



MELBOURNE AIRPORT AUTHORITY BOARD MEETING

AGENDA

July 13, 2022, at 8:30 AM

Melbourne Orlando International Airport Board Room

Pledge of Allegiance

Airport Announcements

Executive Director's Recognition of Excellence Award

Action Items

Approval of the minutes for the June 22, 2022, regularly scheduled Board Meeting.

Item A-1 Recommendation to Approve Resolution 4-22 Approving the Airport Operating and Capital Budget in the amount of \$41,192,626 for the Fiscal Year Beginning October 1, 2022 and Ending September 30, 2023.

At the June 2022 MAA board meeting, staff presented the fiscal year 2022-2023 budget and distributed the proposed budget book including the Executive Director's memorandum. Attached is a copy of Resolution 4-22, recommending approval of the \$41,192,626 budget to appropriate and allocate all revenue and expenses of the Airport for the next fiscal year that will be forwarded to city council for adoption after board approval.

Staff recommends approval of Resolution 4-22, recommending the appropriation and allocation of all revenue and expenses of the Airport for the fiscal year, beginning October 1, 2022, and ending September 30, 2023, that will be forwarded to city council for adoption after board approval.

Item A-2 Recommendation to Approve Increase to Purchase Order Issued to Janitorial Depot by \$50,000 for a Total of \$85,000.

Due to the increase in passengers, janitorial product usage has also increased. Janitorial Depot was chosen through a Request for Proposal (RFP) issued in 2020, which resulted in five firms submitting proposals. The current issued purchase order to Janitorial Depot is in the amount of \$35,000 and is recommended to add an additional \$50,000 for a total of \$85,000 for janitorial supply.

Staff recommends approval to increase purchase order to Janitorial Depot by \$50,000 for a total of \$85,000 for janitorial supplies and authorization for the Executive Director to execute said contract on behalf of the Authority.

Item A-3 Recommendation to Approve Increase to Purchase Order Issued to Johnson Controls by \$35,000 for a Total of \$65,000.

The Airport utilizes the cooperative purchasing agreement through Sourcewell for the security maintenance and fire system repairs completed by Johnson Controls. Staff recommends increasing the current purchase order issued to Johnson Controls from \$35,000 to \$65,000 for continued support of the security and fire systems.

Staff recommends approval to increase purchase order to Jonson Control by \$35,000 for a total of \$65,000 and authorization for the Executive Director to execute said contract on behalf of the Authority.

Discussion Item

Item D-1 Interlocal Agreement for Criminal Justice Information Exchange and Dispatching Services

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 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 (723-6227) at least 48 hours prior to the meeting.

MELBOURNE ORLANDO INTERNATIONAL AIRPORT

Income Statement

May 31, 2022

	Year To Date Actual			
	5/31/2022	5/31/2021	\$ change	% change
Operating Revenue				
Airline Landing Fees	390,635	270,616	120,020	44%
Airline Service Fees	1,523,627	1,231,922	291,705	24%
Land & Bldg Lease Rents	6,183,975	6,064,801	119,174	2%
Terminal Rents	157,220	155,970	1,250	1%
Parking Lot Fees	1,157,840	576,215	581,625	101%
Car Rental Concessions	788,545	509,111	279,434	55%
Restaurant Concessions	90,774	19,243	71,531	372%
Mobile Home Park Rent	1,363,321	1,310,334	52,987	4%
T-Hangar Rentals	60,571	63,554	(2,983)	-5%
Operating Grant Revenue	30,060	52,011	(21,951)	-42%
Other	235,040	269,097	(34,057)	-13%
Total Operating Revenues	11,981,609	10,522,874	1,458,735	14%
Operating Expense:				
Personnel Services	3,428,366	3,308,852	119,514	4%
Contract Services	4,253,873	3,027,467	1,226,406	41%
Police & Fire Services	784,102	773,304	10,799	1%
Maintenance and Operations	3,252,019	2,334,895	917,124	39%
Other	23,184	-	23,184	#DIV/0!
Total Operating Expenses	11,741,544	9,444,518	2,297,027	24%
Operating Income (Loss)	240,064	1,078,357	(838,292)	
Non-Operating Revenue (Expense):				
Passenger Facility Charges	729,057	300,378	428,679	143%
Customer Facility Charges	421,932	328,689	93,243	28%
CARES Grant Revenue	4,144,720	2,955,417	1,189,303	40%
Gain on Sale of Assets	3,247,102	824,715	2,422,387	294%
Interest Income (Loss)	70,362	108,546	(38,184)	-35%
Ad Valorem Tax Revenue	943,786	907,332	36,454	4%
Ad Valorem Tax Expense	(949,655)	(911,762)	(37,893)	4%
(Loss) on Disposal of Fixed Assets	-	-	0	#DIV/0!
Interest Expense	(158,763)	-	(158,763)	#DIV/0!
Total Non-Operating Revenue (Expense)	8,448,541	4,513,315	3,935,226	
Net Income (Loss) Before Depreciation*	8,688,605	5,591,672		

* Net Income before capital contributions and transfers

MELBOURNE ORLANDO INTERNATIONAL AIRPORT
Statement of Revenues, Expenditures and Changes in Fund Net Assets
May 31, 2022

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>% of Budget</u>
Operating Revenues:			
Airline Landing Fees	390,635	426,185	92%
Airline Service Fees	1,523,627	2,219,666	69%
Land & Bldg Lease Rents	6,183,975	8,940,201	69%
Terminal Rents	157,220	237,624	66%
Parking Lot Fees	1,157,840	1,003,295	115%
Car Rental Concessions	788,545	1,683,188	47%
Restaurant Concessions	90,774	1,030,687	9%
Mobile Home Park Rent	1,363,321	2,061,075	66%
T-Hangar Rentals	60,571	113,528	53%
Operating Grant Revenue	30,060	72,000	42%
Other	235,040	339,888	69%
Total Operating Revenues	11,981,609	18,127,337	66%
Operating Expense:			
Personnel Services	3,428,366	5,808,015	59%
Contract Services	4,253,873	8,525,376	50%
Police & Fire Services	784,102	1,166,096	67%
Maintenance and Operations	3,252,019	7,938,208	41%
Other	23,184	-	#DIV/0!
Total Operating Expenses	11,741,544	23,437,695	50%
Operating Income (Loss)	240,064	(5,310,358)	
<u>Non-Operating Revenue (Expense):</u>			
Passenger Facility Charges	729,057	1,301,510	56%
Customer Facility Charges	421,932	1,112,001	38%
CARES Grant Revenue	4,144,720	7,545,138	55%
Gain on Sale of Assets	3,247,102	-	#DIV/0!
Interest Income (Loss)	70,362	200,847	35%
Ad Valorem Tax Revenue	943,786	1,982,252	48%
Ad Valorem Tax Expense	(949,655)	(1,936,135)	49%
Gain (Loss) on Disposal of Fixed Assets	-	-	#DIV/0!
Interest Expense	(158,763)	(200,000)	79%
Total Non-Operating Revenue (Expense)	8,448,541	10,005,613	
Net Income (Loss) before			
Depreciation, Transfers, and Capital Contributions	8,688,605	4,695,255	
Depreciation Expense	-	-	
Intra Transfer to Airport Capital	-	(100,000)	0%
Net Income (Loss) After Transfers	8,688,605	4,595,255	

Melbourne Orlando International Airport
Top 10 Operating Revenues
5/31/2022

Rank	Description	YTD FY 2022	FY 22 % of Total Rev	YTD FY 2021	FY 21 % of Total Rev	\$ Change	% Change
1	Airfield Facilities Rental	3,288,384	27%	3,238,170	31%	50,214	2%
2	Commercial Business Center Rent	2,178,186	18%	2,177,760	21%	426	0%
3	Tropical Haven Revenue	1,363,321	11%	1,310,334	12%	52,987	4%
4	Parking Revenue	1,157,840	10%	576,215	5%	581,625	101% A
5	Ground Handling Revenue	946,368	8%	748,092	7%	198,276	27% A
6	Car Rental Concession	788,545	7%	509,111	5%	279,434	55% A
7	Terminal Rent-Airline	605,829	5%	549,652	5%	56,177	10% A
8	Hangar Rent	536,608	4%	502,989	5%	33,619	7%
9	Landing Fees	390,635	3%	270,616	3%	120,019	44% B
10	Terminal Concessions	90,774	1%	19,243	0%	71,531	372% A
Total Top 10 Operating Revenue		11,346,490	95%	9,902,182	94%	1,444,308	
Other Operating Revenue		635,119	5%	620,692	6%	14,427	2%
Total Operating Revenue		11,981,609	100%	10,522,874	100%	1,458,735	14%

A Increase is due to recovery in activity related to increase in passenger traffic as the Airport rebounds from the Covid 19 recession.

B Increase is due to higher more flights, larger planes flown, and a 5% rate increase that went into effect on 10/1/21.

Melbourne Orlando International Airport
Top 10 Operating Expenses
5/31/2022

Rank	Description	YTD FY 2022	FY 22 % Operating Expense	YTD FY 2021	FY 21 % Operating Expense	\$ change	% change
1	Personnel	3,428,366	29%	3,308,852	35%	119,514	4%
2	Other Contract Services	2,931,155	25%	1,664,285	18%	1,266,870	76% A
3	Fire Services	766,771	7%	756,281	8%	10,490	1%
4	Contractual Employee	470,514	4%	308,308	3%	162,206	53% C
5	Consulting Fees	438,304	4%	356,800	4%	81,504	23% B
6	Electric	392,379	3%	316,532	3%	75,847	24%
7	Risk Management	297,527	3%	281,238	3%	16,289	6%
8	Special Events Expense	271,251	2%	88,722	1%	182,529	206% D
9	Advertising Expense	241,802	2%	80,503	1%	161,299	200% E
10	Cable TV Expense	226,242	2%	208,310	2%	17,932	9%
Total Top 10 Operating Expense		9,464,311	81%	7,369,831	78%		
Other Operating Expense		2,277,233	19%	2,074,687	22%	202,546	10%
Total Operating Expense		11,741,544	100%	9,444,518	100%	2,297,026	24%

A Increase is due to higher customs expense (up \$869k) and ground handling expense (up \$324k) due to the increase in International passengers.

B Increase is due to increase in use of VHB (approved by Board in Dec meeting), land appraisals for development, ACDBE Plan preparation, and air service fees to Adept Aviation (per contract, MLB pays \$5,000 per new route) for Allegiant and TUI air service. Expense for the new air service has been recorded for 3 routes on Allegiant and 4 routes on TUI for routes that were started by March 2022.

C Last year the staffing agency had issues providing the temporary employees needed to perform janitorial and terminal services work that have been corrected this year. In addition, TUI started flying in March so the airport has Ambassadors who are provided by the temp agency and the Tropical Haven manager retired in February 2022, the current manager is provided by the staffing agency.

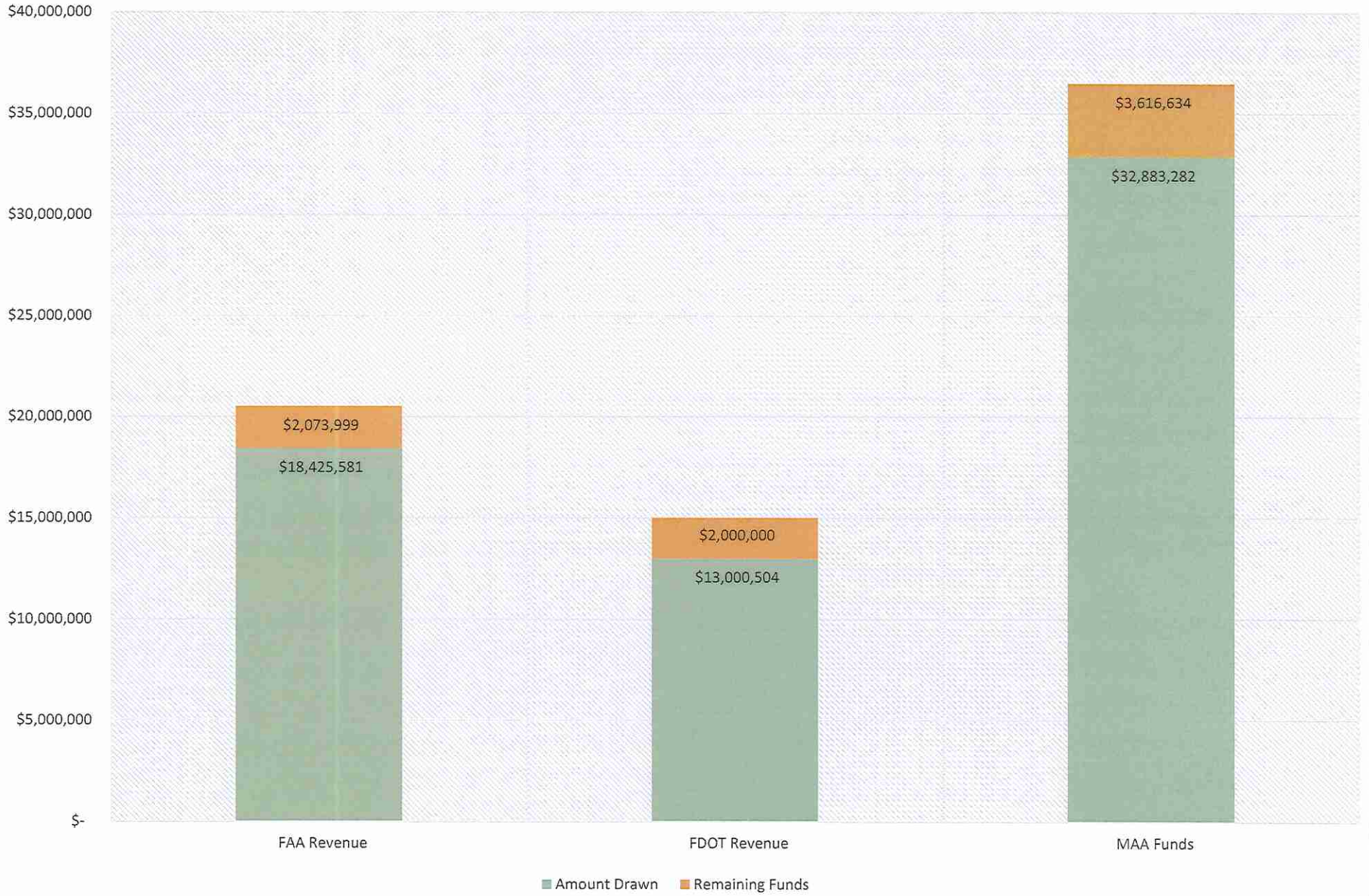
D Increase is due to costs associated with start-up of TUI operations such as the passenger meal program (\$160,161), passenger goodie bags (\$16,802), and staff customer service training (\$32,033).

E Increase is due to preparation of the inflight video to promote MLB (\$61,500) and the "Why Fly MLB" advertising campaign (\$97,230).

Terminal Expansion Expenditures-Actual/Encumbrances



Terminal Expansion/Renovation Funding Progress



7/5/2022

MAA Funds	Initial Amount		Remaining Funds		CARES Grant Amount	Total Drawn	Balance
	Grant/Debt/Cash	Amount Drawn	Allocated To Project				
FAA Grant 49-CARES	\$ 13,626,031	\$ 13,626,031	\$ -		\$ 19,823,709	\$ 16,848,276	\$ 2,975,433
Land Sales-Nasa Property	\$ 815,000	\$ 815,000	\$ -				
Land Sales-Police Property	\$ 3,229,962	\$ 3,229,962	\$ -				
Land Sales-USPS Property	\$ 1,781,732	\$ 1,781,732	\$ -				
Debt	\$ 15,000,000	\$ 12,000,000	\$ 3,000,000				
Reserves	\$ 2,543,450	\$ 1,430,557	\$ 1,112,893				
MAA Funds Drawn	\$ 36,996,175	\$ 32,883,282	\$ 4,112,893				
MAA Funds Used		\$ 32,883,282					
Increase Cash/Investments		\$ 0					

Melbourne Orlando Int'l Airport
Cash Flow Projection
7/5/2022

	June-22	July-22	August-22	September-22	October-22	November-22	December-22	January-23	February-23	March-23	April-23	May-23
Beginning Cash/Investment Balance	\$ 20,117,269	\$ 28,222,352	\$ 27,630,001	\$ 24,119,279	\$ 24,586,324	\$ 23,106,826	\$ 21,632,152	\$ 21,978,518	\$ 23,666,928	\$ 23,607,674	\$ 23,311,523	\$ 23,026,384
Operating Revenue	1,527,349	1,527,349	1,527,349	1,527,349	1,678,337	1,678,337	1,678,337	2,715,059	1,678,337	1,678,337	1,678,337	1,678,337
Plus: CARES Grant	16,848,276	2,975,433										
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: 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
Plus: Land Sales	1,781,732											
Operating Expense:												
Liability Insurance		(63,042)										
Personnel	(475,733)	(475,733)	(475,733)	(475,733)	(475,733)	(522,409)	(522,409)	(522,409)	(522,409)	(522,409)	(522,409)	(522,409)
TUI Marketing Incentive Reimbursement		(250,000)		(250,000)		(250,000)		(250,000)				
Interest Expense						(143,325)						
Maintenance and Operations Expense	(1,431,779)	(1,431,779)	(1,431,779)	(1,431,779)	(1,357,991)	(4,007,088)	(1,357,991)	(1,357,991)	(1,357,991)	(1,357,991)	(1,357,991)	(1,357,991)
Net Increase (Decrease) in Cash Flow from Operations	4,483,718	(586,489)	(273,447)	(523,447)	(48,671)	(3,137,769)	(95,347)	691,375	(95,347)	(95,347)	(95,347)	(95,347)
Total Capital Outlay	(3,503,583)	(4,318,103)	(4,644,785)	(1,504,748)	(1,598,659)	(16,121)	-	(262,000)	(100,000)	(1,249,000)	(1,000,000)	(649,000)
Total Capital Grant Revenue	2,381,897	1,063,499	1,155,512	2,265,953	-	1,544,406	300,000	1,120,439	-	854,772	550,000	500,000
PFC Collections (Reimbursement of Eligible Costs)	131,068	134,137	135,892	123,645	90,505	72,698	76,420	74,739	73,390	104,306	140,320	144,389
CFC Collections	111,983	114,606	116,105	105,642	77,327	62,113	65,293	63,857	62,704	89,118	119,888	123,365
Debt Draws (from Escrow)	7,500,000	4,500,000	3,000,000									
Net Increase (Decrease) in Cash From Capital and Debt	3,621,365	(5,861)	(3,237,275)	990,492	(1,430,827)	1,663,095	441,713	997,035	36,093	(200,803)	(189,792)	118,754
Beginning Cash/Investments	20,117,269	28,222,352	27,630,001	24,119,279	24,586,324	23,106,826	21,632,152	21,978,518	23,666,928	23,607,674	23,311,523	23,026,384
Ending Cash/Investments	28,222,352	27,630,001	24,119,279	24,586,324	23,106,826	21,632,152	21,978,518	23,666,928	23,607,674	23,311,523	23,026,384	23,049,791

Melbourne Orlando Int'l Airport
Cash Flow Projection - Capital Exp and Grant Revenue
7/5/2022

Capital Project Expenditures	Proj #	Total Cost	Indi	Prior Expenditures	June-22	July-22	August-22	September-22	October-22	November-22	December-22	January-23	February-23	March-23	April-23	May-23
Airfield Utilities-GA Dr. & SO Lift	51119	1,400,000	E													
Security System-phase 1	50419	461,959	D													
Terminal Exp-Public Space (Haskell)	50519	50,429,492	E	(42,993,449)	(2,081,109)	(2,000,000)	(2,000,000)		(1,354,934)							
Terminal Exp-Public Space (Others)	50519	1,326,227	E	(1,227,606)	(16,500)	(16,500)	(16,500)	(16,500)	(16,500)	(16,121)						
Terminal Exp-PBBs (2)	54119	3,024,428	D	(3,024,428)	-	-										
Terminal Exp-Apron	54219	13,434,140	D	(11,456,316)	(855,516)	(154,690)	(967,618)									
Terminal Exp-VIP Lounge (Iveys)	54319	891,885	C	(547,206)	(34,012)		(310,667)									
Terminal Exp-Welcome Center (Iveys)	54519	1,613,553	C	(1,417,648)	(11,972)	(183,933)										
Terminal Exp-Common Use Tech Equip	54619	252,204	C	(232,234)	-	(19,970)										
Terminal Exp-Int'l Waste Facility	54719	32,665	C	(32,665)												
Terminal Exp-FF&E	55319	711,467	C	(394,988)		(316,479)										
In Line Baggage System-Design	50121	1,024,944	D	(349,438)	(35,244)	(150,000)	(150,000)	(214,746)	(125,516)							
Airplane Deposit Facility	50619	70,000	C													
Taxiway S Improvements-Phase 1	50120	3,400,000	D													
Perimeter Road Rehab	50220	125,000	C													
PBB 5 Replacement	50320	1,669,094	D													
Aerospace Dr. Lift Station Replace	50520	85,000	C													
Aerospace Parking/Security	50022	400,000	C	(90,158)	(234,351)	(12,375)										
Rental Car Parking Improvements	50222	300,000	C	(181,425)	(54,419)	(64,156)										
Tropical Haven Facility Improvements	50620	298,491	C	(234,576)												
Northside Expansion	54120	9,392,132	D													
Northside Exp-St. Michael PI Ext	54220	6,100,000	D	(1,556,020)	(180,460)	(500,000)	(500,000)	(453,063)								
Northside Exp-T/W M Ext	54320	3,930,000	D													
Northside Exp-Infrastructure Dev	54420	3,102,444	D	(1,180,296)	-	(600,000)	(600,000)	(620,439)	(101,709)							
Equipment Purchases		880,000	C	(97,948)		(300,000)	(100,000)	(200,000)				(262,000)		(249,000)		(149,000)
T-Hangars Phase 1	TBD	3,000,000	D										(100,000)	(1,000,000)	(1,000,000)	(500,000)
Total Capital Outlay					(3,503,583)	(4,318,103)	(4,644,785)	(1,504,748)	(1,598,659)	(16,121)	-	(262,000)	(100,000)	(1,249,000)	(1,000,000)	(649,000)
Grant Revenue																
TERMINAL EXPANSION GRANTS																
City Grant (\$500,000)				500,000	-											
FDOT-Terminal Rehab FY 20/FY 21 (438452-1-94-03--\$10,000,504)				8,000,504	-	400,000	-									
FAA Discretionary PBBs (2) Gmt 50- FY 20 (\$2,644,650)				2,380,185	-		264,465									
FAA Ent Gmt 48 Term Rehab FY 20-FY 22 (\$7,410,486)*				5,007,008	1,662,427			741,049								
FAA Grant 48 Funding Lag (3 year grant; final year funds in August 2022)																
FAA Supplemental Gmt 51 Term Rehab - FY 20 (\$4,444,444)				3,280,530	719,470			444,444								
FAA Discretionary Ramp - FY 20 (\$6,000,000)				5,375,961			624,039									
FDOT DRA-Ramp Reimb (\$5,000,000)								300,000			300,000			300,000		
TSA OTA-In Line Baggage Sys Design (\$711,496)							267,008			444,406						
NORTHSIDE EXPANSION GRANTS																
FDOT (St. Michael PI Ext)	54220	4,783,000		892,521	-	663,499		180,460		500,000		500,000		453,063		
FDEO (Inf Dev)	54420	3,922,132		1,180,296	-	-		600,000		600,000		620,439		101,709		
FDOT FY 23 T Hangar Grant	TBD	1,500,000													550,000	500,000
Total Grant Revenue					2,381,897	1,063,499	1,155,512	2,265,953	-	1,544,406	300,000	1,120,439	-	854,772	550,000	500,000

**Melbourne Orlando International Airport
Police Department
Monthly Activity Report
June 2022**

Police Activity/ TSA Required Checks	
Response to Door & Gate Alarms	213
TSA Assists	6
Perimeter	126
Area Patrols	159
Door inspections	10
SIDA & Secure Area Inspections	223
Gate Inspections	6
Customs Assists / Weapons Check	2
Security Violations	0
Assist to Other Agencies	33
Aircraft Alerts	1
Arrests	2
*Other Incident Reports	233
Traffic Details/ Parking Citations/Warnings	15
Total	1,029
Administrative Action	
Security Badges Issued	161
Parking Permits Issued	34
Total	195



R 209

***Renee Purden, ACE
Chief of Police/ Director of Public Safety***

*Other incident reports may include Citizen Assists, Officer Stand By, Suspicious Incidents, Vehicle Crash Reports, and Disturbances