



MELBOURNE AIRPORT AUTHORITY BOARD
Minutes for August 28, 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
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 employee, Jillian Brayboy, Airport Badging Office, was introduced.
- MLB passes TSA Comprehensive Audit.
- Rob Himler attended NASA Social Team for July SpaceX Launch.
- Southeastern Guide Dog Training day at MLB.
- Northrop Grumman hosts MLB staff at E2-D Hawkeye Facility.
- FDOT Secretary Thibault and staff given tour of MLB and discussed future needs.
- MLB awarded Florida's Commercial Service Airport of the Year.

Action Items

Approval of the minutes for the July 24, 2019 meeting. A motion was made by Mayor Meehan for approval of meeting minutes, seconded by Mr. Potter. Motion passed unanimously.

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

Mr. Donovan explained Item A-1 is regarding Transportation Network Company's (TNC's) which include ground transportation such as traditional taxi cabs and now companies like Lyft and Uber. Airports have been trying to find the right agreements and regulations to monitor these ride-sharing companies. Staff has developed a fee-based operating agreement. This operating agreement is a three (3) year agreement with a one (1) year option that would charge TNC's \$2.50 for each customer pick-up with a geo-fence perimeter that would trigger fee payments areas. Mr. Donovan explained

how the geo-fence would work and where points of entrance would be and where the established TNC pick-up area would be located.

Mr. Thomas asked what kind of revenue is expected. Mr. Mike O'Dell didn't have a specific amount.

Mr. Potter asked if Lyft and Uber are the only two companies. Mr. Mike O'Dell stated there is another called Trip. All three will have individual agreements.

Mr. Fischer asked where would be the waiting areas for these vehicles. Mr. O'Dell explained that the current cell phone lot is and will continue to be the waiting area which is inside the geo-fence.

Mr. Donovan stated agreements like this have been in place in other airports and believes this is the first step in the right direction.

Staff recommends approval of Item A-1. Motion was made by Mr. Fischer for approval of Transportation Network Company (TNC) Agreement to operate at the Orlando Melbourne International Airport, seconded by Mayor Meehan. Motion passed unanimously.

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

Mr. Donovan stated that both Items A-2 and A-3 relate to the obstruction removal project that was approved at the July Board meeting.

Staff recommends approval of Item A-2. Motion was made by Mr. Potter to approve Resolution 7-19 Obstruction Removal and Markings Project Budget Amendment and Item A-3 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, seconded by Mr. Thomas. Motion passed unanimously.

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.

Staff recommends approval of Item A-3. Motion was made by Mr. Potter to approve Resolution 7-19 Obstruction Removal and Markings Project Budget Amendment and Item A-3 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, seconded by Mr. Thomas. Motion passed unanimously.

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.

Mr. Donovan stated Item A-4 is a contract for the 144 various air condition units and other HVAC equipment. Two proposals were received, a three-member team evaluated the proposals resulting with Dittmer Air Conditioning & Heating Services, Inc. receiving the most points. This contract allows more

immediate response time and onsite preventative maintenance services with two dedicated positions. The cost is \$133,462 per year with a two-year base term with three one-year options.

Mayor Meehan questioned the difference between the points that were given. Mr. Cliff Graham explained the scoring was based on certain criteria, with Dittmer having the most complete and knowledge proposal.

Mr. Potter asked if the AC units are on leased facilities and if the costs are passed onto the tenants. Mr. Graham answered that yes, some of the facilities are leased and costs have been passed on, but there are a few leases that the airport does maintain the HVAC systems.

Mr. Fischer asked if this contract is for labor only and if there could be 'add-ons' such as compressors and coolant. Mr. Graham stated there are fixed labor costs and discounted rates on other costs.

Staff recommends approval of Item A-4. Motion was made by Mr. Fischer to approve the Award of a Contract with Dittmer Air Conditioning & Heating Services, Inc., for HVAC Preventative Maintenance and Emergent Services, seconded by Mr. Thomas. Motion passed unanimously.

Discussion items

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

Mr. Donovan stated this is not a voting item but, an informational one. The City of Melbourne has requested that the 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 useful addition to improve the traffic pattern around the Airport. Mr. Donovan continued stating the Airport and City staff have been working on the logistics, including a Florida Power and Light (FPL) request for a utility easement.

Mr. Adam Bird added the City staff raised an issue of future needs of a turn lane, but also future needs for the potential police headquarters. The City was looking for some direction from the airport board regarding the turn lane and are wanting a verbal agreement on moving forward with the turn lane.

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. Chairman Ryals has put on record that the board has discussed and is in favor of moving forward on this issue.

Mr. Thomas added that the sign unveiling for Martin Luther King, Jr. Boulevard will be September 5th at 10 a.m.

Informational Items

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

Top Revenues and Expenses

- Income statement up \$1.2 million.
- Revenue up \$820,000.
- Increase in passenger traffic, parking and concessions.

- Hangar rent tracking above last year.
- Landing fees have increased.
- Operating expenses down \$370,000.
- Contract services increased.
- Contractual employees increased.
- Risk management true-up meeting with City, corrections to follow.
- Outside Council increased.

Benchmarking Data

- Cash and investments have increased by \$3.4 million.
- CFC investment.
- Accounts receivable increased.
- Day's cash-on-hand is 334 days.
- Total annual operating expense.

Mr. Mikuen stated the total annual operating expense includes the pass through taxes. Mr. O'Dell yes that is correct.

Chairman Ryals added that most airports are highly dependent on air traffic for revenues but MLB's majority of income is land leases.

Item I-2 Operations Update by Mr. Graham

Aircraft Damage

- MLB and Menzies Aviation received award from American Airlines for "no aircraft damage" in over a five-year period.
- Damage-free days for MLB is 3,470 - being safe and preventing damage is a top goal for MLB.
- Aircraft damage is ground damage incidents that occur when personnel are working on or around an aircraft on the ground.
- Most damage (90 percent) occurs when aircrafts are parked and are damaged as a result of a piece of ground handling equipment.
- One in every 5,000 flights results in a ground handling incident, with annual costs to airlines worldwide of \$10 billion.

Item I-3 Construction Projects Update by Mr. Perley

Ground Run-up Enclosure

- The proposed location for the GRE that was originally rejected by the FAA is back up for review.
- Considerations are being reviewed based on potential modifications to the Airport Layout Plan.
- To run concurrent with the FAA's re-review of Site #5, staff has directed the consultant to continue looking at other potential sites.
- One in particular is east of Taxiway "Q" and between the runways.
- Environmental is currently reviewing the site.
- Due to this set-back, we are now looking to November to bring to the board for approval.

Replacement of Passenger Boarding Bridges 7 & 4

- Funding from the FAA has been received.
- Still waiting on FDOT funding before giving the Notice to Proceed.
- Contractor is working in the background in preparation of this and will be ready to start as soon as the word is given.

Obstruction Removal and Lighting

- Funding from the FAA has been received.
- Still waiting on FDOT funding before giving the Notice to Proceed.
- Contractor is ready to begin upon receiving notice.

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.

St. Michaels Monument Sign

- The monument sign is installed.
- Waiting on final application for payment from the Contractor.
- Project will close out next month.

Tropical Haven Road Repairs

- Contract has been executed by all parties.
- Pre-construction set for August 26, 2019.
- Work to begin before the end of the month.

Air Traffic Control Tower update by Dr. Byers

- FAA continues its work in the tower.
- The majority of its computer equipment is scheduled for delivery this week.
- Operational readiness will be mid-September with cut-over execution on October 16, 2019.
- Our tower contractor, Walbridge is aware of the schedule and will re-mobilize within two weeks of the cut-over to begin its work.
- Once cut-over execution is complete, it will be another 8 to 10 weeks to finish the project with site work and tower demo.
- Closeout expected by the end of January 2020.

Mr. Donovan received a correspondence from Mr. O'hara, regional FAA administrator stating the lease should be in place for the commissioning date.

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

- All projects are moving forward, including the hotel and Project Peregrine.
- Thank you to all who attended Land Use Workshop and special thank you for Ms. Naughton and Mr. Himler for their dedication and teamwork.

Marketing

- MLB received a 'fresh look' in all of the social media outlets.
- Moving all of print advertising to digital with our current partner, Florida Today, Space Coast Daily and, Space Coast Business.
- MLB has just started live Facebook videos which is included with our partnership with Space Coast Daily. Tying-in current airline promotions with local MLB staff.

Mr. Busalacchi added that he and his staff are looking at where the money is being spent. These new ideas are a more efficient, more targeted approach and with less spending.

Public Speakers

None

In Closing

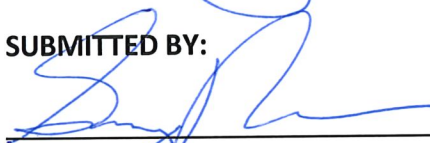
The meeting was adjourned by Chairman Ryals at 9:21 a.m.

PREPARED BY:



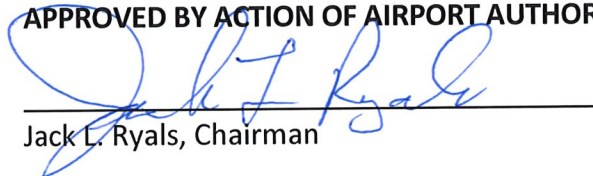
Tammy Till, Board Secretary

SUBMITTED BY:



Greg Donovan, A.A.E.
Executive Director

APPROVED BY ACTION OF AIRPORT AUTHORITY:



Jack L. Ryals, Chairman