



MELBOURNE AIRPORT AUTHORITY BOARD MEETING

AGENDA

August 28, 2019 at 8:30 AM

Orlando Melbourne International Airport Board Room

Pledge of Allegiance

Airport Announcements

Action Items

Approval of the minutes of the July 24, 2019 meeting in the Orlando Melbourne International Airport Board Room.

Item A-1 Recommendation for Approval of Transportation Network Company (TNC) Agreement to Operate at the Orlando Melbourne International Airport.

As part of the Fiscal Year 2020 budget, the Board approved implementation of a fee-based system for TNCs operating at the airport beginning October 1, 2019. Staff has worked with the TNCs to develop a three (3) year Operating Agreement with a one (1) year option that includes the following key components:

- Assess a fee of \$2.50 for each customer picked up;
- Establish a geo-fence perimeter for fee purposes (triggers fee payment as TNC drivers enter this area); and
- Establish a TNC pickup area.

Staff recommends approval of the TNC Operating Agreement template and authorization for the Executive Director to execute Agreements with TNCs operating at the airport on behalf of the Authority. This action is in accordance with Florida State Statutes.

Item A-2 Recommendation to Approve Resolution 7-19 Obstruction Removal and Markings Project Budget Amendment.

The Airport obtained bids for a runway obstruction removal project; the low bid was awarded at the July 24, 2019 Board meeting. This is a high priority project that has been recommended by the Federal Aviation Administration (FAA). The primary funding sources for this project are grants from FAA and Florida Department of Transportation (FDOT). Below is a summary of the proposed budget amendment:

Table with 5 columns: Description, Project Number, Original Budget, Transfer, Revised Budget. Rows include FY 19 Capital Budget as of 7/31/19, Obstruction Removal and Marking, Project Savings, and FY 19 Capital Budget After Transfer.

Because the Airport realized savings on other projects, no net increase in the Capital Project Fund budget is required.

Staff recommends approval of Resolution 7-19 for the increased budget amount and authorization for the Chairman to execute said resolution on behalf of the Authority.

Item A-3 Recommendation to Award a Purchase Order to C&S Engineers, Inc., Under Its Continuing Services Contract, for the Construction Administration and Inspections of the Obstruction Removal and Marking Project in an Amount Not-To-Exceed \$74,388.

In July 2019, the Melbourne Airport Authority (MAA) board approved the resolutions for the Federal Aviation Administration (FAA) and the Florida Department of Transportation (FDOT) grants for the Obstruction Removal and Marking Project along with the lowest qualified responsive bidder. The budget that was approved included all cost for administration, design and construction in the amount of \$1,224,969.

At the time of last month’s Board meeting, costs for the construction administration and inspection services were included in the budget at the maximum, assuming that either FAA or FDOT would require full time inspection during the project. Since that time, staff has discussed full time inspection with the authorities having jurisdiction and have concluded that full time inspection is not required.

C&S Engineers, Inc. was awarded a purchase order in April 2019 in the amount of \$33,065 for design and bid services for the project under its continuing services contract. C&S Engineers was selected for this project as it is very familiar with the project having created many of the obstruction documents for our approved master plan. Staff plans to continue with C&S Engineers, Inc. for the construction administration and inspection phase of the project. Below is the breakdown of the budget for this project.

Low Bid	\$1,059,977.10
Pre Design	\$ 33,035.00
CA Services	\$ 74,387.20
Full Time Insp	\$ 52,569.60
<u>Airport Misc.</u>	<u>\$ 5,000.00</u>
Total Project Costs	\$1,224,969.00

C&S Engineers, Inc. includes periodic inspection services in its \$74,388 amount. The additional costs for full time inspection in the amount of \$52,569.60 is not required at this time and should result in an overall savings for the project.

Staff recommends approval of the award of a purchase order to C&S Engineers, Inc. in an amount not to exceed \$74,388 for construction administration and inspection phase of the Obstruction Removal and Markings Project and authorization for the Executive Director to execute said contract on behalf of Authority.

Item A-4 Recommendation to Approve the Award of a Contract with Dittmer Air Conditioning & Heating Services, Inc., for HVAC Preventative Maintenance and Emergent Services.

The Airport and Airport-owned Properties' HVAC systems maintenance, which includes 144 various units, is currently conducted by Airport staff and numerous HVAC companies on a breakdown event callout basis. In order to obtain ongoing professional/certified preventative maintenance, staff created a comprehensive scope of services and issued a Request for Proposals on June 17, 2019, via Demand Star and directly to numerous local HVAC firms. Seven firms attended the mandatory pre-proposal conference.

Staff received two proposals by the submission deadline: CMS Mechanical Services LLC (CMS Nextech) and Dittmer Air Conditioning & Heating Services, Inc. Climatic Refrigeration & Air Conditioning, Inc. presented its proposal late; therefore, it was not accepted by Staff. A three-member team evaluated the two proposals resulting in the following scores: CMS Mechanical Services LLC (CMS Nextech) - 34.3 points out of 100 points and Dittmer Air Conditioning & Heating Services, Inc. – 88.3 points out of 100 points.

The contract provides onsite preventative maintenance services by one technician and one assistant Monday through Friday (excluding holidays) between 8:30 a.m. and 5:00 p.m. Emergency response time is within one hour (half hour for the Air Traffic Control Tower).

The contract consists of a two-year base term with three one-year options to commence on October 1, 2019. The 2020 budget allocates \$172,990 for HVAC repair and maintenance. The Base-Period preventative maintenance price is \$133,462 per year for a Base-Period Total of \$266,924. Any increase in Option Period pricing will be based on materials (filters/parts/belts, etc.) market rates and agreed upon prior to exercising any option. The contract also includes 15 percent materials mark-up and fixed hourly rates for technician, assistant, and install crew labor.

Additionally, this contract will allow Airport Maintenance staff to perform and complete tasks delayed due to staff managing HVAC issues.

Staff recommends approval of the HVAC Preventative Maintenance and Emergent Services contract and authorization for the Executive Director to execute said contract on behalf of the Authority.

Discussion items**Item D-1 Martin Luther King, Jr. Boulevard and NASA Boulevard New Traffic Lane.**

The City of Melbourne has requested that the Melbourne Airport Authority (MAA) Board comment and approve the construction of a turn lane from Martin Luther King, Jr. Boulevard onto NASA Boulevard. Given the traffic flow and patterns in the area, Airport staff has analyzed the request and concurs with City staff that the turn lane would be a helpful and useful addition to improve the traffic pattern around the Airport. Airport and City staff are working on addressing the logistics and procedural matters related to this improvement, including a Florida Power and Light (FPL) request for a utility easement from its Apollo Substation, which is to run along Apollo Boulevard and then south down Martin Luther King, Jr. Boulevard. Airport and City staff are considering options for that easement, including possibly expanding the public right-of-way along Martin Luther King, Jr. Boulevard to provide space for future utility installation therein.

At this time, Airport staff is seeking the MAA Board's general approval of the installation of the turn lane and the utility easement/right-of-way concession(s) on Martin Luther King, Jr. Boulevard, which will also benefit the City's proposed Police Station.

Information Items

- Item I-1 Financial Update**
- Item I-2 Operations Update**
- Item I-3 Construction Projects Update**
- Item I-4 ATCT Construction Project Update**
- Item I-5 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.



One Air Terminal Parkway
 Suite 220
 Melbourne, FL 32901 USA
MLBair.com

RESOLUTION 7-19

A RESOLUTION OF THE CITY OF MELBOURNE AIRPORT AUTHORITY, BREVARD COUNTY, FLORIDA, AMENDING RESOLUTION 8-18 TO PROVIDE FOR OPERATING AND CAPITAL EXPENSES AS FOLLOWS:

WHEREAS, on August 16, 2018, the City of Melbourne Airport Authority adopted Resolution 8-18, providing for the adoption of the 2018-19 Budget; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF MELBOURNE AIRPORT AUTHORITY, BREVARD COUNTY, FLORIDA, THAT RESOLUTION 8-18 BE AMENDED AS FOLLOWS;

Capital Projects Budget						
FY 19 Capital Budget as of 7/31/19						46,631,517
	Project Number	Original Budget	Transfer	Revised Budget		
Obstruction Removal and Marking	50218	\$ 1,000,000	\$ 225,000	\$ 1,225,000	225,000	
Project Savings	50099	\$ 2,607,719	\$(225,000)	\$ 2,382,719	(225,000)	
FY 19 Capital Budget After Transfer						46,631,517

THIS RESOLUTION was duly passed at a regular meeting of the City of Melbourne Airport Authority on the 28th day of August 2019.

By: _____
 Jack L. Ryals, Chairman
 City of Melbourne Airport Authority

ATTEST:
 Greg Donovan
 Executive Director
 CITY OF MELBOURNE AIRPORT AUTHORITY
 COUNTY OF BREVARD
 STATE OF FLORIDA

I HEARBY CERTIFY that the foregoing constitutes a full, true, and correct copy of Resolution No. 7-19 passed by the City of Melbourne Airport Authority, Melbourne, Florida at a Regular Meeting of the Authority held at the Melbourne International Airport in the City of Melbourne, Florida on the 28th day of August, 2019.

WITNESS my hand and the official seal of the City of Melbourne Airport Authority, Melbourne, Florida, on this 28th day of August 2019.

ATTEST: _____
 Greg Donovan, A.A.E.
 Executive Director

**ORLANDO MELBOURNE INTERNATIONAL AIRPORT (MLB) MONTHLY ACTIVITY REPORT
JULY 2019**

	2019	2018	MO CHANGE (%)	2019 YTD	2018 YTD	YTD CHANGE (%)
PASSENGERS						
Revenue PAX - Domestic						
Enplaned	18,358	18,365	0.0%	142,870	132,357	7.9%
Deplaned	18,029	17,761	1.5%	139,445	127,962	9.0%
Total Revenue PAX - Domestic	36,387	36,126	0.7%	282,315	260,319	8.4%
Revenue PAX - Int'l						
Enplaned	11	45	-75.6%	1,973	2,384	-17.2%
Deplaned	11	40	-72.5%	1,791	2,248	-20.3%
Total Revenue PAX - Int'l	22	85	-74.1%	3,764	4,632	-18.7%
Non-Revenue PAX						
Enplaned	664	914	-27.4%	5,901	6,080	-2.9%
Deplaned	717	797	-10.0%	6,263	6,330	-1.1%
Total Non-Revenue PAX	1,381	1,711	-19.3%	12,164	12,410	-2.0%
Total PASSENGERS	37,790	37,922	-0.3%	298,243	277,361	7.5%
CARGO Express/Freight/Sm Parcels (lbs)						
OUT	0	6,485	-100.0%	51,294	60,410	-15.1%
IN	0	1,674	-100.0%	14,257	24,127	-40.9%
Total CARGO (lbs)	0	8,159	-100.0%	65,551	84,537	-22.5%
Cargo in Metric Tons	0	4		30	38	
AIRCRAFT OPERATIONS						
Air Carrier	450	384	17.2%	3,699	2,843	30.1%
Air Taxi	195	272	-28.3%	2,062	2,438	-15.4%
General Aviation - Itinerant	7,170	4,886	46.7%	47,209	35,601	32.6%
General Aviation - Local	3,626	3,524	2.9%	25,490	20,257	25.8%
Military	31	16	93.8%	706	436	61.9%
Total OPERATIONS	11,472	9,082	26.3%	79,166	61,575	28.6%

ORLANDO MELBOURNE INTERNATIONAL AIRPORT

Income Statement

June 30, 2019

	Year To Date Actual			
	6/30/2019	6/30/2018	\$ change	% change
Operating Revenue				
Airline Landing Fees	463,686	284,254	179,433	63%
Airline Service Fees	1,616,140	1,439,435	176,706	12%
Land & Bldg Lease Rents	6,218,248	6,050,902	167,346	3%
Terminal Rents	172,106	151,334	20,772	14%
Parking Lot Fees	1,395,708	1,332,409	63,299	5%
Car Rental Concessions	760,219	761,164	(945)	0%
Restaurant Concessions	135,348	81,414	53,933	66%
Mobile Home Park Rent	1,521,157	1,368,382	152,775	11%
T-Hangar Rentals	84,982	86,831	(1,849)	-2%
Operating Grant Revenue	55,757	29,313	26,444	90%
Other	228,847	247,391	(18,545)	-7%
Total Operating Revenues	12,652,198	11,832,829	819,369	7%
Operating Expense:				
Personnel Services	3,481,472	3,467,690	13,782	0%
Contract Services	3,944,618	3,552,656	391,961	11%
Police & Fire Services	856,257	836,067	20,190	2%
Maintenance and Operations	3,514,454	4,187,525	(673,070)	-16%
Other	-	123,225	(123,225)	-100%
Total Operating Expenses	11,796,801	12,167,163	(370,363)	-3%
Operating Income (Loss)	855,398	(334,334)	1,189,732	-356%
Non-Operating Revenue (Expense):				
Passenger Facility Charges	782,682	544,413	238,270	44%
Customer Facility Charges	(112,680)	-	(112,680)	#DIV/0!
Gain on Sale of Assets	4,248	8,339	(4,091)	-49%
Interest Income (Loss)	248,129	130,313	117,817	90%
Ad Valorem Tax Revenue	1,741,692	1,764,398	(22,705)	-1%
Ad Valorem Tax Expense	(1,754,588)	(1,803,219)	48,631	-3%
(Loss) on Disposal of Fixed Assets	-	(1,077,668)	1,077,668	-100%
Other	-	-	0	#DIV/0!
Total Non-Operating Revenue (Expense)	909,484	(433,424)	1,342,908	-310%
Net Income (Loss) Before Depreciation*	1,764,881	(767,758)		

* Net Income before capital contributions and transfers

ORLANDO MELBOURNE INTERNATIONAL AIRPORT
Statement of Revenues, Expenditures and Changes in Fund Net Assets
June 30, 2019

	YTD Actual	Annual Budget	% of Budget
Operating Revenues:			
Airline Landing Fees	463,686	398,933	116%
Airline Service Fees	1,616,140	2,013,275	80%
Land & Bldg Lease Rents	6,218,248	7,993,940	78%
Terminal Rents	172,106	244,797	70%
Parking Lot Fees	1,395,708	1,850,040	75%
Car Rental Concessions	760,219	922,531	82%
Restaurant Concessions	135,348	109,998	123%
Mobile Home Park Rent	1,521,157	2,043,592	74%
T-Hangar Rentals	84,982	115,766	73%
Operating Grant Revenue	55,757	73,200	76%
Other	228,847	459,313	50%
Total Operating Revenues	12,652,198	16,225,385	78%
Operating Expense:			
Personnel Services	3,481,472	5,419,743	64%
Contract Services	3,944,618	5,192,994	76%
Police & Fire Services	856,257	1,132,365	76%
Maintenance and Operations	3,514,454	5,341,151	66%
Other	-	-	#DIV/0!
Total Operating Expenses	11,796,801	17,086,253	69%
Operating Income (Loss)	855,398	(860,868)	-99%
Non-Operating Revenue (Expense):			
Passenger Facility Charges	782,682	1,084,430	72%
Customer Facility Charges	(112,680)	-	#DIV/0!
Gain on Sale of Assets	4,248	-	#DIV/0!
Interest Income (Loss)	248,129	171,509	145%
Ad Valorem Tax Revenue	1,741,692	1,943,582	90%
Ad Valorem Tax Expense	(1,754,588)	(1,943,582)	90%
Gain (Loss) on Disposal of Fixed Assets	-	-	#DIV/0!
Other*	-	(60,000)	0%
Total Non-Operating Revenue (Expense)	909,484	1,195,939	
Net Income (Loss) before			
Depreciation, Transfers, and Capital Contributions	1,764,881	335,071	
Depreciation Expense	-	-	
Intra Transfer to Airport Capital	-	(2,406,146)	0%
Net Income (Loss) After Transfers	1,764,881	(2,071,075)	

*Other Consists of Interest Expense

**Orlando Melbourne International Airport
Top 10 Operating Revenues
6/30/2019**

Rank	Description	YTD FY 2019	FY 19 % of Total Rev	YTD FY 2018	FY 18 % of Total Rev	\$ Change	% Change
1	Airfield Facilities Rental	3,271,377	26%	3,139,992	27%	131,385	4%
2	Commercial Business Center Rent	2,268,359	18%	2,265,124	19%	3,235	0%
3	Tropical Haven Revenue	1,507,859	12%	1,358,179	11%	149,680	11% A
4	Parking Revenue	1,395,708	11%	1,332,409	11%	63,299	5% B
5	Ground Handling Revenue	804,287	6%	765,253	6%	39,034	5%
6	Car Rental Concession	790,428	6%	761,164	6%	29,264	4%
7	Terminal Rent-Airline	661,504	5%	631,449	5%	30,055	5%
8	Hangar Rent	557,564	4%	483,030	4%	74,534	15% C
9	Landing Fees	463,686	4%	284,254	2%	179,432	63% D
10	Terminal Concessions	105,139	1%	81,414	1%	23,725	29% E
Total Top 10 Operating Revenue		11,825,911	93%	11,102,268	94%	723,643	
Other Operating Revenue		826,287	7%	730,561	6%	95,726	13%
Total Operating Revenue		12,652,198	100%	11,832,829	100%	819,369	7%

A Increase is due to rate increase that went into effect on 10/1/18 coupled with the \$25 per lot capital assessment that started on 1/1/19 (\$71,050 of the increase is due to the capital assessment). The capital assessment will be charged through September 2019.

B Increase is due to increase in passenger activity (there have been no parking rate adjustments this year).

C Fiscal Year 18 hangar rent was lower due to rent credits issued to a major hangar tenant for improvements (these credits were part of the contract for expanding the facility).

D Increase is due to rate changes that went into effect 10/1/18 (25%) plus increase in size of aircraft serving MLB by American Airlines as well as increase in frequency by scheduled carriers. There has also been an increase in the airlines that are coming to MLB for maintenance (Ferry flights that arrive/depart without passengers).

E Increase is due to increase in passenger traffic coupled with an upgrade in the concession program that included opening Dunking Donuts.

Orlando Melbourne International Airport

Top 10 Operating Expenses

6/30/2019

Description	FY 19 %		FY 18 %		% change
	YTD FY 2019	Operating Expense	YTD FY 2018	Operating Expense	
1 Personnel	3,481,472	30%	3,467,690	29%	13,782 0%
2 Other Contract Services	2,505,032	21%	2,184,359	18%	320,673 15% A
3 Fire Services	837,522	7%	822,191	7%	15,331 2%
4 Marketing Incentives	567,585	5%	971,012	8%	(403,427) -42% B
5 Contractual Employee	548,278	5%	459,702	4%	88,576 19% C
6 Risk Management	448,077	4%	374,910	3%	73,167 20% D
7 Consulting Fees	401,047	3%	412,099	3%	(11,052) -3%
8 Electric	335,274	3%	337,142	3%	(1,868) -1%
9 Advertising and Marketing	248,372	2%	367,083	3%	(118,711) -32% E
10 Outside Counsel Fees	247,600	2%	194,712	2%	52,888 27% F
Total Top 10 Operating Expense	9,620,259	82%	9,590,900	79%	
Other Operating Expense	2,176,542	18%	2,576,263	21%	(399,721) -16%
Total Operating Expense	11,796,801	100%	12,167,163	100%	(370,362) -3%

A Increase is due to 1) new security system maintenance contract in place May 18-May 19 (\$10,000/month); 2) better cutoff for invoice processing-there are 9 invoices processed for Menzies and Republic parking in FY 19 vs. 8 for same period last year.

B Payment of the Advertising reimbursement--FY 19 consists of Porter which qualified for \$550,000 based on the ASIP. This represents the full payout of the ASIP to Porter Airlines. No additional expense is expected in FY 19 ASIP as no other routes meet the ASIP requirements.

C Increase is due to higher costs in the terminal to maintain/clean the FIS which opened in Summer 2018 (weekly cost has increased by \$479) coupled with better invoice cutoff. The airport has processed 44 invoices processed for \$301,000 this year compared to 36 invoices for \$229,000 last year in the Terminal Cost Center.
The Accounting Department has also utilized more temporary employees this year (2 of its 3 positions are temps; Admin contractual employee expense increased by \$47,931 because of increased use of temps in accounting).

D This is an internal charge from Risk and they charge 1/12 of the budgeted premium. The increase corresponds to the higher monthly charge due to new assets coming on line which is how these costs are allocated.
Airport and City staff are evaluating allocation methodology; City Staff have indicated they will true-up at end of year.

E Decrease is due to cost saving measures associated with goals of improving cash position that were approved as part of fy 19 budget.

E Increase is due to the Lawsuit with GOAA over the name of the airport. MLB has paid \$108,600 this year in legal costs associated with the lawsuit. Additionally, in FY 19, lobbying costs are being charged to "lobbying expense"; in fy 18, these expenses were charged to outside counsel. This change is designed to provide better classification of expenses. Lobbying costs incurred to date are approximately \$32,000.

Orlando Melbourne Int'l Airport
Cash Flow Projection
7/30/2019

	July-19	August-19	September-19	October-19	November-19	December-19	January-20	February-20
Beginning Cash Balance	\$ 17,216,360	\$ 17,347,253	\$ 17,492,909	\$ 17,847,625	\$ 17,572,264	\$ 17,209,182	\$ 16,977,195	\$ 18,270,223
Operating Revenue	1,363,020	1,363,020	1,363,020	1,409,969	1,409,969	1,409,969	3,372,987	1,409,969
Less: Prepaid Rent Recorded as Deferred Revenue	(7,659)	(7,659)	(7,659)	(7,659)	(7,659)	(7,659)	(7,659)	(7,659)
Less: Deferred Rent (Embraer Leases-10 year deferral)	(12,703)	(12,703)	(12,703)	(12,703)	(12,703)	(12,703)	(12,703)	(12,703)
Operating Expense:								
Liability Insurance	(48,000)							
Personnel	(379,679)	(379,679)	(379,679)	(431,545)	(431,545)	(431,545)	(431,545)	(431,545)
Maintenance and Operations Expense	(910,756)	(910,756)	(710,756)	(908,328)	(908,328)	(908,328)	(2,871,346)	(908,328)
Net Increase (Decrease) in Cash Flow from Operations	4,223	52,223	252,223	49,734	49,734	49,734	49,734	49,734
Total Capital Outlay	(5,000)	(50,000)	(50,000)	(560,000)	(1,040,000)	(1,828,000)	(1,212,000)	(682,000)
Total Grant Revenue	-	-	-	67,500	477,000	1,384,213	2,284,600	612,500
PFC Collections (Reimbursement of Eligible Costs)	77,420	84,337	89,663	98,432	88,306	95,293	100,365	99,540
CFC Collections (Designated for Future Projects)	54,250	59,097	62,829	68,974	61,878	66,774	70,328	69,750
Net Increase (Decrease) in Cash From Capital	126,670	93,433	102,492	(325,095)	(412,816)	(281,721)	1,243,294	99,790
Beginning Cash/Investments	17,216,360	17,347,253	17,492,909	17,847,625	17,572,264	17,209,182	16,977,195	18,270,223
Ending Cash/Investments	17,347,253	17,492,909	17,847,625	17,572,264	17,209,182	16,977,195	18,270,223	18,419,747

**Orlando Melbourne Int'l Airport
Cash Flow Projection
7/30/2019**

	Total Cost	Funding	July-19	August-19	September-19	October-19	November-19	December-19	January-20	February-20
Capital Project Expenditures										
Obstruction Removal and Lighting	1,225,000	E	(35,000)	(20,000)	(20,000)	(280,000)	(320,000)	(440,000)	(100,000)	(15,000)
PBB 7 Replacement (Term Rehab 1.3)	1,464,958	E				(100,000)	(150,000)	(700,000)	(400,000)	(75,000)
PBB 4 Replacement (FY 20)	927,258	E				(80,000)	(120,000)	(500,000)	(150,000)	(50,000)
Rehab Terminal-phase 1.4-1.6-deferred	3,039,600	E								
ATCT Tower Equipment Relo	1,023,130	D								
ATCT Tower Demo	388,000	D				(80,000)	(250,000)	(58,000)		
Rehab Utilities-Airfield Facilities	1,400,000	E								
Ground Run Up Enclosure Facility	4,000,000	D	(5,000)	(50,000)	(50,000)	(150,000)	(300,000)	(400,000)	(450,000)	(500,000)
Security System-phase 1	461,959	D								
Terminal Transformation	34,000,000	D								
ATCT Construction (FDOT)	540,000	D				(80,000)	(140,000)	(160,000)	(140,000)	(20,000)
Perimeter Road Rehab	125,000	C				(35,000)	(80,000)	(10,000)		
Taxiway S Improvements-Phase 1	3,400,000	E								
Roof Replacement-1250 Nasa Bldg 219	150,000	C								
Aerospace Dr. Lift Station Replace	85,000	C								
Tropical Haven Facility Improvements	148,000	C				(35,000)			(37,000)	(37,000)
Equipment Purchases	291,500	C							(35,000)	
Total Capital Outlay			(5,000)	(50,000)	(50,000)	(560,000)	(1,040,000)	(1,828,000)	(1,212,000)	(682,000)
Grant Revenue										
FAA ENTITLEMENT Grant - Obstruction Removal						67,500	252,000	288,000	396,000	90,000
FDOT Grant-OBSTRUCTION REMOVAL							14,000	3,213	-	-
FAA ENTITLEMENT Grant - PBB 7							90,000	135,000	630,000	360,000
FDOT Grant-PBB 7							5,000	7,500	35,000	20,000
FAA ENTITLEMENT Grant - PBB 4							72,000	108,000	450,000	135,000
FDOT Grant-PBB 4							4,000	6,000	25,000	7,500
FAA Grant 46 Tower Demo									349,200	
FDOT Grant-ATCT Demo									19,400	
FDOT Grant-ATCT Equip Relo										
FDOT Grant ATCT Construction							40,000	511,500	80,000	
FDEO Grant-Ground Run up								255,000	300,000	
Total Grant Revenue			-	-	-	67,500	477,000	1,384,213	2,284,600	612,500

**Orlando Melbourne International Airport
Police Department
Monthly Activity Report
July 2019**

Police Activity	
TSA Required Checks	
Response to Door & Gate Alarms	141
TSA Assists	10
Perimeter	138
Door inspections	10
SIDA & Secure Area Inspections	275
Gate Inspections	4
Customs Assists / Weapons Check	0
Security Violations	6
Assist to Other Agencies	22
Aircraft Alerts	4
Arrests	1
*Other Incident Reports	483
Traffic / Parking Citations	2
Total	1096
Administrative Action	
Security Badges Issued	127
Parking Permits Issued	9
Total	136



 2019

**Renee Purden
Chief of Police**

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

07/09/19 Case #19-207 attempt to use expired badge, security violation issued.

07/09/19 Case #19-206 attempt to use expired badge security violation issued.

07/10/19 Case #19-208 two subjects left unescorted in the South T -Hangar area, security violation issued.

07/10/19 Case #19-209 failure to properly escort lawn personnel in the AOA area near N377V gate, security violation issued.

07/10/19 Case# 19-210 subject entered 377V gate and left the area failing to ensure gate was secure, security violation issued and badge confiscated (second violation)

07/17/19 Case # 19-220 subject passed through the electric eye east without scanning his badge, security violation issued.

Arrest

07/01/19 Case# 19-192 -concealed weapon in carryon bag in checkpoint area, NTA /court date issued to subject



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:

Tammy Till, Board Secretary

SUBMITTED BY:

Greg Donovan, A.A.E.
Executive Director

APPROVED BY ACTION OF AIRPORT AUTHORITY:

Jack L. Ryals, Chairman