



**MELBOURNE AIRPORT AUTHORITY BOARD**  
Minutes for January 22, 2020 Board Meeting  
Airport Board Room

At which were present: Mr. Jack L. Ryals, Chairman  
The Honorable Debbie Thomas, Councilmember  
Mr. William C. Potter, Member  
Mr. Scott Mikuen, Member  
Mr. Michael Fischer, Member  
Mr. Adam Bird, Airport Attorney  
Mr. Greg Donovan, A.A.E., Executive Director  
Mr. Mark Busalacchi, Director of Business Development  
Mr. Cliff Graham, C.M., Director of Operations and Maintenance  
Ms. Melissa Naughton, C.M., Assistant Director of Business Development  
Mr. David Perley, A.I.C., Director of Capital Improvements

Not present: Mayor Kathy Meehan, Vice Chairman  
The Honorable Tim Thomas, Councilmember  
Mr. Mike O'Dell, C.P.A., Director of Finance and Administration

**Pledge of Allegiance**

**Airport Announcements by Executive Director Greg Donovan:**

- New finance employee, Tiffany Daniels introduced
- Nonstop daily flights to Philadelphia begin
- MLB staff visits top officials in Washington, DC
- Chamber Legislative Day in Tallahassee
- MLB participates in Space Florida Opportunity Zone Forum with Governor DeSantis and White House Officials

**Action Items**

Approval of the minutes of the December 4, 2019. A motion was made by Mr. Potter for approval of meeting minutes, seconded by Ms. Thomas. Motion passed unanimously.

**Item A-1 Recommendation to Approve an Extension of the Professional Services Agreement with Adept Aviation Consulting, LLC.**

Mr. Donovan explained that Mr. Greg Dull is an integral part of MLB's team and was instrumental in the recruitment of TUI Airways. He will continue to focus on initiating the TUI service while working to acquire new air service and grow existing service, both domestic and international. Additionally,

Mr. Dull will be responsible for overseeing two subconsultants assisting the Airport with necessary preparations for the start of TUI's service in 2022.

The current agreement is set to expire on January 31, 2020. Staff requests that the agreement be extended for one additional five-year term.

Mr. Dull stated that he has been working with MLB for five years and has over 25 years' experience with air service development. 2019 was a very exiting year with the TUI announcement and the Philadelphia flights but there is still more work to do. He is looking forward to working with the airport and board for the next several years.

Mr. Mikuen asked if both parties unilaterally have the right to terminate this agreement with 30 days' notice. Mr. Dull stated yes, but with a 14-day notice. Mr. Potter questioned how the monthly fee is agreed upon. Mr. Donovan stated that it is calculated on estimated monthly hours and explained there is an industry standard that is used. Mr. Dull stated he would be working approximately 25 hours per week. Mr. Potter asked about the two sub-consultants monthly fee, and if it was also calculated based on estimated hours. Mr. Donovan explained the monthly fee includes both sub-consultants.

Staff recommends approval of Item A-1. A motion was made by Mr. Potter to approve an extension of the Professional Services Agreement with Adept Aviation Consulting, LLC, and authorization for the Executive Director to execute said agreement on behalf of the Authority, seconded by Mr. Mikuen. Motion passed unanimously.

**Item A-2 Recommendation for Approval to Extend the Contract for Purchase and Sale of 2.5 Acre Parcel.**

Mr. Donovan explained that Item A-2 is regarding a parcel of land to the east of Wickham Road on NASA Boulevard. The purchaser intends to utilize the 2.5-acre portion of the parcel for water retention, which is a compatible use for this property. It is located very close to the Airport's Runway Protection Zone (RPZ) and as such, has limitations per Federal Aviation Administration (FAA) guidelines. The purchaser needs additional time to work with Army Corps of Engineers and the County regarding permitting. The ultimate development of this property will be to support a retail location including a gas station located directly on the corner of Wickham Road and NASA Boulevard. The purchase price is \$815,000, with an additional \$25,000 going into an escrow account. This item will need to go before City Council for final approval.

Mr. Potter asked why the Army Corps of Engineers are involved with this process. Chairman Ryals explained that it might have to do with the old Crane Creek Water Management District. He continued stating that this extension is entirely due to the permitting issues.

Staff recommends approval of Item A-2. Motion was made by Ms. Thomas for approval to further extend the contract for purchase and sale of 2.5-acre parcel, subject to final approval from Melbourne City Council, and authorization for the Executive Director to execute all necessary documents, seconded by Mr. Fischer. Motion passed unanimously.

**Item A-3 Recommendation to Approve an Aeronautical Ground Lease with Health First, Inc.**

Mr. Donovan stated that Item A-3 is a lease resulting from an option with Health. First Flight is outgrowing its current hangar and will be constructing a 7,000 square foot hangar with 3,000 square feet of office, administrative, and crew sleep areas. This is a 20-year lease with two five-year options in the amount of \$1,845.50 per month, which breaks down to \$0.40 per square foot based on appraisal of the site. It is in accordance with our land use policies, CPI every five years with a two percent to five percent minimum and maximum. Over the course of the lease it will generate approximately \$442,000.

Mr. Potter asked where this land is located and why the difference in price per square foot. Mr. Donovan explained that it is on the northside of the airport and the price difference is due to the appraisal value due to its location.

Mr. Mikuen disclosed that he is a member of the Board of Trustee of Health First, he does not have a financial interest and will vote on the matter at hand. Mr. Potter stated the same.

Staff recommends approval of Item A-3. Motion was made by Ms. Thomas to approve an Aeronautical Ground Lease with Health First, Inc., and authorization for the Executive Director to execute said agreement on behalf of Authority, seconded by Mr. Fischer. Motion passed unanimously.

**Item A-4 Recommendation to Approve Resolution 01-20 Florida Department of Transportation Grant for the Terminal Renovation and Expansion Project.**

Mr. Donovan explained that Item A-4 is for financial assistance for the upcoming work on the terminal building. This is a standard 50/50 state grant match. The Airport's matching portion has been budgeted and is part of the five-year JACIP.

Mr. Mikuen asked if the airport's 50 percent funding plus the grant would reduce the overall project price and is there any obligation to return any portion of the grant if things were to change, such as a different design? Mr. Donovan stated that there is no obligation to use the entire amount of the grant. The total project does not have a final cost at this point. Mr. Donovan went into detail with some of the elements involved in this project, such as in-line baggage systems, outdated technology at the TSA checkpoints, and the extent of work involved. He is asking the board's consideration not to focus on the set dollar amount on this project. He continued saying that working with multiple grant opportunities, the airport can build a network of grants and have a better idea of the ability to borrow either through the SIB or other programs.

Chairman Ryals stated that there are no concrete numbers moving forward at this point. Two significant things have happened since the airport came into agreement with TUI; Thomas Cook Corporation went bankrupt and TUI added a cruise ship into Port Canaveral. Both items have caused airport staff to take a step back to reevaluate. Mr. Donovan added that many details are still being worked through.

Mr. Fischer asked how much of this plan and design impacted the RFP for the hotel. Mr. Donovan explained that the hotel and two other very large aerospace projects, on airport property, will coincide with this project along with other major projects within the community.

Mr. Potter asked if matching funds for this grant affect the cash flow projections? Mr. Donovan responded that no, this was programmed into the existing budget.

Staff recommends approval of Item A-4. Motion was made by Mr. Potter to approve Resolution 01-20 Florida Department of Transportation Grant for the Terminal Renovation and Expansion Project and authorization for the Chairman to execute said resolution on behalf of Authority, seconded by Ms. Thomas. Motion passed unanimously.

**Item A-5 Recommendation to Increase the Purchase Order to Vanasse Hangren Brustlin, Inc., (VHB) under its Continuing Services Contract, for the Facility Requirements Determination and Needs Assessment for the Terminal Renovation and Expansion Project in an Amount Not-To-Exceed \$19,960.**

Mr. Donovan explained that Item A-5 is to add an additional not-to-exceed amount of \$19,960 to the original contract which takes it over the \$35,000 threshold and needs to be brought to the board.

Mr. Potter questioned how the monthly fee is agreed upon. Mr. Donovan said it is calculated on estimated monthly work hours.

Staff recommends approval of Item A-5. Motion was made by Mr. Mikuen to increase the Purchase Order to Vanasse Hangren Brustlin, Inc., (VHB) under its Continuing Services Contract, for the Facility Requirements Determination and Needs Assessment for the Terminal Renovation and Expansion Project in an amount not-to-exceed \$19,960 and authorization for the Executive Director to execute said amendment on behalf of Authority, seconded by Mr. Fischer. Motion passed unanimously.

**Item A-6 Recommendation to Approve Non-Exclusive Legal Services Contract with Aequalis Socii, LLC d/b/a WhiteBird.**

Mr. Donovan explained that Item A-6 is regarding Mr. Adam Bird. He has been part of the airport's management team since 2016. He has been involved with close to 14 concurrent projects involving litigation, legal actions, and contractual lease negotiations. The current contract with GrayRobinson, including our state lobbying, will stay in place. Mr. Donovan continued stating the proposed contract with WhiteBird is non-exclusive and is for a base term of 10 years but can be terminated by either party with a 30-day notice. Mr. Bird's hourly rate will remain the same at \$215 per hour throughout the full length of the contract.

Chairman Ryals added that technically Mr. Bird works for the Board. Mr. Bird has been an asset to the board on many occasions and has provided outstanding service. Mr. Fischer also stated that Mr. Bird has been very helpful to the board.

Staff recommends approval of Item A-6. A motion was made by Mr. Fischer to approve the non-exclusive legal services contract with Aequalis Socii, LLC d/b/a WhiteBird and authorization for the Executive Director to execute said contract on behalf of the Authority, seconded by Mr. Potter. Motion passed unanimously.

## **Discussion Item**

### **Item D-1 Executive Director Annual Performance Review**

Chairman Ryals explained the numeric scoring system for the annual performance review. A score of 5 indicates "Outstanding", 4 "Exceeds Expectations", 3 "Meets Expectations". He continued stating there were 18 criteria and seven board members which equals 126 opportunities to score. The lowest score of the 126 was a 4, which is exceeds expectations. There is no question that the board, as a group, agrees that we have our man. The overall average score was a 5.

Chairman Ryals explained that each year the Executive Director's salary has been addressed, with one year a bonus was given. This year they are going to be looking at the entire compensation package.

Mr. Potter thinks the progress that has been made in the past year indicates a bonus of some sort should be considered for Mr. Donovan's exceptional service. The salary adjustment should be very generous.

Mr. Mikuen agrees with Mr. Potter and he continued to thank Mr. Donovan for the work he has done. Salary and/or bonus is a retention tool and that should be part of the conversation.

Mr. Fischer agrees with the comments already made.

Ms. Thomas has been very impressed with the work that Mr. Donovan has accomplished this past year and is open to any conversation.

Mr. Potter made a motion to increase Executive Director's base salary to \$220,000 and to have an agenda item for next board meeting as a discussion regarding other mechanisms such including a bonus and increase to retirement programs to further the longevity of the Executive Director, seconded by Mr. Mikuen. Motion passed unanimously.

## **Discussion**

Chairman Ryals believes that a bonus and an entire compensation package is a great tool for retention. Another tool would be to contribute to retirement accounts.

Mr. Donovan thanked the board and welcomes any feedback as to how to perform even better in the many years to come.

Mr. Potter asked that Mr. Donovan present to the Board how his staff is being compensated, is it adequate, and to offer recommendations. He continued to say that the great success the airport has had is due to the staff that Mr. Donovan has assembled, which is a great team. Mr. Potter would like to make sure that staff is compensated and incentivized properly. Mr. Donovan will present an overview of staff compensation and any recommendations he has, at the next board meeting.

## **Informational Items**

### **Item I-1 Financial Update by Mr. Donovan for Mr. O'Dell**

Year-end performance levels good.

Air service great first part of the year, then dropped off due to Delta's aircraft.

Delta's fleet moving to A321 aircraft, higher number of seats available.

Concessions doing well.

Year-end expenses cut significantly.

### **Item I-2 Operations Update by Mr. Graham**

#### **Traffic Pattern Indicators**

Visual aid to pilots from the air.

Describes runway orientation and direction of the traffic pattern.

New FAA from Interpretation mandated the new indicators.

This was done in-house with MLB staff, which added efficiency.

#### **Surface Painted Runway Hold Positions Signs**

At each taxiway/runway intersection.

All commercial service airports safety feature.

There is a struggle within the industry with determining location within the airport, size of the sign, red paint due to fading, and the reflective glass beads that shine on the pilot/drivers at night.

Staff is well trained, have good equipment and take pride in doing this type of work at the airport.

Adds an element of safety to the airport.

#### **Transit One**

Council for Transit Advocacy General Membership Meeting.

Mr. Graham honored to be the guest speaker.

Attendees included citizen and community transportation leaders.

Gave a 'State of the Airport' address; where we are in 2020 and where we are going in the future.

Good dialog.

People are interested and excited to hear about MLB and want to be involved.

Good community support.

### **Item I-3 Construction Projects Update by Mr. Perley**

#### **Air Traffic Control Tower**

The contractor has re-mobilized his forces to complete the remaining site work and to demo the existing tower.

Demo of the existing tower is underway after a 60-day delay by the FAA.

Once the tower was turned over to the contractor, a cleaning crew had to spend a couple of days cleaning out the rest of the tower to prevent any loose debris from becoming FOD once the demo began.

New access control for the existing gate is underway.

Site work will begin with the regrading of the parking lot once the demo is complete.

Closeout expected by the end of March 2020.

**Terminal Renovation Phase 2**

A Request for Qualification was issued on December 30, 2019.

A mandatory Pre-Qual meeting was held with 77 participants from the design/build community. Proposals are due February 4, 2020. A selection committee will shortlist a minimum of three firms for a presentation/interview.

Presentations are set for March 3, 2020 with the selection committee making a recommendation to negotiate a contract at the conclusion of the presentations.

A contract will be brought to the Board in March for design services and a GMP in May.

Grant applications this year have been moved up to the beginning of June and will be submitted after the May Board meeting.

**Ground Run-up Enclosure**

Favorable airspace determination from the FAA was received on Tuesday, January 14, 2020.

Request for Proposal for design/build services is being prepared.

Selection of a firm for approval should be brought to the Board in March.

Project completion is now expected next February 2021.

**Replacement of Passenger Boarding Bridges 7 and 4.**

Design drawings are complete.

Fabrication of the bridges has begun.

Delivery is still expected in April with a May installation.

**Obstruction Removal and Lighting**

The environmental survey is complete and has been forwarded to the proper agencies for review.

Once a favorable review is received, the Notice to Proceed will be issued to the contractor.

**Perimeter Patrol Roads**

Final design is being completed while environmental study is ongoing.

A test strip of the milling's road is set for February 18.

Project should take about three months to complete.

**Tropical Haven Road Repairs**

The contractor has completed all the paving and punch-list work.

Project closeout is expected by the end of the month.

**Northrop Grumman Metal Roof Replacement**

Contract has been executed.

Roofing materials have been ordered and are expected within the next three to four weeks.

Installation will start as soon as the material is delivered.

**Item I-4 Business Development and Marketing Update by Mr. Busalacchi****Melbourne Regional Chamber**

Mr. Busalacchi spoke to the Chamber regarding projects at the airport.

Both construction projects and Business Development projects were presented.

Feedback was positive with many questions.

**Sebastian Chamber**

Ms. Naughton is on the board of the Sebastian Chamber.

Grant received from Visit Florida which was used to promote the Airport.

Advertising in Philadelphia as well as Atlanta on behalf of the Airport.

**Public Speakers**

Mr. James Cox – A brief history about the airport regarding a B-24 crash during WWII. He spoke regarding over 85 aviators that were not given appropriate credit of their efforts during the war. Would like any assistance that the airport could give to him.

Mr. Potter asked if Mr. Cox has published anything yet. Mr. Cox indicated no, not yet. He stated that Bill Barnett's book has some details of the training that had occurred at the airport and that is was a 'Top Gun' training facility.

Mr. Donovan asked Mr. Cox to set up an appointment with Ms. Naughton. He is willing to share any records and history that the airport has on hand. He would like to have the airport and Mr. Cox work together to have a mutually beneficial endeavor.

Mr. Potter expressed his appreciate on the work that Mr. O'Dell did on reconciling the budget and the out-cost allocation with the City.

**In Closing**

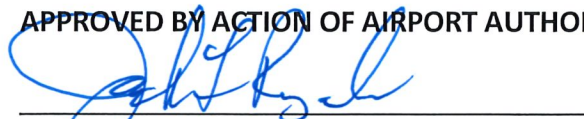
The meeting was adjourned by Chairman Ryals at 9:40 a.m.

**PREPARED BY:**

Tammy Till, Board Secretary

**SUBMITTED BY:**

Greg Donovan, A.A.E.  
Executive Director

**APPROVED BY ACTION OF AIRPORT AUTHORITY:**

Jack L. Ryals, Chairman