



MELBOURNE AIRPORT AUTHORITY BOARD  
Minutes for July 24, 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 (via phone)  
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. 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:**

- New MLB Operations Officer, Stephanie Betts, was introduced.
- Media video viewed and explained.
- Reminder for the Land Development Workshop, Thursday, August 22, 2019 at 10 a.m. in MAA Board Room.

**Action Items**

Approval of the minutes for the June 26, 2019 meeting. A motion was made by Mayor Meehan for approval of meeting minutes, seconded by Mr. Thomas. Motion passed unanimously.

**Item A-1 Approval of a Commercial Building Lease at 1100 Woody Burke with ARES Defense Systems, Inc.**

Mr. Donovan explained that Item A-1 is a lease with a new small arms and outdoor gear design and manufacturing company for the entire building at 1100 Woody Burke. ARES will be spending \$500,000 in improvements to the building with construction from August 1, 2019 through December 31, 2019. The rent would be waived during this time frame. Beginning Year 1 annual base rent will be \$4.50 per square foot and by the end of Year 3 annual base rent will be \$9.00 per square foot plus the CPI increase. These numbers are based on a fair market analysis of the building.

Mr. Mikuen asked if the termination provision carries over into the option years. Mr. Busalacchi stated it does not include the option years. Mr. Fischer asked if ARES will submit drawings on the intended improvements for review by airport staff. Mr. Busalacchi stated drawings will be approved and these improvements will be a benefit to the building.

Staff recommends the approval of Item A-1. A motion was made by Mr. Fischer to approve a commercial building lease at 1100 Woody Burke with ARES Defense Systems, Inc., seconded by Mr. Mikuen. Motion passed unanimously.

#### **Item A-2 Approval of an Option to Lease with ARES Defense Systems, Inc.**

Mr. Donovan stated that Item A-2 relates to ARES Defense Systems, Inc. constructing a corporate hangar on 4.2 acres on the Southside of the Airport. Both the Airport and ARES agree it would be more fiscally and operationally prudent to delay entering into a lease until it can reasonably begin construction which would be after the decommissioning and demolition of the old tower. This lease option is for a six month option period with a six-month extension.

Mr. Potter (via phone) asked what the rental rate would be. Mr. Busalacchi stated it would be \$.40 per square foot which is a rate that was based on an appraisal of the property.

Staff recommends approval of Item A-2. A motion was made by Mr. Thomas to approve the Option to Lease with ARES Defense Systems, Inc., and authorization for the Executive Director to execute said Option on the behalf of the Authority, seconded by Ms. Thomas. Motion passed unanimously.

#### **Item A-3 Recommendation to Award the Tropical Haven Road and Drainage Repairs to the lowest responsive qualified bidder, Masci General Contractor, Inc. from Port Orange, Florida in the amount of \$129,308.50.**

Mr. Donovan explained that Item A-3 is regarding Tropical Haven roads and infrastructure. The assessment this year produced enough areas for repairs that it was divided in half to complete some of the work this fiscal year and the rest next year with the most critical areas to be completed this year. Six firms requested bid packages and two firms submitted bids. The budgeted amount was \$65,000. The low bid amount was \$129,308, which was \$80,000 lower than the second bid. The Airport realizes savings from other projects that can be used to cover the shortfall. The lowest responsive qualified bidder was Masci General Contractor, Inc. from Port Orange, Florida, the same firm who won the road repair project last year and did a good job.

Ms. Thomas stated she is very happy to see the improvements. Mr. Fischer asked if the bid includes the scope of work. Mr. Perley stated yes it does include the scope of work. Mayor Meehan asked if approved today, when work would begin. Mr. Perley said it would be approximately 30-45 days before work would begin and to be completed before the seasonal residence return with a work period of about 30 days.

Staff recommends the approval of Item A-3. A motion was made by Mayor Meehan to award the Tropical Haven Road and Drainage Repairs to the lowest responsive qualified bidder, Masci General Contractor, Inc. from Port Orange, Florida in the amount of \$129,308.50, seconded by Ms. Thomas. Motion passed unanimously.

**Item A-4 Recommendation to Approve Resolution 04-19 Federal Aviation Administration (FAA) Grant for the Obstruction Removal and Markings Project.**

Mr. Donovan stated that the next three items relate to a process of designing 9R-27L runway and is also part of the Master Plan. There are numerous objects that penetrate the Part 77 airspace. Most of these objects are trees that are on airport property, inside the perimeter fence. None of these trees are on the roadways or on public property. Some of these trees on airport property will need to be removed, some will need to be cut back. FAA will cover the majority of the expense at \$1,102,472. FDOT will cover \$28,213 and MAA will cover \$94,284. Item A-4 is accepting the grant from the FAA, A-5 is accepting the grant from FDOT and A-6 is the award for the removal of the project.

Mr. Thomas asked how the airport was informed of the obstructions and is the removal required. Mr. Donovan stated it is a requirement and it is part of the Master Plan process. There is new technology that allows an aerial view of airport property, with special equipment to pinpoint exact items with detailed reports and surveys. Mr. Fischer questioned the total cost of the tree removal and how many acres does this involve. Mr. Donovan explained that the expense is the cutting, the mulching, and other expense such as surveying and engineering. This is not a typical clear-cut type of an operation. Mr. Donovan continued to explain that the FAA reviews this plan and needs to meet the standards of the FAA.

Staff recommends approval of Item A-4. Motion was made by Mr. Thomas to approve Resolution 04-19 Federal Aviation Administration grant for the Obstruction Removal and Markings Project and authorization for the Chairman to execute said resolution on behalf of the Authority, seconded by Ms. Thomas. Motion passed unanimously,

**Item A-5 Recommendation to Approve Resolution 05-19 Florida Department of Transportation Grant (FDOT) for the Obstruction Removal and Markings Project.**

Mr. Donovan stated Item A-5 is FDOT's contribution of \$28,213 for the obstruction project.

Staff recommends approval of Item A-5. Motion was made by Mr. Fischer to approve Resolution 05-19 Florida Department of Transportation grant for the Obstruction Removal and Markings Project and authorization for the Chairman to execute said resolution on behalf of the Authority, seconded by Mr. Thomas. Motion passed unanimously.

**Item A-6 Recommendation to Award the Obstruction Removal and Markings Project to the Lowest Responsive Qualified Bidder, KCF Site Development, LLC from Melbourne, Florida in the amount of \$1,059,977.10.**

Mr. Donovan stated Item A-6 is the award of the obstruction project. A slide was shown of the markings and the site diagram.

Staff recommends approval of Item A-6. Motion was made by Mayor Meehan to award to KCF Site Development, LLC from Melbourne, Florida in the amount of \$1,059,977.10 for the Obstruction Removal and Markings Project, contingent upon receiving FAA Airport Improvement Program (AIP) entitlement funding, approval of Resolution 04-19 and authorization for the Executive Director to execute said contract on behalf of the Authority, seconded by Mr. Thomas. Motion passed unanimously.

**Item A-7 Recommendation to Approve Resolution 06-19 Approving the Airport Operating and Capital Budget for the Fiscal Year Beginning October 1, 2019, and Ending September 30, 2020.**

Mr. Donovan stated Item A-7 is the approval of the Airport Operating and Capital Budget. The process would include going to city council in September for review and final approval.

Staff recommends approval of Item A-7. Motion was made by Mr. Mikuen to approve Resolution 6-19, recommending the appropriation and allocation of all revenue and expenses of the airport for the fiscal year, beginning October 1, 2019, and ending September 30, 2020, that will be forwarded to city council for adoption after board approval, seconded by Mayor Meehan. Motion passed unanimously.

**Informational Items**

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

Top ten revenues and expenses were presented.

- Income statement up 6 percent.
- Tropical Haven revenue up 10 percent.
- Terminal concessions up 30 percent.
- Contractual employees up 16 percent.
- Consulting fees up 38 percent.

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

**I-95 Interchange at Ellis Road**

Attending weekly progress meetings.

State of Florida FDOT project, Jr. Davis Construction Company is the contractor.

Contract time is at day 289 of 637 which is 45% completion.

Current contract amount is \$38,700,000.

Anticipated end date of June 29, 2020.

Project is on time, with only 25 weather days.

Overpass, ramps and storm water are all being constructed simultaneously.

The Ellis Road and John Rhodes intersection is set to close on August 5, 2019 for 90 days.

Detour roads are SR518 Eau Gallie Blvd. to the North and US 192 New Haven Ave. to the South.

**Transit One General Membership Meeting**

Airport hosted the Transit One General Membership Meeting last week.

Transit One is a public transportation organization for Brevard County.

Mr. Graham is the Airport representative for Transit One Board.

Partner with Space Coast Area Transit, Space Coast Transportation Planning Organization (TPO), reThink, and Zagster (bike share).

Thanks Ms. Thomas for her participation.

**Airport Emergency Plan (AEP)**

First comprehensive rewrite of the plan since 2011.

The AEP is important to help plan for future emergency events.  
Also a guide for emergency responder for a real-life incident.  
The exercise is led by Airport Operations Department.  
Three main Airport departments involved: Operations, Police, and Fire.  
The plan has both a non-security sensitive information version and a security sensitive version.  
The non-security version will be posted on the website.

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

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

Our proposed location was rejected by the FAA.  
Staff is working on two more locations on the north side.  
It appears that one of those will be dropped due to scrub jays being present.  
Due to this set-back, we are now looking to October to bring to the Board for approval.

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

Waiting on funding from the FAA and FDOT before getting started on the project.  
Contractor is working in the background in preparation of its notice to proceed.  
Funding is expected next month with a project start date in September.

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

Revised bids have been received.  
Project is slightly over budget for the base bid.  
Staff has brought this to the attention of the FAA and FDOT and they didn't seem too concerned that there should be enough grant money to cover the overage.  
With approval, 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**

Project still on track to bid late September and start in the first part of our new fiscal year.  
Project should take about three months to complete.

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

A preliminary design has been determined for the best feasibility for the project.  
Phase 1 is in our Capital Improvement Plan for 2022.  
Staff is looking at potential funding from unused FDOT grant money that we may be able to tap into to get this project started sooner.

#### **St. Michaels Monument Sign**

The monument sign permit has been received.  
The site has been prepared with clean fill brought in and compacted.  
Electrical work to begin next week.  
Sign is in fabrication and should be completed within 5 to 6 weeks.

#### **Air Traffic Control Tower by Dave Perley for Dr. Byers**

FAA continues its work in the tower.  
Engineering is completed and technicians should begin the first week of August.

Mobilization for installation of Weather/Surveillance/NAVAIDS will also begin in August. Operational readiness will be mid-September with cut-over execution on October 16. Our tower contractor, Walbridge, is aware of the schedule and will re-mobilize within two weeks of the cut-over to begin work. Once cut-over execution is complete, it will be another 8 to 10 weeks to finish the project with site work and tower demolition. Closeout expected by the end of January 2020.

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

**IAG Boeing 747**

Moving of the Boeing 747 aircraft for dismantling has been completed. Agreement was in place to protect the airport in case of any issues with the moving and dismantling. Tent hangar will also be dismantled.

**Update of Fly-in Hotel**

In month two of negotiations with Quip Hospitality and Virtua Partners. Staff and developer identified some area that may change the concept to be more beneficial.

**Aircraft Manufacture Negotiations**

Negotiations continue with MLB being the only location in Florida. If this negotiation is successful it would bring 700-1,000 jobs to Melbourne in the next 3-5 years.

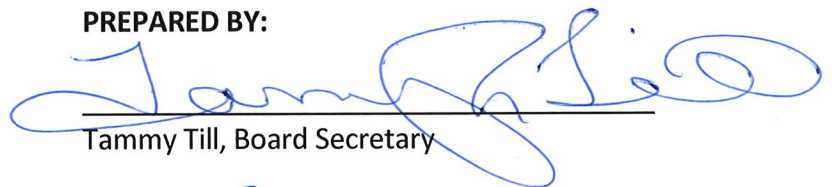
**Public Speakers**

None


**In Closing**

The meeting was adjourned by Chairman Ryals at 9:27 a.m.

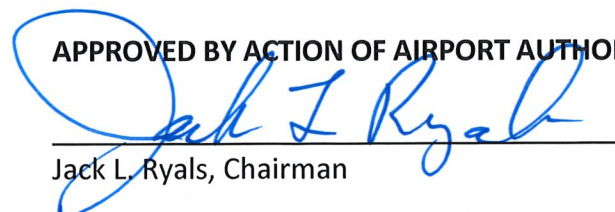
**PREPARED BY:**

  
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Tammy Till, Board Secretary

**SUBMITTED BY:**

  
\_\_\_\_\_  
Greg Donovan, A.A.E.  
Executive Director

**APPROVED BY ACTION OF AIRPORT AUTHORITY:**

  
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Jack L. Ryals, Chairman