



MELBOURNE AIRPORT AUTHORITY BOARD MEETING

**AGENDA**

May 22, 2024, at 8:30 AM

Melbourne Orlando International Airport Board Room

**Pledge of Allegiance**

**Airport Announcements**

**Executive Director's Recognition of Excellence Award**

**Action Items**

**Item A-1 Approval of the minutes for the April 24, 2024, Regularly Scheduled Board Meeting.**

**Item A-2 Recommendation to Approve Resolution 2-24 to Amend Florida Department of Transportation Public Transportation Grant Agreement to Fund Certain Improvements for the Taxiway "A" Rehabilitation Project to increase the Grant by \$1,500,000.**

The Taxiway "A" Rehabilitation project is funded by multiple grants and MAA funds. The Airport has an executed Florida Department of Transportation (FDOT) grant for the design of this project, and this amendment will increase the grant to cover FDOT's share of the construction phase of Taxiway "A". This grant provides for 50 percent of construction costs for the non-Federal Aviation Administration funded portion of the project.

This project and associated funding are included in the current approved capital budget.

Staff recommends approval of Resolution 2-24 to amend the Florida Department of Transportation grant to fund Taxiway "A" Rehabilitation construction phase and authorization for the Chairman to execute said resolution on behalf of the Authority.

**Item A-3 Recommendation to Approve Renewal of Airport Liability Insurance Coverage Policy in the Amount Not-To-Exceed \$92,051.**

The Airport's annual liability insurance coverage policy expires on July 14, 2024. The Airport utilizes aviation insurance broker, Arthur J. Gallagher Risk Management Services, Inc. (Gallagher), to assist with obtaining proposals from aviation insurers, evaluating carrier stability, and providing aviation coverage recommendation for airports. In the current insurance environment, Gallagher recommended negotiating with the existing carrier to obtain the best price with the required coverage in lieu of obtaining quotes. Gallagher obtained a renewal quote from the current insurer, National Union Fire Insurance Company, with the same coverage as the current policy. Gallagher negotiated a 2.9 percent premium reduction if passenger activity had remained the same as the prior year, however, the growth in passenger traffic resulted in a 9 percent premium increase.

Gallagher recommends proceeding with National Union Fire Insurance company as the coverages offered are of best value to the Airport. Note that the premium includes liability limit of \$200 million and the deductible is \$50,000.

Staff recommends renewing the Airport's General Liability Insurance Coverage with National Union Fire Insurance Company in the amount not to exceed \$92,051 for a one-year term and authorization for the Executive Director to execute said agreement on behalf of the Authority.

**Item A-4 Recommendation to Increase a Purchase Order for Environmental Science Associates Corporation to the Amount of \$201,722.**

As part of the land release process for the sale of 53.852 acres to Adelon Real Estate Manager, LLC for the Lakoona Beach project, the Federal Aviation Administration (FAA) requested certain environmental information. Airport staff engaged Environmental Science Associates Corporation (ESA) to conduct the requested work. The release and approval is a Federal Action that is subject to environmental review under the National Environmental Policy Act of 1969 (NEPA). Pricing in the scope of work for this project is in accordance with negotiated rates in place with ESA as part of the Airport's Continuing Services Contract.

An initial Purchase Order (PO) of \$49,346 was issued to ESA so it could begin the preliminary work required to assess the full scope of work. This \$152,376 increase to the PO is to initiate the Environmental Assessment (EA) planning process and to provide information to the FAA so that it can determine if the project can proceed in preparation of the full EA.

The tasks of the proposed scope of work include:

- Project definition and background.
- Purpose and need.
  - Identify goals and objectives to be met to include identifying the federal actions necessary, anticipated project development timelines, and likely project costs and funding sources.
- Alternatives analysis and agency review.
- Early identification of potential environmental impacts.
  - Screening and potential impacts analysis.
  - Cultural resource assessment survey.
  - Landfill investigation.
- Project coordination and meetings.
  - Up to 11 virtual meetings with Airport staff and/or FAA. ESA will support development of agenda, meeting notes, and other supporting information, as well as management and administrative necessary to complete the project.

The Airport has sufficient budget available to cover this expense.

Staff recommends approval to increase a Purchase Order for Environmental Science Associates Corporation to the amount of \$201,722.

**Item A-5 Recommendation to Approve Award of a Contract to Janitorial Depot for Janitorial Supplies in the Amount Not-To-Exceed \$90,000 Annually.**

The Airport maintains the terminal, commercial business center buildings, and administration areas that require janitorial supplies to meet operational needs. Staff issued an Invitation to Bid for janitorial supplies, and 17 Bidders responded, with six (6) providing pricing on all line items requested. After a review of pricing, delivery requirement speed, and product specification approvals, it was determined that Janitorial Depot of West Melbourne, FL provided best pricing and value for the Airport to recommend awarding all items of the bid.

Janitorial Depot is the Airport's current janitorial supply vendor, selected when this was last bid in 2022. The pricing in its current bid is valid for a two (2) year base term, with two (2), two (2) year renewal options.

Staff recommends approval of the award of the bid to Janitorial Depot in the base term of two (2) years.

**Item A-6 Recommendation to award a Contract for the Project Vista (Dassault Falcon Jet) Site Infrastructure Improvements Project to the Lowest Responsive Qualified Bidder, KCF Site Development, LLC, in the Amount of \$4,478,428.57.**

As part of the agreement with Dassault Falcon Jet (DFJ), the airport secured a grant from the Florida Department of Transportation (FDOT) to assist DFJ in its construction of the project for the common use infrastructure of underground utilities and taxiway pavement.

AVCON was selected to design the common use portion of the project that includes all underground utilities, road improvements off Apollo Boulevard, Taxiway S modifications, Taxiway H reconstruction, and the common use apron.

This project was bid previously with only two bidders responding. The low bid at that time was significantly over budget for the combined package. Portions of the project were redesigned, and new bids were requested.

Four bids were received on the revised design and bids came in \$2 million less, but not low enough to include the entire scope of work. The only portion of the redesign over the budget was the common use apron work. The following is the tabulation of the revised bids:

	KCF Site Development, LLC	Dickerson Infrastructure, Inc. dba Dickerson Florida, Inc.	The Middlesex Corporation	Granite Construction Company of California
Bid Sch A	\$4,251,457.00	3,667,520.00	\$4,059,244.00	\$4,371,629.46
Bid Sch B	\$1,279,276.75	\$1,514,180.00	\$1,598,935.00	\$2,077,399.25
Bid Sch C	\$2,085,079.40	\$2,840,154.47	\$3,100,816.80	\$3,379,533.62
Bid Sch D	\$1,114,072.42	\$1,462,795.00	\$1,717,895.00	\$1,897,985.88
<b>Total Bid</b>	<b>\$8,729,885.57</b>	<b>\$9,484,649.47</b>	<b>\$10,476,890.80</b>	<b>\$11,726,548.21</b>

Due to the urgency of time for this work to start to not impact the DFJ project, staff recommends award of Bid Schedules B, C, and D at this time to lowest responsive qualified bidder, KCF Site Development (KCF).

The Airport has adequate budget and funding for the scope of work in Bid schedule B, C, and D. Funding for Bid Schedules B and C is from the FDOT grant for the DFJ project, the project vista grant, while Bid Schedule D is funded with the northside development grant. Note that both FDOT grants will cover 100 percent of the project with no local match required. The Airport’s agreement with DFJ is that the Airport would cover project development costs up to the amount of funding provided by the State. Airport staff is working with the various stakeholders to develop options to fund bid schedule A.

Staff recommends the award a Contract for the Project Vista (Dassault Falcon Jet) Site Infrastructure Improvements Project to the lowest responsive qualified bidder, KCF Site Development, LLC, in the Amount of \$4,478,428.57 and authorization for the Executive Director to execute said contract on behalf of Authority.

**Item A-7 Recommendation to approve a Purchase Order to AVCON, Inc, under its Continuing Services Contract, for the Professional Airside Engineering for the Construction Administration (CA) Services and Resident Project Representative (RPR) Phase of the Project Vista (Dassault Falcon Jet) Site Infrastructure Improvements Project in an Amount Not-To-Exceed \$506,228.00.**

A Purchase Order was approved for AVCON for the design of the Dassault Falcon Jet (DFJ) site infrastructure. Moving into the construction phase of the project, AVCON is now submitting for the Construction Administrative (CA) services and Resident Project Representative (RPR).

The amount requested is covered in the Florida Department of Transportation (FDOT) grant for this work which is already in place.

Staff recommends approval of the approval of a purchase order to AVCON, Inc. under its Continuing Services Contract, for the Professional Airside Engineering for the Construction Administration (CA) Services and Resident Project Representative (RPR) Phase of the Project Vista (Dassault Falcon Jet) Site Infrastructure Improvements Project in an amount not to exceed \$506,228 and authorization for the Executive Director to execute said purchase order change order on behalf of Authority.

**Item A-8 Recommendation to Approve a Lease Agreement with Melbourne Regional Chamber of Florida’s Space Coast, Inc.**

Melbourne Regional Chamber of Florida’s Space Coast, Inc. (Chamber) is leasing space in the Airport-owned building at 1135 W. NASA Boulevard as it transitions out of its building being sold.

The salient points of the lease are as follows:

- **Term:** Two years with two, one-year options. However, either party may terminate the lease with 60 days’ written notice.
- **Lease Area:** 4,333.73 square feet.
- **Lease Rate:**
  - Base rent is \$13.00 per square foot per year, which is \$56,388.49 annually.
  - Common Area Maintenance (CAM) charge is \$3.50 per square foot per year, which is \$15,168.06 annually.
- **Rent and CAM Adjustments:** CPI adjustments will occur on the extension of each option period with a minimum of 2 percent and a maximum of 7 percent per year.
- **Rent Credit:**
  - For the initial base term of two years, a yearly rent credit of \$20,028.46 will be applied evenly per month over each year. This is an in-kind credit for the Airport’s annual Chamber membership and additional sponsorship fees.
    - If the Chamber terminates the lease prior to the application of the full credit, any unused/unapplied rent credit will be waived and released.
    - If the Authority terminates the lease prior to the application of the full credit, the Authority will compensate the Chamber in full for the membership fee and additional sponsorship fees.
- **Rent Abatement:** In consideration of the Chamber’s acceptance of the premises in as-is condition and to permit the Chamber time to configure the premises for its use, the first month of the base rent and CAM charge will be waived.
- **Taxes and Fees:** The Chamber is responsible for all taxes and fees associated with the lease.
- **Maintenance:** Airport is responsible for the replacement of the HVAC system or any HVAC units, if necessary. It is also responsible for any exterior maintenance, roof repairs or replacement.

This lease will generate revenues of approximately \$137,154.22 over the original two-year term including the in-kind rent credits.

Staff recommends approval of the Lease Agreement with Melbourne Regional Chamber of Florida’s Space Coast and authorization for the Executive Director to execute said Lease on behalf of the Authority.

## **Discussion Items**

**Item D-1 FY-25 Budget Presentation**

## **Information Items**

**Item I-1 Financial Update**

**Item I-2 Operations Update**

**Item I-3 Construction Projects Update**

**Item I-4 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/she 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 (321) 723-6227 at least 48 hours prior to the meeting.*

**MELBOURNE ORLANDO INTERNATIONAL AIRPORT**

**Income Statement**

**March 31, 2024**

	Year To Date Actual		\$ change	% change
	3/31/2024	3/31/2023		
Operating Revenue				
Airline Landing Fees	327,150	267,812	59,338	22%
Airline Service Fees	1,409,741	1,222,498	187,243	15%
Land & Bldg Lease Rents	5,822,976	5,051,046	771,930	15%
Terminal Rents	139,716	141,009	(1,293)	-1%
Parking Lot Fees	1,053,192	971,031	82,162	8%
Car Rental Concessions	810,475	849,634	(39,159)	-5%
Restaurant Concessions	173,760	139,023	34,737	25%
Mobile Home Park Rent	1,019,125	1,021,716	(2,591)	0%
T-Hangar Rentals	45,571	44,076	1,495	3%
Operating Grant Revenue	34,677	33,060	1,617	5%
Other	389,842	282,750	107,092	38%
<b>Total Operating Revenues</b>	<b>11,226,225</b>	<b>10,023,654</b>	<b>1,202,571</b>	<b>12%</b>
Operating Expense:				
Personnel Services	2,815,446	2,823,363	(7,917)	0%
Contract Services	3,683,618	3,530,480	153,138	4%
Police & Fire Services	669,903	634,158	35,745	6%
Maintenance and Operations	2,963,779	2,670,559	293,220	11%
Other	56,563	111,211	(54,648)	-49%
<b>Total Operating Expenses</b>	<b>10,189,310</b>	<b>9,769,771</b>	<b>419,539</b>	<b>4%</b>
Operating Income (Loss)	1,036,915	253,883	783,032	
Non-Operating Revenue (Expense):				
Passenger Facility Charges	676,258	632,877	43,381	7%
Customer Facility Charges	668,852	536,068	132,784	25%
CARES Grant Revenue	2,262,865	2,117,020	145,845	7%
Gain (Loss) on Sale of Assets	6,671	28,459	(21,788)	-77%
Interest Income (Loss)	733,939	417,877	316,061	76%
Ad Valorem Tax Revenue	1,069,070	900,181	168,889	19%
Ad Valorem Tax Expense	(1,035,152)	(908,259)	(126,893)	14%
Interest Expense	(24,375)	(24,375)	-	0%
<b>Total Non-Operating Revenue (Expense)</b>	<b>4,358,127</b>	<b>3,699,847</b>	<b>658,280</b>	
<b>Net Income (Loss) Before Depreciation*</b>	<b>5,395,042</b>	<b>3,953,730</b>		

\* Net Income before capital contributions, capital equipment, and transfers

**MELBOURNE ORLANDO INTERNATIONAL AIRPORT**  
**Statement of Revenues, Expenditures and Changes in Fund Net Assets**  
**March 31, 2024**

	<b>YTD Actual</b>	<b>Annual Budget</b>	<b>% of Budget</b>
<b>Operating Revenues:</b>			
Airline Landing Fees	327,150	548,700	60%
Airline Service Fees	1,409,741	2,580,095	55%
Land & Bldg Lease Rents	5,822,976	9,985,740	58%
Terminal Rents	139,716	253,683	55%
Parking Lot Fees	1,053,192	1,869,722	56%
Car Rental Concessions	810,475	1,712,402	47%
Restaurant Concessions	173,760	800,000	22%
Mobile Home Park Rent	1,019,125	2,884,990	35%
T-Hangar Rentals	45,571	-	#DIV/0!
Operating Grant Revenue	34,677	66,000	53%
Other	389,842	811,493	48%
<b>Total Operating Revenues</b>	<b>11,226,225</b>	<b>21,512,825</b>	<b>52%</b>
<b>Operating Expense:</b>			
Personnel Services	2,815,446	6,734,923	42%
Contract Services	3,683,618	9,183,957	40%
Police & Fire Services	669,903	1,375,676	49%
Maintenance and Operations	2,963,779	7,818,561	38%
Other	56,563	300,000	19%
<b>Total Operating Expenses</b>	<b>10,189,310</b>	<b>25,413,117</b>	<b>40%</b>
<b>Operating Income (Loss)</b>	<b>1,036,915</b>	<b>(3,900,292)</b>	
<b>Non-Operating Revenue (Expense):</b>			
Passenger Facility Charges	676,258	1,577,117	43%
Customer Facility Charges	668,852	1,325,101	50%
CARES Grant Revenue	2,262,865	2,262,865	100%
Gain (Loss) on Sale of Assets	6,671	2,328	287%
Interest Income (Loss)	733,939	796,201	92%
Ad Valorem Tax Revenue	1,069,070	2,042,116	52%
Ad Valorem Tax Expense	(1,035,152)	(2,092,604)	49%
Interest Expense	(24,375)	(312,500)	8%
<b>Total Non-Operating Revenue (Expense)</b>	<b>4,358,127</b>	<b>5,600,624</b>	
<b>Net Income (Loss) before</b>			
Depreciation, Transfers, and Capital Contributions	5,395,042	1,700,332	
<b>Depreciation Expense</b>			
Machinery and Equipment	(328,393)	(754,000)	44%
FAA Equipment Grant	-	-	#DIV/0!
Intra Transfer to Airport Capital	-	(2,154,365)	0%
<b>Net Income (Loss) After Transfers</b>	<b>5,066,650</b>	<b>(1,208,033)</b>	

**Melbourne Orlando International Airport**  
**Top 10 Operating Revenues**  
**3/31/2024**

Rank	Description	YTD FY 2024	FY 24 % of Total Rev	YTD FY 2023	FY 23 % of Total Rev	\$ Change	% Change
1	Airfield Facilities Rental	3,628,998	32%	2,931,435	29%	697,563	24% A
2	Commercial Business Center Rent	1,620,880	14%	1,563,249	16%	57,631	4%
3	Parking Revenue	1,053,192	9%	971,031	10%	82,161	8% B
4	Tropical Haven Revenue	1,019,125	9%	1,021,716	10%	(2,591)	0%
5	Ground Handling Revenue	943,767	8%	809,109	8%	134,658	17% C
6	Car Rental Concession	810,475	7%	849,634	8%	(39,159)	-5% D
7	Terminal Rent-Airline	492,016	4%	440,433	4%	51,583	12% E
8	Hangar Rent	429,530	4%	412,151	4%	17,379	4%
9	Landing Fees	327,150	3%	267,812	3%	59,338	22% E
10	Terminal Concessions	173,760	2%	139,023	1%	34,737	25% E
Total Top 10 Operating Revenue		10,498,893	94%	9,405,593	94%	1,093,300	
Other Operating Revenue		727,332	6%	618,061	6%	109,271	18%
Total Operating Revenue		11,226,225	100%	10,023,654	100%	1,202,571	12%

A Increase is primarily the result of an option for property that was executed in Feb 2024 for airport property, the airport received almost \$600k for the option on undeveloped property-a new revenue source for FY 24. The remaining increase is due to normal CPI adjustments plus one tenant's rent was higher on a parcel that has a multi-year phase in period.

B Parking is higher due to the impact of moving to a single tiered rate in all public parking lots in January 2023 (rate increased for all lots from \$13/day to \$14/day rather than having different maximum rates for long term and short term lots). Parking layovers (overnight parkers) were basically flat through the period reviewed.

C Revenue increase is due primarily to increase in activity levels coupled with a 5% rate adjustment that went into effect on 10/1/23 plus some airlines are rolling off the incentive plan so they are paying airport fees.

D Revenue decline is due to a reduction in the price car rental companies charge (MLB receives 10% of the gross revenues). During the pandemic, there was a shortage of cars that resulted in the escalation of prices charged by the rental car companies. As the supply of vehicles available for rent increases, the average price charged to end users has declined so the applicable fees remitted to the airport have had a corresponding decrease.

E Revenue is higher due to increase in activity level, such as gate use fees, as there was no rate adjustment for terminal rent or landing fees. In addition, some airlines their finished incentive periods on certain routes in FY 24 so they are now paying airport fees.



**Melbourne Orlando International Airport**  
**Top 10 Operating Expenses**  
**3/31/2024**

<b>Rank</b>	<b>Description</b>	<b>YTD FY 2024</b>	<b>FY 24 % Operating Expense</b>	<b>YTD FY 2023</b>	<b>FY 23 % Operating Expense</b>	<b>\$ change</b>	<b>% change</b>
1	Personnel	2,815,446	28%	2,823,363	29%	(7,917)	0%
2	Other Contract Services	2,568,903	25%	2,480,206	25%	88,697	4%
3	Fire Services	665,501	7%	616,307	6%	49,194	8%
4	Contractual Employee	614,216	6%	529,965	5%	84,251	16% A
5	Electric	404,808	4%	394,160	4%	10,648	3%
6	Consulting Fees	253,566	2%	245,196	3%	8,370	3%
7	Risk Management	235,856	2%	237,535	2%	(1,679)	-1%
8	Cable TV Expense	204,957	2%	186,268	2%	18,689	10%
9	R&M-Runways/Taxiways	173,411	2%	126,649	1%	46,762	37% B
10	Landscaping/Irrigation Expense	173,324	2%	106,254	1%	67,070	63% C
<b>Total Top 10 Operating Expense</b>		<b>8,109,988</b>	<b>80%</b>	<b>7,745,903</b>	<b>79%</b>		
<b>Other Operating Expense</b>		<b>2,079,322</b>	<b>20%</b>	<b>2,023,868</b>	<b>21%</b>	<b>55,454</b>	<b>3%</b>
<b>Total Operating Expense</b>		<b>10,189,310</b>	<b>100%</b>	<b>9,769,771</b>	<b>100%</b>	<b>419,539</b>	<b>4%</b>

A Increase is due to increased custodial and maintenance staffing expense. Management is working to reduce temp labor costs during TUI's off-season as the frequency of cleaning the terminal areas goes down passenger traffic decreases.

B Taxiway A pavement is deteriorating and needs to be strengthened to endure the weight of the 787 aircraft. The Airport has spent \$164,891 repairing Taxiway A in order to keep it operational until funding is secured for the reconstruction of T/W A (slated for later this year).

C Increase is due to new property that is being maintained by an outside landscaping company. This new space was created by the extension of St. Michaels Place road. The Airport also had the landscaper remove several trees near the entrance to the terminal loop.

**Melbourne Orlando Int'l Airport**  
**Cash Flow Projection**  
**5/10/2024**

	April-24	May-24	June-24	July-24	August-24	September-24	October-24	November-24	December-24	January-25	February-25	March-25
Beginning Cash/Investment Balance	\$ 33,703,875	\$ 32,950,334	\$ 30,695,498	\$ 31,670,399	\$ 30,488,174	\$ 26,564,755	\$ 25,230,457	\$ 25,761,340	\$ 23,404,414	\$ 25,636,726	\$ 27,213,477	\$ 26,883,457
Operating Revenue	1,722,929	1,722,929	1,722,929	1,722,929	1,722,929	1,722,929	1,948,019	1,948,019	1,948,019	2,853,114	1,948,019	1,948,019
Plus: ARPA Grant	2,262,865											
Less: Prepaid Rent Recorded as Deferred Revenue	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)	(27,272)
Plus: Annual Land Option Revenue										212,355		578,148
Plus: Monthly Collections Ad Valorem Tax	133,988	133,988	133,988	133,988	133,988	133,988	133,988	133,988	133,988	133,988	133,988	133,988
Operating Expense:												
Liability Insurance			(20,000)	(92,051)								
Personnel	(555,098)	(555,098)	(555,098)	(555,098)	(555,098)	(555,098)	(559,687)	(559,687)	(559,687)	(559,687)	(559,687)	(559,687)
TUI Marketing Incentive Payment	(988,585)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(36,415)					
Debt Payment (Interest)			(146,750)						(128,700)			
Maintenance and Operations Expense	(1,406,991)	(1,406,991)	(1,406,991)	(1,406,991)	(1,406,991)	(1,406,991)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)
Ad Valorem Tax Payment								(2,707,599)				
<b>Net Increase (Decrease) in Cash Flow from Operations</b>	<b>(132,444)</b>	<b>(257,444)</b>	<b>(424,194)</b>	<b>(349,495)</b>	<b>(257,444)</b>	<b>(257,444)</b>	<b>118,710</b>	<b>(2,552,474)</b>	<b>26,425</b>	<b>1,272,575</b>	<b>155,125</b>	<b>733,273</b>
Total Capital Outlay	(1,813,579)	(1,579,044)	(1,857,406)	(1,850,000)	(5,031,352)	(3,250,000)	(3,168,022)	(2,400,000)	(1,850,000)	(1,574,068)	(1,363,255)	(500,000)
Principal Payment-Outstanding Debt		(1,800,000)										
Total Capital Grant Revenue	871,349	1,071,700	2,970,514	710,484	1,071,700	1,902,500	3,379,105	2,416,119	3,887,500	1,711,250	700,000	2,397,308
PFC Collections (Reimbursement of Eligible Costs)	174,509	168,433	155,410	166,713	159,589	147,074	106,299	94,056	88,268	87,538	93,365	109,123
CFC Collections	146,623	141,519	130,576	140,073	134,087	123,572	94,791	85,373	80,119	79,456	84,745	99,049
Net Increase (Decrease) in Cash From Capital and Debt	(621,098)	(1,997,392)	1,399,094	(832,730)	(3,665,976)	(1,076,855)	412,173	195,548	2,205,886	304,176	(485,145)	2,105,479
Beginning Cash/Investments	33,703,875	32,950,334	30,695,498	31,670,399	30,488,174	26,564,755	25,230,457	25,761,340	23,404,414	25,636,726	27,213,477	26,883,457
<b>Ending Cash/Investments</b>	<b>32,950,334</b>	<b>30,695,498</b>	<b>31,670,399</b>	<b>30,488,174</b>	<b>26,564,755</b>	<b>25,230,457</b>	<b>25,761,340</b>	<b>23,404,414</b>	<b>25,636,726</b>	<b>27,213,477</b>	<b>26,883,457</b>	<b>29,722,210</b>

**Melbourne Orlando Int'l Airport**  
**Cash Flow Projection - Capital Exp and Grant Revenue**  
**5/10/2024**

Capital Project Expenditures	Proj #	Total Cost	Prior Expend	April-24	May-24	June-24	July-24	August-24	September-24	October-24	November-24	December-24	January-25	February-25	March-25
Term Upgrade-Restrooms Gate Belt etc	Various	5,263,158	(564,663)	(241,622)	(282,805)	(350,000)	(500,000)	(600,000)	(600,000)	(750,000)	(400,000)	(400,000)	(574,068)		
Term Upgrade-Fire Sprinkler/Plumbing	50023	5,959,412	(596,157)	-	(200,000)	(200,000)	(250,000)	(500,000)	(750,000)	(750,000)	(750,000)	(600,000)	(500,000)	(863,255)	
Terminal Exp PH2-Int'l PBB (Gate 9)	50423	4,500,000	(4,130,523)	(193,605)											
Terminal Exp-Public Space (Haskell)	50519	52,264,894	(50,130,131)			(170,469)		(1,964,294)							
In Line Baggage System-Design	50121	1,024,944	(1,024,918)	-	-										
<b>Northside Expansion</b>	<b>54120</b>	11,948,523													
Northside Exp-T/W M Ext	54320	3,930,000	(227,211)	(155,582)	(256,545)	(250,000)	(350,000)	(350,000)	(400,000)	(400,000)	(350,000)	(350,000)			
Northside Exp-Taxiway C Rehab	50623	3,060,405	(932,222)	(909,034)	(433,278)										
Project Vista Site Improvements	50323	6,600,000	(1,645,614)	(7,501)	(50,000)	(350,000)	(350,000)	(300,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
Taxiway A Rehab	50524	28,937,300	(194,617)	(122,935)	(250,000)	(300,000)	(300,000)	(274,058)							
ATCT Roof/Bldg Imp/Remodel	50924/51024	306,605	(11,337)	(66,500)	(106,416)	(122,352)									
Equipment Purchases		754,000	(211,593)	(116,800)		(114,585)		(43,000)		(268,022)					
T-Hangars Phase 1	50223	3,000,000					(100,000)	(1,000,000)	(1,000,000)	(500,000)	(400,000)				
<b>Total Capital Outlay</b>				(1,813,579)	(1,579,044)	(1,857,406)	(1,850,000)	(5,031,352)	(3,250,000)	(3,168,022)	(2,400,000)	(1,850,000)	(1,574,068)	(1,363,255)	(500,000)
<b>Grant Revenue</b>															
FDOT DRA-Ramp Reimb (\$5,902,919)			3,343,400		1,071,700			1,071,700			416,119				
FAA Grant 59 Restrooms/Gate/Belt/etc	Multi	5,000,000				1,034,636				1,947,500			1,472,500		545,365
FDOT Restrooms/Gate/Belt/Flooring/etc	Multi	131,000				27,227				51,250			38,750		14,352
FAA-Fire Sprinklers-Grnt 60	50023	5,363,470	180,000			554,541			855,000			2,025,000			1,748,929
FDOT Fire Sprinklers	50023	297,971	10,000			39,308			47,500			112,500			88,663
FAA BIL AIG Gate 9-Grnt 62	50423	4,050,000	3,717,470			174,245				-		-			
TSA OTA-In Line Baggage Sys Design (\$711,496)			640,316			-	71,146								
<b>NORTHSIDE EXPANSION GRANTS</b>															
FDOT (T/W M Realignment/Ext)	54320	6,815,402	-	102,801			639,338				1,500,000			700,000	
FDEO (Inf Dev & T/W C)	54420/50623	3,922,132	1,654,164	768,548		433,278					-				
FDOT-Project Vista Grant	50323	6,600,000	1,535,011			168,104			1,000,000			1,500,000			
FDOT FY 23 T Hangar Grant	50223	1,500,000								550,000	500,000	250,000	200,000		
FAA Taxiway A Rehab	50524	1,267,370	-			510,797				786,652					
FDOT Taxiway A Rehab	50524	70,410	-			28,378				43,703					
<b>Total Grant Revenue</b>				871,349	1,071,700	2,970,514	710,484	1,071,700	1,902,500	3,379,105	2,416,119	3,887,500	1,711,250	700,000	2,397,308

**MELBOURNE ORLANDO INTERNATIONAL AIRPORT (MLB) MONTHLY ACTIVITY REPORT  
APRIL 2024**

	2024	2023	MO CHANGE (%)	2024 YTD	2023 YTD	YTD CHANGE (%)
<b>PASSENGERS</b>						
Revenue PAX - Domestic						
Enplaned	25,448	24,244	5.0%	93,785	87,829	6.8%
Deplaned	23,494	22,358	5.1%	92,601	85,286	8.6%
<b>Total Revenue PAX - Domestic</b>	<b>48,942</b>	<b>46,602</b>	<b>5.0%</b>	<b>186,386</b>	<b>173,115</b>	<b>7.7%</b>
Revenue PAX - Int'l						
Enplaned	6,796	5,596	21.4%	7,097	6,010	18.1%
Deplaned	6,662	6,435	3.5%	9,943	8,748	13.7%
<b>Total Revenue PAX - Int'l</b>	<b>13,458</b>	<b>12,031</b>	<b>11.9%</b>	<b>17,040</b>	<b>14,758</b>	<b>15.5%</b>
Non-Revenue PAX						
Enplaned	649	852	-23.8%	2,719	3,276	-17.0%
Deplaned	741	818	-9.4%	2,764	3,264	-15.3%
<b>Total Non-Revenue PAX</b>	<b>1,390</b>	<b>1,670</b>	<b>-16.8%</b>	<b>5,483</b>	<b>6,540</b>	<b>-16.2%</b>
<b>Total PASSENGERS</b>	<b>63,790</b>	<b>60,303</b>	<b>5.8%</b>	<b>208,909</b>	<b>194,413</b>	<b>7.5%</b>
<b>AIRCRAFT OPERATIONS</b>						
Air Carrier	590	573	3.0%	2,151	2,057	4.6%
Air Taxi	156	173	-9.8%	661	629	5.1%
General Aviation - Itinerant	10,899	8,488	28.4%	41,551	35,514	17.0%
General Aviation - Local	2,010	4,351	-53.8%	8,757	19,389	-54.8%
Military	64	54	18.5%	392	323	21.4%
<b>Total OPERATIONS</b>	<b>13,719</b>	<b>13,639</b>	<b>0.6%</b>	<b>53,512</b>	<b>57,912</b>	<b>-7.6%</b>

## RESOLUTION NO. 2-24

**A RESOLUTION OF THE CITY OF MELBOURNE AIRPORT AUTHORITY, BREVARD COUNTY, FLORIDA, AMENDING INTO A "PUBLIC TRANSPORTATION GRANT AGREEMENT" FOR THE REHABILITATION OF TAXIWAY "A" PROJECT WITH THE STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION (FDOT) PROVIDING FOR THE FINANCIAL PARTICIPATION BY FDOT IN CERTAIN AIRPORT IMPROVEMENT PROJECTS AT THE MELBOURNE ORLANDO INTERNATIONAL AIRPORT**

WHEREAS, the City of Melbourne Airport Authority has requested financial participation by the State of Florida Department of Transportation in certain Airport improvement projects, and

WHEREAS, the State Department of Transportation had previously approved a grant in the amount of \$70,410, has approved the request for financial assistance and agrees to increase the maximum participation in the amount of \$1,500,000 for a total grant amount of \$1,570,410 to fund certain improvements upon the terms and conditions stated in said agreement.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF MELBOURNE AIRPORT AUTHORITY AS FOLLOWS:

SECTION 1. That the City of Melbourne Airport Authority, Brevard County, Florida, agrees to enter into a "Public Transportation Grant Agreement" with the State of Florida Department of Transportation providing for assistance by the State in the form of a Grant Amendment in the amount of \$1,500,000.00 upon the terms and conditions stated in said agreement.

SECTION 2. That William C. Potter, Chairman, is hereby authorized to execute on behalf of the City of Melbourne Airport Authority, and Gregory Donovan, Executive Director, is hereby authorized and directed to impress the official seal of the City of Melbourne Airport Authority, Brevard County, Florida, and attest said execution.

SECTION 3. That the City of Melbourne Airport Authority, Brevard County, Florida, expresses its sincere appreciation to the State Department of Transportation for the above grant and pledges its continued support and cooperation in the improvement and development of the Melbourne Orlando International Airport as a vital link in the State's Transportation System.

SECTION 4. This Resolution was duly passed at a regular meeting of the Melbourne Airport Authority, Brevard County, Florida, on the 22<sup>nd</sup> Day of May 2024.



BY: \_\_\_\_\_  
William C. Potter, Chairman  
Melbourne Airport Authority

ATTEST:

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



MELBOURNE AIRPORT AUTHORITY BOARD

Minutes April 24, 2024

Board Meeting Airport Board Room

In attendance: Mr. William C. Potter, Chairman  
The Honorable Tim Thomas, Vice Chairman, Councilmember  
Mr. Brent Peoples, Member  
Mr. Scott Mikuen, Member  
Mr. Michael Fischer, Member  
Mr. Adam Bird, 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  
Mr. David Perley, A.I.C., Director of Capital Improvements  
Mrs. Kayla Krause – Airport Accountant  
Ms. Renee Purden, Chief of Police/Director of Public Safety

Absent: The Honorable Mark LaRusso, Councilmember  
The Honorable Paul Alfrey, Mayor  
Ms. Melissa Naughton, C.M., ACE, Assistant Director of Business Development  
Mr. Mike O'Dell, C.P.A., Director of Finance and Administration

**Pledge of Allegiance**

**Airport Announcements by Executive Director Greg Donovan**

MLB welcomed the Mobile Regional Airport Authority Team.

MLB hosted the Brevard Corporate 5K and placed 2<sup>nd</sup> overall for groups with 50 or fewer employees.

MLB debuts new website providing greater connectivity to passengers and stakeholders.

Congratulations to Amanda Moyer, Grounds Service Manager, for earning CM accreditation.

Welcome to Officer Aaron Guard, MAPD, Officer Kaleb Martin, MAPD and Officer Austin Smith, MAPD.

Law Enforcement Torch Run for Special Olympics April 24, 2024.

Passenger Activity Report. Total passengers year-to-date is 145,119, which is an 8.2 percent increase. March total passengers were 56,600, which is an 8.5 percent increase over March 2023. March total international passengers were 3,582, which is a 31.9 percent increase over March 2023.

Mr. Potter inquired about the local general aviation operations being down. Mr. Donovan stated industry wide there has been an increase in costs for insurance liability, regulatory for maintenance and operating costs continue to increase. Mr. Donovan asked Mr. Liles to inquire with the MAPA members to see what is going on.

## **Executive Director's Recognition of Excellence Award**

Congratulations to Lucas Ricart, Airport Custodian, on receiving this month's award.

## **Action Items**

### **Item A-1 Approval of the minutes for the March 27, 2024, Regularly Scheduled Board Meeting.**

Approval of the March 27, 2024, board meeting minutes. A motion was made by Mr. Thomas for approval of the minutes, seconded by Mr. Peoples. Motion passed unanimously.

### **Item A-2 Recommendation to Approve a Change Order for the Taxiway "M" Extension Project to KCF Site Development, LLC, in the Amount of \$608,259.66.**

Mr. Donovan explained KCF Site Development is currently on airport property working on projects. The contractor, using established bid unit prices, has prepared a proposal for the extension of Taxiway "M". Since the contractor is already on site, there will be no added costs for mobilization. This change order request for Taxiway "M" Extension project is part of the Northside Expansion project which is 100 percent funded by a Florida Department of Transportation grant and there is sufficient funding and budget available to cover this change order.

A motion was made by Mr. Fischer to approve a Change Order for the Taxiway "M" Extension Project to KCF Site Development, LLC in the amount of \$608,259.66, seconded by Mr. Thomas. Motion passed unanimously.

## **Information Items**

### **Item I-1 Financial Update**

Ms. Krause presented the financial updates regarding year-to-date actuals for FY24 vs. FY23 and FY24 actuals vs. budget and financial update through February 29, 2024.

Mr. Potter asked why the passenger facility charges (PFCs) are so low. Ms. Krause stated PFCs are on a cash basis so there can be a slight delay as to when they are received. Mr. Donovan stated the airlines collect the PFCs for the airport and are paid a handling fee and how they are submitted does not coincide with our Customer Facility Charge (CFC). The airport is doing extremely well with its CFC revenue.

### **Item I-2 Operations Update**

Mr. Graham explained TUI's third season at MLB commenced on March 18, 2024, and going well so far. There are several teams that work the TUI product at the airport: the airport itself including airport operations, airport ambassadors, MAPD, Menzies, TUI Musement, Metz, Rental Cars, TSA and CBP. These teams all work together to ensure a great passenger experience at MLB. CBP is performing very well as it relates to the TUI flights and processing all passengers in less than an hour. Amanda Moyer and Stephanie Betts visited with John Pratt, TUI station manager, pre-season to discuss planning and expectations for this flight season at MLB. John Pratt will be visiting MLB in June 2024. Menzies introduced a staffing and training plan in advance of TUI's season start up. TUI's flight frequency has started very conservatively this year as seen in the previous two years and will ramp up to 12 flights a week beginning May 2, 2024. These flights will be arriving in the afternoon, and on average they will be about an hour apart. The spacing of the arriving TUI flights helps out all the teams and this is good for the overall passenger experience. All the improvements that were made with the terminal expansion has really worked well and have made a difference for the passengers at MLB.

### **Item I-3 Construction Projects Update**

#### **In-Line Baggage System**



Proposals have been received from three Construction Management (CMaR) firms and they have made their presentations to the selection committee. Due to some disparity in the presentations, including a huge cost swing, the committee is asking each of the CMaRs to provide additional information before a selection is made. TSA is still reviewing the 100% documents and continues to have comments, most of which are operational concerns due to this being a cross-belt system in lieu of a traditional linear belt system. It is unknown when TSA will provide final approval. Based on the last conversation, it is expected in mid to late May. Once TSA approval is given, a follow-up with the CMaRs will be conducted for any last-minute cost adjustments before the selection committee's recommendation is brought to the Board no later than June. Notice to proceed should be issued by July with completion in February 2026. Due to the long lead of the new TSA scanners, they have already been released by TSA with an expected delivery by the end of January 2025. With the cross-belt system design, the expected completion will be reduced to 18 months. This will be the second cross-belt system installed in this country and the first for use by TSA.

#### Premium Lounge Restroom Renovation

The restroom renovation project is complete. Restrooms were operational for the first use of the Premium Lounge by TUI. While this project had its challenges with the underground sanitary line, the project was completed under the budget.

#### TSA Security Entrance

The new roll-down security shutter for the entrance to the TSA security checkpoint is now complete. Security access control to the entrance is complete as well. The entrance header to the adjacent restroom to the checkpoint has been raised and is also complete.

#### Terminal Fire Sprinklers

Fire alarm and fire sprinkler work continues in the existing terminal. The first two phases are complete on the mezzanine and under the domestic concourse. Current sprinkler work continues in the administrative office area with inspections by the Fire Marshall expected by the end of April. Next phase of work to begin in the Police Department and TSA office area and should take about 6 weeks to complete. The new 6" Fire Department Connection (FDC) to the front of the terminal near the existing fire hydrant is nearing completion. The special FDC unit has been delivered and installation of the connector should be ready by the first week of May. As each area of the sprinklers is completed, the fire alarm contractor is making connections to the new fire alarm system. It is expected that the old fire alarm system will be able to be removed in its entirety by the end of August.

#### Existing Terminal Roofing

The design of the roof replacement continues. Bid documents are expected to be issued by the end of April. Bids will be due in early June with Board approval in June. Project should complete by November 2024.

#### Terminal Security Camera Replacement Phase 1

Phase 1 of the security camera replacement is complete within the CBP area. Phase 2 of the security camera system is currently in design. A review of the design is expected in mid-May.

#### Terminal Renovation and Expansion

With the first significant rain since the last roof repairs, it appears that the repairs were not successful. Replacement of the freight lift in the back-of-house area of the concession space in the new concourse is still expected to be delivered before the end of April. Still waiting for a delivery date confirmation. No update from the Terminal Contractor on their assessment of the skylight in the atrium or the corrective measures to be performed.

#### Project Vista – Dassault Falcon Jet Site Work

Plans have been revised and are currently out for bid. Bids are due Friday, April 26, 2024, at 2:00 PM with a public bid opening and reading of the bid amounts. The selected low bidder will be brought to the May Board meeting for approval. Utility work for the project is expected to begin immediately with the common apron and taxiway

approach to wait until DFJ completes the exterior of their hangars. Apron work is not expected to start until the end of the year. Project completion is expected in July 2025.

#### Taxiway A Rehabilitation

AVCON continues with the design of the rehabilitation of Taxiway A. Review of the 60% plans occurred on Tuesday, April 23, 2024. Temporary repairs to the taxiway have been completed and are being monitored for any new failures that may require immediate attention prior to the rehabilitation. This project is expected to go out to bid in May with tentative Board approval in June. This is required before submitting to the FAA for discretionary funding in the fall. Due to the overall cost of the project, funding will be allocated over two years.

#### Taxiway C Rehabilitation

Taxiway C is nearing completion. The taxiway was opened four days ahead of schedule. Asphalt pavement needs to cure for 30 days before final striping is applied, which is expected within the first week of May. This project will close out ahead of the June 1 deadline for the grant.

#### Taxiway M Phase 1 (Realignment) and Phase 2 (Extension)

Taxiway M Phase 1 realignment is underway. Installation of the underground storm water pipes is complete. Fill and base rock are currently being placed. With approval of the Phase 2 extension, work should begin next week. Due to the long lead of scheduling asphalt paving, both Phase 1 and Phase 2 could be paved at the same time which is expected the first part of July. With 30-day cure for asphalt before stripping, both projects are expected to be complete by the end of August.

#### Terminal Wayfinding Signage

Wayfinding signs are currently being installed. Adjustments have had to be made to certain signage for anchoring into the existing structure. All signs are expected to be complete by the end of April.

Mr. Mikuen inquired about the roof and asked if it's design or workmanship, do we have a sense of what the cause is. Mr. Perley stated the roof is over 20 years old and it's just worn. Mr. Mikuen was inquiring about the leaks. Mr. Perley stated most of the leaks are occurring near the roof curb and the air handling units, so there is a lot of implications between the roofer and the mechanical contractor who's responsible. Eventually, it's still the roofer because the curb is set, and you have to flash up to it. But for some reason, there are still continuous leaks from those curbs.

Mr. Potter inquired about the current ticket counter location on the In-Line Baggage system diagram. Mr. Perly stated on the bottom left side of the diagram, the dark gray line, those are the belts that are right behind the ticket counters, off to the far right where the dark gray lines goes towards the back, the temporary facility will be just to the right of that.

#### **Item I-4 Business Development and Marketing Update**

Mr. Busalacchi stated Laura Richard from The AD Leaf marketing firm is providing a marketing awareness update on MLB airport.

Mr. Potter stated Ms. Richard mentioned twice in her presentation about clicks to booking fares and asked how this is tracked and how does AD Leaf determine that a booking was a result of your work. Ms. Richard explained when you see an ad online and you click on it, there is a pixel or a piece of code when you go to the website and it's anonymous, we know that you clicked on an ad, it comes to our landing page, and if you click on a button on the landing page that says book now or reserve your seat, that also is tracked, and that shows us how many people have clicked on the book now button and how many hits came from our ads by the code. Mr. Potter asked when a person clicks on the book now button, does this ensure that the person actually booked a flight or are they just exploring. Ms. Richard stated the person has an intent to purchase, and the customer can go over to the airline and make the

actual ticket purchase. On the landing page, there is approximately a 20 percent conversion rate of people who clicked with the intent to purchase, but the customer would have to go to the airline website to finalize their booking. Mr. Busalacchi stated the question being asked by Mr. Potter is how the airport would know if the consumer has purchased a ticket and the response is we do not know the answer. We know that the consumer went to the website to look at the cost of the tickets. Mr. Potter stated he always thought the Washington market, being a business market, would be a good route for different types of aerospace defense contractors. Mr. Busalacchi stated strategically it would be a better business market if we have better flight frequency, and with the weekend service that was being offered, the airport felt it was more directed towards the leisure traveler.

Mr. Fischer stated that there are times you search for an item on your phone, and it appears you start to receive ads for that item your searched for and inquired if the airport has a way of tracking a customer who is searching MLB and sending reminders to them of that particular search. Ms. Richard stated that once you re-click on the marketing ad, these ads will be directed to your browser and these ads will be remarketed to you as you browse the internet or social media. Mr. Busalacchi stated since hiring The AD Leaf firm, the airport has had a greater participation of people searching the MLB website and all the things that MLB has been promoting on the website and on social media. The airport knows that people are engaged, and the goal is to educate the community about MLB airlines and routes the airport has to offer.

Mr. Mikuen inquired about the load factors and if the airport has that data information. Mr. Busalacchi stated all the flights and airlines from a marketing standpoint and a load standpoint are all very positive.

#### **Adjournment**

This meeting was adjourned by Chairman Willam Potter at 9:28 a.m.

#### **PREPARED BY:**

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Sandra Acevedo, Executive Assistant

#### **SUBMITTED BY:**

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Greg Donovan, A.A.E.  
Executive Director

#### **APPROVED BY ACTION OF AIRPORT AUTHORITY:**

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William C. Potter, Chairman