



*MELBOURNE AIRPORT AUTHORITY BOARD*  
Minutes for May 22, 2019 Board Meeting  
Airport Board Room

At which were present: Mr. Jack L. Ryals, Chairman  
Mayor Kathy Meehan, Vice Chairman  
The Honorable Debbie Thomas, Vice Mayor  
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  
Ms. Lori C. Booker, A.P.R., Director of Communications  
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. Mike O'Dell, C.P.A., Director of Finance and Administration  
Mr. David Perley, A.I.C., Director of Capital Improvements

**Pledge of Allegiance**

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

- Board Member Tim Thomas recognized for assisting with life-saving efforts on an ROTC student.
- MLB is equipped with AEDs and CPR training has been scheduled for staff.
- American Airlines begins nonstop flights to Reagan National Airport in Washington, D.C. with an inaugural celebration water arch and refreshments for passengers.
- MLB Police honor fallen officers with a wreath-laying ceremony for National Police Week.
- New employees Alyssa Messick and Joseph Gomez were introduced and welcomed.
- Vice Chair Mayor Meehan represents MLB at Palm Bay Chamber Mayor's Breakfast.
- Peter Cranis, new Space Coast Office of Tourism Director, met with airport staff.
- MLB and Delta hosted The Haven for Children in honor of ticketing agent Phyllis' 40 years of service.
- STS Mod Center operations sees increase of services with various airlines and aircraft at MLB.

**Action Items**

Approval of the minutes for the April 24, 2019 meeting. A motion was made by Mayor Meehan for approval of meeting minutes, seconded by Ms. Thomas. Motion passed unanimously.

**Item A-1 Recommendation to Approve Resolution 02-19 Federal Aviation Administration Grant for the Replacement of Passenger Boarding Bridges 7 and 4 Project.**

Mr. Donovan explained that the next three items inter-relate in terms of securing grants and awards for two passenger boarding bridges. Item A-1 is a request to accept the Federal Aviation Administration (FAA) grant for \$2.1 million of entitlement money that would be applied toward this project.

Mr. Fischer asked what happens with the old passenger boarding bridge. Mr. Donovan explained that some of the equipment that is on the passenger boarding bridge can be reused such as the air conditioning units and motors. Other parts can be placed in the airport's reserve inventory. The actual structure will be removed.

Mr. Potter asked what is the criteria for replacing passenger boarding bridges. Mr. Donovan explained that wear and tear is one of the biggest issues, but the corrosive coastal climate is also key. Mr. Graham added, that in general, the age and functionality of each bridge is a big part of the criteria as well as having new technology options.

Staff recommends approval of Item A-1. A motion was made by Mr. Fischer to approve Resolution 02-19 Federal Aviation Administration grant for the Replacement of Passenger Boarding Bridges 7 and 4 project and authorization for the Chairman to execute said resolution on behalf of the Authority, seconded by Ms. Thomas. Motion passed unanimously.

**Item A-2 Recommendation to Approve Resolution 03-19 Florida Department of Transportation Grant for the Replacement of Passenger Boarding Bridges 7 and 4 Project.**

Mr. Donovan explained this is the Florida Department of Transportation portion of the grant in the amount of \$119,611.

Staff recommends approval of Item A-2. A motion was made by Mr. Potter to approve Resolution 03-19 Florida Department of Transportation grant for the Replacement of Passenger Boarding Bridges 7 and 4 project and authorization for the Chairman to execute said resolution on behalf of the Authority, seconded by Mr. Thomas. Motion passed unanimously.

**Item A-3 Recommendation to Award the Replacement of Passenger Boarding Bridges (PBB) 7 and 4 Project to the Lowest Responsive Qualified Bidder, Aero Bridgeworks, Inc., from Marietta, Georgia, in the amount of \$2,392,216 with a bid alternate of \$68,990 for a five (5) year service agreement for both Passenger Boarding Bridges.**

Mr. Donovan stated Item A-3 is the result of a full procurement process. Four qualified companies had requested bid packages and attended a mandatory pre-bid meeting. The firm, Aero Bridgeworks, has installed all other PBBs currently at the airport and its bid was under the construction budget of \$2.4 million. The bid was reviewed and deemed complete to make it the Lowest Responsive Qualified Bidder for the project with a base bid of \$2,392,216. This also includes a bid alternate of \$68,990 for a five (5) year service agreement.

Mr. Mikuen stated that last year the board approved one boarding bridge with Ivey's, but since has terminated that due to the fact that two are now needed. He asked what is the price difference from

the prior approval to this new amount and is the cost within market. Mr. Perley stated there is a savings of \$250,000 by having the two bridges purchased together, with most of the savings due to the mobilization costs. Mr. Perley stated the price is well within market range.

Mr. Fischer asked if the bid alternate is included or in addition? Mr. Perley stated it is in addition.

Staff recommends approval of Item A-3. A motion was made by Mr. Mikuen to approve the award to Aero Bridgeworks, Inc. in the amount of \$2,392,216 for the Replacement of Passenger Boarding Bridges 7 and 4 project, contingent upon receiving FAA Airport Improvement Program (AIP) entitlement funding, approval of Resolution 02-19 and approval of the five (5) year service agreement for both PBBs in the amount of \$68,990 and authorization for the Executive Director to execute said contract on behalf of Authority, seconded by Ms. Thomas. Motion passed unanimously.

**Item A-4 Recommendation to Approve the Selection Committee's Choice of Virtua Partners for the Design, Construction, Operation, and Management of a Hotel on Airport Property.**

Mr. Donovan explained Item A-4 is a result of a nationwide Request for Proposals (RFP) for design, construction, operation, and management of a hotel property. A five-member selection committee has selected Virtua Partners as the top proposer. What is being requested of the board is to move forward to allow airport staff to engage in exclusive discussions to negotiate terms that would be brought back to the board for final approval.

Mr. Busalacchi introduced Mr. Roger Anderson from BRPH who is part of the winning team that was selected. Mr. Anderson addressed the board and expressed gratitude and for the opportunity to participate. Virtua Partners is a top performance development and construction company with over 118 hotels in 30 states, primarily support for the Hilton and Marriott brands. It has Federal Aviation Administration (FAA) experience, currently working in Colorado and Alabama with the FAA. It is also working on the project in downtown Melbourne under the Hilton brand.

Mr. Mikuen stated that this is going to be a fabulous project and thanked the selection committee. He has requested staff to be respectful of what the actual amount of airport funds will be requested.

Mayor Meehan asked how the Request for Proposal is issued. Mr. Busalacchi stated it was issued through the airport's procurement office, posted publicly and advertised in periodicals.

Mr. Potter commended on how the selection committee was created. He stated this is an unsubordinated land lease. He questioned security of aircraft at the hotel. Mr. Donovan explained that there are general aviation procedures in place and the area where aircraft would taxi is not part of the SIDA. There is a geographical separation between these areas. Mr. Donovan explained that general aviation passengers would not be in a screening environment. Corporate jets would require another layer of security. All of the security changes would require an amendment to the Airport Security Program. Relocation of T-hangars will be a part of this, but not Eastern Florida State College.

Mr. Fischer questioned the cost of renting new T-hangars. Mr. Donovan explained that the staff is actively looking into the land lease rates and also looking at grants from FDOT for T-hangars to help with associated costs. Mr. Donovan continued stating that the land use workshop is scheduled for August 22, 2019 at 10 a.m. and this workshop will cover items such as this.

Chairman Ryals explained how thorough and how detailed all the presentations were. He commended the selection committee and thanked them for their due diligence. Virtua Partners was very responsive to the extensive criteria with item-by-item details presented. He continued to explain that Item A-4 does not give authorization to build the hotel, but authorization to enter into negotiations with Virtua Partners for a proposal.

Mr. Potter commented on what, if any, infrastructure changes are needed. Mr. Donovan explained discussions have taken place as to what revenue requirements would be, stating the financial burden of this project is mostly on the developer. The airport's part would be on the common-use areas such as the apron and access roads.

Mr. Fischer commended the staff, especially Mr. Busalacchi, on the vision and bringing this project to this point. Ms. Thomas added that this is a very exciting project and thanked the staff and the selection committee.

Staff recommends approval of Item A-4. A motion was made by Mayor Meehan to approve staff to engage in exclusive discussions with the selection committee's choice of Virtua Partners and authorization for staff to negotiate lease terms with a lease to be brought to the board for final approval, seconded by Mr. Thomas. Motion passed unanimously.

## **Informational Items**

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

- Top ten revenues and expenses were presented. Items highlighted were:
  - Operating revenue up 4 percent, operating expenses down 3 percent.
  - Net profit of \$203,000 (\$600,000 improvement over last year).
  - Passenger Facility Charges new process of reporting was explained.
  - Revenue increase due to passenger activity and rate adjustments.
  - Expense reporting was explained, change in invoice processing.
  - Marketing incentive cost cutting.
  - Special events costs down.
  - Equipment and legal costs will be increasing.
  - Cash is up 17 percent.
  - Tracking collections for Customer Facility Charge (car rental fees).

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

- FAA required Tri-Annual Exercise (every three years) that tests the Airport's emergency plan. A requirement of the FAA is to have a full-scale simulated Mass Casualty Incident that involves an aircraft and passengers.
- The exercise gives emergency responders and agencies an opportunity to work together.

- The Agencies and Entities involved included:
  - Melbourne Airport Police Department
  - Melbourne Police Department
  - Transportation Security Administration
  - U.S. Customs and Border Protection
  - Florida Highway Patrol
  - Federal Bureau of Investigations
  - Melbourne Fire Department
  - Brevard County Fire and Rescue
  - Brevard County Emergency Operations Center
  - Coastal Health Systems of Brevard
  - American Red Cross
  - Space Coast Area Transit
  - Health First
  - Melbourne Regional Medical Center
  - Delta Air Lines
  - American Airlines
  - Elite Airways
  - Menzies Aviation
  - STS Mod Center
- The FAA tasks the airport to work with all the listed agencies.
- The exercise also fulfills airport police department's training.
- Mr. Chris Smeets of STS was thanked for the use of an actual aircraft.
- Mr. Patrick Mac Carthaigh was commended for his leadership with this exercise.
- An invitation was given for the board to attend and observe this exercise.

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

#### **Ground Run-up Enclosure**

- Several potential locations have been assessed for environmental concerns and all have come back with negative results.
- The Engineer is currently submitting a request to the FAA for a variance for the preferred location between the runways.
- A response from the FAA is expected in June.
- Project should be available for bid in July, with an August Board meeting approval.

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

- One bid was received out of four potential bidders.
- The bid was reviewed and deemed acceptable as it was within budget.
- Staff has reviewed with the FAA and it concurs.
- Once approved by the Board, staff will forward the results to the FAA. for funding, with funding not expected until August with a project start date in September.

#### **Obstruction Removal and Lighting**

- One bid was received out of three potential bidders.
- Bid came in over three times more than the budget.
- Staff discussed with the FAA and noted the project will have to be re-bid.
- Staff met with the Engineer and the bidder to review costs and scope.
- Project will be re-bid in June.
- FAA is working with staff to keep this project in current fiscal year.
- Once approved, staff will forward the results to the FAA and FDOT for funding.
- Funding not expected until August with a project start date in September.

**Perimeter Patrol Roads**

- Staff has finalized the criteria with the Engineer.
- This project will be bid on in late September to be part of the Fiscal Year 2020 budget.

**Taxiway "S" Improvements, Phase 1**

- Staff is currently working with Airport Engineering Company to determine the best feasibility for the project.
- This project will be divided into two phases (currents needs and future needs).
- Staff is looking at potential funding from unused FDOT grant money.

**Item I-4 ATCT Project Update by Dr. Byers**

- FAA has begun work in the tower.
- Interior design complete by June 3.
- Equipment will be in place 30 days prior to the October 16 commissioning date.
- Our tower contractor, Walbridge, is aware of the schedule and can mobilize within two weeks.
- Minimal costs will be incurred with change orders due to the delay with the FAA.
- The new beacon has been installed on the tower and is ready to begin operations.
- A thank you to Harris with the quick install of the FTI lines.

**Item I-5 Business Development Update by Mr. Busalacchi**

- The 747 KLM aircraft is being relocated to the eastside of the airport for aircraft dismantling.
- The tent-hangar structure will be removed.

**Public Speakers**

None

**In Closing**

The meeting was adjourned 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