

*MELBOURNE AIRPORT AUTHORITY BOARD*  
Minutes for March 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 Laurie Wadell, new receptionist, and Rich Merrill new Terminal Maintenance Worker
- Congratulations to Sergeant Beer being selected as 2021 Officer of the Year
- 2022 Triennial Emergency Exercise a success
- Brevard Corporate 5K and Special Olympics Torch Run both to take place on April 14, 2022
- MLB welcomes TUI Airways as the first-ever Transatlantic Service

Mr. Donovan added more information regarding TUI 's arrival, explaining timeframes from the time passengers exited the plane, into baggage area and then through customs screening process. Mr. Potter asked, regarding screening, what exactly is the 1 hour, six minutes timeframe mean? Mr. Donovan explained that was the time from the first passenger clearing customs to the last passenger through customs. Mr. Potter asked how many passengers had rented vehicles? Mr. Busalacchi stated the only rental car company that gave any information was the Enterprise stating it had 35 passengers rented cars from them. Mr. Donovan stated he would pass on updated statics when received. Mr. Ryals congratulated the entire MLB team on the success of the day.

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

Congratulation to Mr. Patrick Mac Carthaigh, Operations Manager on receiving this month's award.

**Action Items**

Approval of the February 23, 2022, 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 Approval of a Lease Agreement for Unit 4A Aerospace Center with Air General, Inc.**

Mr. Donovan explained that this lease is to provide cargo services for TUI. This is a one-year lease with three one-year options with base rent of \$5.00 per square foot. The per square footage rate is lower due to the lack of restroom facilities in this unit. The CPI adjustments will be between 2 and 5 percent per year.

Mr. Fischer asked if this unit is able to be leased without a restroom on site? Mr. Donovan stated that yes, it can be. This has been approved by the city and the city has been quick with responses and approvals. Mr. Potter asked what TUI's cargo operation is. Mr. Donovan stated that the aircraft has containerized cargo area. This space is rented or leased by third parties and delivers cargo from Europe.

Mr. Potter stated the 2 to 5 percent CPI adjustments have been in effect for many years and he would like to make sure the inflation rates are being watched and then adjusted when necessary. Mr. Busalacchi stated that Ms. Naughton is aware of the inflation rates and is watching this issue.

A motion was made by Ms. Thomas to approve a lease agreement for 4A Aerospace Center with Air General, Inc., seconded by Mr. Thomas. Motion was passed unanimously.

**Item A-2 Recommendation to Purchase 200 Luggage Carts from Smarte Carte, Inc.**

Mr. Donovan explained this is a purchase request in the amount of \$124,000 for baggage carts. Due to supply chain manufacturing and shipping delays, another source had to be obtained to receive baggage carts prior to the arrival of the first TUI flight. Mr. Busalacchi and his staff single sourced the purchase of carts through Smarte Carte, Inc.

Mr. Fischer asked if these carts will be on a track and required a fee to use? Mr. Donovan stated no, there are no corrals or fees. Without a corral, this also gives the flexibility to move and place the carts wherever needed. Mr. Fischer asked how the Airport will secure these carts and keep them from being lost or stolen? Mr. Busalacchi explained that there will be a GPS tracking mechanism on these carts. Mr. Potter stated that \$600 per cart seems to be high. Mr. Donovan agreed that the price seems high, but he explained with the original company not being able to fulfill our order, staff was not in a position to negotiate the price with the last-minute delivery needed.

A motion was made by Mr. Thomas to purchase 200 luggage carts from Smarte Carte, Inc., seconded by Ms. Thomas. Motion passed unanimously.

**Item A-3 Recommendation to Increase the Purchase Order with Romjue Advertising & Company, Inc. for the 2022 Airport Marketing and Advertising Campaign in an Amount Not-to-Exceed \$123,856.**

Mr. Donovan explained that this is the third and final phase of this year's advertising plan and an additional \$50,658 is needed. The Airport will be shifting to solely digital marketing, with less billboards, less print, less traditional advertising to more electronic media. It brings the campaign from the awareness stage to more of a consideration and attention decision-making process. The message has also shifted to "Fly MLB Stress-Free" with highlighting nonstop routes. These digital advertising strategies will allow the Airport to target specific demographics from the data that was collected since the beginning of the campaign.

Mr. Potter asked the administration to explain more about the switch from print to digital? Mr. Himler explained that there is a tracking mechanism for on-line searches. When a person is planning travel and type in certain words or phrases, the tracking mechanism can follow this. Also, once a person clicks on MLB ads, it is tracked all the way through to booking flights. Mr. Potter asked if this is just for personal use, or it is also for corporate. Mr. Himler said it would be for anyone that would click on the MLB advertising or do a search with those key words or phrases.

A motion was made by Mr. Potter to increase the purchase order with Romjue Advertising & Company, Inc. for the 2022 Airport Marketing and Advertising Campaign in an amount not-to-exceed \$123,856, second by Mr. Thomas. Motion passed unanimously.

**Item A-4 Recommendation to Increase the Purchase Order with Blue Square to \$74,013.00 for the Purchase and Installation of Common Use Ticket Counter and Flight Information Display Monitors.**

Mr. Donovan explained this purchase order is for a terminal multi-use/common use system. He explained that these monitors can be used for any airline agent and once the agent is logged in, it will automatically change to their specific airline. Quotes were received by two vendors, and Blue Square was the lowest by a substantial amount.

A motion was made by Ms. Thomas to increase the purchase order with Blue Square to \$74,013 for the purchase and installation of common use ticket counter and flight information display monitors, seconded by Mr. Potter. Motion passed unanimously.

**Item A-5 Recommendation to Increase Purchase order to \$65,000 to Allen Enterprise for Airfield Lighting Parts and Repairs.**

Mr. Donovan explained that this purchase order is being increased due to the maintenance and repairs needs of the airfield lighting. This amount is within the current Operations and Maintenance budget.

Mr. Fischer asked if this is coming out of the contingency terminal renovation budget? Mr. Donovan stated it is not, it is in the operations budget. He also stated that the contingency budget for the terminal project has been depleted. Mr. Fischer asked regarding the contingency budget, was it used for the cost of materials? Mr. Perley explained that this is for the raw cost of the labor and materials.

A motion was made by Mr. Potter to increase purchase order to \$65,000 to Allen Enterprise for airfield lighting parts and repairs, seconded by Mr. Thomas. Motion passed unanimously.

**Item A-6 Recommendation to Approve Change Orders 18 and 19 to Carr & Collier, Inc., for Scope Changes with the Terminal Renovation and Expansion: Apron Reconstruction/Expansion Project in the Amount of \$56,841.61.**

Mr. Donovan explained that Change Orders 18 and 19 are identical to the previous change orders 01 through 17 that have been approved by the Board. Change Order 18 is for permanent and temporary fencing behind Eastern Florida State College. Change Order 19 is to meet the City's code concerns for the fixed passenger bridges.

Mr. Potter asked what is the long-term plan for Eastern Florida State College? Mr. Donovan stated that the college is looking to expand its campus and staff has been given options to accommodate elsewhere on Airport property. Mr. Busalacchi introduced Eastern Florida State College to six difference developers to discuss the opportunity to construct a new facility. There is an issue with the current fees and the affordability of building a new facility. The Airport continues to work with Eastern Florida State College, but the issue remains the significant cost associated with new construction.

A motion was made by Mr. Thomas to approve Change Orders 18 and 19 to Carr & Collier, Inc., for scope changes with the Terminal Renovation and Expansion: Apron Reconstruction/Expansion Project in the amount of \$56,841.61, seconded by Mr. Fischer. Motion passed unanimously.

**Item A-7 Recommendation to Approve Change Order 6 to DP Development, LLC for Scope Changes Related Fiber Optic Cable Conduit and Tracer Tape for the Northside Expansion Project: St. Michael Place Extension Phase 3 in the Amount of \$34,319.67.**

Mr. Donovan explained that Change Order 6 relates to some fiber optic cables that were damaged. The contractor called for locates to verify existing underground utilities. The locate company gave the contractor a clean report to allow for the excavation and installation of the pipe. After only several feet of excavation, an

existing fiber optic cable servicing both the City and the Airport was severed. These costs are within the project budget and are covered under the 100 percent reimbursable Florida Department of Transportation (FDOT) grant for the roads portion of the project.

Mr. Fischer asked what is being done to make sure the as-builts are accurate and stored properly. Mr. Donovan explained that staff is working to insure everything is up to date. Mr. Perley added that his staff is working with the consultant and former designers to get a complete library on file. Mr. Fischer said it could get very complicated when there are multiple people involved. Mr. Perley stated that AEC is compiling all the as-builts since Mr. Pendleton has been at the Airport since the 1970s and has a good knowledge of the Airport.

A motion was made by Mr. Potter to approve Change Order 6 to DP Development, LLC for scope changes related to fiber optic cable conduit and tracer tape for the Northside Expansion Project: St. Michael Place Extension Phase 3 in the amount of \$34,319.67, seconded by Ms. Thomas. Motion passed unanimously.

### **Discussion Items**

#### **Item D-1 Updated Melbourne Airport Authority Police Department Primary Jurisdiction**

Mr. Donovan open by commending both the Melbourne Airport Authority Police Department (MAPD) and Melbourne Police Department (MPD) on its outstanding cooperative efforts. Through evolution of the primary jurisdictional areas, the primary and secondary response area have been revised and updated. Mr. Donovan referred to a prepared map. He identified areas that have been a primary jurisdiction for MPD with the biggest change with Circles of Care which is located off Dr. Martin Luther King Jr. Boulevard. This now will be inside the MPD primary jurisdiction.

Previously through city ordinance MPD was responsible for the properties east of Dr. Martin Luther King Jr. Boulevard and south of NASA Boulevard. This revision corrects and more clearly addresses areas of responsibility for both MPD and MAPD.

Mr. Donovan asked the Board if there are any considerations or concerns regarding this discussion item. Mr. Potter asked if this had any budgetary ramifications? Mr. O'Dell stated no, there are not. Mr. Potter continued to ask, legally what does this mean? Do both departments have jurisdiction within these areas or is it simply a question of who has priority? Chief Purden explained that MAPD has jurisdiction on all airport property. The priority and primary responses for the MAPD are for the airfield and immediate access properties. The primary response and reporting for the MPD are the pink areas (referring to the areas on the presented map) and MAPD would be the back-up. The blue area (referring to the areas on presented map) would be the MAPD's primary response. Mr. Potter asked why this requires an amendment to the ordinance. Chief Purden stated with the primary and secondary jurisdiction changes, the ordinance will need to be revised.

Chairman Ryals asked Chief Gillespie if he had any comments. Chief Gillespie stated that both police departments regularly coordinate between the primary and secondary responses and will continue to do so.

Mr. Thomas stated that several years ago there was a security breach on Airport property and asked if that would be the primary response of MAPD and then MPD would be the secondary? Chief Purden stated that is correct.

Mr. Fischer stated that while watching the emergency exercise last month he noticed the Melbourne area responders were part of this exercise but were not badged to get on airport property. So, when a situation would arise for MPD to respond to an incident on airport property, would the badging be waived? Mr. Donovan stated no, the airport would have to maintain operational integrity. There is an emergency response point that is strategically located for those vehicles and responders when an incident occurs.

No other board members added any comments or concerns. No objections were made on the proposed ordinance change. This proposed ordinance change is scheduled to go to the Melbourne City Council for approval in April.

### **Information Items**

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

FY21 financial statements are completed and will be emailed after the meeting.

Audit was clean on the financial side, one item on the compliance side regarding the progress reporting on the construction. A very minor issue with interpretation issue between staff and FAA.

Mr. Potter asked if the Airport is close on the debt coverage covenants? Mr. O'Dell stated no, not at this time.

Mr. Mikuen asked regarding the scope of the audit, does the Airport get internal control recommendations? Mr. O'Dell stated the auditors provide management level comments. Mr. Mikuen would like to have an overview of the internal controls.

FY22 report trending upward.

Terminal project is as expected, total spending is at 67 percent.

FAA and FDOT grants have been drawn down significantly.

#### **Item I-2 Operations Update by Mr. Graham**

Menzies has hired 80 new staff, with a total of 90 to be hired as dedicated staff as it relates to TUI. This is a new division for Menzies at MLB. There has been over 96 hours of training, about three weeks per employee. New specialized equipment has been ordered which was very difficult to acquire due to the supply chain issues but Menzies did receive it in time for the first TUI flight. Yesterday was a great first day, hard work and all the training had paid-off.

Mr. Thomas asked if the 80 new staff that were hired can also be used for other airlines. Mr. Graham stated that currently they are dedicated to work for the TUI operations.

#### **Item I-3 Construction Projects Update by Mr. Perley**

##### **Terminal Renovation Phase 2**

Manpower and material delivery continues to impact project schedule.

Many long lead items previously scheduled for delivery have been delayed with no commitment for shipping. Contractor flew a man to Pennsylvania to rent a truck and bring material to the job site as delays in shipping and trucking would not get the material here on time.

Currently main switchgear coming from Mexico has been delayed until Mid-April.

Electrical workarounds have been made to accommodate passengers arriving and departing.

Where power exceeds current loads, generators have been provided.

Temporary air conditioning in operation as air handling equipment has been delayed for parts.

Where possible, substitutions are being made to maintain schedule.

Roofing continues to be an issue. Contractor has hired their third roofer to complete the dry-in. A temporary roof is installed until material can be delivered.

Fixed boarding bridges and connector bridge to FIS nearing completion.

Baggage Claim second floor nearing completion and ready for first flight. Exterior metal panels are complete.

Temporary roof installed and area is dried in. MEP rough complete on second floor and continues on the first floor. Metal stud framing continues on the first floor along with fire sprinkler piping.

Welcome Center – MEP rough-ins have begun. Structural steel detailing nearing completion. Exterior metal panels on site and ready for installation.

Ticketing – Ticket counters installed with power and data nearing completion. MEP rough ins complete. Framing and drywall complete. Paint and flooring nearing completion. Baggage roller system nearing completion. TSA has delivered 2 of the 3 bag screening units with last unit set for delivery on 3/22/22. Security Checkpoint/Holdroom Area continues with MEP rough-in. Framing continues and drywall has started. Fire sprinkler installation continues. Secure corridor glazing continues. Opening into existing concourse started. On-site meeting continue with the City, CBP and TSA to confirm all is operational for international flights.

#### **VIP Lounge**

Phase 1 is nearing completion. Walls complete and painted. Flooring nearing completion. Millwork complete. Fire sprinklers complete. Smoking patio nearing completion. Working with TSA on Phase 2 to see if time to complete work can be condensed so that it can be completed in under 30 days.

#### **Welcome Center**

Bus canopy complete. Canopy from FIS to Welcome Center complete. Landscaping and irrigation nearing completion. Underground utilities are complete. Asphalt paving and sidewalks complete. Temporary tent structure set up for use as Welcome Center.

#### **New Passenger Boarding Bridges**

New boarding bridges are complete. Training and commissioning have been completed. Currently on generator power until terminal switch gear installed. Once installed, bridges will be recertified. Existing PPB #1 (now PBB#6) is waiting on parts for recommissioning.

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

The pre-design/schematic design package report has been completed and forwarded to the TSA. TSA has reviewed and released the project to continue to the 30% design phase.

#### **Northside Expansion**

Underground utilities for the first half of the project have been completed and tested. Storm water system currently being installed. Retention pond excavation nearing completion. Subgrade compaction continues. Base material for road being delivered and installed. Precast wall installation is nearing completion. 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**

Phases 1 and 2 are complete. Phase 3 area cleaned are ready for seal coating and should be completed by the end of next week. Installation of the new security gate on the air side has started.

Mr. Fischer asked with the change in roofers, what measures are there to make sure there is a proper and full warranty on the roof. Mr. Perley stated that the current roofer will provide the full warranty. Mr. Fischer asked to see a CPM schedule on the major aspects of the project.

Mr. Potter asked what is the best-guess for the inline baggage system? Mr. Perley stated it would be approximately 2024 for completion of the project. Mr. Donovan added that there are three new CTX machines to get the Airport through this interim timeframe until the final construction is complete.

Ms. Thomas asked about the permitted power issue and is there a problem with the permitting? Mr. Perley stated it is the permanent power issue, not permitting issues.

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

Coastal News & Gifts now open and ready for business. Metz is the concessionaire and did a nice job with the remodel.

With the increase in customers within the Airport, a new orientation class was given to inform and update employees on the current construction as well as the arrival of the new international passengers. 'Moments that Matter' training was presented to Airport employees as well as key contract partners. This basically gave helpful solutions for interactions with passengers and customers here at the Airport. Customer-facing staff were invited to attend this training, which included Menzies, Metz, Delta, rental car companies along with airport administration staff, operations staff, police, and the new international ambassadors.

Mr. Will Terrant from the Freeman Group was introduced. He added that the training has been very well received. He especially liked having employees from the various workgroups interacting together. A few topics that were covered included communications, problem resolution, verbiage, and the marketing promise for MLB.

Mr. Mikuen asked how does the Airport measure success in this class? Will there be customer surveys? And will this be part of periodic training for employees? Mr. Busalacchi stated that the Airport will be provided a questionnaire to receive feedback to identify if it is working or not. There will be follow-through and it will become part of an orientation process for new hires. Mr. Terrant stated he will provide the tools and resources needed to make this sustainable.

Mr. Thomas asked if this training could be incorporated with other new passengers that may be arriving not just from the UK, but from other countries? Mr. Busalacchi state that yes as MLB grows, this training will need to be expanded and be part of MLB's culture.


**Adjournment**

The meeting was adjourned by Chairman Ryals at 9:50 a.m.

**PREPARED BY:**

  
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Tammy Till, MAA Board Secretary

**SUBMITTED BY:**

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

**APPROVED BY ACTION OF AIRPORT AUTHORITY:**

  
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Jack L. Ryals, Chairman