

MELBOURNE AIRPORT AUTHORITY BOARD

Minutes June 26, 2024

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, 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
- Ms. Melissa Naughton, C.M., ACE, Assistant Director of Business Development
- Mr. Mike O'Dell, C.P.A., Director of Finance and Administration
- Mr. Cliff Graham, C.M., Director of Operations and Maintenance
- Mr. David Perley, A.I.C., Director of Capital Improvements
- Ms. Renee Purden, Chief of Police/Director of Public Safety

Pledge of Allegiance

Airport Announcements by Executive Director Greg Donovan

MAPD Swearing-In and Promotion Ceremony. Congratulations to Captain Linda Moros, Sergeant Austin Moyer, Officer Sherif Brown, Officer Aaron Guard, Officer Austin Smith, Officer Kaleb Martin, and Officer Kameron Knifely.

Congratulations to Officer Austin Moyer who was promoted to Sergeant.

Welcome to Captain Linda Moros, MAPD, and Ingrid Rivera, Tropical Haven Manager. Mr. Donovan thanked Robin Rice for the work done at Tropical Haven and wishes her the best in her retirement.

MLB sponsored the Economic Development Commission May Board Meeting featuring Dassault Falcon Jet Corporation.

MLB held a meeting with American Airlines.

MLB introducing new security screening procedures for MAA Board Meetings.

Executive Director's Recognition of Excellence Award

Congratulations to Stephanie Betts, C.M., ACE, Assistant Director of Operations and Maintenance, on receiving this month's award.

Presentation

David Dague with Arthur D. Little Company gave a presentation on Air Service Development and Economic Impact Study on New and Expanded Non-stop Air Service.

Action Items

Item A-1 Approval of the minutes for the May 22, 2024, Regularly Scheduled Board Meeting.

Approval of the May 22, 2024, board meeting minutes. A motion was made by Mr. LaRusso for approval of the minutes, seconded by Mr. Thomas. Motion passed unanimously.

Item A-2 Recommendation to Approve Resolution 3-24 Approving the Fiscal Year 2025 (October 1, 2024 – September 30, 2025) Airport Operating and Capital Budget in the Amount of \$43,384,849.

Mr. Donovan explained staff had presented the proposed budget and distributed the budget book to each board member in May and has interacted with several board members regarding the budget proposal. Mr. O'Dell gave a quick summary on the budget request for fiscal year 2025.

Mr. Mikuen stated when Tropical Haven is finalized, he recalls that the board agreed that the funds from the sale of Tropical Haven are to be used for revenue generating projects, which would not include the Operations facility. Mr. Donovan stated the restrictions of the Tropical Haven funds are internal, and those funds will be used as directed by the Board. Staff has been in contact with the FAA officials on the pending sale of Tropical Haven and staff is confident this will be approved. Mr. Donovan stated the airport will continue to seek funding opportunities for the Operations facility.

Mr. Potter stated he met with Mr. O'Dell to discuss the budget and expressed it's a good budget, but the real key is the sale of Tropical Haven and asked staff to continue to monitor this situation closely. Mr. Donovan stated he will inform the board with any changes.

A motion was made by Mayor Alfrey to approve Resolution 3-24 Approving the Fiscal Year 2025 (October 1, 2024 – September 30, 2025) Airport Operating and Capital Budget in the amount of \$43,384,849, seconded by Mr. Thomas. Motion passed unanimously.

Item A-3 Recommendation to Approve Award of a Contract to Rolle, IT for Airport Managed Information Technology (IT) Services.

Mr. Donovan explained the contract for the airport's IT Services with Artemis is set to expire and staff issued a Request for Proposal (RFP) for IT services. A total of ten (10) companies submitted proposals and the proposals were evaluated by a selection committee for various categories. The selection committee scored the proposals and selected the top four (4) ranked proposers to return for presentations for question-and-answer sessions. The selection committee recommends awarding a contract to Rolle, IT for annual cost of \$250,000, with a base term of two (2) years, with two (2), two-year renewal options.

Mr. Fischer asked if the airport is requesting pricing on the new baggage system, which is going to require high security and inquired if the IT services will cover the new baggage belt. Mr. Donovan stated these new baggage systems are independent and not part of a network system. Support to the baggage system is included in the IT Services contract to Rolle, IT.

Mr. LaRusso congratulated airport staff for their hard work on the RFP process and is very pleased the award is to a local business.

Mr. Mikuen stated there are service levels that this company will have to meet and inquired if the Airport is not satisfied, are there appropriate termination provisions. Mr. Donovan stated yes.

Mr. Peoples inquired about the transition process between both companies lead times and equipment. Mr. Donovan stated all the equipment is owned by the Airport. Mr. Graham stated there will be about a six-week transition and a meeting is set for this week with both firms to discuss the new role and changes.

Mr. Potter stated the agenda states there are two (2), two-year renewal options and inquired what is the option price. Mr. O'Dell stated this is something the Airport will negotiate and come to an agreement on a price if the option is exercised.

A motion was made by Mr. Thomas to approve the award of a Contract to Rolle, IT for Airport Managed Information Technology (IT) Services, seconded by Mr. LaRusso. Motion passed unanimously.

Item A-4 Recommendation to Authorize Staff to Select and Purchase a Dump Truck in an Amount Not-To-Exceed \$125,000.

Mr. Donovan explained the purchase of a dump truck is usually purchased through a state contract process. During the past year, staff has reviewed quotes for equipment from various vehicle sources. Due to the current vehicle market and supply demand, the airport has been unable to find an available dump truck on state contract and additional sources are unable to hold inventory up to a month for Board approval. When there is a vehicle available, it is generally sold before the staff is able to obtain board approval. Staff issued an invitation to bid for a dump truck and no bids were received. Because of limited supply and the fact that inventory is sold quickly, staff is requesting authorization to select and purchase a dump truck that meets the requirements and negotiate with the vendor with an amount not-to-exceed \$125,000.

A motion was made by Mr. Alfrey to authorize staff to select and Purchase a Dump Truck in an amount not-to-exceed \$125,000, seconded by Mr. Peoples. Motion passed unanimously.

Item A-5 Recommendation to increase a Purchase Order to Allen Enterprises to \$60,000.

Mr. Donovan explained the Airport has an agreement with Allen Enterprises who provides all ADB Safegate equipment for the southeast United States and staff uses on the airfield. These components are used in runway lights, signage and other navigational elements out on an airfield. Most of these items are worn out or have been replaced. The current purchase order is at \$50,000 and staff is requesting approval of an increase to \$60,000 for remaining repairs for this fiscal year 2024.

A motion was made by Mr. Peoples to approve an increase of a Purchase Order to Allen Enterprises to \$60,000, seconded by Mr. LaRusso. Motion passed unanimously.

Item A-6 Recommendation to Approve Award of Lawn Services Maintenance Bid to Yardnique, Inc. and Cajun Communications dba Bob's Complete Landscaping and Maintenance in an Annual Amount of \$121,127.

Mr. Donovan explained staff recently issued an Invitation to Bid for lawn services to maintain six parcels of airport property. Ten (10) bidders responded to the solicitation. The identified low bidders were Yardnique, Inc. for four of the parcels for \$67,187 annually and Cajun Communications dba Bob's Complete Landscaping and Maintenance for two parcels for \$53,940 annually. Both contracts will begin in the new fiscal year October 1, 2024.

A motion was made by Mr. Alfrey to award Lawn Services Maintenance Bids to Yardnique, Inc. and Cajun Communications dba Bob's Complete Landscaping and Maintenance in an annual amount of \$121,217, seconded by Mr. Peoples. Motion passed unanimously.

Item A-7 Recommendation to Approve a Signatory Airline Use and Lease Agreement with Allegiant Air, LLC.

Mr. Donovan explained Allegiant Air is one the airport's highly regarded airlines and currently flies to Pittsburgh and Allentown. Allegiant Air has requested to enter into a signatory airline use and lease agreement for five (5) years with the Airport. The term of the agreement is July 1, 2024, through June 30, 2029.

Mr. Peoples inquired if the airport would ask the Brevard County Tourist Development Council (TDC) to help with marketing for a new airline route. Mr. Donovan stated the airport works hand in hand with the TDC who generally offers some type of marketing incentive.

A motion was made by Mr. Thomas to approve a Signatory Airline Use and Lease Agreement with Allegiant Air, LLC., seconded by Mr. Alfrey. Motion passed unanimously.

Item A-8 Recommendation to Approve an Aeronautical Ground Lease with Sabal Aviation, Inc.

Mr. Donovan explained Sabal Aviation, Inc. has approached the airport regarding leasing 1.441 acres and constructing 10 new condominium hangers on the southside of the airport. The term will be for 31years including the construction period with two (2), five-year options. The base rent will be \$2,196.95 per month based on the appraisal of the site location. CPI adjustments will occur every five (5) years with a minimum of 2 percent and a maximum of 7 percent per year, except on the 20th anniversary of the rent commencement date, which will require a fair market value adjustment based on an appraisal.

Mr. Mikuen asked if there would be a need for any additional infrastructure for this project. Mr. Donovan stated no infrastructure is needed.

A motion was made by Mr. Mikuen to approve an Aeronautical Ground Lease with Sabal Aviation, Inc., seconded by Mr. Fischer. Motion passed unanimously.

Item A-9 Recommendation to approve a Contract for the Main Terminal Roof Replacement Project to the Lowest Responsive Qualified Bidder, Roof Control Services, LLC, in the Amount of \$1,169,110.49.

Mr. Donovan explained the airport has been working on the replacement of the existing terminal roof. Portions of the roof in the main terminal were replaced in 2004 after damage from the three hurricanes that passed through that year. Staff issued an invitation to bid for roof replacement, and 15 bids were received. The identified low bidder is Roof Control Services, LLC in an amount of \$1,169,110.49.

Mr. Fischer stated in his experience, it's never been a good idea to roof over another roof. Mr. Alfrey stated it will probably be a TPO design and that is actually a standard practice currently, which gives you a better roof and the results are very good.

A motion was made by Mr. Alfrey to approve a contract for the Main Terminal Roof Replacement Project to the lowest responsive qualified bidder, Roof Control Services, LLC in the amount of \$1,169,110.49, seconded by Mr. Fischer. Motion passed unanimously.

Item A-10 Recommendation to Approve a Change Order to the Original Purchase Order with BRPH, Inc. under its Continuing Services Contract for Construction Administration Services for the Re-roofing of the Existing Terminal in an Amount Not-To-Exceed \$85,264.

Mr. Donovan explained BRPH, Inc. has a continuing services contract with the airport, and has provided the design services for the roof replacement on the existing terminal and will begin the next scope of its work for construction administration (CA) services.

Mr. Potter asked if Roof Wise is a subsidiary of BRPH. Mr. Perley stated they are a separate independent consulting firm.

A motion was made by Mr. Alfrey to approve a change order to the original Purchase Order with BRPH, Inc. under its Continuing Services Contract for Construction Administration Services for the Re-roofing of the Existing Terminal in amount not-to-exceed \$85,264, seconded by Mr. Thomas. Motion passed unanimously.

Item A-11 Recommendation to Approve a Change Order to KCF Site Development, LLC for Portions of Schedule Work for the Project Vista (Dassault Falcon Jet) Site Infrastructure Improvements Project in the Amount of \$500,944.

Mr. Donovan explained at the previous May board meeting, KCF Site Development was awarded to perform the site infrastructure improvements for Project Vista, which included bid schedules B, C, and D. There are certain portions in bid schedule A that need to be completed in order to keep the project on schedule and not cause any delays. This change order is fully funded by a state grant with no local match.

Mr. Peoples asked is the project on schedule and what is the anticipated completion date. Mr. Donovan stated the project is on schedule. Mr. Perley state the completion date is scheduled for July or August of 2025.

A motion was made by Mr. Peoples to approve a Change Order to KCF Site Development, LLC for portions of Schedule A work for the Project Vista (Dassault Falcon Jet) Site Infrastructure Improvements Project in the amount of \$500,944, seconded by Mr. Thomas. Motion passed unanimously.

Information Items

Item I-1 Financial Update

Mr. O'Dell presented the financial report through April 30, 2024.

Item I-2 Operations Update

Mr. Graham discussed the results of the TUI customer service scores. TUI leadership puts great emphasis on the scores and it's one of the crucial ways it measures the airports in its system. This survey is given to each of the passengers to score in four (4) areas: Airport experience, Check-in experience, Boarding experience, and Cabin conditions. These scores are derived directly from the passengers throughout Tui's 84 world-wide destination airports.

MLB scored very high in three areas and just above target on cabin condition. Cabin condition becomes a little difficult for us particularly with the families with young children demographics that our airport sees. This aircraft is in the air for nine hours, with lots of passengers, including children and the plane comes into MLB pretty dirty. If you have two flights that arrive close to one another, it becomes a challenge to have both planes cleaned, but staff continues to do a great job.

On airport experience, MLB ranked 3rd world-wide, and I attribute this to MLB's terminal expansion and renovation project. The second area is the check-in experience and MLB scored ranked 6th world-wide, this is attributed to the great first impression and customer service that the passengers receive by Menzies, the airport ambassadors and TUI Musement overall doing a great job.

The third area is the boarding experience and MLB ranked 3rd world-wide and I attribute our success to our new terminal expansion which allows us to do dual boarding which speeds up the boarding process, and the other item is a connection between the departure lounge and the new boarding bridges and there is a connection point

between the two called a fixed bridge which was designed to be wider, and includes windows, which has added to the passenger experience, and is similar to our new security checkpoint with higher ceilings and windows that bring in light. These scores are very good, and the airport is ahead of where we were in May of last year and it's all due to the hard work and efforts of each team working together to get the job done.

Item I-3 Construction Projects Update

In-Line Baggage System

TSA has completed its 100% review with comments. The designers have responded and resubmitted the package for review. In discussions with TSA, it appears that all comments have been accepted and a final acceptance is expected the second week of July. Once TSA approval is given, a follow-up with the Construction Manager at Risk will be conducted for any last-minute cost adjustments. Additional questions for the Construction Manager at Risk to answer before the committee makes their final recommendation are being held until TSA's approval. The committee selection should follow and will be brought to the July Board Meeting for approval. Notice to proceed should be issued in August and start with the relocation of bag screening and ticketing offices to temporary facilities east of the current ticketing area. Due to the long lead of the new TSA scanners, they have already been released by TSA and are expected to be delivered in late February. With the cross-belt system design, the overall construction schedule is expected to be complete in March of 2026. This will be the second cross-belt system installed in this country and the first for use by TSA.

Terminal Fire Sprinklers

Fire alarm and fire sprinkler work continues in the existing terminal. Current sprinkler work in the administrative office area is complete and has been pressure tested. Tie-in of the system to the administration areas will require some additional work and is expected to be operational by the end of July. Fire sprinkler work is now beginning in the Police Department and TSA office area and should be completed by the end of July with Fire Marshall acceptance in August. Next phase of work to begin in the car rental area. As each of the sprinkler areas are 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 September.

Existing Terminal Re-roofing

Bids were received on June 11, 2024. Of the 22 firms that requested plans, 15 of those firms submitted a bid. A review of the low bidder found them to be responsive and qualified. With approval at the June Board Meeting, a Notice to Proceed will be issued in the first part of July. Project should complete by November 2024.

Domestic Bag Belt Replacement

Fabrication of the new domestic bag belt continues with parts starting to be delivered on site and all parts are expected on site by the end of August. Replacement of the domestic bag belt will not begin until the current TUI season ends which is expected to be at the end of November. It is anticipated that the replacement of the domestic bag belt will take four weeks.

Federal Inspection Station Escalator Replacement

Fabrication of the new replacement escalator in the Custom's area continues. Delivery of the new escalator is expected in January 2025. Due to the plant shutting down for the last two weeks of the year, we are not expected to get the escalator any earlier. Demolition of the existing escalator will begin after the last seasonal flight from TUI in preparation for the delivery and installation of the new one. Replacement of the escalator is expected to be completed by the end of February 2025.

Terminal Renovation and Expansion

The work on the replacement of the freight lift in the back-of-house area of the concession space in the new concourse has come to a halt. No word from the contractor on why, but we have been told by other sources that there is a dispute with the electrical subcontractor. No update from the Terminal Contractor on their assessment of

the skylight in the atrium or the corrective measures to be performed. A review of the skylight was last performed by the contractor at the beginning of May.

Project Vista – Dassault Falcon Jet Site Work

Portions of the work were awarded at the May Board meeting. Shop drawings are currently underway for the utilities portion. Waiting on the County and the City for a pre-construction meeting. Additional grant money has been added to the project from FDOT and a revised bid for the common use apron work is expected to start shortly. Project completion is expected in July 2025.

Taxiway A Rehabilitation

Bids for the first phase of work on the taxiway have been received. Of the six firms who attended the pre-bid, only two firms submitted bids. Bids came in higher than expected. The formal grant application, with the bids, has been submitted to the FAA for discretionary funding. Award of the bid to the lowest responsive qualified contractor by the Board will not occur until discretionary funding is available. Phase 2 of the taxiway rehabilitation is expected to bid next year with FAA funding coming from discretionary funding for FY 2026.

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

Work continues on the Taxiway M Phase 1 realignment. Base rock is complete and ready for asphalt. Taxiway lighting work and new taxiway signs are currently being installed. Phase 2 began with the clearing of the storm water ditches. Paving for the first phase is expected to start the week after the holiday. With 30-day cure for asphalt before striping, Phase 1 offset should be complete and operational the first part of August. Demolition of the existing taxiway to begin after striping with most of the material being used for the Phase 2 extension. The Phase 2 work is expected to be complete in September.

Item I-4 Business Development and Marketing Update

Mr. Busalacchi presented a new tenant spotlight feature the airport is doing on social media. Many people in this community do not realize all the companies that are located at our airport and what these companies do. Our first tenant spotlight is Operator Solutions, who are based at the Aerospace Center and this company does recovery missions for NASA and all of the launches that take place in our county.

Sheltair project for the new T-hangars is underway. There is equipment that will be delivered this week, and the land has been graded. The project is expected to be complete within the next 12 to 18 months.

The airport has added new sand sculptures in the terminal, receiving a lot of attention from our passengers.

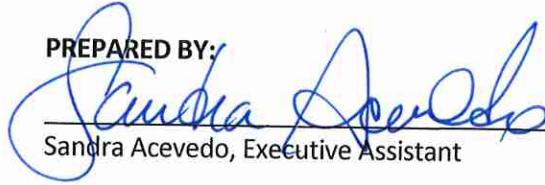
The airport has a cross-promotional program with the Daytona International Speedway for the 2024 Coke Zero Sugar 400. A race car displayed is located in the atrium with floor and wall graphics by the TSA exit area of the terminal.

A moment of silence was observed in memorial for a former employee, Keely Leggett.

Adjournment


This meeting was adjourned by Chairman Willam Potter at 10:16 a.m.

PREPARED BY:



Sandra Acevedo, Executive Assistant

SUBMITTED BY:



Greg Donovan, A.A.E.
Executive Director

APPROVED BY ACTION OF AIRPORT AUTHORITY:



William C. Potter, Chairman