

MELBOURNE AIRPORT AUTHORITY BOARD
Minutes for February 9, 2022, Special Board Meeting
Airport Board Room

In attendance:

- Mr. Jack L. Ryals, Chairman
- Mr. William C. Potter, Vice Chairman
- The Honorable Paul Alfrey, Mayor
- The Honorable Debbie Thomas, Councilmember
- The Honorable Tim Thomas Councilmember
- 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
- Ms. Renee Purden, Chief of Police/Director of Public Safety

Pledge of Allegiance

Discussion Items

Item D-1 Presentation from Mr. Richard Sofer, Commercial & Business Development Director at TUI.

Mr. Donovan thanked the Board for attending this special meeting. He explained that this meeting is for a briefing from TUI and no other business will be discussed.

He continued to state that for the last few years, the main focus of the staff has been with this project, from arranging for funding, to designing, to construction management. This meeting is to offer staff, the Board, and others the chance to see the depth of the decisions that have been made by this Board. He stated that this project could not have been possible without the vision and support of the Board.

Mr. Donovan explained that one of the obligations to TUI is to make sure they have a competitive edge when it comes to its operations. TUI is very focused on the customer experience and the branding. It is a very competitive business, but TUI has done very well. After the presentation, there will be a walking tour through the construction areas to view the transformation. At the end of the tour, you will be able to see how amazing this facility will be. It will be a very good first impression for any travelers flying into MLB and coming to the Melbourne area.

Mr. Donovan introduced Mr. Richard Sofer, Commercial and Business Development Director at TUI and Ms. Tammy McKenzie, who is our liaison between TUI and the Airport. Mr. Sofer thanked the Board for this opportunity.

A presentation was given with details regarding TUI and its global business. He explained the unique and integrated business model that TUI uses to give its customers a specific holiday/vacation experience. A summary regarding the TUI ecosystem of targeting 30 million customers was explained. The current and future holiday/vacation packages were presented showing ocean cruises, river cruises, ski holidays and showcasing the current and future Florida packages. These examples are the key products that TUI customers look for in

a holiday. In 2019 TUI had over 80,000 customers going to Florida and 2022 is over 60 percent higher than 2019. For the Florida customer, a breakdown of where they like to stay was given. Around 30 percent stay solely on Disney property, another 30 percent at I-Drive hotels, 15 percent on Universal Studio's property, and 20 percent in homes/villas/home rentals in the central Florida area. The other 5 percent would be the 'fly/drive' customer. These are customers who like to explore the area by car and not just staying in the theme park areas.

TUI expects to book to central Florida over 135,000 customers in 2022, 170,000 in 2023 and looking to book over 200,000 in 2024; all of these numbers are just from the United Kingdom.

Mr. Thomas asked if TUI will be partnering with the hotels in the Melbourne area? Mr. Sofer stated yes that TUI has contracted with five hotels currently and will need up to 20 more in the near future. TUI would eventually like to own properties in the Melbourne area.

Mayor Alfrey asked if TUI will include the Kennedy Space Center as part of its tour packages? Mr. Sofer stated TUI will continue to grow the tourism excursion industry including the Kennedy Space Center.

Mr. Mikuen asked regarding 2024 with the growth in TUI's passengers, will TUI need to use other airports in Florida for its perspective growth? Mr. Sofer stated TUI hopes that MLB will have the capacity for all future increase in flights.

Mr. Fisher asked what is the average length of the holiday package? Mr. Sofer stated it would be about 10 to 11 nights in general, but with the Florida customer it is about 14 nights. TUI is hoping to divide the 14-night package into two vacations for their customers with one week in Walt Disney World area and then next seven days exploring the coastal area including Kennedy Space Center and the beaches.

Ms. Thomas asked with the planned trips, are the excursions planned each day? Mr. Sofer stated some of the tours are part of a predetermined package or the travel agencies will work on a one-to-one basis personalizing an itinerary for them and would introduce options including the Kennedy Space Center.

Mr. Donovan closed with his comments regarding the tour immediately following the meeting. He also stated that as the construction stands currently, some of the aesthetics will not be completed. The operation itself, the passenger experience of getting off the plane and moving through the customers facility, will be exceptional and quick. Mr. Donovan continued to explain that the airport can and will continue to grow to meet the demand.

Adjournment


The meeting was adjourned by Chairman Ryals at 9:16 a.m.

PREPARED BY:



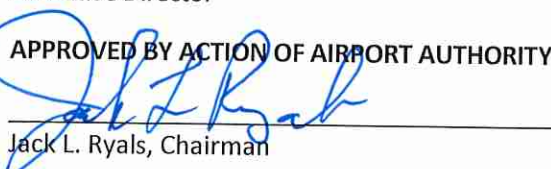
Tammy Till, MAA Board Secretary

SUBMITTED BY:



Greg Donovan, A.A.E.
Executive Director

APPROVED BY ACTION OF AIRPORT AUTHORITY:



Jack L. Ryals, Chairman