



MELBOURNE AIRPORT AUTHORITY BOARD

Minutes for May 5, 2020

Special Board Meeting

Airport Board Room

Present via telephone: Mr. Jack L. Ryals, Chairman
Mayor Kathy Meehan, Vice Chairman
The Honorable Debbie Thomas, Councilmember
The Honorable Tim 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. Mike O'Dell, C.P.A., Director of Finance and Administration

Pledge of Allegiance

Roll Call

Roll call was taken by Ms. Tammy Till, Board Secretary. All members were present via secured conference call-in line. Chairman Ryals thanked the board for attending this special board meeting.

Action Items

Item A-1 Recommendation to Approve Resolution 04-20 Federal Aviation Administration Grant for the acceptance of the Coronavirus Aid, Relief, and Economic Security (CARES) Grant.

Mr. Donovan thanked the authority members for their prompt response in order to arrange for this special meeting.

Mr. Donovan explained that Item A-1 is to accept the Federal Aviation Administration (FAA) CARES Grant in the amount of \$19,823,709, which is to be used for eligible airport expenses over the next four years. Upon execution of the grant, staff will update the Board on a monthly basis regarding the expenses as they incur.

As many of you are aware, Delta Air Lines is considering suspending flights at MLB and Hertz may declare bankruptcy soon. These grant funds are coming at a very critical time and will be completely used over the next four years.

Chairman Ryals thanked Mr. Donovan and asked for questions from the Board.

Mr. Potter asked if these funds come with any conditions, restrictions or requirements that would cause issues or conflict with any of the airport's policies or rules. Mr. Donovan stated no, there are no new requirements associated with this grant, just the standard federal grant assurances. Mr. O'Dell added that this grant will be subject to an audit each year.

Staff recommends approval of Item A-1. A motion was made by Mr. Potter to approve Resolution 04-20 Aviation Administration CARES grant for eligible operating expenses and authorization for the Chairman to execute said resolution on behalf of the Authority, seconded by Mr. Thomas. Motion passed unanimously.

Discussion

Mr. Potter asked to have Mr. O'Dell's disbursement schedule given to the board. Mr. O'Dell agreed to send that information to the board.

Mr. Mikuen asked for an update on other tenants and issues they may have. Mr. Donovan stated that Delta's request for suspension of flights will have a decision shortly. Currently at MLB, Delta is operating a 117-seat aircraft, with approximately 20-30 passengers per flight. This load factor is significantly higher than most of the other US airports.

Mr. Fischer asked if the Boeing and Embraer non-merger will affect Aerion Supersonic and Boeing's partnership. Mr. Donovan stated that there will be no impact on Aerion.

Mr. Donovan continued to explain that the airport's concessions provider, Metz Culinary Management, is having difficulties. The airport has waived its Minimum Annual Guarantee (MAG) for Metz. The rental car companies are reducing their workforce 20 to 40 percent with more changes to come in early fall.

Outside the terminal, tenants on airport property are stable, but still dealing with the effects of the pandemic. There will be substantial cuts in commercial airline activity to come, with the airlines being impacted the most.

In Closing

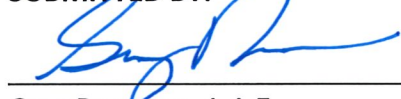
The meeting was adjourned by Chairman Ryals at 8:50 a.m.

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