

MELBOURNE AIRPORT AUTHORITY BOARD
Minutes for February 23, 2022, Board Meeting
Airport Board Room

In attendance: Mr. Jack L. Ryals, Chairman
Mr. William C. Potter, Vice Chairman
The Honorable Debbie Thomas, Councilmember
The Honorable Tim Thomas Councilmember
Mr. Michael Fischer, Member
Mr. Scott Mikuen, 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

Excused: The Honorable Paul Alfrey, Mayor

Pledge of Allegiance

Airport Announcements by Executive Director Greg Donovan

- Welcome to new maintenance worker, Edwin Geetan
- MLB receives 2021 Corporate Impact Award
- Another successful job fair at MLB

Executive Director's Recognition of Excellence Award

Congratulation to Ms. Mary Anderson, Procurement Coordinator on receiving this award.

Action Items

Approval of the January 19, 2022, board meeting and February 9, 2022, special board meeting minutes. A motion was made by Mr. Potter for approval of the minutes, seconded by Mr. Thomas. Motion passed unanimously.

Item A-1 Recommendation to Approve a Lease with Axiom Space for Unit 3 of Aerospace Center.

Mr. Donovan explained Axiom provides human launch support services and will be using Unit 3 for office space and storage. This is a one-year lease with four one-year renewals. The rate is \$7.00 per square foot, which is about \$105,000 annually. There is a Common Area Maintenance (CAM) charge of \$1.00 per square foot, which is about \$15,000 per year. There is also a CPI increase, which is capped at 5 percent with a minimum of 2 percent per year.

Mr. Potter asked what is the attraction for Axiom Space to be based at the airport? Mr. Busalacchi said it was the amount of space that is available and the access to airside.

A motion was made by Ms. Thomas to approve a lease with Axiom Space for Unit 3 of Aerospace Center, seconded by Mr. Thomas. Motion passed unanimously.

Item A-2 Recommendation to Award a Purchase Order to Ivey's Construction, Inc. Under Its Continuing Services Contract for Modifications to the Rental Car Parking Area in an Amount Not-to-Exceed \$294,462.

Mr. Donovan explained that modifications and improvements are needed for the ground transportation and rental car areas. To maximize the rental car lot, new sidewalks, curb cuts, barriers and striping will be required along with an electronic gate and new signage. This contract is with Ivey's Construction and is under its continuing services contract. Ivey's Construction is working on the civil package for the Welcome Center which means there will be savings on mobilization costs. A new project for this will be created using savings from closed projects. All of this is part of the budget.

Mr. Fischer asked if this needs to be permitted before construction can begin and what is the timing? Mr. Donovan stated permits are not needed prior to construction. Mr. Perley stated the project would begin next week and would be completed before the first TUI plane arrives, pending approval.

Mr. Potter asked about the surplus money from the closed projects. Mr. O'Dell explained that there have been various projects over several years that came in under budget with accumulated savings and that is what is being used for this project. Mr. Potter asked how it was arrived at the amount of \$294,462? Mr. Perley stated there were contracted bids. Mr. Mikuen asked if there will be additional parking spaces that would have a return on investment? Mr. Busalacchi stated there are new spaces in the long-term lot for passengers. There is also an increase in the rental car position which is charged to the rental car companies on a per position basis.

A motion was made by Mr. Fischer to award a purchase order to Ivey's Construction, Inc. under its Continuing Services Contract for modifications to the rental car parking area in an amount not-to-exceed \$294,462, seconded Mr. Potter. Motion passed unanimously.

Item A-3 Recommendation to Approve Change Order 6 to DP Development, LLC for Scope Changes Related to Landscaping and Fencing Along West Property Line Adjacent to Croton Road and Landscaping Required per City Plan Review Along North Property Line at the Barrier Wall for the Northside Expansion Project: St. Michael Place Extension Phase 3 in the Amount of \$141,135.

Mr. Donovan explained this is the sixth change order to DP Development, LLC. One of the items that is being continually worked through is the relationship between Airport property and Croton Road. A discrepancy was discovered on the location of the west property line adjacent to Croton Road according to the City. The correct legal description dates back to the 1970s. To prevent traffic from crossing from one road to the other, a fence with landscaping on both sides is required. In order to keep this project moving forward the plans were reviewed and a permit issued. This is a state grant that is providing 100 percent funding with no matching funds.

Mr. Fischer asked if the airport has an accurate survey indicating where all the properties are? Mr. Donovan stated that this is an on-going process and staff understands the property boundaries. Mr. Potter asked if this action resolves the property line issues. Mr. Perley stated that this does clean up the legal issues between the Airport and the City. Mr. Donovan explained that the residents along that area are concerned with how it is zoned. This is not going to solve the problem, but it will meet the requirements of the permitting.

Mr. Potter asked if airport staff has considered working with Mr. Bill Powell? Mr. Busalacchi stated he is the airport's surveyor when it comes to airport property. Mr. Perley stated that Mr. Powell pulled the history on

the surveys and everything that he has presented to staff has been accurate back from the 1970s. The City presented a different survey and that is where the discrepancy has come from.

A motion was made by Ms. Thomas to approve Change Order 6 to DP Development, LLC for scope changes related to landscaping and fencing along West property line adjacent to Croton Road and landscaping required per City Plan Review along North property line at the barrier wall for the Northside Expansion Project: St. Michael Place Extension Phase 3 in the Amount of \$141,135, seconded by Mr. Potter. Motion passed unanimously.

Item A-4 Recommendation to Approve Modifications to Exterior Signage in the Amount of \$45,050.

Mr. Donovan explained as part of the Airport's settlement agreement with Greater Orlando Airport Authority (GOAA) the airport is required to change the name from Orlando Melbourne International Airport to Melbourne Orlando International Airport. The last phase of this agreement is to change the name on the terminal, the terminal marquee, and the Aerospace Center signage.

A motion was made by Mr. Potter to approve modifications to exterior signage in the amount of \$45,050, seconded by Mr. Thomas. Motion passed unanimously.

Item A-5 Recommendation to Increase Purchase Order to LF Staffing for Temporary Staffing Services in the Amount of \$100,000.

Mr. Donovan stated that staffing has become very challenging to meet the hiring demands of the Airport. This item is to increase the award given to LF Staffing by \$100,000 for a total of \$134,999 for continued staffing support services. Mr. Potter asked why the amount of \$34,999. Mr. Donovan stated that his spending authority is \$35,000.

A motion was made by Mr. Potter to increase the purchase order to LF Staffing for temporary staffing services in the amount of \$100,000, seconded by Ms. Thomas. Motion passed unanimously.

Information Items

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

Revenues up \$600,000 (16 percent increase). Largest increases listed below:

- Parking revenue
- Landing fees
- Car rental
- Ground handling

Expenses down \$34,000 (1 percent decrease). Areas of increase are:

- Consulting fees (increase)
- Advertising (increase)
- Repair & Maintenance (increase)

Terminal Project Update

- Open PO balance: \$27,250,520
- Total Spent: \$44,214,247
- Unencumbered: \$535,233

Mr. Potter asked about the consulting fees and is there a difference between daily flights and weekly flights? Mr. O'Dell said there is a frequency requirement of twice a week and this frequency needs to continue for four months. Mr. O'Dell continued to explain that this is part of the incentive package that the board approved.

Item I-2 Operations Update by Mr. Graham

Tri Annual Full-Scale Exercise

This is a Mass Casualty Incident (MCI) simulation where the Airport works with community partners such as first responders, hospitals, and the airlines. The focus this year is on the first 60 minutes of the incident, which is a critical part of any MCI. There is a new location that is being used this year which is Runway 5. There will be an aircraft on loan from STS that will be used for this exercise.

Mr. Graham has encouraged the board members to attend and be an observer to the event.

Mr. Donovan wanted to publicly recognize Mr. Graham, Mr. Mac Carthaigh and the Operations and Maintenance team for their efforts with the completed Part 139 Annual Certification Inspection.

Item I-3 Construction Projects Update by Mr. Perley

Apron Renovation/Reconstruction

The apron project is nearing completion.
All concrete placement complete.
Asphalt placed and ponding issues currently being addressed.
Underground storm piping is complete.
Work around the new retention pond is complete.
Electrical work for the taxiway lights is nearing completion.
Electrical work for the ESOS is nearing completion.
Punchlist being prepared and is currently being worked.

Terminal Renovation Phase 2

Material delivery continues to impact project schedule. Anything requiring a chip has been delayed. Where possible, substitutions are being made to maintain schedule.
Security Checkpoint/Holdroom Area – Exterior metal panels installation continues and is nearing completion. Glazing at exterior openings currently being installed. Roofing has begun. Rough in of MEP is nearing completion. Fire sprinkler installation continues. Painting of exposed surfaces, concession contractor has started framing and rough-ins. Connector bridge flooring has been poured and metal panel walls installed.
Welcome Center – Slab on grade poured. MEP rough ins have begun. Exterior metal panels on site and ready for installation.
Baggage Claim – All concrete slabs completed. Exterior metal panels been installed. MEP rough nearing completion. Metal stud framing nearing completion.
Ticketing – Ticket counters installed. MEP rough in nearing completion. Framing and drywall nearing completion. Data and low voltage cabling installation has started. Baggage roller system delivered, and installation has begun.
City Permits – All permits have been released by the City. Fire sprinkler shop drawings for future renovation areas have been submitted and a permit issued. Permit has been issued for the fire separation wall from the FIS to Eastern Florida State College.

VIP Lounge

Security walls for Phase 1 complete. Fire sprinkler installation nearing completion. MEP rough in nearing completion. Waterproofing at exterior planter areas completed. Landscaping installed at smoking lounge.

Caseworker for bar area currently in fabrication. Slabs poured and ready for children's play area as part of Phase 2. Once TSA moves to new security check point, remaining work will be completed within 30 days.

Welcome Center Civil

Canopy installation nearing completion. Underground utilities are nearing completion. Forming and grading for sidewalks has started. Subgrade for bus parking underway. Area being prepared for landscaping and site electrical.

New Passenger Boarding Bridges

New boarding bridges delivered. Installation is nearing completion. Waiting on permanent power from the Terminal Project to complete. In the interim, generator power has been used to verify operation of the bridges.

In-Line Baggage System

Preliminary meetings have been held with all stakeholders. Coordination of underground utilities have been resolved. The pre-design/schematic design package report has been completed and forwarded to the TSA for review and approval.

Northside Expansion

Underground watermain install continues with pressure test completed for the first half of the entire run.

Underground force main installation continues with pressure test completed on the first half.

Storm water system currently being installed.

Retention pond excavation nearing completion.

Subgrade compaction continues.

Base material for road being delivered and installed.

Precast wall ready for installation to begin.

Property boundary easements at Croton Road remains to be resolve which stem from a survey back in 1972 but is not currently holding up the project.

Anticipated substantial completion will be June 2022.

Aerospace Center Parking Renovations

First phase of work completed with new sealer and striping.

Second phase being prepared.

Work to be completed by end of next week moving into the third phase to be completed by March 18.

Mr. Fischer asked since we are a month away from the first TUI flight, do we have a contingency plan in place?

Mr. Perley said that the contingency plans are still in progress with the contractor. The one item that will not be ready is the Welcome Center and the contingency plan for that is to put up a tent for passengers to be processed before getting on the buses.

Mr. Thomas asked if the passenger boarding bridge inspection issues had been resolved? Mr. Perley said it was resolved by classifying the bridge as part of the terminal. With this change, it added an additional cost for increasing the concrete thickness. There will be a change order from the contractor for this additional cost.

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

The new Covid-19 testing site is open as of today. The offices are next to the Enterprise Car Rental and National Car Rental counters.

The former Airport museum site is now an official concession space. Metz had completed the remodel and should be open the week of March 7, 2022. The new name of this space will be Coastal. It will offer beverages, magazines, gifts, and candy.

Mr. Mikuen asked if there is an update on the former Aerion locations? Mr. Busalacchi said Airport staff is currently in negotiations for those 60 acres and could be finalized by the middle of March.

Mr. Mikuen asked how is the Airport doing on the load factors for enplanements? Mr. Donovan stated that during the holiday season the Airport did very well with Allegiant, but there was a dip between the holiday period and into Spring break. All indications show that the Airport is performing well. Allegiant management is pleased with the operation and flights are scheduled through August. Overall, the operations are back to 2019 numbers and with TUI's arrival we will see a dramatic increase.

Adjournment

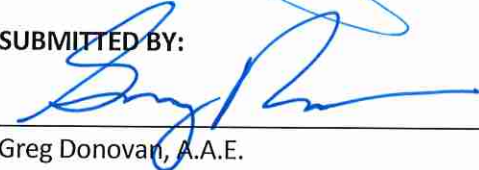
The meeting was adjourned by Chairman Ryals at 9:14 a.m.

PREPARED BY:



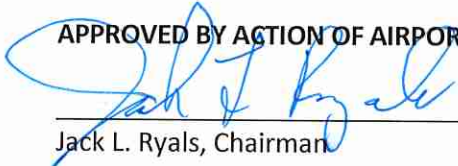
Tammy Till, MAA Board Secretary

SUBMITTED BY:



Greg Donovan, A.A.E.
Executive Director

APPROVED BY ACTION OF AIRPORT AUTHORITY:



Jack L. Ryals, Chairman