



MELBOURNE AIRPORT AUTHORITY BOARD MEETING
AGENDA

January 22, 2025, at 8:30 AM
Melbourne Orlando International Airport Board Room

Pledge of Allegiance

Airport Announcements

Executive Director's Recognition of Excellence Award

Action Items

Item A-1 Approval of the minutes for the December 10, 2024, Regularly Scheduled Board Meeting.

Item A-2 Recommendation for Approval of Resolution 1-25 to Approve a Budget Increase of \$2,175,000 for the Terminal Renovation and Expansion Project.

The Airport expanded the terminal and associated infrastructure to accommodate new international air service that started in March 2022. The overall project budget was \$72 million, tracked in multiple projects to facilitate reconciliations and the various funding sources. The Airport and Haskell, the primary contractor, have completed a final reconciliation of the project costs and have reached a project closeout agreement on the final amount due. The increase is primarily due to unexpected costs incurred by the contractor to meet the deadline for opening the terminal and material delays related supply chain discrepancies associated with the COVID-19 pandemic together with additional work requested by the Authority that became a part of the project.

The proposed budget amendment will provide the required budget authority so final payment, including retainage, can be processed and the project closed out. In addition, both Haskell and the Airport have agreed that all claims, liabilities, and project disputes have been resolved with the Authority preserving all applicable warranties and as-yet unknown claims, if any.

The budget increase will be funded with Airport reserves. Upon Airport Authority approval of the budget amendment, staff will present the resolution for approval by City Council.

Operating Budget-Fund 860

Operating Revenue

Budget as of 10/01/2024			30,364,849
Administration			
	9803870	Approp from PY 387034 Surplus-Operating	<u>2,175,000</u>
Proposed Operating Revenue Budget			<u><u>32,539,849</u></u>

Operating Expenses

Budget as of 10/01/2024			30,364,849
Administration			
	98000587	591550 Intra to Airport CIP	<u>2,175,000</u>
Proposed Operating Expense Budget			<u><u>32,539,849</u></u>

Capital Projects Budget-Fund 861

Total Capital Expenditure Budget as of 10/1/24					191,068,666
	<u>Project Number</u>	<u>Current Budget</u>	<u>Increase</u>	<u>Revised Budget</u>	
Terminal Rehab/Expansion-Public Space	50519	\$ 52,415,596	2,175,000	\$ 54,590,596	<u>2,175,000</u>
Total Capital Expenditure Budget After Transfer					<u><u>193,243,666</u></u>
Total Capital Revenue Budget as of 10/1/24					191,068,666
	<u>Account Number</u>	<u>Original Budget</u>	<u>Increase</u>	<u>Revised Budget</u>	
MAA Share	387014	\$ 30,560,162	\$ 2,175,000	\$ 32,735,162	2,175,000
FDOT Grant Revenue	389600	\$ 10,000,504		\$ 10,000,504	-
FAA Grant Revenue	389500	\$ 11,854,930		\$ 11,854,930	-
Total Capital Revenue Budget After Transfer		\$ 52,415,596	\$ 2,175,000	\$ 54,590,596	<u><u>193,243,666</u></u>

Staff recommends approval of the \$2,175,000 budget amendment to increase the overall budget for the Terminal Renovation and Expansion Project and authorization for the Executive Director to execute the necessary documentation to memorialize the agreement with Haskell, which will permit final payment to be made to Haskell.

Item A-3 Recommendation to Approve the Professional Services Agreement with Adept Aviation Consulting, LLC.

The Airport Authority Board approved a five-year Professional Services Agreement with Adept Aviation Consulting, LLC, at its regular meeting on January 22, 2020. This agreement is set to expire on January 31, 2024. Staff requests to enter into a new agreement with a seven-year term. Mr. Greg Dull is an integral part of MLB's team and was instrumental in the recruitment of TUI, Sun Country and Allegiant. He will continue to focus on acquiring new air service and growing existing service, both domestic and international.

The monthly retainer is as follows:

- Year 1: \$12,000
- Year 2: \$12,300
- Year 3: \$12,610
- Year 4: \$12,925
- Year 5: \$13,250
- Year 6: \$13,575
- Year 7: \$13,925

Nothing else changes from the current agreement, but as a reminder, these are the other terms:

- Included in the agreement is a one-time bonus of \$5,000 for each new destination city achieved that meets minimum frequency and length criteria.
- The Airport will reimburse Adept for data requested by staff and compiled for airline and conference presentations.
- Travel expenses outside of Brevard, Osceola, Orange, and Seminole Counties will be invoiced at cost plus \$250 per day flat fee.
- Applicable expenses include airfare, reasonable and necessary hotel, car rental, parking, gas and meals.
- Mileage reimbursement will be calculated using the IRS allowable rate. All travel expenses will conform to the airport's travel policy.

Additionally, Mr. Dull will be responsible for overseeing any subconsultants assisting the Airport with TUI and other air service development. Currently there is one subconsultant with a monthly fee of \$2,300. The Airport will approve all work to be completed by the subconsultants.

Staff recommends approval of the Professional Services Agreement with Adept Aviation Consulting, LLC, and authorization for the Executive Director to execute said agreement on behalf of the Authority.

Item A-4 Recommendation to Approve a Marketing, Advertising, and Crisis Communication Services Retainer with The Quotient Group.

The Quotient Group is a full-service marketing and advertising firm with a focus on aviation, digital advertising, marketing plans, branding, graphic design, communication plans, public relations, copywriting and editing, promotions, event planning, crisis communication planning, social media strategy and management, community engagement programs, emerging technology and in-terminal advertising.

The proposed scope of work includes providing the Airport with a Communications Blueprint, Crisis Communication Plan, In-person Crisis Training, and monthly retained Marketing and branding support.

The Crisis Communication Plan and In-Person Training is a tiered plan addressing emergencies and incidents with access to resources to help manage communications. A full risk analysis and stakeholder interviews will be conducted along with messaging templates corresponding to incidents of all sizes and scope, as well as templates, tools and technology for monitoring real time execution of a crisis communication plan.

The Quotient Groups marketing and brand strategy team will provide 20 service hours each month to support airport marketing with a creative Communications Blueprint that will outline objectives, audiences, key messages, channels, timelines and metrics. The emphasis of the communications blueprint will be focused on addressing growing commercial passenger traffic and changing local travel habits.

The retainer cost is \$130,000 not including advertising/media buys or travel expenses, which will be approved by Airport staff.

Staff recommends approval of the Marketing Services Retainer with The Quotient Group and authorization for the Executive Director to execute said agreement on behalf of the Authority.

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/she 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 (321) 723-6227 at least 48 hours prior to the meeting.

MELBOURNE ORLANDO INTERNATIONAL AIRPORT

Income Statement

November 30, 2024

	Year To Date Actual		\$ change	% change
	11/30/2024	11/30/2023		
Operating Revenue				
Airline Landing Fees	110,590	97,419	13,172	14%
Airline Service Fees	502,957	503,711	(753)	0%
Land & Bldg Lease Rents	1,786,900	1,621,685	165,215	10%
Terminal Rents	52,569	46,172	6,397	14%
Parking Lot Fees	355,294	383,045	(27,750)	-7%
Car Rental Concessions	312,622	342,084	(29,461)	-9%
Restaurant Concessions	82,783	89,905	(7,122)	-8%
Mobile Home Park Rent	338,968	338,203	765	0%
T-Hangar Rentals	14,276	15,190	(915)	-6%
Operating Grant Revenue	0	6,300	(6,300)	-100%
Other	208,582	210,788	(2,206)	-1%
Total Operating Revenues	3,765,542	3,654,502	111,040	3%
Operating Expense:				
Personnel Services	1,037,594	676,535	361,059	53%
Contract Services	1,563,858	1,588,483	(24,625)	-2%
Police & Fire Services	242,544	221,946	20,598	9%
Maintenance and Operations	848,526	963,209	(114,682)	-12%
Other	72,441	51,407	21,033	41%
Total Operating Expenses	3,764,964	3,501,580	263,383	8%
Operating Income (Loss)	578	152,921	(152,343)	
Non-Operating Revenue (Expense):				
Passenger Facility Charges	284,041	319,284	(35,243)	-11%
Customer Facility Charges	298,876	307,280	(8,404)	-3%
CARES Grant Revenue	-	-	0	#DIV/0!
Gain (Loss) on Sale of Assets	4,477	6,636	(2,159)	-33%
Interest Income (Loss)	273,968	205,747	68,221	33%
Ad Valorem Tax Revenue	1,436,575	1,069,070	367,505	34%
Ad Valorem Tax Expense	(1,446,212)	(1,035,152)	(411,059)	40%
Interest Expense	(21,450)	(24,375)	2,925	-12%
Total Non-Operating Revenue (Expense)	830,274	848,489	(18,215)	
Net Income (Loss) Before Depreciation*	830,853	1,001,411		

* Net Income before capital contributions, capital equipment, and transfers

MELBOURNE ORLANDO INTERNATIONAL AIRPORT
Statement of Revenues, Expenditures and Changes in Fund Net Assets
November 30, 2024

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>% of Budget</u>
Operating Revenues:			
Airline Landing Fees	110,590	803,671	14%
Airline Service Fees	502,957	3,083,057	16%
Land & Bldg Lease Rents	1,786,900	12,130,306	15%
Terminal Rents	52,569	332,537	16%
Parking Lot Fees	355,294	2,171,895	16%
Car Rental Concessions	312,622	1,819,701	17%
Restaurant Concessions	82,783	400,000	21%
Mobile Home Park Rent	338,968	-	#DIV/0!
T-Hangar Rentals	14,276	-	#DIV/0!
Operating Grant Revenue	-	-	#DIV/0!
Other	208,582	752,077	28%
Total Operating Revenues	3,765,542	21,493,244	18%
Operating Expense:			
Personnel Services	1,037,594	6,786,550	15%
Contract Services	1,563,858	8,387,908	19%
Police & Fire Services	242,544	1,491,260	16%
Maintenance and Operations	848,526	7,722,201	11%
Other	72,441	260,000	28%
Total Operating Expenses	3,764,964	24,647,919	15%
Operating Income (Loss)	578	(3,154,675)	
<u>Non-Operating Revenue (Expense):</u>			
Passenger Facility Charges	284,041	1,419,771	20%
Customer Facility Charges	298,876	1,266,057	24%
CARES Grant Revenue	-	-	#DIV/0!
Gain (Loss) on Sale of Assets	4,477	33,380	13%
Interest Income (Loss)	273,968	2,640,110	10%
Ad Valorem Tax Revenue	1,436,575	2,062,537	70%
Ad Valorem Tax Expense	(1,446,212)	(2,113,530)	68%
Interest Expense	(21,450)	(277,400)	8%
Total Non-Operating Revenue (Expense)	830,274	5,030,925	
Net Income (Loss) before			
Depreciation, Transfers, and Capital Contributions	830,853	1,876,250	
Depreciation Expense	-	-	
Machinery and Equipment	(16,258)	(806,000)	2%
FAA Equipment Grant	-	-	#DIV/0!
Intra Transfer to Airport Capital	-	(2,520,000)	0%
Net Income (Loss) After Transfers	814,595	(1,449,750)	

Melbourne Orlando International Airport
Top 10 Operating Revenues
11/30/2024

Rank	Description	YTD FY 2025	FY 25 % of Total Rev	YTD FY 2024	FY 24 % of Total Rev	\$ Change	% Change
1	Airfield Facilities Rental	1,001,817	27%	897,502	25%	104,315	12% A
2	Commercial Business Center Rent	588,750	16%	535,094	15%	53,656	10%
3	Ground Handling Revenue	358,101	10%	356,889	10%	1,212	0%
4	Parking Revenue	355,294	9%	383,045	10%	(27,751)	-7% B
5	Tropical Haven Revenue	338,968	9%	338,203	9%	765	0%
6	Car Rental Concession	312,622	8%	342,084	9%	(29,462)	-9% C
7	Terminal Rent-Airline	154,371	4%	155,282	4%	(911)	-1%
8	Hangar Rent	143,177	4%	143,177	4%	-	0%
9	Landing Fees	110,590	3%	97,419	3%	13,171	14% D
10	Terminal Concessions	82,783	2%	89,905	2%	(7,122)	-8% C
Total Top 10 Operating Revenue		3,446,473	92%	3,338,600	91%	107,873	
Other Operating Revenue		319,069	8%	315,902	9%	3,167	1%
Total Operating Revenue		3,765,542	100%	3,654,502	100%	111,040	3%

A Increase primarily due to 5 year rate adjustments that went into effect mid year in FY 24 for one of MLB's anchor tenants (accounts for 60% of the increase). Remaining increases are CPI adjustments for several smaller tenants.

B Parking revenue decrease appears to be due to timing of when cars enter the lot and when they exit (and pay the parking fees). The average number of parking layovers is up 3.7% but there is significant increases the last week of November this year compared to same period last year. Accordingly, when these vehicles leave the lot, the revenue will be recorded so we expect this number to increase in December.

C These revenue sources have a relatively high correlation to the passenger activity which decreased 8.5% in the first 2 months of the fiscal year.

D Revenue is higher due to increase in activity level, such as gate use fees, as there was no rate adjustment for terminal rent or landing fees. In addition, the incentive periods ended on for some airlines on certain routes in late November 2023 so they paid for 2 full months this year compared to a partial month last year.

Melbourne Orlando International Airport
Top 10 Operating Expenses
11/30/2024

Rank	Description	YTD FY 2025	FY 25 % Operating Expense	YTD FY 2024	FY 24 % Operating Expense	\$ change	% change
1	Other Contract Services	1,151,802	31%	1,197,039	34%	(45,237)	-4%
2	Personnel	1,037,594	28%	676,535	19%	361,059	53% A
3	Fire Services	240,874	6%	221,834	6%	19,040	9%
4	Contractual Employee	198,450	5%	244,531	7%	(46,081)	-19% B
5	Electric	140,613	4%	145,221	4%	(4,608)	-3%
6	Consulting Fees	111,410	3%	68,572	2%	42,838	62% C
7	Risk Management	99,656	3%	78,619	2%	21,037	27%
8	Cable TV Expense	71,083	2%	64,906	2%	6,177	10%
9	Solid Waste Disposal	64,364	2%	72,111	2%	(7,747)	-11%
10	Outside Counsel Fees	50,268	1%	25,865	1%	24,403	94% D
Total Top 10 Operating Expense		3,166,114	84%	2,795,233	80%		
Other Operating Expense		598,850	16%	706,347	20%	(107,497)	-15%
Total Operating Expense		3,764,964	100%	3,501,580	100%	263,384	8%

A Increase is due to the timing of the pay periods as there are 26 pay periods so there are 2 months each year that have 3 payrolls. Last year, December had 3 payrolls whereas this year November had 3 payrolls. Accordingly, this will level out as the year progresses.

B Decrease is due to adjustments made to right size the staffing needed to maintain the terminal (labor hours dropped from 5,197/month to 4,011/month) in light of the passenger volumes. This was partially offset by using a contract employee to fill the marketing position this year; last year this was filled with an Aiport FTE (Note: the airport staff intends to fill the position with an Airport FTE in the coming months).

C Consulting expense higher due to non-recurring costs incurred in FY 25 related to Air Service Development (\$16,500), Parking Study (\$14,179), and appraisals/review appraisals for Tropical Haven Sale (\$7,000).

D MLB incurred additional legal fees primarily due to preparation/review of documents related to the Tropical Haven sale .

Melbourne Orlando Int'l Airport
Cash Flow Projection
12/27/2024

	November-24	December-24	January-25	February-25	March-25	April-25	May-25	June-25	July-25	August-25	September-25	October-25
Beginning Cash/Investment Balance	\$ 38,133,375	\$ 35,081,328	\$ 34,076,404	\$ 34,998,848	\$ 33,676,127	\$ 29,748,914	\$ 25,878,172	\$ 23,869,423	\$ 23,812,139	\$ 23,689,475	\$ 29,919,278	\$ 27,736,138
Operating Revenue	1,948,019	1,948,019	3,427,140	1,948,019	1,948,019	1,948,019	1,948,019	1,948,019	1,948,019	1,948,019	1,948,019	1,948,019
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: Annual Land Option Revenue				212,355	578,148							
Plus: Monthly Collections Ad Valorem Tax	133,988	173,891	173,891	173,891	173,891	173,891	173,891	173,891	173,891	173,891	173,891	173,891
Operating Expense:												
Liability Insurance								(20,000)	(92,051)			
Personnel	(559,687)	(559,687)	(559,687)	(559,687)	(559,687)	(559,687)	(559,687)	(559,687)	(559,687)	(559,687)	(559,687)	(559,687)
TUI Marketing Incentive Payment							(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Debt Payment (Interest)	(128,700)						(128,700)					
Maintenance and Operations Expense	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)	(1,339,923)
Ad Valorem Tax Payment	(3,435,174)											
Net Increase (Decrease) in Cash Flow from Operations	(3,408,749)	195,028	1,674,149	407,383	773,176	195,028	16,328	175,028	52,977	195,028	145,028	195,028
Total Capital Outlay	(740,140)	(1,380,250)	(1,891,888)	(4,661,438)	(6,050,000)	(9,300,000)	(8,375,410)	(6,637,974)	(3,501,419)	(2,350,000)	(2,571,000)	(2,254,349)
Principal Payment-Outstanding Debt							(1,820,000)					
Total Capital Grant Revenue	892,484	19,058	972,034	2,759,025	1,140,000	4,957,500	7,902,239	6,157,500	3,074,028	8,140,257	-	664,242
PFC Collections (Reimbursement of Eligible Costs)	108,027	85,234	88,886	91,085	110,804	146,283	141,719	131,182	133,079	129,256	128,365	125,852
CFC Collections	96,331	76,006	79,263	81,224	98,807	130,446	126,375	116,979	118,671	115,262	114,467	112,226
Net Increase (Decrease) in Cash From Capital and Debt	356,702	(1,199,952)	(751,706)	(1,730,105)	(4,700,389)	(4,065,771)	(2,025,077)	(232,313)	(175,640)	6,034,774	(2,328,168)	(1,352,029)
Beginning Cash/Investments	38,133,375	35,081,328	34,076,404	34,998,848	33,676,127	29,748,914	25,878,172	23,869,423	23,812,139	23,689,475	29,919,278	27,736,138
Ending Cash/Investments	35,081,328	34,076,404	34,998,848	33,676,127	29,748,914	25,878,172	23,869,423	23,812,139	23,689,475	29,919,278	27,736,138	26,579,138

Melbourne Orlando Int'l Airport
Cash Flow Projection - Capital Exp and Grant Revenue
12/27/2024

Capital Project Expenditures	Total Cost	Prior Expend	November-24	December-24	January-25	February-25	March-25	April-25	May-25	June-25	July-25	August-25	September-25	October-25
Term Upgrade-Restrooms Gate Belt etc	5,263,158	(1,502,673)	(205,029)	(151,107)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(254,349)
Term Upgrade-Fire Sprinkler/Plumbing	5,959,412	(960,519)	(11,273)	(150,000)	(150,000)	(50,000)								
Terminal Exp-Public Space (Haskell)	52,264,894	(50,303,456)				(1,961,438)								
In Line Baggage System-Construction	37,475,966	-					(150,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Northside Expansion	11,948,523													
Northside Exp-T/W M Ext	3,930,000	(1,462,364)	(74,114)	(191,367)	(350,000)	(350,000)	(400,000)	(400,000)	(350,000)	(352,155)				
Project Vista Site Improvements	9,980,000	(1,939,425)	(357,109)	(841,789)	(600,000)	(950,000)	(1,200,000)	(1,200,000)	(1,200,000)	(950,000)	(741,677)			
Taxiway A Rehab	28,937,300	(1,240,181)	(28,832)	(10,839)	(300,000)	(500,000)	(2,500,000)	(4,000,000)	(3,500,000)	(2,235,819)				
ATCT Roof/Bldg Imp/Remodel	418,744	(348,773)	(48,083)		(21,888)									
Equipment Purchases	1,027,000	-		(16,258)	(70,000)		(300,000)		(160,000)		(259,742)		(221,000)	
T-Hangars Phase 1	3,000,000					(100,000)	(500,000)	(750,000)	(750,000)	(750,000)	(150,000)			
Roof Replacement-1135 W. Nasa	700,000					(100,000)	(250,000)	(350,000)						
Employee/Cell Parking Lot Expansion	1,100,000	-	(15,700)	(18,890)	(50,000)	(300,000)	(400,000)	(250,000)	(65,410)					
Total Capital Outlay			(740,140)	(1,380,250)	(1,891,888)	(4,661,438)	(6,050,000)	(9,300,000)	(8,375,410)	(6,637,974)	(3,501,419)	(2,350,000)	(2,571,000)	(2,254,349)
Grant Revenue														
FAA Grant 59 Restrooms/Gate/Belt/etc	5,000,000	1,272,866	154,671		338,329	332,500		665,000		665,000		997,500		574,134
FDOT Restrooms/Gate/Belt/Flooring/etc	131,000	25,948				29,272		17,500		17,500		26,250		15,109
FAA-Fire Sprinklers-Grnt 60	5,363,470	509,888	264,827		234,898		180,000							
FDOT Fire Sprinklers	297,971	15,721		14,713	32,869		10,000							
TSA OTA-In Line Baggage Sys Const	22,045,401	-							1,137,877			3,175,470		
FAA-In Line Baggage Grant	3,263,505	-							409,575			1,143,000		
FDOT-In Line Baggage Grant	4,000,000	-							204,788			571,500		
NORTHSIDE EXPANSION GRANTS														
FDOT (T/W M Realignment/Ext)	6,815,402	1,293,834	168,973			615,481			1,150,000			702,155		
FDOT-Project Vista Grant/DFJ Reimburs	9,980,000	1,704,786	225,810		365,938	1,441,789	950,000	1,200,000	1,200,000	1,200,000	950,000	741,677	-	-
FDOT FY 23 T Hangar Grant	1,500,000							50,000		625,000		750,000		75,000
FAA Taxiway A Rehab	13,267,370	1,037,958	78,203			305,704		2,700,000	3,600,000	3,150,000	2,012,237	-		
FDOT Taxiway A Rehab	1,570,410	57,664		4,345		16,984		150,000	200,000	175,000	111,791	-		
FDOT-Employee Parking Grant	550,000					17,295		175,000		325,000		32,705		
Total Grant Revenue			892,484	19,058	972,034	2,759,025	1,140,000	4,957,500	7,902,239	6,157,500	3,074,028	8,140,257	-	664,242

**MELBOURNE ORLANDO INTERNATIONAL AIRPORT (MLB) MONTHLY ACTIVITY REPORT
DECEMBER 2024**

	2024	2023	MO CHANGE (%)	2024 YTD	2023 YTD	YTD CHANGE (%)
PASSENGERS						
Revenue PAX - Domestic						
Enplaned	23,564	20,798	13.3%	263,439	249,850	5.4%
Deplaned	23,523	21,915	7.3%	259,866	249,060	4.3%
Total Revenue PAX - Domestic	47,087	42,713	10.2%	523,305	498,910	4.9%
Revenue PAX - Int'l						
Enplaned	22	37	-40.5%	88,395	114,853	-23.0%
Deplaned	191	161	18.6%	89,461	116,619	-23.3%
Total Revenue PAX - Int'l	213	198	7.6%	177,856	231,472	-23.2%
Non-Revenue PAX						
Enplaned	710	649	9.4%	7,495	8,594	-12.8%
Deplaned	768	639	20.2%	7,568	8,715	-13.2%
Total Non-Revenue PAX	1,478	1,288	14.8%	15,063	17,309	-13.0%
Total PASSENGERS	48,778	44,199	10.4%	716,224	747,691	-4.2%
AIRCRAFT OPERATIONS						
Air Carrier	566	507	11.6%	6,712	6,507	3.2%
Air Taxi	189	163	16.0%	1,873	1,804	3.8%
General Aviation - Itinerant	7,852	7,495	4.8%	119,203	105,979	12.5%
General Aviation - Local	2,284	3,955	-42.3%	31,319	55,877	-44.0%
Military	41	58	-29.3%	837	702	19.2%
Total OPERATIONS	10,932	12,178	-10.2%	159,944	170,869	-6.4%

RESOLUTION NO. 1-25

**A RESOLUTION OF THE CITY OF MELBOURNE AIRPORT AUTHORITY,
BREVARD COUNTY, FLORIDA, AMENDING RESOLUTION 3-24 TO PROVIDE
BUDGET AUTHORITY FOR CAPITAL EXPENSES FOR THE TERMINAL
EXPANSION AND RENOVATION PROJECT AS FOLLOWS:**

WHEREAS, On June 26, 2024, the City of Melbourne Airport Authority adopted Resolution 3-24, providing for the adoption of the Fiscal Year 2025 Budget, and

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF MELBOURNE AIRPORT AUTHORITY, BREVARD COUNTY, FLORIDA, THAT RESOLUTION 3-24 BE AMENDED AS FOLLOWS:

Operating Budget-Fund 860

Operating Revenue

Budget as of 10/01/2024		30,364,849
Administration		
9803870	Approp from PY 387034 Surplus-Operating	2,175,000
Proposed Operating Revenue Budget		32,539,849

Operating Expenses

Budget as of 10/01/2024		30,364,849
Administration		
98000587	591550 Intra to Airport CIP	2,175,000
Proposed Operating Expense Budget		32,539,849

Capital Projects Budget-Fund 861

Total Capital Expenditure Budget as of 10/1/24		191,068,666
	Project Number Current Budget Increase Revised Budget	
Terminal Rehab/Expansion-Public Space	50519 \$ 52,415,596 2,175,000 \$ 54,590,596	2,175,000

Total Capital Expenditure Budget After Transfer		193,243,666
--	--	--------------------

Total Capital Revenue Budget as of 10/1/24		191,068,666
---	--	-------------

	Account Number Original Budget Increase Revised Budget		
MAA Share	387014 \$ 30,560,162 \$ 2,175,000 \$ 32,735,162		2,175,000
FDOT Grant Revenue	389600 \$ 10,000,504 \$ 10,000,504		-
FAA Grant Revenue	389500 \$ 11,854,930 \$ 11,854,930		-

Total Capital Revenue Budget After Transfer		193,243,666
--	--	--------------------



THIS RESOLUTION was duly passed at a regular meeting of the Melbourne Airport Authority, Brevard County, Florida, on the 22nd Day of January 2025.

BY: _____

William C. Potter, Chairman
City of Melbourne Airport Authority

ATTEST:
Greg Donovan, A.A.E.
Executive Director
CITY OF MELBOURNE AIRPORT AUTHORITY

COUNTY OF BREVARD
STATE OF FLORIDA

I HEREBY CERTIFY that the foregoing constitutes a full, true, and correct copy of Resolution No. 1-25 passed by the City of Melbourne Airport Authority, Melbourne, Florida at a Regular Meeting of the Authority held at the Melbourne International Airport in the City of Melbourne, Florida on the 22nd Day of January 2025.

WITNESS my hand and the official seal of the City of Melbourne Airport Authority, Melbourne, Florida, on this 22nd Day of January 2025.

ATTEST: _____

Greg Donovan, A.A.E.
Executive Director



MELBOURNE AIRPORT AUTHORITY BOARD

Minutes December 10, 2024

Board Meeting Airport Board Room

In Attendance: Mr. William C. Potter, Chairman
The Honorable David Neuman, Councilmember
The Honorable Mark LaRusso, Councilmember
Mr. Scott Mikuen, Member
Mr. Brent Peoples, Member
Mr. Michael Fischer, Member
Mr. Adam Bird, Attorney
Mr. Greg Donovan, A.A.E., Executive Director
Mr. Mark Busalacchi, 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

Absent: The Honorable Paul Alfrey, Mayor
Mr. Clifford Graham, C.M., Director of Operations & Maintenance

Pledge of Allegiance

Airport Announcements by Executive Director Greg Donovan

Welcome new Board Member, Mr. David Neuman, Vice Mayor and District 3 City Councilmember.

Celebration of Allegiant’s Inaugural Flight to Cincinnati on November 15, 2024.

Airbus Beluga Transport visits MLB on November 25, 2024.

Team MLB trip to UK for TUI Annual visit.

Welcome to Officer Tyler Mace, MAPD, and Officer Daniel Mills, MAPD.

Executive Director’s Recognition of Excellence Award

Congratulations to all our 2024 recipients.

Congratulations to Mike O’Dell, Director of Finance and Administration, on receiving this month’s award.

Action Items

Item A-1 Approval of the minutes for the October 29, 2024, Regularly Scheduled Board Meeting.

Approval of the October 29, 2024, board meeting minutes. A motion was made by Mr. LaRusso for approval of the minutes, seconded by Mr. Peoples. Motion passed unanimously.

Item A-2 Appointment of Chairman and Vice Chairman to the Melbourne Airport Authority to Serve the Term from January 2025 through December 2025

Mr. Potter explained this agenda item is for appointment of Chairman and Vice Chairman for 2025 and asked for any nominations. Mr. LaRusso stated he would like to nominate Mr. Potter for Chairman. Mr. Potter accepted the nomination. A motion was made by Mr. LaRusso, seconded by the board. Motion passed unanimously.

Mr. Potter asked for any nominations for Vice Chairman. Mr. Neuman stated he would like to nominate Mr. LaRusso for Vice Chairman. Motion passed unanimously.

Item A-3 Selection of Industrial Tenant Representative to the Melbourne Airport Authority to Serve a Two-year Term.

Mr. Potter stated Mr. Mikuen will be leaving the airport board and therefore a new representative needs to be selected. Mr. Donovan stated this item has been in discussion for some time. Mr. Ryals, senior consultant for local and regional affairs, along with senior staff members, conducted a detailed survey with our industrial tenant base. The person's name who has come forward is Mr. Dan Schwinn, CEO of Avidyne. Mr. Schwinn is very involved in FAA regulatory issues, and he is an experienced pilot as well. Mr. Schwinn has a strong sense in what is taking place in the general aviation and business aviation community and is very active serving in other boards that are associated with general aviation. Mr. Schwinn has expressed his interest in serving on this board.

Mr. Potter stated under the charter and ordinance, the board does not appoint a representative, the industrial tenants select the representative.

Mr. Mikuen made a motion to accept the appointed industrial tenant representative Mr. Schwinn, seconded by Mr. LaRusso. Motion passed unanimously.

Item A-4 Recommendation to Approve a Purchase Order to Garber Chevrolet Buick GMC for Two (2) 2025 Chevrolet Silverado Pickup Trucks for \$102,534.

Mr. Donovan explained the airport has two pickup trucks that are 18 years old and have reached the end of the lifecycles. Staff has reviewed pricing and found the Florida Sheriff's Association Contract to be the best value for the acquisition of two replacement vehicles. The vendor awarded for the purchase is Garber Chevrolet Buick GMC of Green Cove Springs, FL. The FY-25 budget includes a \$130,000 budget appropriation for the purchase of these vehicles.

Mr. Peoples asked why the vehicles are not being purchased from a local dealership. Mr. Donovan stated this purchase is through a statewide contract through the Florida Sheriff's Association which opens the request to the entire state of Florida. In this particular category for these vehicle purchases, Garber Chevrolet was the lowest bidder.

A motion was made by Mr. LaRusso to approve a Purchase Order to Garber Chevrolet Buick GMS for two (2) 2025 Chevrolet Silverado Pickup Trucks for \$102,534, seconded by Mr. Peoples. Motion passed unanimously.

Item A-5 Recommendation to Approve a Purchase Order to Hypower, LLC for Terminal Lighting Repairs.

Mr. Donovan explained Hurricane Milton caused damage to several areas of the terminal, including damage to several light fixtures within the Welcome Center and Custom and Border Protection areas. Staff issued an invitation to bid for these repairs and two vendors submitted bids. Hypower, LLC of Melbourne was the lowest bidder with a total cost of \$54,825.90. There is sufficient budget available in the current budget to cover this work

and this expense will be included in the Federal Emergency Management Administration (FEMA) reimbursement request.

A motion was made by Mr. Peoples to approve a Purchase Order to Hypower, LLC for Terminal Lighting Repairs, seconded by Mr. LaRusso. Motion passed unanimously.

Item A-6 Recommendation to Approve a Purchase Order to Rolle, IT for Managed Server Upgrade Project.

Mr. Donovan explained the Airport's servers and networks are not efficient and well beyond their software lifecycle of support and need replacement. Staff and Rolle IT have worked together to price and determine the best options for the Airport's technology storage needs. Rolle IT has recommended an upgrade solution of a three-server system to allow for backup redundancy, software, and labor as the best solution to the Airport. The total cost is \$113,949.65. There is sufficient equipment budget available in the current approved budget to cover this purchase.

A motion was made by Mr. Mikuen to approve a purchase order to Rolle, IT for Managed Server Upgrade Project, seconded by Mr. Fischer. Motion passed unanimously.

Item A-7 Recommendation to Approve a Master Consulting Agreement with Aeropandion, LLC.

Mr. Donovan explained airport staff is seeking approval of a new agreement for one year, with two, one-year options with Senior Advisor Bill Johnson through his company Aeropandion, LLC. Mr. Johnson has given the airport's executive team good council for many years, and Mr. Johnson continues to have a role in federal and state legislative advocacy, which has resulted in grant funds for MLB. The annual cost is \$67,725, not including travel or third-party expenses. Either party may terminate the agreement with a 30-day written notice.

A motion was made by Mr. LaRusso to approve a Master Consulting Agreement with Aeropandion, LLC, seconded by Mr. Neuman. Motion passed unanimously.

Item A-8 Recommendation to Approve the Consent to Assignment of Lease from Satcom Direct, Inc. to Satcom Direct Holdings, Inc.

Mr. Donovan explained that Mr. James Jenson, chief executive of Satcom Direct, Inc. has requested consent to the assignment of lease of the 3.423-acre parcel on NASA Boulevard from Satcom to Satcom Direct Holdings, Inc. (SDH), a Delaware corporation, to accept and hold Satcom's leasehold interest in the property as part of the acquisition of all of the equity interest in Satcom by a third party. Satcom currently conducts flight operations from its hangar at this location and the purpose of this assignment lease is to ensure that the leasehold interest in the property is not effectively transferred to the new ownership of Satcom. Instead, SDH will become and remain as the tenant of the property to include retaining possession, use and control of the property and the operations conducted thereon.

A motion was made by Mr. Peoples to approve the Consent to Assignment of lease from Satcom Direct, Inc. to Satcom Direct Holdings, Inc., seconded by Mr. Neuman. Motion passed unanimously.

Item A-9 Results of Executive Director's Evaluation

Mr. Potter explained the annual evaluation form was sent to all the board members to review and comment. The forms with responses were received and reviewed by Mr. Potter and most of the responses rated Mr. Donovan with an overall performance rating of 5-Exceptional, which indicates the board feels Mr. Donovan is doing a remarkable job. Attached to the annual evaluation was an Executive Director Milestones 2024 performance review. Mr. Potter stated he received information regarding Airport Director's compensation around the state

and concluded Mr. Donovan's salary is in the upper middle range of compensation. Another item that is relevant is under the City of Melbourne's proposed budget this year, all employees will be receiving a \$3,000 dollar raise, and Mr. Donovan is included in receiving this raise. Mr. Potter's recommendation is leaving Mr. Donovan's salary to be increased by the approved City of Melbourne raise, continue to contribute to his retirement and would recommend a \$50,000 thousand dollar bonus as previous two years. Another recommendation regarding changes to annual and sick leave and automobile after his discussion with Mr. Donovan. One request is to increase Mr. Donovan's annual leave to 192 hours per year (two additional days per year) and increase sick leave to 117 hours per year. The second request will be to change the contract on his company car and in lieu of taking the airport car, Mr. Donovan has the option to receive the standard vehicle allowances given to other airport employees.

Mr. LaRusso asked if the \$50,000 thousand bonus amount was given to Mr. Donovan last year. Mr. Potter replied yes, this would be the third consecutive year. Mr. LaRusso agreed with Mr. Potter on the recommendation of another bonus and agreed on increasing his annual and sick leave and automobile allowance.

Mr. Mikuen thanked Mr. Donovan for a job well done and building a great team and supports the recommendations noted.

Mr. Peoples thanked Mr. Donovan for his hard work and a great job in managing the airport and staff and asked Mr. Potter if the bonus could be increased to \$55,000 thousand dollars.

Mr. Neuman agreed with Mr. Peoples on Mr. Donovan having an exceptional year and recommends his bonus be increased.

Mr. Fischer thanked Mr. Donovan for a job well done and building a great team has made a significant difference on how this airport runs.

A motion was made by Mr. Peoples to increase Mr. Donovan's salary with the \$3,000 thousand dollar raise, a one-time bonus of \$55,000 thousand dollars, an increase of annual and sick leave and vehicle car allowance, seconded by Mr. Neuman. Motion passed unanimously.

Mr. Donovan expressed his sincere gratitude to all the board members for their support, and to the staff for all their hard work and dedication.

Discussion Items

Item D-1 Proposed 2025 Board Meeting Dates

Proposed dates were presented with no further discussion.

Information Items

Item I-1 Financial Update

Mr. O'Dell presented the preliminary financial report for FY24.

Item I-2 Operations

Mr. Donovan explained Mr. Graham and Ms. Betts are both attending the International Council of Air Shows annual conference in Las Vegas and stated MLB is working on having a future airshow. The operations staff is also preparing for the FAA 139 operating certificate inspection in the first part of the year.

Item I-3 Construction Projects Update

In-Line Baggage System

A formal hearing was held for the bid protest and the conclusion was to reject all proposals and re-issue the project for request of qualifications. A new RFQ will be issued with proposals due in January. The selection committee will review and select the best qualified firm. Staff will negotiate the contract amount and if the contractor cannot meet the budget, they will be dismissed, and negotiations will begin with the second-ranked firm. The selected firm within the budget will be brought to the Board for approval in February. The equipment supplier, Leonardo, has been issued a purchase order for the in-line baggage materials and is currently preparing their submittals and shops drawings for review and approval. New TSA scanners are expected to arrive in late February 2025 and will be stored on site until they are ready for installation. It is the goal of the airport to complete this project by June of 2026.

Terminal Fire Sprinklers

Fire alarm and fire sprinkler work continues in the existing terminal. Sprinklers in the Administration area, Police Department and TSA Office area are now operational. Work is nearing completion in the car rental area and domestic baggage claim area. Pressure testing and Fire Marshall inspection expected before the end of the month. Next area will be the ticketing and atrium area where material has been ordered to begin fabrication. 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 the end of February.

Existing Terminal Re-Roofing

Roofing over the car rental area is nearing completion. Measurements for the coping in this area is complete, and the material is on order with delivery expected by the end of the year. The protection board is currently being installed by two separate crews over the ticketing area and the atrium. Most of the material for the project is currently stored on site. Material modifications are being made to accommodate conditions around the roof top generator's fuel tank. Project should complete by February 2025.

Domestic Bag Belt Replacement

The contractor started replacement on December 2, 2024. Demolition of the existing bag belt is nearing completion. Installation of the new belt has started. The original schedule was to be complete within six weeks but now looks like they may complete in four. Passengers are currently using the baggage claim belt on the international side.

Federal Inspection Station Escalator Replacement

Fabrication of the new replacement escalator in the Custom's area continues. Delivery of the new escalator is scheduled for February. 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 should now begin in January. Replacement of the escalator is expected to be completed by mid-March 2025.

Project Vista – Dassault Falcon Jet Site Work

Underground utility work along Apollo Boulevard continues. Pressure testing of the water main is complete and ready for chlorination. The lift station well has been set and waiting on the tenant's contractor to connect before completing the rest of the station. The right of way work to begin is January including the median crossing. The subgrade for the taxiway portion of the project is complete and base rock is currently being installed. Taxiway lights underground is nearing completion. Paving of the taxiways is scheduled for the end of January. Project completion is expected in June 2025.

Taxiway A Rehabilitation

A pre-construction meeting has been held with the contractor, and they are ready to start after the FAA 139 inspection. Contractor will begin on February 3. A tenant and stakeholder's is scheduled for December 12 to discuss

the main runway closure during the realignment of Taxiway Q. The first phase of the work is separated into four sub-phases and is expected to be complete in the fall.

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

Taxiway M Phase 1 is complete and final striping installed. Demolition of the old Taxiway M is complete. Subgrade is complete and base rock is currently being installed. All storm water adjustments have been completed. Paving is set for the middle of January. Phase 2 work is expected to be complete by the end of February.

Item I-4 Business Development and Marketing Update

Mr. Busalacchi explained the airport has been receiving positive public relations (PR) recently, reflecting a growing interest in the airport and thanked Laura Richards for her hard work and efforts. Since the last board meeting, we’ve had six feature stories that have appeared in the media such as Florida Today, Hometown News, Everything Brevard, and Space Coast Daily. These stories have been spotlighted by two key initiatives, the inaugural flight to Cincinnati through Allegiant Airlines and the comfort canine therapy dog program which has been very popular with the media as well with the passengers passing through the airport. Spectrum News 13 also did a special story on the comfort canine therapy program here at MLB. Mr. Busalacchi also thanked Melissa Naughton who has been acting as PIO for the airport and has done a great job coordinating with the media on these events.

Recognition

In honor of Mr. Mikuen 17 years of service to the MAA board, Mr. Donovan thanked Mr. Mikuen for his time, his guidance and wisdom to this organization for his years of service. Mr. Mikuen stated he has enjoyed being a part of this organization and is grateful to see how much the airport has grown and very grateful for all the friendships he’s made throughout his term.

Mr. Potter thanked Mr. Mikuen for his tenure, his devotion, impact and positive feedback for this organization.

Adjournment

This meeting was adjourned by Chairman William Potter at 10:00 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