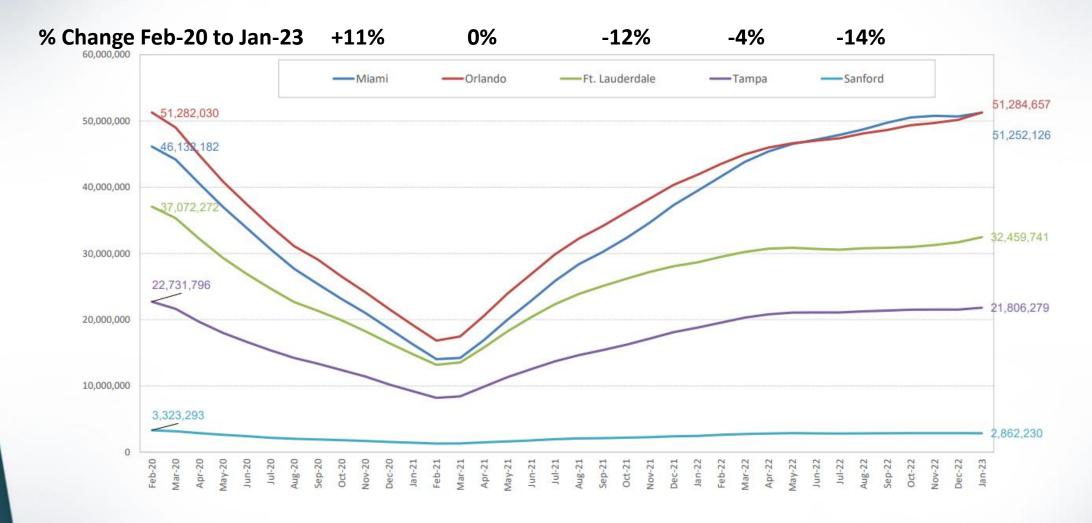
% Change 2019 - 2022

SFB: - **15%**

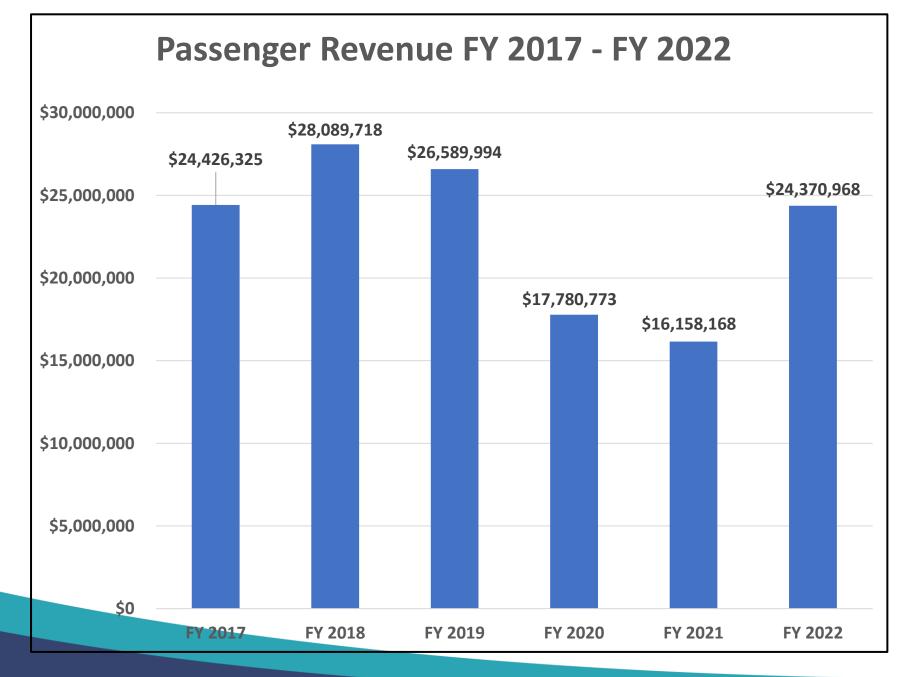
PIE: + 7%

SRQ: +96%

FLORIDA AIRPORTS ROLLING 12-MONTH PASSENGER TRAFFIC



Source: Airport web sites for select Florida airports.





Other Issues: Terminal Ramp

<u>Terminal Ramp Maintenance</u>. Maintenance which includes preventive and any regular or recurring work necessary to preserve existing airport pavements in good condition. Typical preventive and regular or recurring pavement maintenance includes: routine cleaning, filling, and/or sealing of cracks; patching pavement; seal coating; grading pavement edges; maintaining pavement drainage systems; and restoring pavement markings. Timely maintenance and repair of pavements is essential in maintaining adequate loadcarrying capacity, good ride quality necessary for the safe operation of aircraft, good friction characteristics under all weather conditions, and minimizing the potential for foreign object debris.



Other Issues: Customer Service

- Lost & Found For months we have been requesting a comprehensive policy for customer ease and accountability. Offered to help after being stalled for months, but were told, "thanks we'll take it from here..."
- Ground Handling affects the customer experience and airline satisfaction.

Where Do We Stand?

- Significant concerns regarding material defaults and good faith.
 - Nonfeasance/Misfeasance/Malfeasance?
- <u>Benefit of the Bargain</u> Revenue, air service development, and maintenance deficiencies indicate that OSI does not appear to be holding up its end of the bargain look at revenue and air service development.
 - SAA delegated the operation of the Terminal Facilities, sacrificing 87.5% of Terminal Revenue, with the expectation that OSI would perform satisfactorily and meet its obligations.
 - Passenger numbers are lower than when the contract was executed.
 - Maintenance is being neglected, delayed, avoided and under-resourced.
 - SAA had an express expectation that OSI's "specialized professional skills and experience" would result in operation of the Terminal Facilities in the "most efficient manner possible," and that was a material inducement to SAA's contract execution.



Where Do We Stand?

- Communication/Transparency/Trust even more troubling than the unsatisfactory performance are the issues of good faith and fair dealing.
 - That SAA had to resort to filing to public records requests to receive information regarding its own facilities is an indicator of dysfunction.
 - Efforts to hide information and to adjust reports in a manner to mislead and gain a "competitive advantage."
 - The records we received indicate the need for further investigation.
 - OSI's continued resistance to transparency is cause for on-going concern.



Where Do We Stand?

Contract Default Issues:

- Section 2.3 Management of terminal contracts
- Section 2.3 Performance of routine maintenance and repair
- Section 2.3 Recording of maintenance activities in a CMMS system to allow monitoring by SAA
- Section 2.3.11 Submission of required marketing reports
- Section 2.3.11 Maintenance of a full-time director of Marketing (primary role air service development)
- Section 2.3.11 Access to an Air Service Consultant
- Section 2.5 Repair and Replacement of Fixed Assets
- Section 2.7 Office and Administrative Space
- Section 12.1 Provision of Information
- Section 12.1 Provision of performance information regarding performance criteria re: ground handling
- Section 12.2 Provision of report on marketing effectiveness
- Section 12.2 Monthly written report for the operation, maintenance, repair, and replacement activities status of repair completion of any given item and the related costs (CMMS-generated)



What is Next?

- Contract enforcement fully exploit the default mechanisms in the contract.
- Strategic planning This is what we should be jointly pursuing, however we are too mired down in ensuring contract performance to be productive in this regard.

















2022 Overview



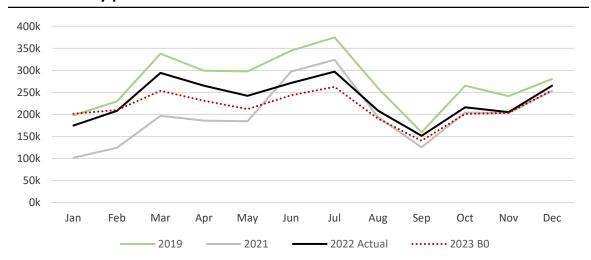
ORLANDO SANFORD – OVERVIEW

SLOW ALLEGIANT RECOVERY POSITIONS SFB BEHIND THE US AVERAGE

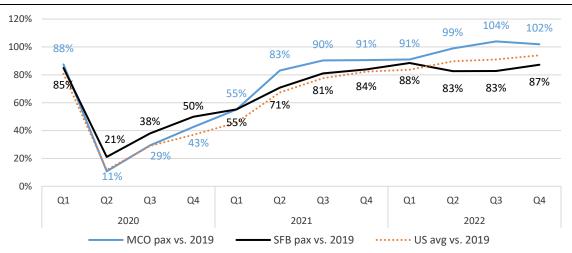
Key facts & figures

- 2022
- Allegiant pilot shortage forcing the airline to reduce its schedule
- → S22 volumes below S21, despite strong LF (89% in 2022 vs. 85% avg in 2019)
- Ramp-up and reinforcement of Canadian operations with Swoop and Flair
- 2023
- Allegiant's operations issues expecting to continue, affecting original forecasted volumes

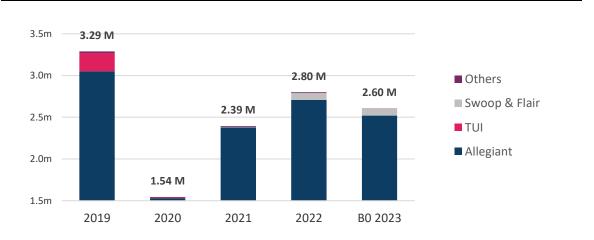
SFB monthly pax



Pax recovery vs. 2019



SFB total pax

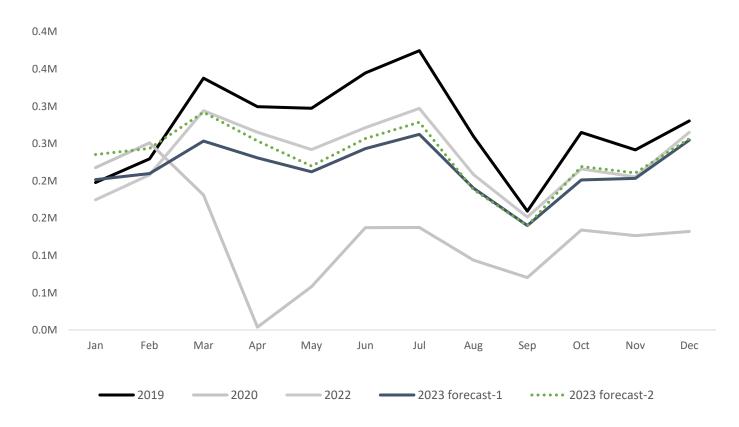


US data from TSA, MCO data from CAPA.

SFB- Passenger Traffic

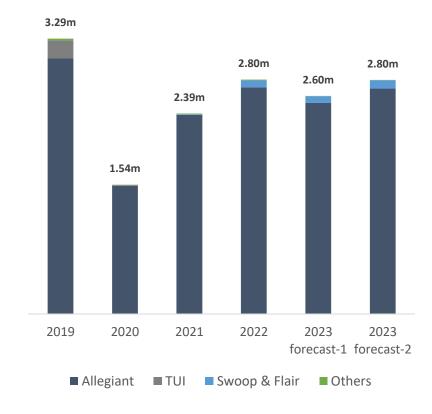
Despite Swoop Suspension, 2023 traffic is expected to meet 2022

SFB TOTAL PAX MONTHLY EVOLUTION



Forecast-1 was done in Sept 2022, forecast-2 was done in March 2023. SFB does 4 annual forecasts on air service annually.

SFB TOTAL PAX EVOLUTION



Market Forecast Overview

LONG-TERM FORECAST OF US GDP GROWTH IS LOWER THAN THE 2021 MODEL

Key market parameters

Economics

• After a peak at 8% in 2022, the US inflation is expected to come back to lower levels in the medium-term: 3.9% in 2023 and 2.6% in 2024.

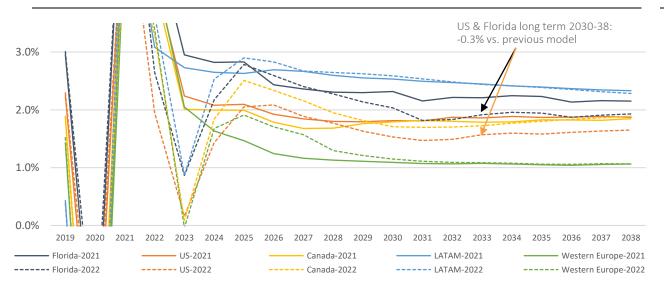
GDP growth

• After 2028, economists are downgrading the US GDP forecast vs. 2021 model by about 0.3% every year.

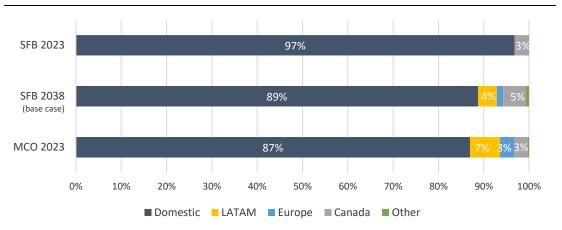
Traffic split

• Allegiant currently represents 97% of the capacity but will likely evolve toward a split similar to the current MCO split with a larger portion of international traffic in 2038.

GDP revision 2022-12 vs. 2021-08



Seat capacity split of SFB vs. MCO



Population growth 2030 forecast in Orlando

| N DAB | Population betwee | en 2020 and 2030 sehold income |
|--------------------------|-------------------|-----------------------------------|
| VOLUSIA | Seminole | + 12% / \$70k |
| SUMTER LAKE SFB SEMINOLE | Orange | + 20% / \$61k |
| ORANGE BREVARD | Volusia | + 9% / \$52k |
| MCO | Lake | + 12% / \$56k |
| OSCEOLA | FLORIDA | + 13% / \$58k |

Source: OECD, GDP VA internal, Seat capacity from OAG, Florida DoT

LONG TERM FORECAST REVISION

 SLOW COVID RECOVERY IMPACTS SHORT TERM OUTLOOK, WHILE NEW OPPORTUNITIES BOOST MEDIUM/LONG TERM EXPECTATIONS

Key forecast Assumptions

Allegiant, Swoop & Flair:

- Allegiant pax at 83% vs. 2019 in B0 23, 92% in 2024 and 102% in 2025.
- Growing service from Swoop and Flair as well as higher load factors (57% in 2022, 70% in B0 23, 74% in 25, 78% in 25). Potential Flair Winter base in Jan-24.

New entrants in 2024 and 2025:

- New domestic: Local population is growing at 3 to 4 times the US average. Hub service which would serve the outbound market, as well as a strong interest from Avelo and Frontier.
- LATAM: possible start of VivaAerobus (Allegiant JV) and/or Arajet in 2024.
- Europe: TUI left. Strong demand to Orlando from UK.

Long term:

Elasticity to GDP

Weekly departures*

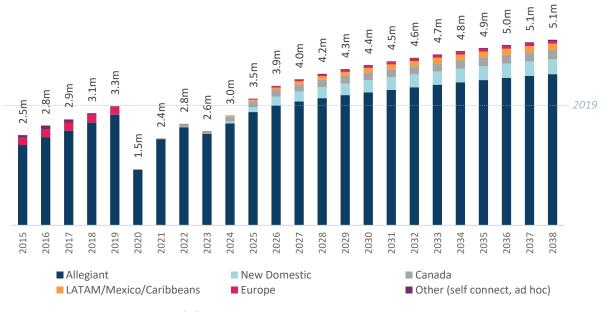
| | 2019 | 2022 | 2025 | 2030 | 2038 |
|-----------------|------|------|------|------|------|
| Allegiant | 211 | 174 | 206 | 236 | 269 |
| Canada | - | 7 | 11 | 14 | 17 |
| New domestic | - | - | 9 | 22 | 27 |
| LATAM | - | - | 3 | 8 | 11 |
| Europe | 8 | = | 1 | 2 | 3 |

^{*}Averaged over the year

CAGR and elasticities

| CAGR | 2015-19 | 2024-28 | 2028-38 |
|----------------------------------|-------------|-------------|-------------|
| BP 2019 | 7.2% | 2.9% | 1.8% |
| BP 2021 | 7.2% | 4.6% | 1.7% |
| | | | |
| GDP | 2.5% | 2.1% | 1.7% |
| BP 2023 (base) CAGR / elasticity | 7.2% / 2.9x | 8.4% / 3.9x | 2.0% / 1.2x |
| BP 2023 (high) CAGR / elasticity | 7.2% / 2.9x | 8.8% / 4.1x | 2.3% / 1.3x |

TOTAL PAX EVOLUTION (base case)



Comparison with Previous LTBP

 SLOW COVID RECOVERY IMPACTS SHORT TERM OUTLOOK, WHILE NEW OPPORTUNITIES BOOST MEDIUM/LONG TERM EXPECTATIONS

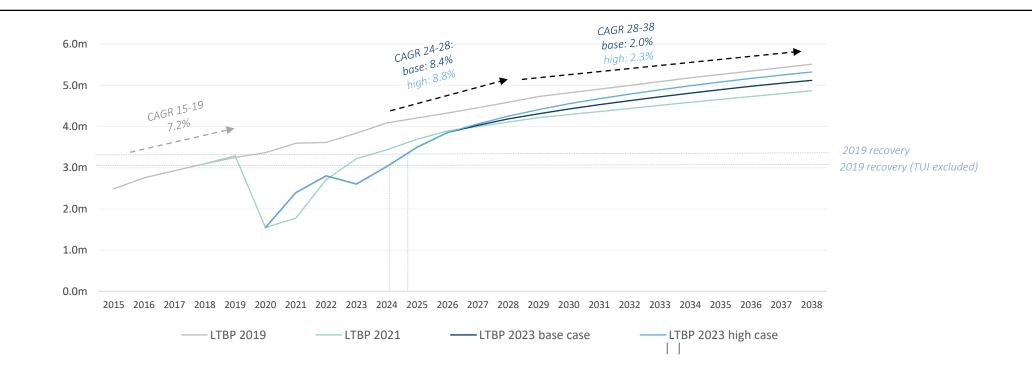
Main differences

- 2019 recovery will be reached in 2024 when excluding TUI from the comparison.
- New Canadian markets opened earlier than expected, in W21 with 2 new airlines, however new domestic and LATAM airline entrances are postponed to 2024.
- With B0 2023 being lower than in the BP 2021, the short/medium-term growth is higher.

New Carriers (forecasted start date)

| | 2019 LTBP | 2021 LTBP | 2023 LTBP |
|-----------------|-----------|-----------|-----------------|
| Allegiant Int'l | 2021 | 2024 | 2025 |
| New domestic | 2021 | 2022 | 2024 |
| Canada | 2021 | 2024 | Started in 2021 |
| LATAM | 2021 | 2023 | 2024 |
| Europe | 2022 | 2024 | 2025 |

SFB LTBP 2023



Focus on Allegiant Long-Term Forecast

ALLEGIANT REACHES FULL COVID RECOVERY IN 2025

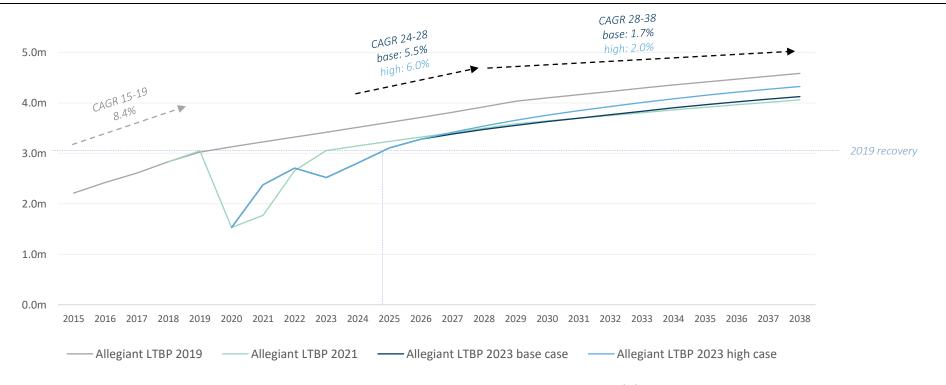
Key points of Allegiant evolution

- Allegiant fleet order of up to 50 B737 max 197 seats will increase the avg capacity per ATM. First delivery in 2024.
- Allegiant pax level ended 2022 at -11% vs. 2019 but -17% in ATMs (higher Load Factor). Full Covid recovery is expected to occur in 2025.

Allegiant Recovery vs. 2019

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
|--------------------------|------|------|------|------|------|------|------|
| Allegiant Pax % vs. 2019 | -50% | -22% | -11% | -17% | -8% | 2% | 8% |

Allegiant LT forecast



SFB Commercial

Air Service

Air Service Fluctuations Prevalent World-wide

- Allegiant advises anticipated service reductions due to pilot shortages and training for new Boeing aircraft- forecast 1 (September 2022) at 2.6 million passengers
- Allegiant adds frequencies, Swoop suspends service at SFB (less than 2% of airport traffic)-
- Forecast #2 (March 2023) at 2.8 million passengers, now matches end of year 2022.

Efforts

 Over 50 airline meetings including 6 airline headquarter meetings: attendance at Routes Americas, Routes Europe, Routes World, ACI-NA JumpStart.



Commercial Review



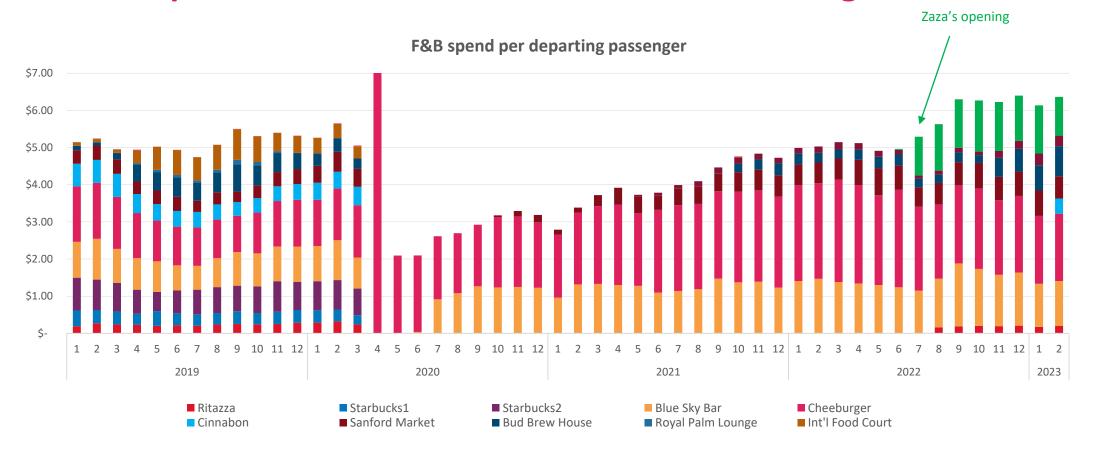
Monthly Financial Reporting to SAA

| Report | Frequency |
|--|-----------|
| Pax Summary | |
| Cargo Tonnage | |
| Detailed Flight Data | |
| Pax Summary | |
| Arriving and Departing Gate Usage Reports | Monthly |
| Landing Fee & Public Safety Fee | |
| Terminal, GH, Parking & Fuel Flow Fee Revenues Report Monthly Fuel Report | |
| Concession Gross Revenues Report | |
| CFC Report | |

Revenue Share & Other Fees to SAA

| | | SAA | FYE | | % | % | % | |
|--|-----------------|-----------------|-----|-----------|-----------------|--------------|--------------|--------------|
| | 2022 | 2021 | | 2020 | 2019 | 2022 vs 2021 | 2022 vs 2020 | 2022 vs 2019 |
| Concession Fee Due to SAA | | | | | | | | |
| Terminal Revenues | \$ 1,632,165 | \$ 1,237,710 | \$ | 1,179,369 | \$ 1,809,079 | 132% | 138% | 90% |
| Parking Revenues | \$ 1,583,064 | \$ 1,202,209 | \$ | 1,005,083 | \$ 1,592,676 | 132% | 158% | 99% |
| Ground Handling | \$ 91,978 | \$ 80,867 | \$ | 67,857 | \$ 89,377 | 114% | 136% | 103% |
| | \$ 3,307,207 | \$ 2,520,787 | \$ | 2,252,309 | \$ 3,491,132 | 131% | 147% | 95% |
| Fuel Flow Fee (Net Gallons into Farm) | \$ 574,786 | \$ 536,356 | \$ | 526,635 | \$ 804,048 | 107% | 109% | 71% |
| Total Concession Fee due to SAA | \$ 3,881,993 | \$ 3,057,142 | \$ | 2,778,944 | \$ 4,295,180 | 127% | 140% | 90% |
| | | | | | | | | |
| Other Fees due to SAA | | | | | | | | |
| Landing Fees | \$ 691,617 | \$ 682,030 | \$ | 633,348 | \$ 874,511 | 101% | 109% | 79% |
| Public Safety Fee | \$ 163,733 | \$ 127,000 | \$ | 116,410 | \$ 194,515 | 129% | 141% | 84% |
| Customer Facility Charge | \$ 1,513,523 | \$ 1,224,927 | \$ | 1,289,970 | \$ 2,209,905 | 124% | 117% | 68% |
| Fuel Farm/Rents | \$ 313,434 | \$ 313,434 | \$ | 309,964 | \$ 302,005 | 100% | 101% | 104% |
| Total Other Fees due to SAA | \$ 2,682,306 | \$ 2,347,391 | \$ | 2,349,692 | \$ 3,580,936 | 114% | 114% | 75% |

Concessions Spends exceed 2019 level: Food and Beverage



F&B Spend per departing passenger vs. 2019

| Jan-22 | Feb-22 | Mar-22 | Apr-22 | May-22 | Jun-22 | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 |
|----------|-------------|---------|-----------|-----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| \$ (0.16 |) \$ (0.21) | \$ 0.19 | 9 \$ 0.17 | \$ (0.11) | \$ 0.03 | \$ 0.55 | \$ 0.56 | \$ 0.80 | \$ 0.96 | \$ 0.83 | \$ 1.08 | \$ 0.99 | \$ 1.13 |

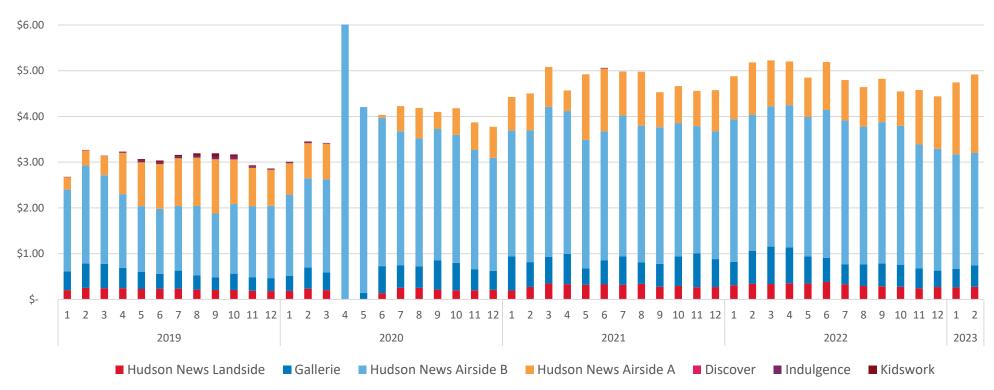
SFB Commercial

Terminal Food & Beverage

- Consensus to extend the SSP Food & Beverage Program
 - 5-year agreement with a 5-year option
 - \$4+ million investment in new and refreshed locations
 - Will lead to transition of 70% of the terminal movements to East Concourse call-to-gate area
 - East Concourse to be zoned into mood areas for guest interaction and experience including outdoor deck and new local venues: Hollerbach's and Nature's Table to accentuate sense of place.

Concessions Spends exceed 2019 level: Retail





N&G Spend per departing passenger vs. 2019

| Jan-22 | Feb-22 | Mar-22 | Apr-22 | May-22 | Jun-22 | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| \$ 2.20 | \$ 1.92 | \$ 2.08 | \$ 1.97 | \$ 1.78 | \$ 2.16 | \$ 1.64 | \$ 1.45 | \$ 1.63 | \$ 1.38 | \$ 1.65 | \$ 1.58 | \$ 1.74 | \$ 1.47 |

SFB Commercial

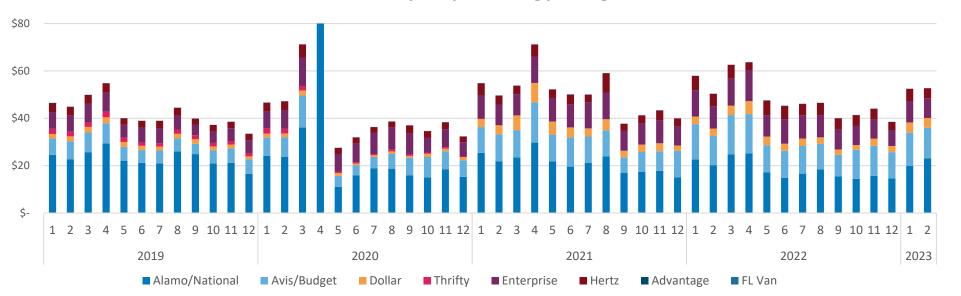
Upcoming Tenders

- Hudson News agreement for News, Gift and Duty-Free Expiring October 2023
 - OSI has advised Hudson News by request to extend their contract to coincide with the completion of the SSP construction when a tender will be issued.
 - Hudson News and two other major news, gift and duty-free airport operators have expressed interest in the tender.
- Canteen vending agreement is month-to-month
 - Intention to tender a vending agreement by June 1
 - Canteen and four other vending operators have expressed interest in the tender.

SFB Commercial

Car Rentals

Car Rental spend per arriving passenger



2019 **\$70.0m**

2021 \$**60.0m** (-14% vs. 2019)

2022 \$**69.1m** (-1% vs. 2019)

Car Rental spend per arriving passenger difference vs. 2019

| Jan-22 | Feb-22 | Mar-22 | Apr-22 | May-22 | Jun-22 | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 |
|----------|---------|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| \$ 11.46 | \$ 5.51 | \$ 12.73 | \$ 8.90 | \$ 7.46 | \$ 6.35 | \$ 7.19 | \$ 2.03 | \$ 0.10 | \$ 4.19 | \$ 5.54 | \$ 4.98 | \$ 5.99 | \$ 7.80 |

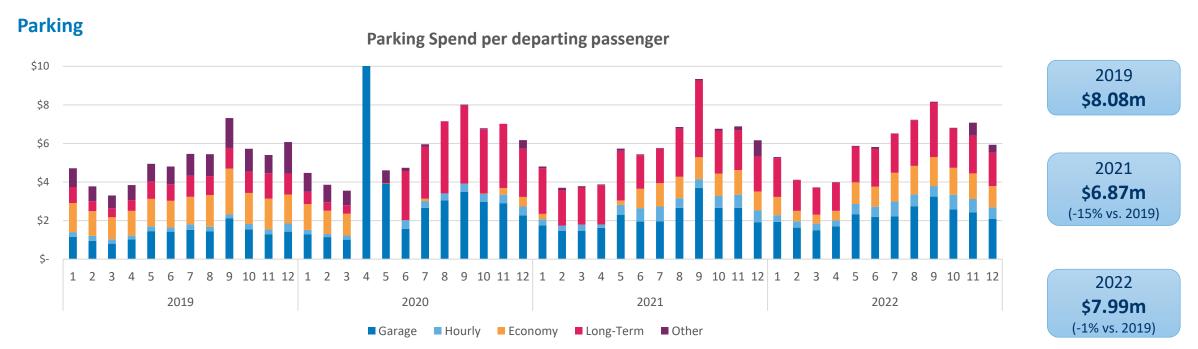
Rental Car

- Avis/Budget, Alamo/Enterprise/National and Hertz: contracts expire May 2023
- Dollar: contract expires March 2026

Status

- Extending Avis/Budget, Alamo/Enterprise/National and Hertz to co-terminate with Dollar at current terms including per passenger MAG begun during the pandemic.
- SAA seeking \$1.00 increase in CFC for first 5-days of rental to be administered by SAA Board resolution separate from the contracts.

SFB Commercial



Parking spend per departing passenger difference vs. 2019

| Jai | n-22 | Feb-22 | Mar-22 | Apr-22 | May-22 | Jun-22 | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 |
|-----|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-----------|
| \$ | 0.58 | \$ 0.34 | \$ 0.42 | \$ 0.15 | \$ 0.93 | \$ 1.01 | \$ 1.06 | \$ 1.79 | \$ 0.85 | \$ 1.09 | \$ 1.67 | \$ (0.14) |

Status

- VINCI adding former London Gatwick parking expert Gary Wallace to support optimization of SFB parking program
- OSI reviewing Reef system capabilities
- Request for parking increases from OSI

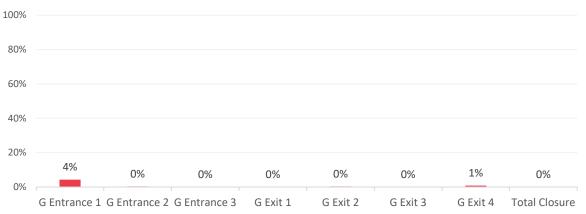


Facilities

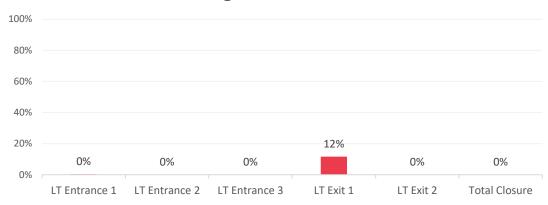


Parking – Downtime 2022

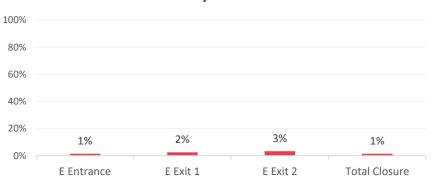




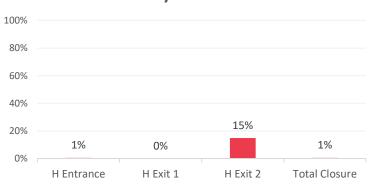
Long Term Downtime



Economy Downtime



Hourly Downtime

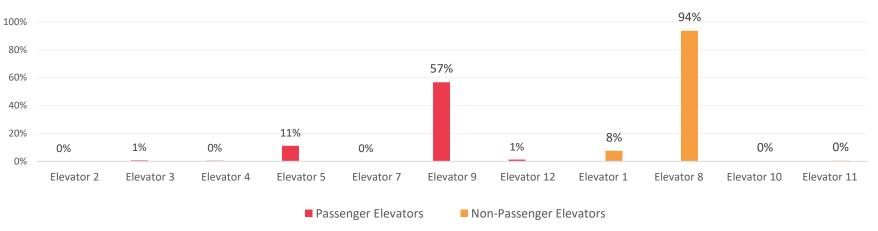


Parking System Outage

| | Downtime (min) | Reason |
|------------|----------------|------------------|
| 5/10/2022 | 0:05 | Reef system |
| 5/12/2022 | 0:14 | Reef system |
| 6/6/2022 | 42:00 | Lightning strike |
| 6/22/2022 | 3:08 | Internet Outage |
| 6/23/2022 | 0:46 | Internet Outage |
| 9/20/2022 | 27:00 | Network issue |
| 10/11/2022 | 4:00 | Internet Outage |
| 11/12/2022 | 0:42 | Reef system |

Elevators & Escalators – Downtime 2022





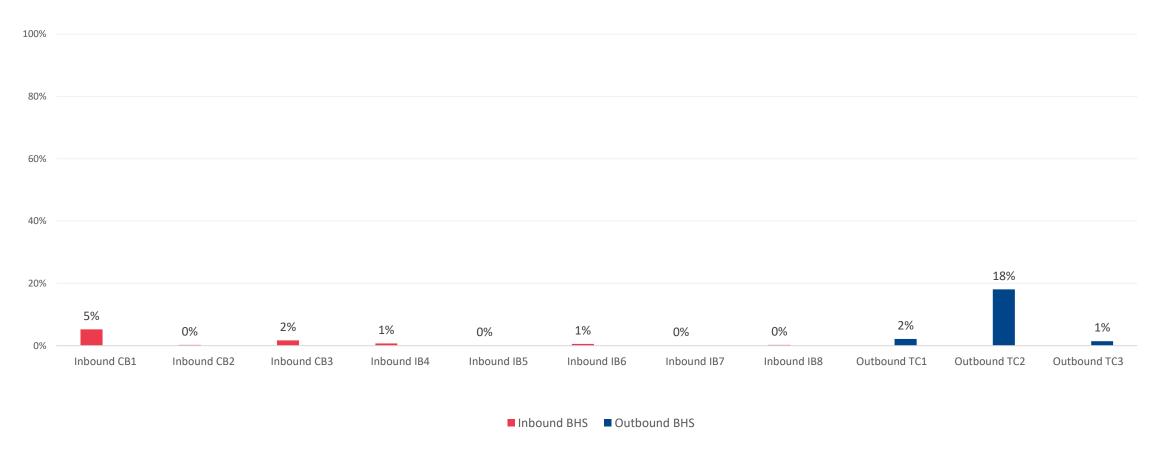
| | Location |
|-------------|-----------------------|
| Elevator 1 | Loading Dock |
| Elevator 2 | Domestic Ticketing |
| Elevator 3 | Parking Garage |
| Elevator 4 | Parking Garage |
| Elevator 5 | Checkpoint East |
| Elevator 7 | CBP |
| Elevator 8 | Freight East Terminal |
| Elevator 9 | Pax East Terminal |
| Elevator 10 | VINCI Admin office |
| Elevator 11 | Gate 16 |
| Elevator 12 | Checkpoint West |

| Escalators Downtime | | | | | | | |
|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|--|
| 100% | | | | | | | |
| 80% | | | | | | | |
| 60% | | | | | | | |
| 40% | | | | | 21% | | |
| 20% | | | | | 21/0 | 9% | |
| 0% | 1% | 0% | 0% | 0% | | 970 | |
| 370 | Escalator 1 | Escalator 2 | Escalator 3 | Escalator 4 | Escalator 5 | Escalator 6 | |

| | Location |
|-------------|------------------------|
| Escalator 1 | Garage Access Upward |
| Escalator 2 | Garage Access Downward |
| Escalator 3 | Downward Checkpoint |
| Escalator 4 | Upward Checkpoint |
| Escalator 5 | СВР |
| Escalator 6 | Terminal A Bag Claim |

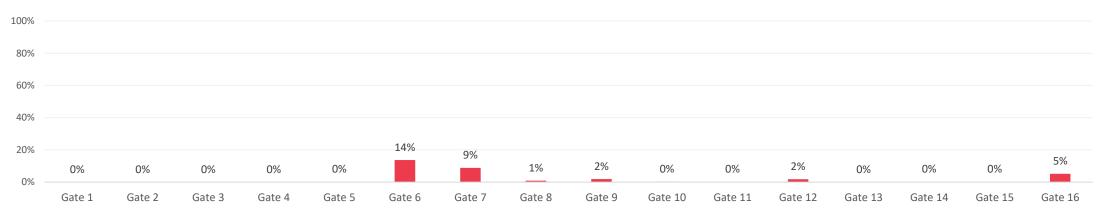
Baggage Handling System – Downtime 2022

Baggage Handling System Downtime

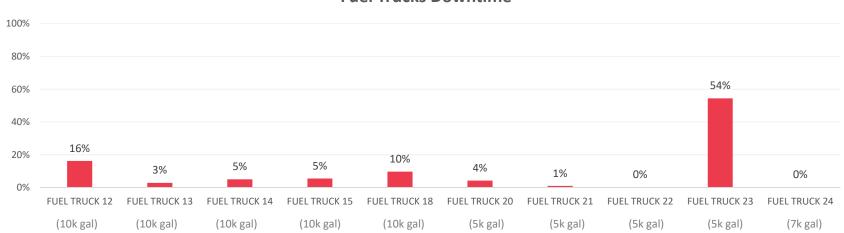


Ground Service Equipment – Downtime 2022

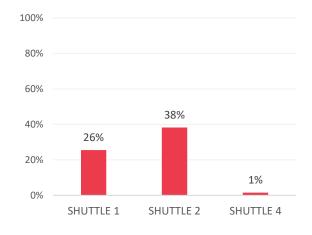
Gates Downtime



Fuel Trucks Downtime



*Parking Shuttles Downtime













ACI-ASQ Q4 2022

PASSENGER SATISFACTION REPORT

2

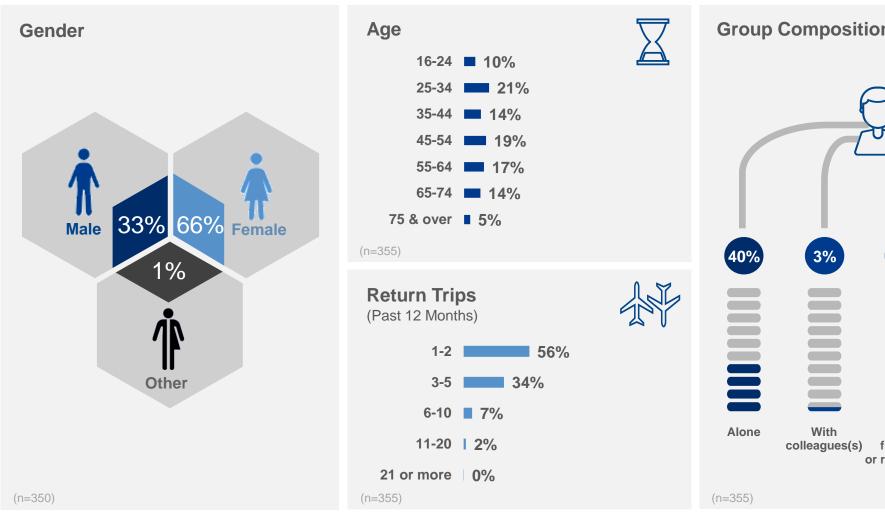
- 130,164 surveys given in 283 participating airports world-wide / 355 Surveys at SFB
- 7 North American Airports in the 2-5 million passenger category, 49 airports total in the category world-wide
 - El Paso, TX
 - Grand Rapids, MI
 - Greenville/Spartanburg, SC
 - Portland, MA
 - Halifax, Canada
 - Orlando Sanford, FL
 - Toronto City (Billy Bishop), Canada
- Other Florida Airports in the Survey
 - Jacksonville
 - Tampa

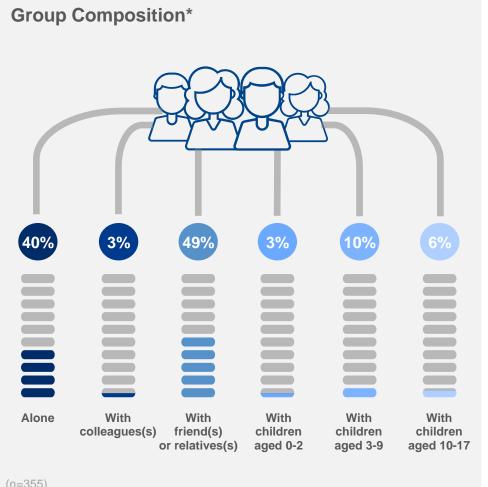






SFB – Passenger Profile





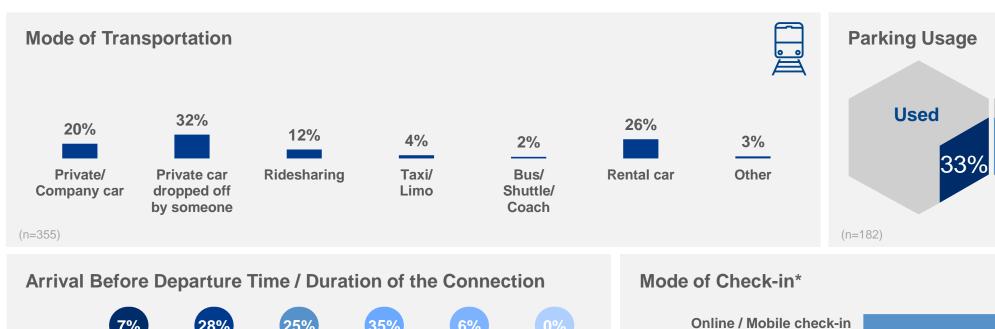
Base (n): Respondents providing a valid response

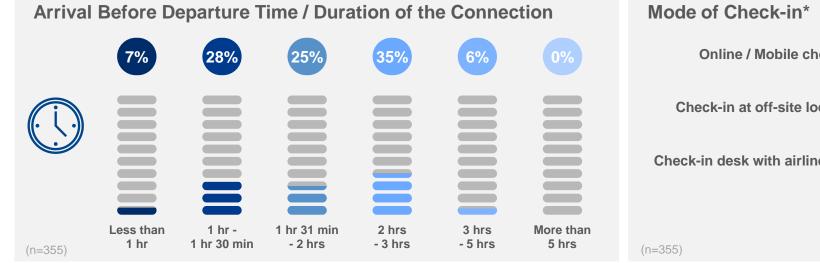
Q20. Are you...(gender options), Q19. What is your age group?; Q16. Including this trip, how many return trips by air have you made to any destination in the past 12 months?; Q13. With whom are you travelling today?

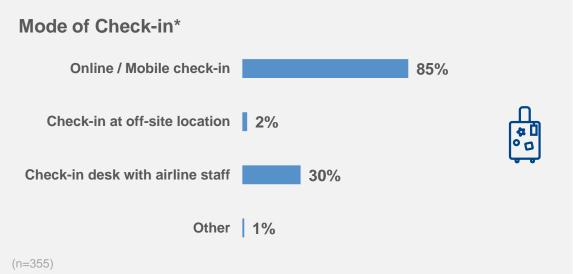
*Because respondents were able to select several options, the total of mentions may exceed 100%.



SFB – Passenger Profile







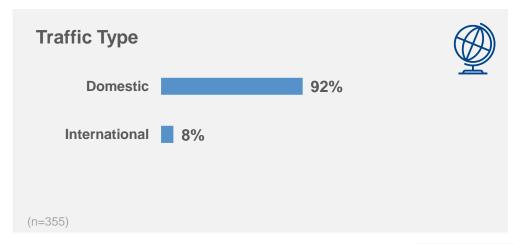
Not used

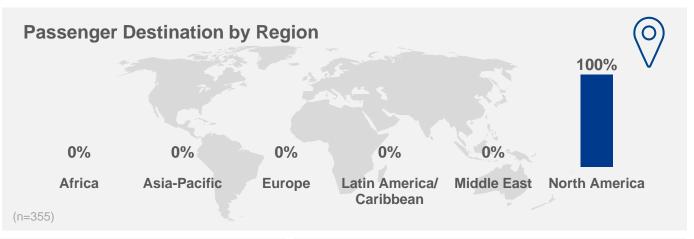
Base (n): Respondents providing a valid response

Q7. What is the MAIN mode of transport that you have used to arrive at this airport?; Q8. Did you use the airport parking facilities?; Q12. If connecting, how long was your connection/transfer? Otherwise, how long before the scheduled departure time of your flight did you arrive at THIS airport?; Q9. Select ALL modes used to check-in for your next flight.

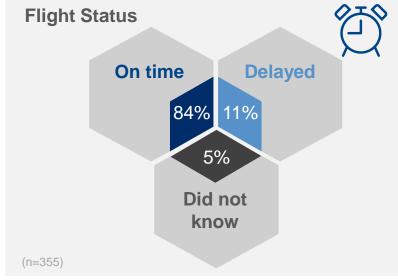
^{*} Because respondents were able to select several answer options, the total of mentions may exceed 100%.

SFB – Passenger Profile



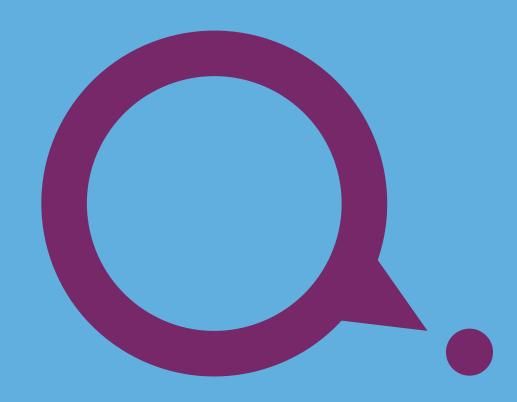






Base (n): Respondents providing a valid response

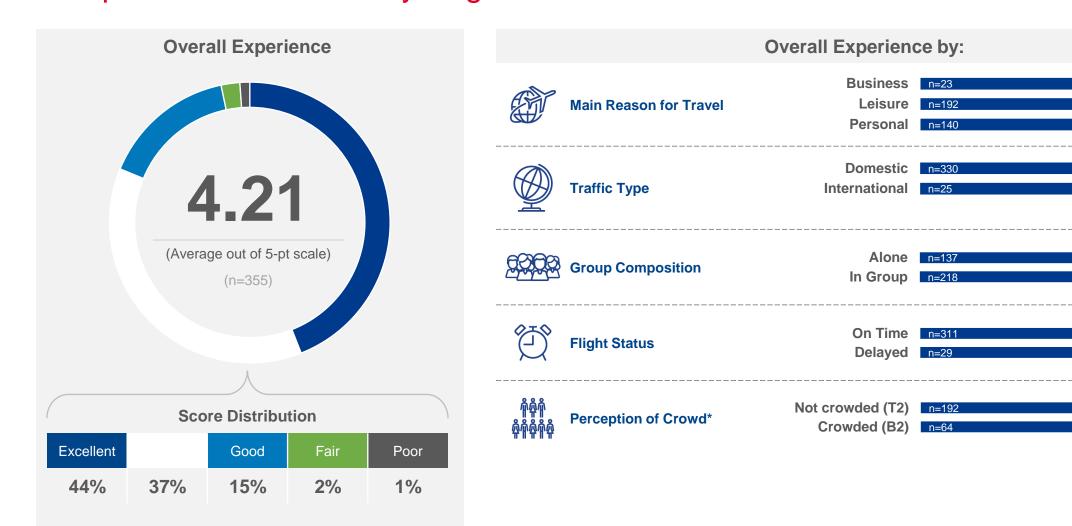
Q1. Which airport are you flying to? (traffic type and region are based on the destination); Q2. Are you currently making a connection/transfer at THIS airport?; Q3. What is/was your MAIN reason for this trip?; Q15. At the time of completing this survey, is your flight scheduled to depart on time?



SFB Scores



Experience: Overall & by Segments – Q4 2022



Base (n): Respondents providing a valid response

Q4. How would you rate your EXPERIENCE today at THIS airport?

Note: The green and red values indicate that the segment's performance is higher or lower at a statistically significant level (95%). Each segment's performance is compared to that of the rest of the groups, i.e., TOTAL others (excluding their own segment *T2 and B2 respectively refer to respondents who selected the top 2 boxes (Not at all crowded, Not crowded) and the bottom 2 boxes (Crowded, Very crowded) on the 5-pt scale.

4.07

Satisfaction: Overall & by Segments – Q4 2022



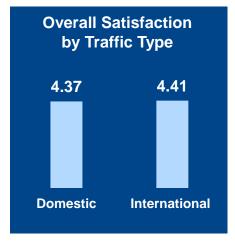
Base (n): Respondents providing a valid response

Q10. Based on your experience today, please rate THIS airport – Overall Satisfaction

Note: The green and red values indicate that the segment's performance is higher or lower at a statistically significant level (95%). Each segment's performance is compared to that of the rest of the groups, i.e., TOTAL others (excluding their own segment) *T2 and B2 respectively refer to respondents who selected the top 2 boxes (Not at all crowded, Not crowded) and the bottom 2 boxes (Crowded, Very crowded) on the 5-pt scale.

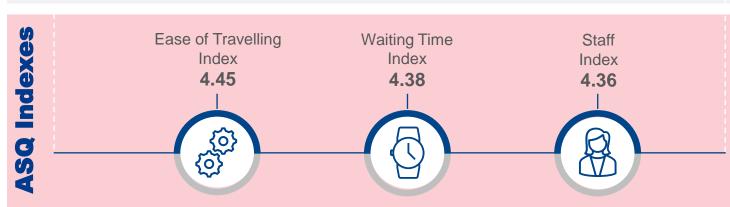
Key Highlights – Q4 2022

Overall Satisfaction: 4.37





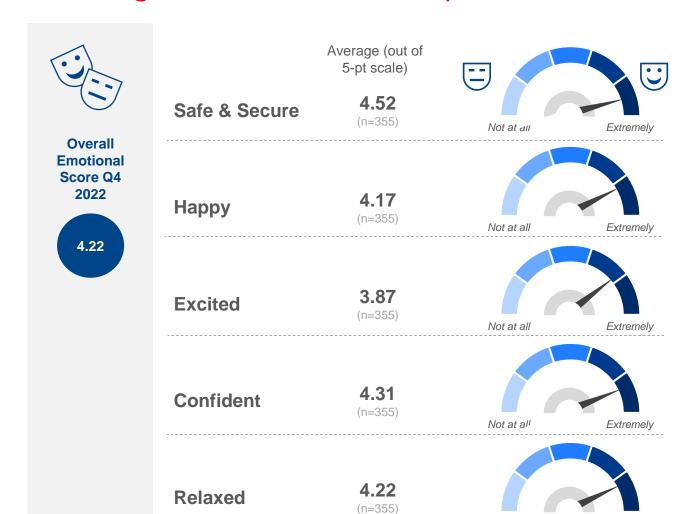


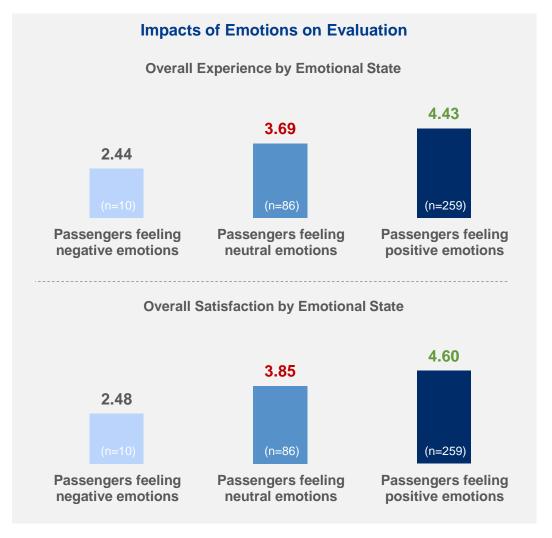






Passenger Emotions & their Impacts – Q4 2022





Base (n): Respondents providing a valid response

Q6. How do you feel right now about your experience at THIS airport? On a scale from Not at all (1) to Extremely (5)

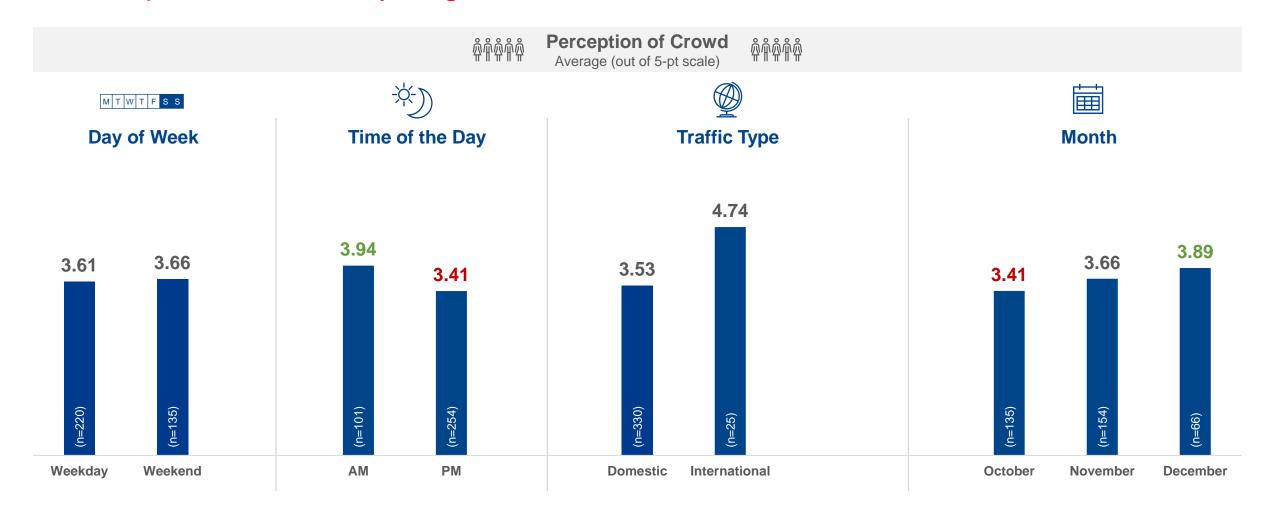
Note: The green and red values indicate that the segment's performance is higher or lower at a statistically significant level (95%). Each segment's performance is compared to that of the rest of the groups, i.e., TOTAL others (excluding the

Extremely

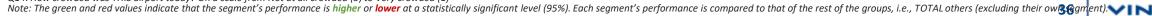
Not at all



Perception of Crowd by Segments – Q4 2022



Q14. How crowded was THIS airport today? On a scale from Not at all crowded (5) to Very crowded (1)







How Does SFB Compare?



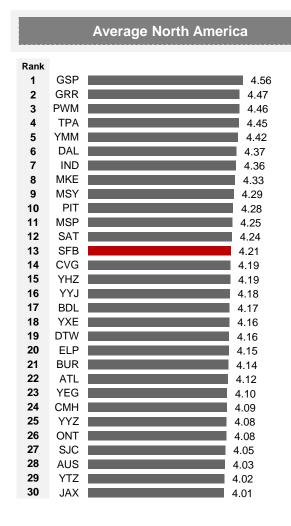
SFB – Benchmark Performance

Key Highlights – Q4 2022

| | ASQ Global | | North America | 2-5M Passengers |
|-------------------------|-------------------------|------|-----------------|-----------------------------|
| Overall Satisfaction | ASQ Global Average 4.30 | | NA Average 4.17 | 2-5M Average 4.39 |
| SFB Score | 4.37 | 4.37 | 4.37 | 4.37 |
| SFB Rank | 100/283 | | 7/46 | 22/49 |
| Overall Experience | ASQ Global Average 4.18 | | NA Average 4.07 | 2-5M Average 4.25 |
| SFB Score | 4.21 | 4.21 | 4.21 | 4.21 |
| SFB Rank | 110/283 | | 13/46 | 22/49 |

4.07

Overall Experience



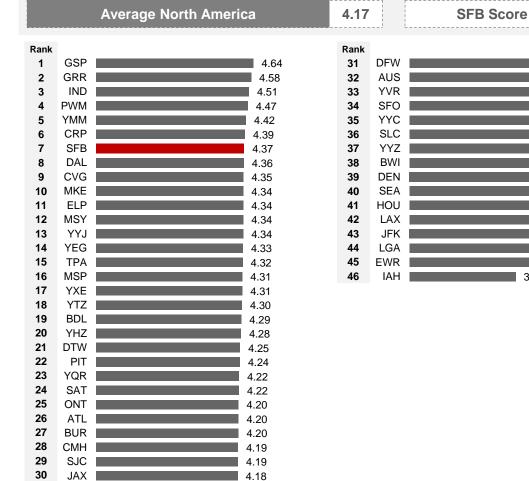


SFB Score

4.21

SFB Rank in North America

Overall Satisfaction - Total





4.37

7 / 46

SFB Rank in North America

SFB – Ranking Amongst Airports of 2-5M world-wide

Overall Experience





SFB – Ranking Amongst Airports of 2-5M world-wide

Overall Satisfaction - Total





ASQ Results are Good and Presents Opportunity





Shopping/Dining – Restaurants/Bars/Cafés







Shopping/Dining – VFM: Restaurants/Bars/Cafés

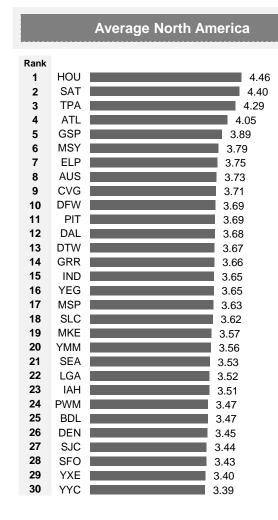






3.56

Shopping/Dining – Shops



| Rank | | |
|------|-----|------|
| 31 | BWI | 3.38 |
| 32 | LAX | 3.38 |
| 33 | YVR | 3.34 |
| 34 | SFB | 3.32 |
| 35 | ONT | 3.31 |
| 36 | JAX | 3.30 |
| 37 | YTZ | 3.29 |
| 38 | JFK | 3.29 |
| 39 | YYZ | 3.25 |
| 40 | CMH | 3.22 |
| 41 | BUR | 3.14 |
| 42 | YHZ | 3.09 |
| 43 | YQR | 3.09 |
| 44 | EWR | 3.06 |
| 45 | CRP | 2.97 |
| 46 | YYJ | 2.93 |

SFB Score

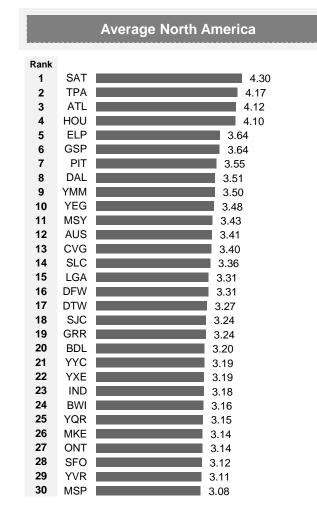
3.32

SFB Rank in North America



3.28

Shopping/Dining – VFM: Shops

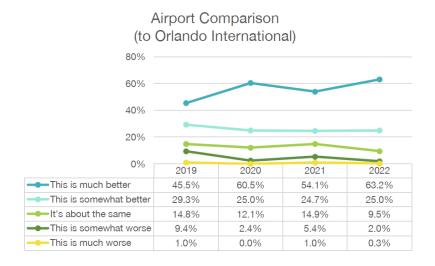


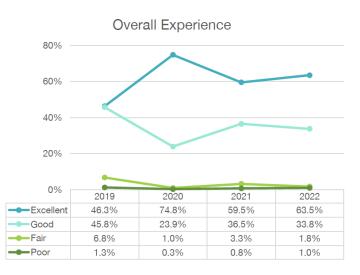
| Rank | | |
|------|-----|------|
| 31 | LAX | 3.07 |
| 32 | SEA | 3.07 |
| 33 | PWM | 3.05 |
| 34 | DEN | 3.00 |
| 35 | JAX | 3.00 |
| 36 | BUR | 2.95 |
| 37 | JFK | 2.92 |
| 38 | CMH | 2.89 |
| 39 | SFB | 2.88 |
| 40 | CRP | 2.86 |
| 41 | YTZ | 2.85 |
| 42 | YHZ | 2.84 |
| 43 | YYZ | 2.80 |
| 44 | YYJ | 2.69 |
| 45 | EWR | 2.68 |
| 46 | IAH | 2.65 |

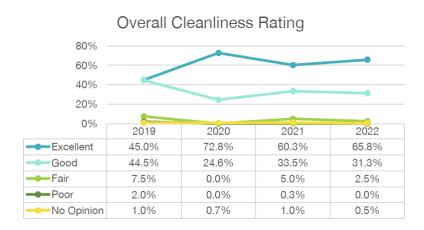
SFB Score

SFB Rank in North America

Passenger Survey







Airport Location

"Absolutely love this airport. It is convenient and so much less stressful than flying into Orlando International Airport."

"Love this airport for easy access to the Villages."

"I like non-stop flights."

Airport Experience

"Great flight. Easy airport. Good weather!"

"The best and easiest airport in America."

Cleanliness and Courtesy

"Small, clean, timely airport."

"Very friendly to help a first timer in the airport."

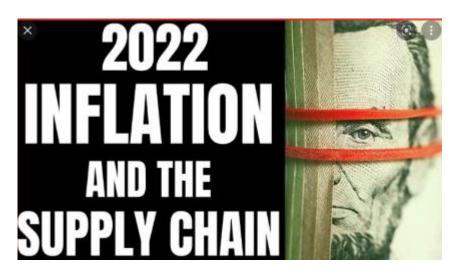
ACI-ASQ Q4 2022

NEXT STEPS

- Form an ASQ Committee including SAA, OSI, SSP, Hudson, Allegiant, other airport partners
- Meet bi-monthly
 - review results
 - create recommended actions to mitigate lower ratings
 - to monitor action in progress
 - to improve SFB guest experience

Challenges: Past and Future: Similar Story to 2022







2021 Challenges

Hertz Bankruptcy
Slow COVID Recovery
Brands exit: Starbucks, Clear
Channel, Thrifty Car Rental
Delay in filling Director position

2022 and 2023 will still be bumpy

Continued COVID outbreaks impacting recovery

Supply chain delays – 6+ months impacting repair and maintenance

7%+ inflation rate

Outside Influences

War in Ukraine and potential spill over to Europe

Price of Oil – increase of airfares impacting demand



Environmental and Safety







2030 TARGETS SHARED BY ALL VA AIRPORTS



HALVE our carbon footprint + ZERO net emission by 2050 (ACI target)



-50% of water consumption



ZERO waste in landfill



100% airports with biodiversity diagnosis and preservation plan



100% airports ISO 14001 certified

Environmental Projects 2022

1

Airport Carbon Accreditation

- Started in July 2022.
- Compiling of data for certification
- Completed Inventory of all assets that produce CO2 as well as recyclables.

2

ISO 14001 : 2015 Certification

- We are working toward our ISO 14001 certification to become a more sustainable provider for air travel.
- This certification improves our standing with international and domestic carriers

Electrifying our GSE and Fleet vehicles

3

 Reduction of CO2 is the goal that we are achieving through considered replacement of equipment going forward. Purchases of initial EV equipment started 2022.

Building Management improvements



- Reducing our electricity use through smarter building management and integrated technologies.
- Reducing our water usage through technology and smarter use.





Health and Safety Projects 2022

1

Safety Committee started in January 2022

- A Bi-Monthly safety committee was formed of hourly and salaried employees.
- Members were trained in OSHA and FAA safety regulations as well as behavior-based observations.



Sustainability through Environmental Projects

 Through education and contractual means, we will become a one-use plastic free airport with compostable products that will be indistinguishable. Waste reduction of 30-40% in 2023



Employee hands on safety training.

 Managers and Supervisors were given safety training that was passed onto their direct reports. This training composed of TBI US/OSI safety standards. This training was composed of PPE and ergonomics.



CPR First Aid AED Training

employees with Red Cross Certified Adult-Child-Pediatric certifications in CPR FA and AED. Classes are held the first Tuesday of the month, unless rescheduled.

Health and Safety Projects 2022

5

PPE Program developed with VINCI Airports

 A PPE program of HI Visibility was implemented and started in November
 2022. All ramp personnel will be required to wear Hi Viz equipment regardless of task.



My Brothers Keeper initiative.

 Started in December of 2022, a program where each employee is responsible for the safety of those around him. This initiative was in conjunction with a safety bingo program in place.



UCF SFB partnership on Environmental Projects

A partnership was formed in Oct 2022
 with UCF Environmental to allow
 students to assist with feasibility studies
 for projects in 2023. This project is now
 scheduled for the summer of 2023



Safety Leadership Training

 Started in August of 2022, this OSHA certified course was given to hourly and salaried supervisors to expand our safety footprint within our departments. In 2023 we are expecting another 12 participants.

Injury reduction in 2022

Comparisons with 2018-2021 with exceptions for Covid years 2020-2021

A reduction in injuries is on a downward turn. From actual OSHA 300 data reported for SFB from 2018-2019 until 2021-2022 we have had a reduction of 60% in injuries sustained at SFB in all departments. With continued training and vigilance, a more defined reduction will be obtained in 2023.

2022 Injuries

2022 was a complete year. With no restrictions, employees were back full time and as busy as 2019 hours. This year was set to become a benchmark for injuries as well as lost time accidents for going forward. In 2022 we had 11 injuries with no lost time. None of the injuries were in the severe category.





2023 – 2024 Initiatives







Composting our Bio-Waste at SFB

By composting our Bio
Waste at SFB, we will be
saving an average of 40% of
the mass sent to our local
landfills to become
compost. This benefits the
entire community here in
Seminole county. This
project is currently in the
final stage of
implementation.

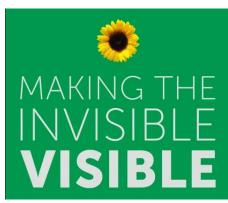
Making the Airport more inclusive to everyone.











- The Hidden Disabilities Sunflower Lanyard Scheme® was originally created to act as discreet identification that the wearer, or their companion, has a hidden disability and might require additional assistance.
- London's Gatwick was the first airport to introduce the scheme in May 2016, and multiple other airports across the UK have adopted the sunflower languard.
- It is a voluntary program and passengers are not required to participate. Passengers may choose to disclose their disability on the card, but they do not have to.
- They may also have a contact name and phone number on the card, which would be helpful if they are lost or are separated from their party.
- Airport staff are trained to recognize the lanyards and to be understanding if additional help is needed.
- Passengers are still required to arrange special assistance with their airlines and TSA Cares.



2023 – 2024 Strategic Initiatives

Revenues Optimization

Commercial Redevelopment

Air Service Development

Tariff Review

Car Park Optimization

Land Optimization

Next Steps:

Strategic Workshop as discussed between Board Chairs in Fall 2023