



MELBOURNE AIRPORT AUTHORITY BOARD

Minutes April 26, 2023, Board Meeting

Airport Board Room

In attendance: Mr. William C. Potter, Chairman
The Honorable Tim Thomas, Vice Chairman, Councilmember
The Honorable Paul Alfrey, Mayor
The Honorable Mark LaRusso, Vice Mayor
Mr. Scott Mikuen, Member
Mr. Brent Peoples, 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
Ms. Stephanie Betts, Assistant 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
Mr. John Dobson, Captain, Melbourne Airport Police

Absent: The Honorable Mark LaRusso, Vice Mayor
Mr. Cliff Graham, C.M., Director of Operations and Maintenance
Ms. Renee Purden, Chief of Police/Director of Public Safety

Pledge of Allegiance

Airport Announcements by Executive Director Greg Donovan

Congratulations to Officer Dawn Pappalardo, MAPD Officer of the Year
Congratulations to the new Clerical Assistant - Misty Dawn Snow
Homeless Camp Cleanup ongoing initiative from MAPD
Capital Improvements Workshop will be on May 24, 2023, following board meeting
Passenger Activity Report through March totaling 52,144, an increase of 8.9% from the previous year.
MLB Announces three new routes with Avelo Airlines.
TUI's MLB Airport Guide new video features MLB ease and convenience
TUI's Travel Guide to MLB featuring the top tourist destinations on the Space Coast

Executive Director's Recognition of Excellence Award

Congratulations to Captain John Dobson, Melbourne Airport Police on receiving this month's award and on his retirement.

Action Items

Approval of the March 22, 2023, board meeting minutes. A motion was made by Mr. Thomas for approval of the minutes, seconded by Mayor Alfrey. Motion passed unanimously.

Item A-1 Recommendation to Approve Change Order 14 to DP Development, LLC for Scope Change to Add Additional Traffic Markings Along St. Michael Place from Apollo Boulevard to the Phase III Extension for the Northside Expansion Project: St. Michael Place Extension Phase 3 in the Amount of \$11,512.08.

Mr. Donovan explained this change order is to add additional traffic markings along St. Michael Place and will extend from the new Bill Potter Drive to the western edge of the Airport and connecting into General Aviation Drive. The costs are covered under the 100 percent reimbursable grant for this project.

A motion was made by Mr. Peoples to Approve Change Order 14 to DP Development, LLC for Scope Change to add Additional Traffic Markings along St. Michael Place from Apollo Boulevard to the Phase III Extension for the Northside Project St. Michael Extension Phase 3 in the Amount of \$11,512.08, seconded by Mayor Alfrey. Motion passed unanimously.

Item A-2 Recommendation to Approve Lease Agreement with Waste Management for 34-Yard Compactor Dumpster

Mr. Donovan explained the need to lease a 34-yard compactor dumpster for more capacity due to the airport and tenant needs. The lease will be for 50 months with Waste Management, with a monthly rate fee of \$2,310.80.

A motion was made by Mayor Alfrey to Approve a Lease Agreement with Waste Management for a 34-Yard Compactor Dumpster, seconded by Mr. Thomas. Motion passed unanimously.

Item A-3 Recommendation to Approve a Purchase Order to AVCON, Inc., under its Continuing Services Contract, for the Professional Airside Engineering for Design and Construction of the Mill and Overlay Rehabilitation of Taxiway "C" in an Amount Not-To-Exceed \$196,540.00.

Mr. Donovan explained Taxiway Charlie is an integral part of the airfield. The last rehabilitation of Taxiway "C" between the runways was completed in 2003. Florida Department of Transportation (FDOT) conducted a statewide pavement evaluation report in 2019 that indicated a Pavement Condition Index (PCI) of 65. The state report suggests a minimum value of 70 for taxiways. These improvements were originally in JACIP with funding planned with FAA grants. An alternative funding source is available through an existing Florida Department of Economic Opportunity (FDEO) Grant which provides 100 percent funding of eligible costs. AVCON was selected to perform this work based on its knowledge of the taxiway, and its work on other surface projects in the same area.

Mr. Potter asked if the grant had been accepted. Mr. Donovan stated yes, the grant was accepted.

A motion was made by Mr. Fischer to Approve a Purchase Order to AVCON, Inc., under its Continuing Services Contract for the Professional Airside Engineering for Design and Construction of the Mill and Overlay Rehabilitation of Taxiway "C" in an Amount Not-To-Exceed \$196,540.00, seconded by Mr. People. Motion passed unanimously.

Item A-4 Recommendation to Award a Purchase Order to Ivey's construction, Inc. under its Continuing Services Contract for the Emergency Repairs to the Exterior Insulation Finish System (EIFS) caused by Hurricane Ian in Amount Not-To-Exceed \$93,128.00.

Mr. Donovan explained the exterior insulation finish systems in various parts of the terminal building were damaged caused by hurricane Ian. FEMA came out to assess the damage and these repairs will be covered

100 percent by FEMA. Ivey's Construction is currently working on site and will be able to complete the repairs in a timely manner.

Mr. Fischer stated that this work may require demolition to take out the old material and replace it with the new material and asked if an Engineer would follow up to make sure all work is done correctly. Mr. Perley stated one of our existing Continuing Service Contract Engineers will review the insulation of the work.

Mr. Fischer stated EFIS is very complicated if the work is not done correctly; Mr. Fischer asked if the work being performed is part of the new terminal construction. Mr. Donovan stated no, this work is strictly hurricane damage to the existing building.

A motion was made by Mayor Alfrey to award a Purchase Order to Ivey's Construction, Inc., under its Continuing Services Contract for the emergency repairs to the Exterior Insulation Finish System (EIFS) caused by Hurricane Ian and in Amount Not-To-Exceed \$93,128, seconded by Mr. Thomas. Motion passed unanimously.

Item A-5 Recommendation to Approve a Master Consulting Agreement with RPMayer & Associates, LLC.

Mr. Donovan explained RPMayer & Associates has been assisting Airport staff with the design of the in-line baggage system as well as conducting a parking study. Rod Mayer, the principal of the company, has more than 30 years of experience in aviation, airline, and airport affairs. The scope of work includes providing continued baggage handling consulting services, baggage handling design, construction planning and scheduling. The consulting agreement's two year base term begins May 1, 2023, and terminates on April 30, 2025. It can be extended for two, one-year periods. The annual cost will not exceed \$124,425 per year, in addition, the consultant will be reimbursed for approved travel expenses.

Mr. Potter asked if this type of service is required to be competitively chosen under the CCNA. Mr. Donovan stated it is not under an CCNA. This will be a managerial technical consulting services versus engineering.

A motion was made by Mr. Thomas to approve a Mater Consulting Agreement with RPMayer & Associates, LLC, seconded by Mayor Alfrey. Motion passed unanimously.

Item A-6 Recommendation to Approve an Aeronautical Ground Lease and Seventh Amendment to Lease with Embraer Aircraft Holding, Inc.

Mr. Donovan stated that Embraer is expanding its operations with the addition of a flight hangar and a paint hangar facility estimated to cost \$30,500,000. Embraer will need an additional six acres to facilitate this expansion. Three acres are on an existing option agreement, which Embraer would be exercising, and the remaining three acres will be new property outside of its lease. Due to the circumstance involving an option and a new lease, there will be two items for approval, an amendment to the existing lease and a new lease for the additional three acres.

Mr. Potter asked if it has been determined if the gopher tortoise removal and the lift station upgrade are necessary. Mr. Busalacchi stated that an enhancement to the lift station will not be necessary, but the gopher tortoise is an unknown until you actually start clearing the land.

Mr. Mikuen wants to confirm that the Airport Authority has no obligation for any capital spend other than potentially the lift station and no other infrastructure acquired, and if there is, then Embraer will be responsible for that. Mr. Donovan replied yes. Mr. Mikuen asked of the timing of the new construction to commence. Mr. Donovan stated some of the work on the existing option parcel has begun. The environmental process should start within the next 60 days.

Mr. Peoples asked what happens if Embraer does not get started with the construction. Mr. Donovan stated that they are still obligated to pay through their land lease. Embraer has been a great company to work with and the Airport will follow through everything they have committed to doing. Mr. Peoples asked about additional employees being hired. Mr. Busalacchi stated that there will be additional hired as a result of this expansion.

A motion was made by Mr. Mikuen to approve an Aeronautical Ground Lease and Seventh Amendment to Lease with Embraer Aircraft Holding, Inc., seconded by Mr. Thomas. Motion passed unanimously.

Information Items

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

Mr. O'Dell presented the financial report with financial data through period 5 (February 28, 2023).

Mr. Potter inquired if there is one particular item that enables us to keep the expenses below budget. Mr. O'Dell stated our philosophy is budget heavy, spend light. There were some uncertainties because we did not have a full operating season when the budget was built to include TUI. Our Ground Handling expense is better than what we had budgeted as is our Custom expense at this point. Mr. Potter asked if it is anticipated that we be on budget for the remaining fiscal year. Mr. O'Dell stated he expects to stay on budget.

Mr. Mikuen inquired if interest income exceeding interest expense at the moment. Mr. O'Dell stated yes. Mr. Mikuen asked if Mr. O'Dell had completed the laddering of the investment from last month's meeting. Mr. O'Dell stated he locked in rates at 5.21 percent but did not go out very long. Even on the funds that are liquid seven day funds, we are still earning 4.99 percent. Mr. Mikuen asked what was the longest you did on the long term. Mr. O'Dell stated six months.

Mr. Potter inquired is there anything on the expenses that is unanticipated or causes you to believe it's out of control. Mr. O'Dell stated that nothing has given him any cause for concern. Mr. Donovan expressed that he anticipated an operating loss this fiscal year.

Mr. Peoples expressed his thanks to Mr. O'Dell for reviewing the overall budget with him.

Item I-2 Operations Update by Ms. Stephanie Betts

Brevard Corporate 5K Run

Ms. Betts explained the Melbourne Airport Authority hosted a Corporate 5K run on April 13th. The event was very successful with 60 corporate teams and an estimated total of 2,300 participants. Ms. Betts expressed her thanks to all the tenants for being supportive during the event.

Item I-3 Construction Projects Update by Mr. Perley

Terminal Renovation and Expansion

Installation of the new fire alarm in the renovation spaces continues with testing of the system. Testing of the CCTV system is complete. Walk-through with CBP generated a few punch list items that are currently being addressed at this time.

In Line Baggage System

The new design team is currently working to complete 70 percent of the design drawings and complete a construction estimate by TSA's deadline of May 1st. Completion of the design will occur in August. A Request for Proposal for CM at Risk will be issued in August for a selection in September. Construction funding will

not be available until October 2023 when Notice to Proceed will be issued. Construction is estimated to take 16 to 18 months.

Gate 9 Passenger Boarding Bridge

Passenger boarding bridge has been delivered and is currently being installed. The fixed bridge framing is complete, and all exterior finished is currently being installed. Roofing on the fixed bridge is complete. All MEP rough in are nearing completion. The contractor has met with the City Building Department for last-minute requirements for occupancy. Completion of the project and first use of the bridge is set for May 7th.

Northside Expansion: St. Michael Place Extension Phase 3

The final lift of asphalt has reached the 30-day cure time. Final striping of the roadway has begun but has been hampered by rain as thermoplastic striping requires 24 pre-dried conditions for proper adhesion. Property boundary easements remain to be resolved. Project closeout is expected in May.

Mr. Fisher inquired about the update on the fire sprinkler's additional work with the City of Melbourne. Mr. Perley stated we have hired Southern Fire Protection to complete this work. The airport is waiting for final approval and award of the FAA grant for this work. Once approved, Southern Fire will commence, and it should take about eight to nine months to complete the work. Permits have been pulled and in compliance with the City of Melbourne.

Item I-4 Business Development and Marketing update by Mr. Busalacchi

Mr. Busalacchi explained the mural in the new holdroom area is complete. The mural is the first part of the Arts at MLB program and captured everything that is part of our community.

The TUI social media campaign group came to town and did a variety of social media posts highlighting the airport and community. It was very successful, and TUI had a lot of great feedback.

The airport will be hosting the TUI executive team and UK media along with Airport Authority Board at the Kennedy Space Center this Sunday, April 30th.

Keely's Corner/MLB in the news by different organizations reporting the upcoming stories of Melbourne Orlando International Airport.

Mr. Potter inquired about the increase in incidents in the monthly MAPD report. Mr. Dobson stated that the Airport has had an increase in incidents due to an increase in passengers.

Adjournment

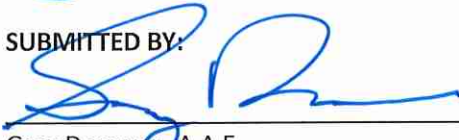
This meeting was adjourned by Chairman William Potter at 9:38 a.m.

PREPARED BY:



Sandra Acevedo, Administrative Assistant II

SUBMITTED BY:



Greg Donovan, A.A.E.
Executive Director

APPROVED BY ACTION OF AIRPORT AUTHORITY:



William C. Potter, Chairman