



MELBOURNE AIRPORT AUTHORITY BOARD MEETING

AGENDA

June 24, 2020 at 8:30 AM

Orlando Melbourne International Airport Terminal

Pledge of Allegiance

Roll Call

Airport Announcements

Action Items

Approval of the minutes of the May 27, 2020 regularly scheduled Board Meeting.

Item A-1 Recommendation to Approve a Commercial Ground Lease with Melbourne Airport One, LLC.

The Airport Authority Board approved the selection of Virtua Partners (US), LLC (Virtua) for the design, construction, operation, and management of a hotel on Airport property at its regular meeting on May 22, 2019. Airport staff and Virtua were unable to come to an equitable agreement, so staff and Virtua mutually agreed to end discussions. Staff then began negotiations with AD 1 Management (AD 1), which was the second ranked proposer to the original Request for Proposals (RFP) staff issued in November 2018. Melbourne Airport One, LLC (MAO) was formed by AD 1 for this project.

AD 1 is proposing a phased development with the first phase on 2.5 acres consisting of a Hyatt Place hotel with no less than 130 guest rooms with upgraded suites on one entire floor, a rooftop bar, hotel lobby, swimming pool, fitness facilities, a limited-service restaurant for hotel patrons, on-site paved parking, and proper directional signage to reflect the presence of all major operations. It is anticipated that the capital contribution from MAO will be between \$20 and \$25 million.

Future phases may include, but not be limited to such amenities as: a second hotel, a fixed based operator (FBO) to service hotel patrons only, a minimum 20,000 square foot conference or event center, and additional retail/restaurant/office space as mutually agreed upon by the Authority. For future phasing to be possible, Airport staff will negotiate with MAO for the remainder of the approximately 9.5 acres of land of this parcel.

The salient points of the ground lease are as follows:

- Acreage: 2.5 acres.
- Term: Base term is 75 years with 5 additional terms of, 5 years each subject to Federal Aviation Administration approval.
- Lease Extensions: Every 10 years MAO will make capital improvements of no less than \$2,250,000 to the property as required by its franchise agreement and will provide documentation verifying amount of said improvements. After each expenditure, the lease term shall be extended by an additional 5 years up to a maximum cumulative extension of 25 years.
- Lease Rate: The initial base rent will be \$100,188 per year or \$8,349 per month. This is based on a fair market value (FMV) appraisal conducted on the site with a rental rate of \$0.92 per square foot per year. All stormwater retention will be onsite.

- Rent Incentives:
 - Lease Commencement through Certificate of Occupancy (not-to-exceed 24 months) – 100 percent rent abatement.
 - Year 1 Operations – 100 percent rent abatement.
 - Year 2 Operations – 100 percent rent abatement.
 - Year 3 Operations – 100 percent rent abatement.
 - Year 4 Operations – MAO will pay 100 percent rent.
- Rent Adjustments: CPI adjustments will occur every 5 years with a minimum of 2 percent and a maximum of 5 percent per year, except after the initial 75-year base term, which will require a fair market value adjustment based on an appraisal.
- Taxes and Fees: MAO is responsible for all taxes and fees associated with the lease.

The ground lease of this property will generate revenues of approximately \$7,213,536 over the original term of the lease, including incentives but not including CPI adjustments.

Staff recommends approval to execute a Commercial Ground Lease with Melbourne Airport One, LLC, and authorization for the Executive Director to execute said lease on behalf of the Authority.

Item A-2 Recommendation for Approval of the Eighth Amendment to Master Aeronautical Ground Lease with Space Florida.

While this is a lease amendment with Space Florida, Northrop Grumman is the third-party beneficiary of the rights and benefits provided to Space Florida under the Master Aeronautical Ground Lease (Master Ground Lease).

As the board may recall, as part of Project Magellan, the Master Ground Lease included an option to lease for 38.40 acres, known as Parcel D. This lease amendment is for the lease of 23.103 acres and an option to lease the remaining 15.29 acres. This is being brought to the Melbourne Airport Authority Board for approval because it differs from the ancillary documents approved by the Board at its special meeting on April 4, 2014. The 23.103 acres contains 10 acres that are impacted by certain electromagnetic emissions from the Northrop Grumman facilities and as such these 10 acres have limited allowable uses. No construction is expected on the new lease parcel at this time and is being leased to secure for future development.

The salient points of the amendment are as follows:

- Acreage: 23.103 acres will be added to the Master Aeronautical Ground Lease for the remaining term of the lease.
- Lease Rate: \$0.38 per square foot per year, which is \$384,327.81 per year. This is based on fair market value (FMV) appraisals conducted by the Airport and Northrop Grumman.
- Rent Adjustments: CPI increases will occur every five years with a minimum of 0.8 percent and maximum of 5 percent per year in accordance with the Master Ground Lease.
- Insurance, Taxes, and Fee: Tenant is responsible for all insurance, taxes, and fees associated with the amendment.
- Airport responsibilities: In accordance with the Master Ground Lease, Airport is responsible to reimburse tenant for relocation of endangered species and to remediate a certain environmental condition, which is not known to exist on this parcel.
- Option to Lease 15.29 acres: This is for up to 5 years with an annual fee of \$37,963.85.

The ground lease of this property will generate approximate revenues of \$13,003,091.00 over the remaining lease term not including the option fee or CPI adjustments.

Staff recommends approval of the Eight Amendment to Master Aeronautical Ground Lease with Space Florida, and authorization for the Executive Director to execute said amendment on behalf of the Authority.

Item A-3 Recommendation for Approval of a Lease with the U.S. Government.

This lease with the U.S. Government (Government) is for the National Weather Service Forecast Office and Weather Service RADAR site at 421 Croton Road. The current lease for this tenant is set to expire on September 30, 2020. This office is particularly important to the east central Florida region during hurricane season.

The salient points of the lease are as follows:

- Acreage: 1.332 acres
- Term: Eight years (commencing October 1, 2020 and terminating September 30, 2028). Government may terminate this lease with 120-days written notice.
- Lease Rate: \$19,200 per year, which is based on a Fair Market Value appraisal.
- Insurance, Taxes and Fees: Government is responsible for its own insurance, taxes and fees.

Staff recommends approval of the Lease with the U.S. Government and authorization for the Executive Director to execute said Lease on behalf of the Authority.

Item A-4 Recommendation for Approval to Extend the Contract for Purchase and Sale of 2.5 Acre Parcel.

This 2.5-acre parcel is a portion of a 6-acre parcel on airport property that sits between NASA Boulevard and Old NASA Boulevard. The Melbourne Airport Authority approved the sale of this parcel to NASA Investment Partners, LLC at its regular meeting on January 24, 2018, a First Amendment to the Purchase Agreement at its regular meeting on June 26, 2019, and a Second Amendment at its regular meeting on January 22, 2020. As a result of a change of tenants and the COVID-19 pandemic, which is slowing the permitting process, NASA Investment Partners has requested to extend the closing date to occur on or before February 17, 2021.

This extension request is the result of the original tenant terminating its agreement when a new board of directors took over the organization. It took six months for NASA Investment Partners to secure a new tenant and anticipates executing a lease with the new tenant in the next few weeks. Due to the COVID-19 global pandemic, most commercial real estate activities came to a halt for a period of three months. Additionally, the permitting process has seen effects from the pandemic.

As the Board may recall, this property is located very close to the Airport's Runway Protection Zone (RPZ) and as such, has severe development limitations per Federal Aviation Administration (FAA) guidelines. NASA Investment Partners intends to utilize the 2.5-acre portion of the parcel for water retention, which is a compatible use for this property. The sale price is \$815,000.

Staff recommends the approval to further extend the contract for purchase and sale of 2.5 acres subject to final approval from Melbourne City Council, and authorization for the Executive Director to execute all necessary documents.

Item A-5 Recommendation to Approve Renewal Of Airport Liability Insurance Coverage Policy In The Amount Not-To-Exceed \$52,535.

The Airport’s annual Liability Insurance Coverage Policy is due to expire on July 14, 2020. The Airport utilizes aviation insurance broker, Arthur J. Gallagher Risk Management Services, Inc. (AJ Gallagher), to assist with obtaining proposals from aviation insurers, evaluation of carrier stability, and providing aviation coverage recommendation for airports.

Below is the premium summary for carrier responses:

| CARRIER | National Union Fire Insurance Co. of Pittsburgh, PA | National Union Fire Insurance Co. of Pittsburgh, PA | ACE Property & Casualty Co./Chubb Insurance Group |
|---------------|---|---|---|
| PREMIUMS | \$47,271 | \$52,535 | \$84,866 |
| 2020 INCREASE | NA | 11% | 79% |

NOTE: Most airports are seeing premium increases of 15-25 percent.

Presenter: Scott Bolger, Area Executive Vice President Aviation Practice, Arthur J. Gallaher will be discussing benchmarking and the current market.

Staff recommends renewing the Airport’s General Liability Insurance Coverage to National Union Fire Insurance Co. of Pittsburg, PA in the amount not-to-exceed \$52,535 and authorization for the Executive Director to execute said agreement on behalf of the Authority.

Item A-6 Recommendation to Award the next phase of work to The Haskell Company/RS&H/Kinley team under its Progressive Design/Build Contract for the Terminal Renovation and Expansion Project in an amount Not-To-Exceed \$650,797.

Last month, the Board approved the recommendation to award a Progressive Design/Build contract to The Haskell Company/RS&H/Kinley team for the Terminal Renovation and Expansion Project. That approval was for a portion of the work that included common areas of the terminal.

Based on recent conversations with TUI, it appears we are still on track for its arrival in April 2022. This has prompted staff to begin the necessary apron work.

Below is the tabular progression of the contract approved by the Board. Staff is requesting approval of the next phase of work for the apron.

Previously approved

| | | | |
|----------|--|------------------|--------------|
| Phase 1 | Planning & Programming (Total) | 45 days from NTP | \$ 1,257,000 |
| Phase 2A | Schematic Design (Ticketing) | 55 days from NTP | \$ 180,950 |
| Phase 2B | Schematic Design (Baggage Screening) | 55 days from NTP | \$ 296,100 |
| Phase 2C | Schematic Design (Security Checkpoint) | 55 days from NTP | \$ 361,900 |
| Phase 2D | Schematic Design (Baggage Claim) | 55 days from NTP | \$ 164,500 |

To Be Approved This Month

| | | | |
|----------|-------------------------|------------------|------------|
| Phase 2G | Apron Design - Complete | 50 days from NTP | \$ 650,797 |
|----------|-------------------------|------------------|------------|

The total design costs with pre-construction services are within the range for professional services at just under 13 percent of the construction budget.

A grant by the Florida Department of Transportation (FDOT) has already been awarded in the amount of \$3,093,954 with a local match.

Federal Aviation Administration (FAA) grants for \$6,373,000 as part of our entitlement funding, \$4,444,444 for supplemental funding, and \$6,000,000 for discretionary funding have been submitted and are awaiting final approval. All three grants are 100 percent grants.

Staff recommends approval of the award to The Haskell Company/RS&H/Kinley for the Progressive Design/Build of the Terminal Renovation and Expansion Project and to approve Phases 2G at this time in an amount not-to-exceed \$650,797 and authorization for the Executive Director to execute said agreement on behalf of Authority.

Discussion Items

Item D-1 FY 2020/21 Proposed Budget

Presentation of the Airport’s proposed budget for FY2021 to the Melbourne Airport Authority Board. At the July meeting, the Airport budget for FY2021 will be on the agenda and once approved, will be forwarded to city council for adoption within the city budget.

Information Items

- Item I-1 Financial Update**
- Item I-2 Operations Update**
- Item I-3 Construction Projects Update**
- Item I-4 Business Development and Marketing Update**

Public Speakers

Adjournment

Pursuant to 286.0105, Florida Statutes, the Airport hereby advises the public that if a person decides to appeal any decision made by the Airport Authority with respect to any matter considered at its meeting or hearing, he will need a record of the proceedings, and that for such purpose, affected persons may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities needing special accommodation to participate in this meeting should contact the Airport (723-6227) at least 48 hours prior to the meeting.

**ORLANDO MELBOURNE INTERNATIONAL AIRPORT (MLB) MONTHLY ACTIVITY REPORT
MAY 2020**

| | 2020 | 2019 | MO CHANGE (%) | 2020 YTD | 2019 YTD | YTD CHANGE (%) |
|---|--------------|---------------|----------------|----------------|----------------|----------------|
| PASSENGERS | | | | | | |
| Revenue PAX - Domestic | | | | | | |
| Enplaned | 3,505 | 21,115 | -83.4% | 61,047 | 106,408 | -42.6% |
| Deplaned | 3,412 | 20,187 | -83.1% | 59,638 | 103,361 | -42.3% |
| Total Revenue PAX - Domestic | 6,917 | 41,302 | -83.3% | 120,685 | 209,769 | -42.5% |
| *Revenue PAX - Int'l | | | | | | |
| Enplaned | 9 | 95 | -90.5% | 154 | 2,620 | -94.1% |
| Deplaned | 13 | 197 | -93.4% | 597 | 3,022 | -80.2% |
| Total Revenue PAX - Int'l | 22 | 292 | -92.5% | 751 | 5,642 | -86.7% |
| Non-Revenue PAX | | | | | | |
| Enplaned | 378 | 845 | -55.3% | 3,603 | 4,529 | -20.4% |
| Deplaned | 369 | 932 | -60.4% | 3,467 | 4,796 | -27.7% |
| Total Non-Revenue PAX | 747 | 1,777 | -58.0% | 7,070 | 9,325 | -24.2% |
| Total PASSENGERS | 7,686 | 43,371 | -82.3% | 128,506 | 224,736 | -42.8% |
| CARGO Express/Freight/Sm Parcels (lbs) | | | | | | |
| OUT | 0 | 4,934 | -100.0% | 0 | 45,219 | -100.0% |
| IN | 0 | 909 | -100.0% | 0 | 11,915 | -100.0% |
| Total CARGO (lbs) | 0 | 5,843 | -100.0% | 0 | 57,134 | -100.0% |
| Cargo in Metric Tons | 0 | 3 | | 0 | 26 | |
| AIRCRAFT OPERATIONS | | | | | | |
| Air Carrier | 189 | 525 | -64.0% | 2,090 | 2,761 | -24.3% |
| Air Taxi | 184 | 284 | -35.2% | 1,120 | 1,596 | -29.8% |
| General Aviation - Itinerant | 4,066 | 7,285 | -44.2% | 26,969 | 33,349 | -19.1% |
| General Aviation - Local | 848 | 3,984 | -78.7% | 10,771 | 18,524 | -41.9% |
| Military | 26 | 68 | -61.8% | 203 | 652 | -68.9% |
| Total OPERATIONS | 5,313 | 12,146 | -56.3% | 41,153 | 56,882 | -27.7% |

*Includes Data from US Customs for General Aviation Passengers

ORLANDO MELBOURNE INTERNATIONAL AIRPORT

Income Statement

April 30, 2020

| | Year To Date Actual | | \$ change | % change |
|--|---------------------|-------------|-----------|----------|
| | 4/30/2020 | 4/30/2019 | | |
| Operating Revenue | | | | |
| Airline Landing Fees | 337,299 | 361,887 | (24,588) | -7% |
| Airline Service Fees | 1,231,817 | 1,249,981 | (18,164) | -1% |
| Land & Bldg Lease Rents | 5,030,331 | 4,786,772 | 243,559 | 5% |
| Terminal Rents | 136,474 | 133,860 | 2,614 | 2% |
| Parking Lot Fees | 893,145 | 1,068,746 | (175,601) | -16% |
| Car Rental Concessions | 593,687 | 618,992 | (25,305) | -4% |
| Restaurant Concessions | 79,655 | 80,572 | (917) | -1% |
| Mobile Home Park Rent | 1,110,205 | 1,167,797 | (57,592) | -5% |
| T-Hangar Rentals | 66,905 | 64,857 | 2,049 | 3% |
| Operating Grant Revenue | 35,790 | 44,447 | (8,657) | -19% |
| Other | 255,868 | 203,205 | 52,663 | 26% |
| Total Operating Revenues | 9,771,176 | 9,781,116 | (9,940) | 0% |
| Operating Expense: | | | | |
| Personnel Services | 2,870,430 | 2,669,911 | 200,519 | 8% |
| Contract Services | 2,833,436 | 2,863,310 | (29,874) | -1% |
| Police & Fire Services | 654,317 | 668,215 | (13,898) | -2% |
| Maintenance and Operations | 2,116,902 | 2,843,766 | (726,864) | -26% |
| Other | 6,383 | - | 6,383 | #DIV/0! |
| Total Operating Expenses | 8,481,468 | 9,045,203 | (563,735) | -6% |
| Operating Income (Loss) | 1,289,709 | 735,913 | 553,795 | |
| Non-Operating Revenue (Expense): | | | | |
| Passenger Facility Charges | 506,552 | 699,343 | (192,791) | -28% |
| Customer Facility Charges | 440,754 | - | 440,754 | #DIV/0! |
| Gain on Sale of Assets | 4,762 | 4,248 | 514 | 12% |
| Interest Income (Loss) | 177,065 | 191,405 | (14,340) | -7% |
| Ad Valorem Tax Revenue | 1,538,248 | 1,741,692 | (203,445) | -12% |
| Ad Valorem Tax Expense | (1,570,163) | (1,754,588) | 184,425 | -11% |
| (Loss) on Disposal of Fixed Assets | - | - | 0 | #DIV/0! |
| Interest Expense | - | - | - | #DIV/0! |
| Total Non-Operating Revenue (Expense) | 1,097,218 | 882,100 | 215,118 | |
| Net Income (Loss) Before Depreciation* | 2,386,927 | 1,618,013 | | |

* Net Income before capital contributions and transfers

ORLANDO MELBOURNE INTERNATIONAL AIRPORT
Statement of Revenues, Expenditures and Changes in Fund Net Assets
April 30, 2020

| | YTD Actual | Annual Budget | % of Budget |
|--|-------------------|--------------------------|------------------------|
| Operating Revenues: | | | |
| Airline Landing Fees | 337,299 | 410,882 | 82% |
| Airline Service Fees | 1,231,817 | 2,162,952 | 57% |
| Land & Bldg Lease Rents | 5,030,331 | 8,333,664 | 60% |
| Terminal Rents | 136,474 | 251,071 | 54% |
| Parking Lot Fees | 893,145 | 2,053,544 | 43% |
| Car Rental Concessions | 593,687 | 1,057,360 | 56% |
| Restaurant Concessions | 79,655 | 130,000 | 61% |
| Mobile Home Park Rent | 1,110,205 | 1,881,097 | 59% |
| T-Hangar Rentals | 66,905 | 118,081 | 57% |
| Operating Grant Revenue | 35,790 | 72,000 | 50% |
| Other | 255,868 | 253,599 | 101% |
| Total Operating Revenues | 9,771,176 | 16,724,250 | 58% |
| Operating Expense: | | | |
| Personnel Services | 2,870,430 | 5,576,662 | 51% |
| Contract Services | 2,833,436 | 5,308,424 | 53% |
| Police & Fire Services | 654,317 | 1,128,970 | 58% |
| Maintenance and Operations | 2,116,902 | 5,903,678 | 36% |
| Other | 6,383 | - | #DIV/0! |
| Total Operating Expenses | 8,481,468 | 17,917,734 | 47% |
| Operating Income (Loss) | 1,289,709 | (1,193,484) | |
| Non-Operating Revenue (Expense): | | | |
| Passenger Facility Charges | 506,552 | 1,106,119 | 46% |
| Customer Facility Charges | 440,754 | 775,000 | 57% |
| Gain on Sale of Assets | 4,762 | - | #DIV/0! |
| Interest Income (Loss) | 177,065 | 174,939 | 101% |
| Ad Valorem Tax Revenue | 1,538,248 | 1,963,017 | 78% |
| Ad Valorem Tax Expense | (1,570,163) | (1,963,018) | 80% |
| Gain (Loss) on Disposal of Fixed Assets | - | - | #DIV/0! |
| Interest Expense | - | - | #DIV/0! |
| Total Non-Operating Revenue (Expense) | 1,097,218 | 2,056,057 | |
| Net Income (Loss) before Depreciation, Transfers, and Capital Contributions | 2,386,927 | 862,573 | |
| Depreciation Expense | - | - | |
| Intra Transfer to Airport Capital | - | (862,780) | 0% |
| Net Income (Loss) After Transfers | 2,386,927 | (207) | |

Orlando Melbourne International Airport
Top 10 Operating Revenues
4/30/2020

| Rank | Description | YTD FY 2020 | FY 20 % of Total Rev | YTD FY 2019 | FY 19 % of Total Rev | \$ Change | % Change |
|--------------------------------|---------------------------------|----------------|-------------------------|----------------|-------------------------|-----------|----------|
| 1 | Airfield Facilities Rental | 2,677,384 | 27% | 2,511,904 | 26% | 165,480 | 7% A |
| 2 | Commercial Business Center Rent | 1,766,218 | 18% | 1,752,904 | 18% | 13,314 | 1% |
| 3 | Tropical Haven Revenue | 1,099,592 | 11% | 1,157,000 | 12% | (57,408) | -5% B |
| 4 | Parking Revenue | 893,145 | 9% | 1,068,746 | 11% | (175,601) | -16% C |
| 5 | Ground Handling Revenue | 723,620 | 7% | 724,041 | 7% | (421) | 0% |
| 6 | Car Rental Concession | 593,687 | 6% | 618,992 | 6% | (25,305) | -4% C |
| 7 | Terminal Rent-Airline | 525,614 | 5% | 531,819 | 5% | (6,205) | -1% |
| 8 | Hangar Rent | 433,661 | 4% | 433,661 | 4% | - | 0% |
| 9 | Landing Fees | 337,299 | 3% | 361,887 | 4% | (24,588) | -7% C |
| 10 | Terminal Concessions | 79,655 | 1% | 80,572 | 1% | (917) | -1% |
| Total Top 10 Operating Revenue | | 9,129,875 | 93% | 9,241,526 | 94% | (111,651) | |
| Other Operating Revenue | | 641,301 | 7% | 539,590 | 6% | 101,711 | 19% D |
| Total Operating Revenue | | 9,771,176 | 100% | 9,781,116 | 100% | (9,940) | 0% |

A Increase is due to new leases executed in FY 20, contractual rate adjustments, and the lease of new facilities by existing airport tenant.

B Decrease is due to the lapsing of the Capital Improvement Fee (\$25 per lot which was in effect from January 2019 through September 2019).

C Decrease reflects impacts of the Covid 19 recession which started in mid-March. Some of the revenue declines are immediate (such as parking) while there is a lag in others (such as landing fees) due to either reporting or a lag in when the changes went into effect.

D Primary increase due to receipt of \$44k from Gray Robinson that was held as part of the bankruptcy proceeding for the russian 747 that was abandoned at MLB; in addition, taxi/TNC trip fees were implemented in FY 20 which resulted in \$27k revenue increase.

**Orlando Melbourne International Airport
Top 10 Operating Expenses
4/30/2020**

| Description | FY 2020 | | FY 20 % | | FY 19 % | | % change |
|--------------------------------|-----------|-------------------|-------------------|------|-------------------|-----------|----------|
| | YTD | Operating Expense | Operating Expense | YTD | Operating Expense | \$ change | |
| 1 Personnel | 2,870,430 | 34% | 2,663,570 | 29% | 206,860 | 8% A | |
| 2 Other Contract Services | 1,771,139 | 21% | 1,729,975 | 19% | 41,164 | 2% | |
| 3 Fire Services | 644,455 | 8% | 653,351 | 7% | (8,896) | -1% | |
| 4 Contractual Employee | 336,517 | 4% | 444,531 | 5% | (108,014) | -24% B | |
| 5 Consulting Fees | 283,819 | 3% | 333,306 | 4% | (49,487) | -15% | |
| 6 Electric | 277,809 | 3% | 291,655 | 3% | (13,846) | -5% | |
| 7 Risk Management | 223,041 | 3% | 348,504 | 4% | (125,463) | -36% C | |
| 8 Cable TV Expense | 165,358 | 2% | 158,345 | 2% | 7,013 | 4% | |
| 9 Outside Counsel Fees | 159,049 | 2% | 168,915 | 2% | (9,866) | -6% | |
| 10 Repair & Maint-A/C | 116,511 | 1% | 50,966 | 1% | 65,545 | 129% D | |
| Total Top 10 Operating Expense | 6,848,128 | 81% | 6,843,118 | 76% | | | |
| Other Operating Expense | 1,633,340 | 19% | 2,202,085 | 24% | (568,745) | -26% E | |
| Total Operating Expense | 8,481,468 | 100% | 9,045,203 | 100% | (563,735) | -6% | |

A Increase is primarily due to pay increases and the implementation of the revised pay plan that went into effect October 1, 2019; in addition, airport has filled more vacant positions this year vs. last year (note decrease in contractual employee).

B This expense fluctuates based on when temporary employees are used compared to regular employees; more full time positions were filled with regular staff compared to FY 19.

C Decrease is due to the revised cost allocation plan that was agreed to with the City of Melbourne in August 2019.

D Increase is due to a new maintenance contract that was executed in October 2019. This contract focuses on preventive maintenance to extend the lives of airport air conditioning systems and to avoid unscheduled repairs. The contract has an a/c technician on site during normal business hours and frees up airport staff for other duties.

E Primary reason for the decrease—in FY 19 MLB had marketing incentives that were paid to Porter Airlines as part of the Air Service Incentive Plan (ASIP); in FY 20, no airlines have qualified for the ASIP so MLB has had no expense.

Orlando Melbourne Int'l Airport
Cash Flow Projection
5/31/2020

| | May-20 | June-20 | July-20 | August-20 | September-20 | October-20 | November-20 | December-20 | January-21 | February-21 | March-21 | April-21 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Beginning Cash Balance | \$ 20,849,568 | \$ 20,480,098 | \$ 21,199,578 | \$ 19,824,445 | \$ 18,967,516 | \$ 22,536,383 | \$ 22,178,480 | \$ 21,561,224 | \$ 23,797,706 | \$ 24,130,359 | \$ 24,271,745 | \$ 26,559,862 |
| Operating Revenue | 1,408,266 | 1,408,266 | 1,408,266 | 1,408,266 | 1,408,266 | 1,181,980 | 1,181,980 | 1,181,980 | 1,537,142 | 1,181,980 | 1,181,980 | 1,181,980 |
| Less: COVID 19 Impacts-Operating Revenues | (358,365) | (283,824) | (320,696) | (295,958) | (286,636) | | | | | | | |
| Plus: CARES Grant | 1,715,100 | | | | 2,230,000 | | | 2,250,000 | | | 2,250,000 | |
| Less: Prepaid Rent Recorded as Deferred Revenue | (15,758) | (15,758) | (15,758) | (15,758) | (15,758) | (15,758) | (15,758) | (15,758) | (15,758) | (15,758) | (15,758) | (15,758) |
| Plus: Monthly Collections Ad Valorem Tax | 133,988 | 133,988 | 133,988 | 133,988 | 133,988 | 133,988 | 133,988 | 133,988 | 133,988 | 133,988 | 133,988 | 133,988 |
| Operating Expense: | | | | | | | | | | | | |
| Liability Insurance | | | (52,535) | | | | | | | | | |
| Personnel | (454,258) | (454,258) | (454,258) | (454,258) | (454,258) | (461,906) | (461,906) | (461,906) | (461,906) | (461,906) | (461,906) | (461,906) |
| Tui Transition Consultant | (13,500) | (13,500) | (13,500) | (13,500) | (13,500) | (13,500) | (13,500) | (13,500) | (13,500) | (13,500) | (13,500) | (13,500) |
| Maintenance and Operations Expense | (888,328) | (844,203) | (864,203) | (874,203) | (874,203) | (852,077) | (2,815,095) | (852,077) | (852,077) | (852,077) | (852,077) | (852,077) |
| Net Increase (Decrease) in Cash Flow from Operations | (174,455) | 1,645,811 | (178,696) | (111,423) | 2,127,899 | (27,273) | (1,990,291) | 2,222,727 | 327,889 | (27,273) | 2,222,727 | (27,273) |
| Total Capital Outlay | (257,262) | (2,376,115) | (1,752,280) | (1,899,470) | (1,660,000) | (1,321,251) | (430,000) | (450,000) | (500,000) | (400,000) | (400,000) | (20,000) |
| Total Capital Grant Revenue | 47,650 | 1,419,125 | 471,128 | 1,105,960 | 3,035,396 | 928,500 | 1,740,098 | 400,000 | 450,000 | 500,000 | 400,000 | 400,000 |
| PFC Collections (Reimbursement of Eligible Costs) | 94,010 | 92,904 | 119,448 | 96,222 | 97,328 | 35,520 | 35,988 | 36,455 | 31,314 | 39,259 | 37,390 | 40,194 |
| CFC Collections (Designated for Future Projects) | 65,875 | 65,100 | 83,700 | 67,425 | 68,200 | 26,600 | 26,950 | 27,300 | 23,450 | 29,400 | 28,000 | 30,100 |
| Less: COVID 19 Impacts-Capital Revenues | (145,288) | (127,345) | (118,433) | (115,643) | (99,955) | | | | | | | |
| Net Increase (Decrease) in Cash From Capital | (195,015) | (926,331) | (1,196,438) | (745,506) | 1,440,969 | (330,631) | 1,373,036 | 13,755 | 4,764 | 168,659 | 65,390 | 450,294 |
| Beginning Cash/Investments | 20,849,568 | 20,480,098 | 21,199,578 | 19,824,445 | 18,967,516 | 22,536,383 | 22,178,480 | 21,561,224 | 23,797,706 | 24,130,359 | 24,271,745 | 26,559,862 |
| Ending Cash/Investments | 20,480,098 | 21,199,578 | 19,824,445 | 18,967,516 | 22,536,383 | 22,178,480 | 21,561,224 | 23,797,706 | 24,130,359 | 24,271,745 | 26,559,862 | 26,982,883 |

Orlando Melbourne Int'l Airport
Cash Flow Projection - Capital Exp and Grant Revenue
5/31/2020

| Capital Project Expenditures | Proj # | Total Cost | May-20 | June-20 | July-20 | August-20 | September-20 | October-20 | November-20 | December-20 | January-21 | February-21 | March-21 | April-21 |
|---|--------|------------|-----------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|------------|-------------|-----------|----------|
| Obstruction Removal and Lighting | 50218 | 1,225,000 | (5,000) | (50,000) | (280,000) | (320,000) | (440,000) | (100,000) | (30,000) | | | | | |
| PBB 4 and 7 Replacement | 50019 | 2,464,958 | (30,262) | (1,488,488) | (500,000) | (376,470) | | | | | | | | |
| ATCT Tower Demo | 55019 | 388,000 | (53,000) | (87,000) | | | | | | | | | | |
| Airfield Utilities-GA Dr. & SO Lift | 51119 | 1,400,000 | | | | | | | | | | | | |
| Ground Run Up Enclosure Facility | 50319 | 4,000,000 | (50,000) | (150,000) | (300,000) | (400,000) | (450,000) | (500,000) | (400,000) | (400,000) | (400,000) | (400,000) | (400,000) | |
| Security System-Phase 1 | 50419 | 461,959 | | | | | | | | | | | | |
| Terminal Rehab/Expansion | 50519 | 34,000,000 | (34,000) | (307,749) | (650,000) | (500,000) | (750,000) | (636,251) | | | | | | |
| ATCT Construction (FDOT) | 50215 | 300,000 | (50,000) | (50,000) | (50,000) | (125,000) | | | | | | | | |
| Airplane Deposit Facility | 50619 | 70,000 | | | | | | | | | | | | |
| Taxiway S Improvements-Phase 1 | 50120 | 3,400,000 | | | | | | | | | | | | |
| Perimeter Road Rehab | 50220 | 125,000 | (35,000) | | | | | | | | | | | |
| PBB 5 Replacement | 50320 | 1,669,094 | | | | | | | | | | | | |
| Roof Replacement-1250 Nasa Bldg 219 | 50420 | 150,000 | | (150,000) | | | | (85,000) | | | | | | |
| Aerospace Dr. Lift Station Replace | 50520 | 85,000 | | | | | | | | | | | | |
| Tropical Haven Facility Improvements | 50620 | 148,000 | | | | (148,000) | | | | | | | | |
| Northside Expansion | 54130 | 12,444,376 | | | | | | | | | | | | |
| Northside Exp-St. Michael PI Ext | 54220 | 10,080,000 | | (60,000) | (50,000) | (30,000) | (20,000) | | | | | | | (20,000) |
| Northside Exp-T/W M Ext | 54320 | | | | | | | | | | | | | |
| Northside Exp-Infrastructure Dev | 54420 | | | | | | | | | | | | | |
| Equipment Purchases | | 291,500 | | (32,878) | (22,280) | | | | | | | | | |
| Total Capital Outlay | | | (257,262) | (2,376,115) | (1,752,280) | (1,899,470) | (1,660,000) | (1,321,251) | (430,000) | (450,000) | (500,000) | (400,000) | (400,000) | (20,000) |
| Grant Revenue | | | | | | | | | | | | | | |
| FAA ENTITLEMENT Grant - Obstruction Removal | | | 49,500 | 45,000 | 45,000 | 252,000 | 288,000 | 396,000 | 90,000 | | | | | |
| FDOT Grant-OBSTRUCTION REMOVAL | | | 2,750 | | | 52,000 | | 4,847 | | | | | | |
| FAA Ent Gmt - PBB 4 & 7 | | | 1,366,875 | | | 450,000 | 338,823 | | | | | | | |
| FDOT Grant-PBB 4 & 7 | | | | 75,938 | | | 43,824 | | | | | | | |
| FAA Grant 46 Tower Demo | | | 45,000 | | | | | | | | | | | |
| FDOT Grant-ATCT Demo | | | 2,650 | | | | | | | | | | | |
| FDOT Grant-ATCT Equip Reto | | | | 182,540 | | 328,960 | | | | | | | | |
| FDOT Grant-ATCT Construction | | | | 25,000 | | 25,000 | 25,000 | 62,500 | | | | | | |
| FDEO Grant-Ground Run up | | | | | | 900,000 | | 450,000 | 500,000 | 400,000 | 450,000 | 500,000 | 400,000 | 400,000 |
| TERMINAL EXPANSION GRANTS | | | | | | | | | | | | | | |
| FDOT-Terminal Rehab FY 20 (438452-1-9-04-03--\$3,093,954)** | | | | | | | 1,357,749 | | 1,145,251 | | | | | |
| FAA Entitlements FY 20-FY 22 (\$6,373,000)*** | | | | | | | | | | | | | | |
| FAA Supplemental - FY 20 (\$4,414,414)*** | | | | | | | | | | | | | | |
| FAA Discretionary FY 20 (\$3,000,000)*** | | | | | | | | | | | | | | |
| NORTHSIDE EXPANSION GRANTS | | | | | | | | | | | | | | |
| FDEO | | 3,922,132 | | 60,000 | 60,000 | 50,000 | 30,000 | 20,000 | | | | | | |
| FDOT | | 283,000 | | | | | | | | | | | | |
| Total Grant Revenue | | | 47,650 | 1,419,125 | 471,128 | 1,105,960 | 3,035,396 | 928,500 | 1,740,998 | 400,000 | 450,000 | 500,000 | 400,000 | 400,000 |

* Note: The expenditure for this project was December 2018 (Tower equipment relocation paid to the FAA) but the 50% reimbursement from FDOT will be made once the final reconciliation from FAA is complete.

** Grant awarded Feb 20, \$3,093,954; 50% grant

***Grant expected to be awarded August 2020; entitlement grant award is paid out over 3 years

**Orlando Melbourne International Airport
Police Department
Monthly Activity Report
May 2020**

| | |
|--------------------------------------|--------------|
| Police Activity | |
| TSA Required Checks | |
| Response to Door & Gate Alarms | 367 |
| TSA Assists | 0 |
| Perimeter | 237 |
| Door inspections | 7 |
| SIDA & Secure Area Inspections | 393 |
| Gate Inspections | 5 |
| Customs Assists / Weapons Check | 0 |
| Security Violations | 3 |
| Assist to Other Agencies | 6 |
| Aircraft Alerts | 2 |
| Arrests | 2 |
| *Other Incident Reports | 576 |
| Traffic / Parking Citations/Warnings | 4 |
| K9 training & patrols | 8 |
| Total | 1,610 |
| | |
| | |
| Administrative Action | |
| Security Badges Issued | 77 |
| Parking Permits Issued | 1 |
| | |
| Total | 78 |
| | |



RP209

**Renee Purden
Chief of Police**

* Other incident reports may include: Citizen Assists, Officer Stand By, Suspicious Incidents, Vehicle Crash Reports, and Disturbance

Special Details:

Numerous K9 training details from neighboring agencies

Aircraft Alerts:

05/16/20 – Alert 1, Phenom 300E landed safely on runway 9L with two souls on board and was showing a possible open-door alarm.

05/22/20 – Alert 1, an American Airlines flight coming from Charlotte, had a flight spoiler sensor issue, the plane landed safely with seventy souls on board and taxied to jetway 7.

Arrests:

05/03/20 –Traffic Stop on Apollo and Babcock Officer located less than 20 grams of marijuana in suspects' vehicle, Notice to Appear (NTA) was issued.

05/23/20 – Traffic stop on 1 Air Terminal Parkway, driver was driving the wrong way down the road, Notice to Appear was issued for Driving While License Suspended (DWLS).

Security Violations:

05/03/20 – Subject attempted to use an expired SIDA badge to enter Lot #2.

05/09/20 – Subject attempted to use an expired SIDA badge to enter gate 386V.

05/09/20 – 2nd Subject attempted to use an expired SIDA badge to enter gate 386V.

Other Misc. Calls for Service: