



MELBOURNE AIRPORT AUTHORITY BOARD MEETING

**AGENDA**

December 2, 2020 at 8:30 AM

Orlando Melbourne International Airport Board Room

**Pledge of Allegiance**

**Airport Announcements**

**Action Items**

Approval of the minutes for the October 28, 2020 regularly scheduled Board Meeting.

**Item A-1 Appointment of Chair and Vice Chair to the Melbourne Airport Authority to serve the term January 2021 through December 2021.**

**Item A-2 Recommendation to Award the Terminal Renovation and Expansion: Apron Reconstruction/Expansion Project to the Lowest Responsive Qualified Bidder, Carr & Collier, Inc., from Leesburg, Florida, in the Amount of \$11,717,200.**

As part of the Terminal Renovation and Expansion Project, the apron requires extensive work to be able to support four Boeing 787-9 aircraft. The design for this work was included as part of the Progressive Design/Build Project and was approved by the Board in June 2020. Bids for this apron work were separated from the rest of the Terminal Project as directed by the Federal Aviation Administration (FAA).

Bids were received on Thursday, October 22, 2020, with 5 firms submitting bids out of 14 firms that initially requested plans. The bid submitted by Carr & Collier was reviewed and deemed complete making it the Lowest Responsive Qualified Bidder for the project in the amount of \$11,717,200. Bids were received from the following firms:

Carr & Collier, Inc.	\$11,717,200
Prime Paving, LLC	\$12,779,210
Philips & Jordan, Inc.	\$14,188,710
IPC Paving, LLC	\$15,099,773
Middlesex Paving, LLC	\$15,560,655

The budget for this portion of the work is \$10,300,000. As part of the bid, the engineers included some work that would have been scoped in the Terminal Project but was included in this bid for economy of costs.

These items include:

Demolition of the new building footprint	\$ 400,000
High mast lighting	\$ 400,000
Adjustments to the building footprint	\$ 400,000
Total	\$1,200,000

These additional items will cause the bid to be \$200,000 over the budget. To help reduce the cost, the contractor will be able to offer over \$100,000 in sales tax savings bringing the total over budget to around \$100,000.

The FAA has issued a discretionary grant for this portion of work in the amount of \$6,000,000 and the remainder will come from the Airport Authority funds.

FAA Discretionary Funds	\$ 6,000,000
Terminal Funds	\$ 1,200,000
<u>MAA Funds</u>	<u>\$ 4,517,200</u>
Total Project Costs	\$11,717,200

Staff recommends approval of the award to Carr & Collier, Inc., for the Terminal Renovation and Expansion: Apron Reconstruction/Expansion Project for the bid amount of \$11,717,200 and authorization for the Executive Director to execute said agreement on behalf of the Authority.

**Item A-3 Recommendation to Approve a Deductive Change Order for the Electrical Portion from the Carr & Collier, Inc., Contract for the Terminal Renovation and Expansion: Apron Reconstruction/Expansion Project in an Amount of \$1,329,200.**

During review of the low bid for the Terminal Renovation and Expansion: Apron Reconstruction/Expansion Project, the engineer noted some cost discrepancies in the electrical amount of the bid. This was discussed with the low bidder during the post bid review. The bidder was firm on the electrical costs that were disputed by the engineers.

The engineers stated this cost was higher than the estimate and needed to be revisited. The Haskell Team recommended pulling the electrical work from the bidder and bidding the work out separately.

Staff recommends approval of a deductive change order to Carr & Collier, Inc., for the Terminal Renovation and Expansion: Apron Reconstruction/Expansion Project in the amount of \$1,329,200 and authorization for the Executive Director to execute said agreement on behalf of Authority.

**Item A-4 Recommendation to Approve the 75 Percent 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 \$3,110,313.**

The Haskell Company/RS&H/Kinley Team has completed the 30 percent design for the Terminal Renovation and Expansion Project. With the phased progression of the project, the project will now move into the 75 percent design phase. At the completion of the 75 percent drawings, The Haskell Company will present a guaranteed maximum price for the project as they complete the drawings and begin construction.

The total design costs for the 75 percent drawings are within the industry average range for professional services at 6 percent of the construction budget. The total proposed contract value is as follows:

Current Contract Value	\$4,034,058
<u>Change Order for 70% design</u>	<u>\$3,110,313</u>
Proposed Contract Value	\$7,144,371

Grants currently awarded for the project include the Florida Department of Transportation (FDOT) grant of \$6,093,954 with a local match, and the Federal Aviation Administration (FAA) grants of \$6,895,959 and \$4,444,444. Grants currently issued for the Terminal Project total \$17,434,357. The eligibility percentage of the overall project, which includes design, is currently under review by the FAA.

Staff recommends approval to award to The Haskell Company/RS&H/Kinley Team for the Progressive Design/Build of the Terminal Renovation and Expansion Project and to approve the 75 percent design completion at this time in an amount not-to-exceed \$3,110,313 and authorization for the Executive Director to execute said agreement on behalf of the Authority.

**Item A-5 Recommendation to Award the Relocation/Storage/Restoration of Passenger Boarding Bridges 1 and 7 for the Terminal Renovation and Expansion Project to the Progressive Design/Builder, The Haskell Company/RS&H/Kinley Team, for the Guaranteed Maximum Price of \$106,575.**

As part of the Terminal Renovation and Expansion Project, there are portions of the work that need to be completed prior to establishing the guaranteed maximum price (GMP) for the project. The relocation of existing passenger boarding bridges (PBBs) is required to be completed prior to the start of the apron work. The relocation of the PBBs was not part of the apron bid but will be included under the Terminal Project allowing Federal Aviation Administration (FAA) entitlement grant funding to be used for this part of the renovation.

The Haskell Company/RS&H/Kinley Team procured three quotes for this scope of work and has recommended Ameribridge as the apparent responsive low bidder. The following firms submitted quotes:

Ameribridge	\$106,575
Thyssen Krupp	\$142,683
Aerobridge	\$373,183

The budget for this portion of the work is \$115,500.

Staff recommends approval of the award to The Haskell Company/RS&H/Kinley Team for the Relocation/Storage/Restoration of Passenger Boarding Bridges 1 and 7 for the Terminal Renovation and Expansion Project for the subcontracted bid amount of \$106,575 and authorization for the Executive Director to execute said agreement on behalf of the Authority.

**Item A-6 Recommendation to Award the Quality Assurance Testing for the Terminal Renovation and Expansion: Apron Reconstruction/Expansion Project to the Progressive Design/Builder, The Haskell Company/RS&H/Kinley Team, for the Guaranteed Maximum Price of \$90,301.00.**

During the review by the Federal Aviation Administration (FAA) of the Apron Reconstruction/Expansion Project, it was noted that according to FAA Advisory Circular 150/5370-10H, independent quality assurance (QA) testing is required for this portion of the work. The Haskell Company/RS&H/Kinley Team has procured quotes for the required testing with the following firms submitting quotes:

Universal Engineering	\$ 90,301.00
Cal-Tech Testing	\$100,062.00

It is intended that FAA discretionary grant funding will be used to fund this portion of the project. Since this scope of work was not included in the original request for discretionary funds, staff will petition the FAA to include it as part of the 15 percent change order contingency.

Staff recommends approval of the award to The Haskell Company/RS&H/Kinley Team for the Quality Assurance Testing for the Terminal Renovation and Expansion: Apron Reconstruction/Expansion Project for the subcontracted scope of services for the guaranteed maximum price of \$90,301.00 and authorization for the Executive Director to execute said agreement on behalf of the Authority.

**Item A-7 Recommendation to Increase the Purchase Order to KMI International, Inc., (KMI) Under Its Continuing Services Contract, to Add a Resident Project Representative (RPR) as Required by the Federal Aviation Administration (FAA) for the Terminal Renovation and Expansion: Apron Reconstruction/Expansion Project in an Amount Not-to-Exceed \$292,344.**

In May 2020, KMI International, Inc., (KMI) was hired under its Continuing Services Contract to provide Project Management Services for the Terminal Renovation and Expansion Project to oversee the design and construction of the project.

During the review by the Federal Aviation Administration (FAA) of the Apron Reconstruction/Expansion Project, it was noted that according to FAA Advisory Circular 150/5370-10H, a Resident Project Representative (RPR) is required for this portion of the work. Staff indicated that the Melbourne Airport Authority had contracted with KMI for Project Management Services for the Project. The FAA indicated that a separate representative is required for the apron work and could not be shared with oversight of the terminal work.

Staff solicited quotes from its list of approved continuing service consultants and selected KMI. Since KMI is already on site, there are some economies of scale for shared services that produced the most cost-effective price.

KMI currently has a RPR available who will be able to fill the position at the start of the apron project, which is expected to begin by the first of the year.

The Purchase Order (PO) tasks are listed below with the second task being the new proposal for KMI's services:

KMI Task 1 PO (Project Management Services)	\$396,000
KMI Task 2 PO (FAA required RPR)	<u>\$292,344</u>
<b>Total PO Amount</b>	<b>\$688,344</b>

Staff recommends approval of the increase of a purchase order to KMI International, Inc., in an amount not-to-exceed \$292,344 for providing FAA required Resident Project Representative support services for the Terminal Renovation and Expansion: Apron Reconstruction/Expansion Project and authorization for the Executive Director to execute said contract on behalf of the Authority.

**Item A-8 Recommendation to Approve a Purchase Order with Environmental Science Associates (ESA), Under Its Continuing Services Contract, for Updating the Interim Airport Layout Plan (ALP) and the Development of the Focused Environmental Assessment (EA) and Supporting Documentation in Accordance with the National Environmental Policy Act (NEPA) for Compliance Requirements of the Federal Aviation Administration (FAA) for the Proposed Northside Expansion Project in an Amount Not-To-Exceed \$175,000.**

All aeronautical projects are required to be reviewed by the Federal Aviation Administration (FAA). As part of the Northside Expansion Project, a review for environmental impact is required in the form of a Categorical Exclusion (CATEX) or Environmental Assessment (EA).

Airport Engineering Company included a CATEX for the roadway and utilities portion of the northside expansion using its consultant, Storm Richards and Associates.

The FAA reviewed the CATEX and determined that the work on the northside for the road should be included as part of the development for the Aerion project. Therefore, a CATEX will not be accepted by the FAA and a focused EA will be required. The FAA requested an interim Airport Layout Plan (ALP) update to accompany the EA, as well as a public outreach component, to include a workshop and an opportunity for public comments.

ESA provided the ALP as part of the Master Plan Update submitted over two years ago and has provided interim updates for other aeronautical projects. Under its continuing services contract, ESA proposes to update the ALP and provide the focused EA as requested by the FAA.

Staff recommends approval of the purchase order to ESA in an amount not-to-exceed \$175,000 for the Interim Airport Layout Plan and Focused Environmental Assessment, and authorization for the Executive Director to execute a purchase order on behalf of the Authority.

**Item A-9 Recommendation to Approve Replacement of the Airport Jet-A Fuel Pump and Skid Assembly in the Amount of \$39,381.**

The airport fuel farm’s existing Jet-A fuel pump used to supply airport fuel trucks is failing and must be replaced to avoid interruptions to fueling operations. This replacement was anticipated and budgeted for FY21 at an estimated cost of \$30,000. However, while soliciting proposals, additional issues were identified necessitating the replacement of the entire pump and skid assembly based upon the condition and lack of parts available for the current assembly. Once ordered, the lead time for a new pump and skid assembly is estimated at 10 to 14 weeks.

Staff solicited proposals from three (3) companies with the following responses:

Aero Paradise	\$39,381
Gibson Aviation	\$40,502
ABA-CON	\$52,684

Staff recommends approval to award the contract to the lowest qualified bidder, Aero Paradise, for the replacement of the Jet-A fuel pump and skid assembly in the amount of \$39,381 and authorization for the Executive Director to execute said contract on behalf of the Authority.

**Item A-10 Recommendation to Approve Resolution 12-20 to Establish a 401(a) Retirement Plan for Key Airport Executive Positions.**

In Fiscal Year 2020, the Board approved a supplemental contribution to the Executive Director’s retirement plan as part of the overall compensation package. The existing 457(b) plan is a non-contributory plan so the mechanics of making the contribution as directed by the Board was a cumbersome and lengthy process.

Airport staff consulted with both the City and the administrator of the 457(b) plan to develop a better process for future contributions. This resolution will establish a 401(a) plan that will allow the Airport to make contributions to compensate the Executive Director as well as key department director positions. There is no requirement to make annual contributions nor is there any required employee match. Executive Director contributions will be approved by the Board while department director contributions will be approved by the Executive Director. This plan will allow approved contributions to be made on a tax-deferred basis. The proposed plan will be administered by the same administrator as the City’s 457(b) plan and would have an effective date of January 1, 2021.

Staff recommends approval of Resolution 12-20 to establish a 401(a) Retirement Plan for key Airport Executive positions and authorization for the Chairman to execute said agreement on behalf of Authority.

**Discussion Items**

**Item D-1 Terminal Renovation and Expansion Project Revenue Budget.**

The current approved budget for the Terminal Renovation and Expansion project is \$34,000,000 and shows the project funded entirely with Federal Aviation Administration (FAA) grants. Airport staff is preparing a formal budget amendment that will be presented to the Melbourne Airport Authority (MAA) Board and to Melbourne City Council at future meetings. Part of this budget amendment will be to re-align the budgeted revenue sources as this project is now funded with a combination of FAA grants, Florida Department of Transportation (FDOT) grants and airport reserves, which is different than how the project was originally approved.

The Terminal Renovation and Expansion Project will be primarily funded by five grants that have been executed:

Agency	Allocation	Amount	MAA Approval Date	Local Match
FDOT	Terminal Expansion	\$6,093,954	1/22/20; amended 7/15/20	50%
FAA	Passenger Boarding Bridges	\$2,644,650	9/2/20	10%
FAA	Terminal Rehab Phase 1	\$6,895,959	9/2/20	0%
FAA	Terminal Rehab Phase 2	\$4,444,444	9/2/20	0%
FAA	Terminal Ramp Expansion	\$6,000,000	9/2/20	0%
<b>TOTAL GRANT FUNDING</b>		<b>\$26,079,007</b>		

In FY 20, airport expenditures on the project are as follows:

- Terminal Rehabilitation/Expansion Public Space - \$2,304,560 (grant funded = \$1,952,628; MAA funded = \$351,932)
- Terminal Expansion-Ramp - \$618,257 (MAA funded)

Both of these projects fall under the Terminal Renovation and Expansion Project parent project. The amount of grant funding for the project is still being evaluated as The Haskell Company/RS&H/Kinley Team is completing an analysis that will be submitted for approval by the FAA to determine the percentage of the project that is eligible. For year end purposes, airport staff made an estimate of the amount of grant funding versus the amount that will be funded by the airport. Airport staff reallocated a portion of project savings to cover the airport share for FY20 with the remaining funds to be allocated after approval of the formal budget amendment.

This is presented as an informational item to ensure that the MAA Board is properly informed of the status of the revenue budget and staff's plan going forward to realign the budgeted grant revenue and local funds with expected funding sources for the project.

### 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.*