



MELBOURNE AIRPORT AUTHORITY BOARD MEETING  
**AGENDA**

February 26, 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 January 22, 2025, Regularly Scheduled Board Meeting.**

**Item A-2 Recommendation to Approve the Award of a Contract with Strut Mechanical for HVAC Preventative Maintenance and Services**

The Airport and Airport-owned properties’ HVAC systems maintenance, which includes over 130 various units, has grown with the Airport’s footprint over the years. Beginning in 2019, the Airport contracted an HVAC partner with an onsite full time representative to provide proactive service and maintenance. The current HVAC provider, Dittmer Air & Heat, was awarded a service contract by the Airport in 2019, which reached its terminus in September 2024. Since this time, Dittmer has provided service in a month-to-month status.

Staff issued an Invitation to Bid for HVAC Preventative Maintenance and Services, with responses due in January 2025. Nine vendors submitted bids, the breakdown of which follows:

<b>Bidder Name</b>	<b>City, State</b>	<b>Option 2: Service Only Tropical Haven Services Removed (Equipment To Be Billed)</b>
Strut Mechanical	St. Cloud, FL	\$166,500.00
McClosky Mechanical Contractors	Orlando, FL	\$171,600.00
Dittmer Air and Heat	Cocoa, FL	\$250,639.92
Sherman Mechanical Contractors	Ocala, FL	\$262,110.00
Mid State Mechanical Contractors	Vero Beach, FL	\$353,880.00
Folsom Services	St. Cloud, FL	\$444,240.00
<b>Bids Without Full Time On-Site Personnel</b>		
Hero Facility Services	Melbourne, FL	\$50,107.08
Rush Facilities	Titusville, FL	\$51,747.36
Air Mechanical and Service Corp	Casselberry, FL	\$114,840.00

The award contract for services will include onsite preventative maintenance by a minimum of one technician Monday through Friday, 7:00 AM through 3:30 PM. Equipment including filters, parts, and belts are to be billed at cost plus 20 percent materials mark-up, and fixed hourly rates for service technician, maintenance and crew labor. Emergency response time is defined as within two hours.

This contract award will consist of a two-year base term with three, one-year options to commence on April 1, 2025. The base rate of preventative maintenance will be an annual amount of \$166,500, to be billed at a rate of \$13,875 monthly. Sufficient budget is available in the operating budget to cover this expense.

Staff recommends approval of the HVAC Preventative Maintenance and Services award to Strut Mechanical, and authorization for the Executive Director to execute said contract on behalf of the Authority.

**Item A-3 Recommendation for Approval of a Purchase Order to TK Elevator for Modernization of the TSA Elevator, in an Amount Not-To-Exceed \$92,080.24**

Recent Florida building code updates have increased stringency in elevator door lock monitoring (DLM) inspection requirements, to be effective August 1, 2025. MAA Staff has identified three elevators out of the six elevators at the Airport are aged enough to require modifications to meet these new building code requirements. Two of these elevators are able to be remediated with relatively minor equipment modifications, a process that is already underway. The remaining elevator is the TSA unit that was installed in 1998. This unit was found to be comprised of hand wired controls and equipment now greatly limited in availability for replacements and repairs.

TK Elevator has been the Airport's provider of elevator and escalator maintenance for several years. Staff and TK Elevator were able to identify the critical components needed for repair as well as an economy of replacement to modernize the controller, power unit, door operator, electronics, and controls for the TSA elevator. This will bring the elevator into code compliance and provide an economy of work during repairs to include a new useful life of 20 to 25 years. Pricing for equipment and labor rates in this proposal are in accordance with the Cooperative Purchasing Agreement via Sourcewell per rates and services of 080420-TKE. Sufficient budget exists for this project in the existing 2025 equipment allocations.

Staff recommends approval of a Purchase Order to TK Elevator for Modernization of the TSA Elevator in an amount not-to-exceed \$92,080.24.

**Item A-4 Recommendation to Approve a Purchase Order to Garber Chevrolet Buick GMC for a 2025 Chevrolet Tahoe for \$57,140.00**

The Fiscal Year 2025 budget includes a \$60,000 budget appropriation for a new Operations vehicle to replace a unit that is reaching the end of its useful service life. The proposed purchase includes an operations SUV that will replace an existing 2013 Ford Interceptor vehicle. This vehicle is used for 24/7 response to aircraft accidents and incidents, airfield related matters, and business-related travel.

Staff has reviewed pricing and found the Florida Sheriff's Association Contract FSA24-VEL32.0 to be the best value for the acquisition of the replacement vehicle. The primary vendor awarded for vehicle group of Utility & Hybrid Utility Vehicles in the 4x4 class is Garber Chevrolet Buick GMC of Green Cove Springs, FL. This quote for \$56,297.00 includes standard equipment options of a 2025 Chevrolet Tahoe four-door base model in gray, including delivery.

Staff recommends authorization of a Purchase Order to Garber Chevrolet Buick GMC for the purchase of a 2025 Chevrolet Tahoe for \$57,140.00 total.

**Item A-5 Recommendation to award a Contract for the Public and Employee Parking Modifications Project to the lowest responsive bidder, W&J Construction Corporation in the Amount of \$915,082.64**

The Public and Employee Parking Modifications Project design to increase the public parking by 119 spaces and employee parking by 20 spaces was completed with construction bids being received on February 11, 2025. Eight firms submitted bids with a spread of \$1.6 million. The top three bids had a spread of \$7,521 giving confidence that the low bid is valid. The Engineer’s estimate for the base bid was \$850,000.

<b>Responders</b>	<b>Bid Bond</b>	<b>Base Bid</b>	<b>Option #1</b>	<b>Total Bid</b>
W&J Construction	Yes	\$ 849,458.64	\$ 65,624.00	\$ 915,082.64
VA Paving	Yes	\$ 871,014.58	\$ 49,400.00	\$ 920,414.58
Doug Wilson Enterprises	Yes	\$ 846,471.05	\$ 76,133.00	\$ 922,604.05
Ranger Construction	Yes	\$1,253,480.55	\$ 65,390.00	\$ 1,318,870.55
Cathcart Construction	Yes	\$1,353,451.00	\$ 96,200.00	\$ 1,449,651.00
Jobear Contracting	Yes	\$1,537,947.81	\$ 198,640.00	\$ 1,736,587.81
MASCI General Contractors	Yes	\$2,136,296.07	\$ 389,870.00	\$ 2,526,166.07
KCF Site Development	Yes	\$ 859,100.40	No Bid	No Bid

This project is part of the Airport’s current approved budget and will be funded with a 50 percent Florida Department of Transportation (FDOT) grant and 50 percent MAA funds. The FDOT grant has been executed, and funding is available.

Staff recommends approval to award a Contract for the Public and Employee Parking Modifications Project to the lowest responsive qualified bidder, W&J Construction Corporation, in the amount of \$915,082.64 and authorization for the Executive Director to execute the contract on behalf of the Authority.

**Item A-6 Recommendation to Approve Engineering Amendment No. 55 with Airport Engineering Company (AEC) for the Construction Administration Services for the Public and Employee Parking Modifications Project in an Amount Not-To-Exceed \$57,700**

Airport Engineering Company (AEC), in Amendment 54 that was approved by the Board in October 2023, prepared the design and bid documents for the project, which have now been completed. With the award of the construction phase of the project, AEC is submitting its proposal for the construction administrative services on the project.

This project is part of the Airport’s current approved budget and will be funded with a 50 percent Florida Department of Transportation (FDOT) grant and 50 percent MAA funds). The FDOT grant has been executed, and funding is available.

Staff recommends approval of the Engineering Amendment No. 55 with Airport Engineering Company (AEC) for the construction administrative services for Public and Employee Parking Modifications Project in an amount not-to-exceed \$57,700 and authorization for the Executive Director to execute the amendment on behalf of the Authority.

**Item A-7 Recommendation to Award a Purchase Order to Ivey’s Construction, Inc., under its Continuing Services Contract for the Terrazzo Floor Replacement in the Ticketing and Car Rental Areas in an Amount Not-To-Exceed \$1,495,975.90**

As part of the terminal renovation and expansion project, a Federal Aviation Administration (FAA) grant was obtained to perform several upgrades to the existing terminal which included restroom renovations, security check point access, escalator replacement, and bag belt refurbishment.

Bids were obtained over a year ago for the replacement of the existing flooring to replace it with terrazzo. Only three bidders participated with Ivey’s Construction being the lowest responsive bidder. Ivey’s bid was 30 percent higher than the budget and alternate flooring options were reviewed for an alternate to the terrazzo. Several options were considered including an epoxy flooring with a similar look to terrazzo that had been used in many local grocery stores. Ultimately, terrazzo was the preferred choice for durability and aesthetics.

Several design iterations have occurred over the last several months before a solution was accepted to proceed with the available budget and place terrazzo in as many areas as possible. This solution includes terrazzo in the ticketing area and car rental area. This will also include carpeting to soften the sound absorption and walk-off mats at the entries to reduce debris on the floors.

Staff will work with Ivey's to begin the terrazzo flooring with Board approval in the ticketing area and have it ready in time for when TUI begins its season in April. This proposal is within the budget limits of the FAA grant. Staff is pursuing additional grant funds for the remaining terrazzo flooring in the atrium area. This work would not begin until after the replacement of the atrium skylight.

This project is part of the Airport's approved budget and grants have been executed by FAA and Florida Department of Transportation (FDOT) to provide funding. The primary funding for this project is from 95 percent FAA grant as part of the Bipartisan Infrastructure Law Airport Terminal Project grant with the remaining costs funded by a 2.5 percent FDOT grant and 2.5 percent MAA funds.

Staff recommends approval of a Purchase Order to Ivey's Construction, Inc. under its continuing services contract for the terrazzo floor replacement in the ticketing and car rental areas in an amount not-to-exceed \$1,495,975.90 and authorization for the Executive Director to execute said purchase order on behalf of the Authority.

#### **Item A-8 Recommendation to Approve Amendments to Lease Documents for Lease of Property related to Project Daisy**

In its currently planned iteration, Project Daisy, will involve the creation of a singular, leased campus for Northrop Grumman Systems Corporation ("NGSC"). This campus will be comprised of a portion of property currently under lease and a portion of property currently under option. NGSC through Space Florida is the current tenant and option holder and has approved the revisions and amendments necessary to existing lease documents to expand the NGSC campus. This includes requesting the lease of Airport property directly to a developer, Ecliptica, L.L.C. ("Developer"), for construction of critical and substantial improvements in the best interests of NGSC, the Authority, and the continuing growth at MLB.

To accomplish the foregoing, the following transactions are required, and Airport staff and counsel are currently working with the representatives and counsel for NGSC and the Developer to finalize the various transaction documents necessary to meet the needs of NGSC while protecting the interests of the Authority and the Airport.

- Amending one of the existing lease agreements between Authority and NGSC through Space Florida to bifurcate a leased parcel into two sections, one of which will remain in and subject to the current lease and one of which will be split off and become a part of the Project Daisy campus;
- Assigning NGSC's option to lease an adjacent parcel to the Developer so that the Developer can exercise the option to bring the optioned parcel into the Project Daisy campus;
- Facilitating the assignment of that portion of NGSC's lease agreement that will become a part of Project Daisy to the eventual new tenant, the Developer; and
- Entering into an amendment to the lease agreement with the Developer for the option parcel to become a part of the Project Daisy campus.

Airport staff has conducted due diligence on the Developer, including attending virtual meetings with Developer's representatives, and has confirmed that though the Developer has been created specifically for its involvement with Project Daisy, it is a subsidiary of the Woodbury Corporation, a Utah-based commercial real estate developer and manager with a long history of national success in projects like Project Daisy and an existing relationship with NGSC.

Staff recommends approval of the foregoing Project Daisy transactions, to include entering into a lease agreement with the Developer, and authorization for the Executive Director to execute said documents on behalf of the Authority.

#### **Item A-9 Recommendation to Approve a Lease Agreement with General Services Administration**

The General Services Administration (GSA) leases terminal space for the Transportation Security Administration (TSA) on the second floor of the Airport Terminal. The current lease expires March 30, 2025. The lease includes the following:

- Term: Five years beginning April 1, 2025, with one five year option.
- Lease Rate: The initial base rent will be \$45.00 per square foot for the Shell Rental Rate and \$16.00 per square foot for the Operating Cost for a Full-Service Rate of \$61.00 per square foot. The total leased space is 1,623 square feet and the annual rent will be \$99,003.00. The Operating Cost is subject to a yearly CPI increase.
- Taxes and Fees: GSA is responsible for all taxes and fees associated with the lease.
- Additional Airport Responsibilities: Carpet cleaning every six months and carpet replacement every five years.

The lease of this space will generate revenues of approximately \$495,015 over the first five years of the lease, not including any CPI increases.

Staff recommends approval of the Lease Agreement with General Services Administration, and authorization for the Executive Director to execute said agreement on behalf of the Authority.

#### **Discussion Items**

**Item D-1 Re-Schedule July 23, 2025 board meeting to July 16, 2025**

#### **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**

**December 31, 2024**

	Year To Date Actual			
	12/31/2024	12/31/2023	\$ change	% change
Operating Revenue				
Airline Landing Fees	166,381	150,403	15,977	11%
Airline Service Fees	755,151	730,352	24,799	3%
Land & Bldg Lease Rents	2,686,402	2,429,726	256,676	11%
Terminal Rents	78,854	69,558	9,296	13%
Parking Lot Fees	531,123	548,345	(17,221)	-3%
Car Rental Concessions	444,150	471,451	(27,301)	-6%
Restaurant Concessions	107,851	115,848	(7,997)	-7%
Mobile Home Park Rent	509,915	507,835	2,080	0%
T-Hangar Rentals	21,450	22,786	(1,336)	-6%
Operating Grant Revenue	372	17,220	(16,848)	-98%
Other	269,518	255,251	14,267	6%
Total Operating Revenues	5,571,167	5,318,774	252,392	5%
Operating Expense:				
Personnel Services	1,599,876	1,393,045	206,832	15%
Contract Services	2,027,252	2,009,072	18,180	1%
Police & Fire Services	363,340	334,050	29,289	9%
Maintenance and Operations	1,172,144	1,384,920	(212,776)	-15%
Other	80,863	56,563	24,300	43%
Total Operating Expenses	5,243,474	5,177,650	65,824	1%
Operating Income (Loss)	327,692	141,124	186,568	
Non-Operating Revenue (Expense):				
Passenger Facility Charges	459,410	423,092	36,317	9%
Customer Facility Charges	411,624	408,940	2,684	1%
CARES Grant Revenue	-	1,391,947	(1,391,947)	-100%
Gain (Loss) on Sale of Assets	4,477	6,671	(2,194)	-33%
Interest Income (Loss)	405,701	309,875	95,825	31%
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)	1,250,124	2,550,067	(1,299,944)	
Net Income (Loss) Before Depreciation*	1,577,816	2,691,192		

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

**MELBOURNE ORLANDO INTERNATIONAL AIRPORT**  
**Statement of Revenues, Expenditures and Changes in Fund Net Assets**  
**December 31, 2024**

	YTD Actual	Annual Budget	% of Budget
<b>Operating Revenues:</b>			
Airline Landing Fees	166,381	803,671	21%
Airline Service Fees	755,151	3,083,057	24%
Land & Bldg Lease Rents	2,686,402	12,130,306	22%
Terminal Rents	78,854	332,537	24%
Parking Lot Fees	531,123	2,171,895	24%
Car Rental Concessions	444,150	1,819,701	24%
Restaurant Concessions	107,851	400,000	27%
Mobile Home Park Rent	509,915	-	#DIV/0!
T-Hangar Rentals	21,450	-	#DIV/0!
Operating Grant Revenue	372	-	#DIV/0!
Other	269,518	752,077	36%
<b>Total Operating Revenues</b>	<b>5,571,167</b>	<b>21,493,244</b>	<b>26%</b>
<b>Operating Expense:</b>			
Personnel Services	1,599,876	6,786,550	24%
Contract Services	2,027,252	8,387,908	24%
Police & Fire Services	363,340	1,491,260	24%
Maintenance and Operations	1,172,144	7,722,201	15%
Other	80,863	260,000	31%
<b>Total Operating Expenses</b>	<b>5,243,474</b>	<b>24,647,919</b>	<b>21%</b>
<b>Operating Income (Loss)</b>	<b>327,692</b>	<b>(3,154,675)</b>	
<b>Non-Operating Revenue (Expense):</b>			
Passenger Facility Charges	459,410	1,419,771	32%
Customer Facility Charges	411,624	1,266,057	33%
CARES Grant Revenue	-	-	#DIV/0!
Gain (Loss) on Sale of Assets	4,477	33,380	13%
Interest Income (Loss)	405,701	2,640,110	15%
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%
<b>Total Non-Operating Revenue (Expense)</b>	<b>1,250,124</b>	<b>5,030,925</b>	
<b>Net Income (Loss) before</b>			
Depreciation, Transfers, and Capital Contributions	1,577,816	1,876,250	
<b>Depreciation Expense</b>	<b>-</b>	<b>-</b>	
Machinery and Equipment	(50,258)	(806,000)	6%
FAA Equipment Grant	-	-	#DIV/0!
Intra Transfer to Airport Capital	-	(2,520,000)	0%
<b>Net Income (Loss) After Transfers</b>	<b>1,527,558</b>	<b>(1,449,750)</b>	

**Melbourne Orlando International Airport**  
**Top 10 Operating Revenues**  
**12/31/2024**

<b>Rank</b>	<b>Description</b>	<b>YTD FY 2025</b>	<b>FY 25 % of Total Rev</b>	<b>YTD FY 2024</b>	<b>FY 24 % of Total Rev</b>	<b>\$ Change</b>	<b>% Change</b>
1	Airfield Facilities Rental	1,508,957	27%	1,342,210	25%	166,747	12% A
2	Commercial Business Center Rent	883,890	16%	801,467	15%	82,423	10%
3	Ground Handling Revenue	536,082	10%	506,397	10%	29,685	6% B
4	Parking Revenue	531,123	10%	548,345	10%	(17,222)	-3%
5	Tropical Haven Revenue	509,915	9%	507,835	10%	2,080	0%
6	Car Rental Concession	444,150	8%	471,451	9%	(27,301)	-6%
7	Terminal Rent-Airline	233,695	4%	234,370	4%	(675)	0%
8	Hangar Rent	214,765	4%	214,765	4%	-	0%
9	Landing Fees	166,381	3%	150,403	3%	15,978	11%
10	Terminal Concessions	107,851	2%	115,848	2%	(7,997)	-7%
Total Top 10 Operating Revenue		5,136,809	92%	4,893,091	92%	243,718	
Other Operating Revenue		434,358	8%	425,683	8%	8,675	2%
Total Operating Revenue		5,571,167	100%	5,318,774	100%	252,393	5%

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 Increase is primarily due to rate adjustment that went into effect on 10/1/24.

**Melbourne Orlando International Airport**  
**Top 10 Operating Expenses**  
**12/31/2024**

<b>Rank</b>	<b>Description</b>	<b>YTD FY 2025</b>	<b>FY 25 % Operating Expense</b>	<b>YTD FY 2024</b>	<b>FY 24 % Operating Expense</b>	<b>\$ change</b>	<b>% change</b>
1	Personnel	1,599,876	31%	1,393,045	27%	206,831	15% A
2	Other Contract Services	1,435,935	27%	1,441,468	28%	(5,533)	0%
3	Fire Services	361,311	7%	332,750	6%	28,561	9%
4	Contractual Employee	295,081	6%	347,255	7%	(52,174)	-15% B
5	Electric	199,127	4%	208,366	4%	(9,239)	-4%
6	Consulting Fees	156,797	3%	109,443	2%	47,354	43% C
7	Risk Management	149,484	3%	117,928	2%	31,556	27%
8	Cable TV Expense	106,628	2%	97,738	2%	8,890	9%
9	Outside Counsel Fees	65,012	1%	31,025	1%	33,987	110% D
10	Solid Waste Disposal	64,364	1%	73,012	1%	(8,648)	-12%
<b>Total Top 10 Operating Expense</b>		<b>4,433,615</b>	<b>85%</b>	<b>4,152,030</b>	<b>80%</b>		
<b>Other Operating Expense</b>		<b>809,859</b>	<b>15%</b>	<b>1,025,620</b>	<b>20%</b>	<b>(215,761)</b>	<b>-21%</b>
<b>Total Operating Expense</b>		<b>5,243,474</b>	<b>100%</b>	<b>5,177,650</b>	<b>100%</b>	<b>65,824</b>	<b>1%</b>

A Increase is due to several factors including increase in overtime due to Hurricane Milton, across the board pay adjustments, increase in FRS contribution rates, and positions that were vacant last year have been filled, particularly in the Airport Police division.

B Decrease is due to adjustments made to right size the staffing needed to maintain the terminal (the needed labor hours has dropped due to lighter 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 Airport 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 (study-\$16,500; Adept Prepaid Routes conf exp exp-\$5,783), Parking Study (\$14,179), and appraisals/review appraisals for Tropical Haven Sale (\$7,000).

D MLB incurred additional legal fees due to preparation/review of documents related to the Tropical Haven sale (\$18,747) Rules/Regs revision (\$19,350), and settlement of Terminal project closeout and inline baggage system protest (\$11,122)

**Melbourne Orlando Int'l Airport**  
**Cash Flow Projection**  
**2/4/2025**

	<b>December-24</b>	<b>January-25</b>	<b>February-25</b>	<b>March-25</b>	<b>April-25</b>	<b>May-25</b>	<b>June-25</b>	<b>July-25</b>	<b>August-25</b>	<b>September-25</b>	<b>October-25</b>	<b>November-25</b>
Beginning Cash/Investment Balance	\$ 35,254,133	\$ 35,850,067	\$ 37,804,700	\$ 36,451,126	\$ 31,676,189	\$ 26,213,040	\$ 24,421,541	\$ 21,955,747	\$ 20,427,843	\$ 24,116,350	\$ 24,267,319	\$ 22,087,708
Operating Revenue	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	1,967,499	1,967,499
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)	(576,478)	(576,478)
TUI Marketing Incentive Payment						(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)	(1,380,121)	(1,380,121)
Ad Valorem Tax Payment												(3,435,174)
<b>Net Increase (Decrease) in Cash Flow from Operations</b>	<b>155,125</b>	<b>1,674,149</b>	<b>407,383</b>	<b>773,176</b>	<b>195,028</b>	<b>16,328</b>	<b>175,028</b>	<b>52,977</b>	<b>195,028</b>	<b>145,028</b>	<b>157,520</b>	<b>(3,406,354)</b>
Total Capital Outlay	(618,796)	(704,916)	(1,970,000)	(8,625,000)	(6,975,000)	(7,450,000)	(6,946,390)	(6,050,000)	(5,283,444)	(4,350,000)	(3,997,673)	(3,250,000)
Principal Payment-Outstanding Debt						(1,820,000)						
Total Capital Grant Revenue	873,240	819,009	38,535	2,869,466	1,045,000	7,198,736	4,060,000	4,220,000	8,534,963	4,115,647	1,425,000	7,407,221
PFC Collections (Reimbursement of Eligible Costs)	98,515	87,957	90,133	109,645	143,690	139,257	129,811	131,688	127,904	127,023	124,511	109,637
CFC Collections	87,849	78,434	80,375	97,774	128,133	124,180	115,756	117,431	114,057	113,270	111,031	97,767
Net Increase (Decrease) in Cash From Capital and Debt	440,809	280,484	(1,760,957)	(5,548,114)	(5,658,176)	(1,807,827)	(2,640,823)	(1,580,881)	3,493,480	5,940	(2,337,131)	4,364,625
Beginning Cash/Investments	35,254,133	35,850,067	37,804,700	36,451,126	31,676,189	26,213,040	24,421,541	21,955,747	20,427,843	24,116,350	24,267,319	22,087,708
<b>Ending Cash/Investments</b>	<b>35,850,067</b>	<b>37,804,700</b>	<b>36,451,126</b>	<b>31,676,189</b>	<b>26,213,040</b>	<b>24,421,541</b>	<b>21,955,747</b>	<b>20,427,843</b>	<b>24,116,350</b>	<b>24,267,319</b>	<b>22,087,708</b>	<b>23,045,979</b>

**Melbourne Orlando Int'l Airport**  
**Cash Flow Projection - Capital Exp and Grant Revenue**  
**2/4/2025**

Capital Project Expenditures	Total Cost	Prior Expend	December-24	January-25	February-25	March-25	April-25	May-25	June-25	July-25	August-25	September-25	October-25	November-25
Term Upgrade-Restrooms Gate Belt etc	5,263,158	(1,724,755)	(134,054)	(327,676)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)	(276,673)	
Term Upgrade-Fire Sprinkler/Plumbing	5,959,412	(960,519)	-	(16,910)	(50,000)	(50,000)	(150,000)	(150,000)	(50,000)					
Terminal Exp-Public Space (Haskell)	52,264,894	(50,303,456)				(4,175,000)								
In Line Baggage System-Construction	37,475,966	-				(750,000)	(2,000,000)	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)	(2,500,000)
<b>Northside Expansion</b>	11,948,523													
<b>Northside Exp-T/W M Ext</b>	3,930,000	(1,546,415)	(181,429)	(267,725)	(350,000)	(350,000)	(400,000)	(400,000)	(350,000)					
Project Vista Site Improvements	9,980,000	(3,115,544)	(238,724)	(2,030)	(600,000)	(950,000)	(1,200,000)	(1,200,000)	(1,200,000)	(950,000)	(523,702)			
Taxiway A Rehab	28,937,300	(1,269,013)	(10,839)	(19,683)	(500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,000,000)	(750,000)
ATCT Roof/Bldg Imp/Remodel	418,744	(392,952)		(19,774)										
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	-	(53,750)	(34,860)	(50,000)	(300,000)	(325,000)	(250,000)	(86,390)					
<b>Total Capital Outlay</b>			(618,796)	(704,916)	(1,970,000)	(8,625,000)	(6,975,000)	(7,450,000)	(6,946,390)	(6,050,000)	(5,283,444)	(4,350,000)	(3,997,673)	(3,250,000)
<b>Grant Revenue</b>														
FAA Grant 62 Restrooms/Gate/Belt/etc	5,000,000	1,427,537	338,329			643,792		665,000		665,000		997,500		262,841
FDOT Restrooms/Gate/Belt/Flooring/etc	131,000	25,948				37,464		17,500		17,500		26,250		6,917
FAA-Fire Sprinklers-Grnt 60	5,363,470	774,715			25,366		90,000		270,000		45,000			
FDOT Fire Sprinklers	297,971	30,434			13,169		5,000		15,000		2,500			
TSA OTA-In Line Baggage Sys Const	22,045,401	-						1,455,424			3,969,338			3,969,338
FAA-In Line Baggage Grant 63	3,263,505	-						523,875			1,428,750			1,428,750
FDOT-In Line Baggage Grant	4,000,000	-						261,938			714,375			714,375
<b>NORTHSIDE EXPANSION GRANTS</b>														
<b>FDOT (T/W M Realignment/Ext)</b>	6,815,402	1,293,834	168,973			799,154			1,150,000			350,000		
FDOT-Project Vista Grant/DFJ Reimburs	9,980,000	1,930,596	365,938	819,009		840,755	950,000	1,200,000	1,200,000	1,200,000	950,000	523,702	-	-
FDOT FY 23 T Hangar Grant	1,500,000							50,000		625,000		750,000		75,000
FAA Taxiway A Rehab-Grnt 59/64	13,267,370	1,116,161				477,470		2,700,000	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000	900,000
FDOT Taxiway A Rehab	1,570,410	62,009				26,526		150,000	75,000	75,000	75,000	75,000	75,000	50,000
FDOT-Employee Parking Grant	550,000	-				44,305		175,000		287,500		43,195		
<b>Total Grant Revenue</b>			873,240	819,009	38,535	2,869,466	1,045,000	7,198,736	4,060,000	4,220,000	8,534,963	4,115,647	1,425,000	7,407,221

**MELBOURNE ORLANDO INTERNATIONAL AIRPORT (MLB) MONTHLY ACTIVITY REPORT  
JANUARY 2025**

	2025	2024	MO CHANGE (%)	2025YTD	2024 YTD	YTD CHANGE (%)
<b>PASSENGERS</b>						
Revenue PAX - Domestic						
Enplaned	20,046	20,626	-2.8%	20,046	20,626	-2.8%
Deplaned	19,887	20,198	-1.5%	19,887	20,198	-1.5%
<b>Total Revenue PAX - Domestic</b>	<b>39,933</b>	<b>40,824</b>	<b>-2.2%</b>	<b>39,933</b>	<b>40,824</b>	<b>-2.2%</b>
*Revenue PAX - Int'l						
Enplaned	45	0	#DIV/0!	45	0	#DIV/0!
Deplaned	268	0	#DIV/0!	268	0	#DIV/0!
<b>Total Revenue PAX - Int'l</b>	<b>313</b>	<b>0</b>	<b>#DIV/0!</b>	<b>313</b>	<b>0</b>	<b>#DIV/0!</b>
Non-Revenue PAX						
Enplaned	667	648	2.9%	667	648	2.9%
Deplaned	648	616	5.2%	648	616	5.2%
<b>Total Non-Revenue PAX</b>	<b>1,315</b>	<b>1,264</b>	<b>4.0%</b>	<b>1,315</b>	<b>1,264</b>	<b>4.0%</b>
<b>Total PASSENGERS</b>	<b>41,561</b>	<b>42,088</b>	<b>-1.3%</b>	<b>41,561</b>	<b>42,088</b>	<b>-1.3%</b>
<b>AIRCRAFT OPERATIONS</b>						
Air Carrier	536	483	11.0%	536	483	11.0%
Air Taxi	137	144	-4.9%	137	144	-4.9%
General Aviation - Itinerant	9,024	9,090	-0.7%	9,024	9,090	-0.7%
General Aviation - Local	2,922	2,318	26.1%	2,922	2,318	26.1%
Military	64	137	-53.3%	64	137	-53.3%
<b>Total OPERATIONS</b>	<b>12,683</b>	<b>12,172</b>	<b>4.2%</b>	<b>12,683</b>	<b>12,172</b>	<b>4.2%</b>

\*Includes Data from US Customs for General Aviation Passengers



MELBOURNE AIRPORT AUTHORITY BOARD

Minutes January 22, 2025

Board Meeting Airport Board Room

In Attendance: Mr. William C. Potter, Chairman  
The Honorable Paul Alfrey, Mayor  
The Honorable David Neuman, Councilmember  
The Honorable Mark LaRusso, Councilmember  
Mr. Dan Schwinn, 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. Clifford Graham, C.M., Director of Operations & Maintenance  
Mr. Mike O'Dell, C.P.A., Director of Finance and Administration  
Mr. David Perley, A.I.C., Director of Capital Improvements  
Ms. Renee Purden, Chief of Police/Director of Public Safety

**Pledge of Allegiance**

**Airport Announcements by Executive Director Greg Donovan**

Welcome new Board Member, Mr. Dan Schwinn, Airport Tenant Representative.

Tropical Haven sale is finalized. Thank you to MLB staff, Federal Aviation Administration (FAA), Jenni Lamb, Melbourne City Manager, City of Melbourne staff and Adam Bird, Airport general counsel.

Thank you to Airport first responders, MLB Airport Operations and Police Department, and City of Melbourne Police and Fire Departments during the aircraft emergency landing just west of MLB.

Melbourne Airport Police Department spreads holiday cheer with annual shop with a cop. Thank you to Chief Purden and Sergeant Wheeler.

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

Congratulations to Jon Brunson, Terminal Service Maintenance Technician II, on receiving this month's award.

**Action Items**

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

Approval of the December 10, 2024, board meeting minutes. A motion was made by Mr. LaRusso for approval of the minutes, seconded by Mayor Alfrey. Motion passed unanimously.

**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.**

Mr. Donovan explained that airport staff came to an agreement to expand and modernize the existing facility, associated infrastructure, and apron, a very ambitious project. The airport awarded a contract to The Haskell Company for the design-build of the terminal renovation and expansion project. The project commenced after the COVID pandemic hit, and the expansion project suffered due to the complications and challenges because of the pandemic. The project experienced unexpected costs incurred by the contractor to meet the deadline for opening the terminal, and material delays related to supply chain issues all associated with the pandemic, and changes requested by the Authority that became a part of the project. The Airport and The Haskell Company have completed a final reconciliation of the project costs and have reached a project closeout agreement with the final amount owed. 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 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.

Mayor Alfrey commended the airport staff for doing an amazing job during the difficult challenges of this renovation project and being able to close on the project with a small budget increase. Mr. Donovan thanked Mr. Bird, airport attorney, and his team, for doing a great job throughout the process of closing out the project and thanked Mayor Alfrey for his comments.

Mr. Fischer stated he has always been a supporter of solving issues and not having them go to litigation because it is costly; he asked if warranties are being maintained in place by Haskell. Mr. Donovan stated the warranties are in place and Haskell is going to honor those warranties. The biggest warranty issue is the roof, particularly in the welcome center. The airport has been working with Haskell to get those issues resolved and already exercising the warranty. Mr. Fischer asked if the manufacturers are supporting the warranties. Mr. Donovan stated yes. Mr. Fischer inquired if there were any liens on this project that have to be dealt with. Mr. Donovan stated that there were and there are still some elements of subcontractor's grievances with Haskell itself, and the Airport attorney's firm have worked through these matters. Mr. Fischer stated no subcontractor, or vendor can come back to the airport regarding these issues. Mr. Donovan stated No. Mr. Fischer stated the airport had a large expense preparing for TUI's first year, because the terminal was not ready and asked if this budget increase is included in the overall project budget. Mr. Donovan stated yes, it took both parties to work through the details to close the project. Mr. Fischer thanked Mr. Donovan for a great job.

Mr. Peoples inquired about the existing roof issue and asked if there is anything else that the airport is working through to get cleaned up before the project is closed out. Mr. Donovan stated the biggest thing is the roof issues. There were some issues with the escalator, and the service elevator issue have been resolved. Haskell understands the airport's expectations for honoring their warranties.

A motion was made by Mr. LaRusso to approve staff recommendations 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 allow final payment to be made to Haskell, seconded by Mr. Peoples. Motion passed unanimously.

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

Mr. Donovan explained that Mr. Greg Dull is an integral part of MLB's team and has been instrumental in the recruitment of TUI, Sun Country and Allegiant airlines, and will continue to focus on acquiring new air service and expanding existing services, both domestic and international. The current agreement is set to expire on January 31, 2025. Staff is requesting to enter into a new agreement with a seven-year term. Additionally, Mr. Dull will be responsible for overseeing any subconsultants assisting the Airport with TUI and other air service development. Mr. Dull stated that he has been working with MLB for ten years and is very happy with the accomplishments that

both parties have experienced. In the next seven years, Mr. Dull's goals for MLB include obtaining port of entry status and expanding new carrier services both domestic and international.

A motion was made by Mr. Fischer to approve the Professional Services Agreement with Adept Aviation Consulting LLC, seconded by Mayor Alfrey. Motion passed unanimously.

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

Mr. Donovan explained the airport has tried different ways of approaching marketing and advertising, and one item that the airport did not have is a Crisis Communication Plan. Mr. Donovan thanked airport staff for doing a great job throughout the years. The Quotient Group is a full-service marketing and advertising firm with a focus on aviation. The proposed scope of work includes providing the airport with a communication blueprint, crisis communication plan, in-person crisis training, and monthly retained marketing and branding support. The emphasis of the communications blueprint will be focused on addressing growing commercial passenger traffic and changing local travel habits.

Mr. LaRusso congratulated Mr. Dull on his awarded contract and stated approving The Quotient Group for their services along with Mr. Dull services running closely parallel and that there be numerous conversations among both entities going forward.

Mr. Peoples stated he loves the idea of a communications blueprint plan and having someone to carry out the plan. He asked if the airport is looking to increase media buys and the marketing budget potentially going forward next year to make this all happen. Mr. Donovan stated he is working with Mr. O'Dell on the budget building process and there will be growth in that category for expenditures to reinforce the airport brand.

Mr. Potter inquired about the retainer cost of \$130,000 and asked if these monies would be given upfront. Mr. Donovan stated The Quotient Group would be paid monthly for their services. Mr. Potter stated the retainer cost was described with a cost plus. Mr. Donovan stated it would be for travel to MLB, so it would be their fee plus cost of travel. Mr. Potter asked if the agreement is for one year and if it can be terminated after one year. Mr. Donovan stated yes by either party.

A motion was made by Mayor Alfrey to approve a Marketing, Advertising and Crisis Communication Services Retainer with The Quotient Group, seconded by Mr. Peoples. Motion passed unanimously.

**Information Items**

**Item I-1 Financial Update**

Mr. O'Dell presented an overview of the Passenger Facility Charge program and also presented the financial report through November 30, 2024.

Mr. Peoples asked if the PFC rates set by the FAA different for other airports. Mr. O'Dell stated no, the rates are mandated by Congress.

**Item I-2 Operations**

Mr. Graham explained that the FAA Annual Part 139 Certification Inspection is scheduled for January 29<sup>th</sup> through the 31<sup>st</sup>. It is a 3-day comprehensive inspection by the FAA inspector from the southern region. The airport's inspector's name is John Fotiadis. It is a visual inspection of runways, taxiways, safety areas, airfield lighting, signs, pavement markings, fuel farms and trucks, Aircraft rescue and Fire Fighting including a timed response drill, which

must be done to past inspection as well as training and record keeping. There will be day and night inspections of the airfield, measuring the airport's overall safety and compliance. MLB has a proven record of high marks and that is what we expect every day and that's what we expect this year. Airport staff takes great pride in this yearly audit as it is a measure of the work that is done every day all year around and it's something staff looks forward to. Mr. Graham stated he will report back on the inspection results at the next authority board meeting.

Taxiway "A" Rehabilitation Construction Project is scheduled to commence on Monday, February 3, 2025. Taxiway Alpha is the parallel taxiway for R9R -27L which is the airport's main carrier runway and it's 10,180 feet long. The asphalt on Taxiway Alpha and the adjoining taxiways to the runway are nearly 20 years old and it's at the end-of-life cycle and it has required a lot of maintenance in the past several years, in which some of those projects have been approved by the Board. This project is broken into 2 to 3 phases and phase 1 will be completed this year and the additional phases in subsequent years. Runway 9R-27L will be closed for about 40 days commencing on February 3<sup>rd</sup> and our air carriers will be using the alternative runway 9L-27L to the north.

The airport is scheduled to conduct our triennial emergency exercise at the airport on February 27, 2025, which is required under FAA Part 139, Mass Casualty Incident (MCI) exercise. This exercise is a critical component of our commitment to safety and preparedness. It will allow our team, alongside local emergency response agencies, to practice coordinated responses to simulated emergencies.

The Ellis Road widening project is a step closer to construction. Funding has been obtained and FDOT secured a loan for the remaining funding through the state infrastructure bank. This was made possible by John Tyler, FDOT District 5 Secretary. The right of way land acquisition among 80 landowners which was started over a year ago will be certified next week. FDOT set aside 1.8 million dollars for the clearing and grubbing to be done ahead of time before construction begins and this work should start by July 15, 2025. There is another group working on moving utilities and stormwater prior to construction. Construction of Ellis Road is set to begin in April 2026.

### **Item I-3 Construction Projects Update**

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

A new Request for Qualifications has been issued. Proposals are due January 30, 2025. The selection committee will review the submission and shortlist three firms for interviews on February 5, 2025. Interview presentations will be held on February 13, 2025 with the selection committee ranking the firms afterwards. The highest-ranking firm will negotiate a GMP which will be brought to the Board for approval in March. It is the goal of the airport to complete this project by June 2026.

#### **Terminal Fire Sprinklers**

Fire alarm and fire sprinkler work continues in the existing terminal. Sprinklers in the car rental area and domestic baggage claim area are complete and operational. Material is currently being fabricated and delivered for the ticketing and atrium area. The ticketing area is expected to be completed before the end of March. Removal of the old fire alarm system should be completed by the end of February.

#### **Existing Terminal Re-Roofing**

The cap sheet over the car rental area is complete. Currently waiting on metal coping to complete the area. The protection board and cap sheet are currently being installed over the ticketing and atrium areas. Current production is about 800 squares per day. Protection board has started over the domestic concourse area. Cap sheet is expected to start within the next couple of days, depending on the weather. The roof area under the generator will begin by the end of February. Project should complete by March 2025.

#### **Domestic Bag Belt Replacement**

The plates, rollers, and undercarriages are installed, and the bag belt is in operation. During the quality control of the completion of the project, some of the rollers in the undercarriage were deemed too tight, which could create

a noise or vibration in the system. The manufacturer is fabricating additional linkage parts, which are expected to be installed before the end of January. This will take the belt out of service for three days while the additional parts are installed. Passengers will use the baggage claim belt on the international side while this work is completed.

#### **Federal Inspection Station Escalator Replacement**

Due to an unexpected rush on escalator installations after the first of the year, the contractor accelerated the schedule, and work began just before Christmas. The escalator installation is complete and currently waiting on the State Elevator Inspector before putting it into service. The original inspection was scheduled last Friday, but the inspector had an emergency. Final approval should occur before the end of this week.

#### **Project Vista – Dassault Falcon Jet Site Work**

Underground utility work along Apollo Boulevard is nearing completion. The water main is complete and ready for connection. The lift-station work continues with electrical connections expected by the end of February. The right-of-way work to begin by the end of January including the median crossing. The subgrade and base rock for the taxiways are complete and paving has started. Taxiway lighting underground is complete and waiting on paving to finish before setting lights. Paving of the common use aprons is expected to start mid-February, pending completion of the underground by DFJ's contractor. Project completion is expected in June 2025.

#### **Taxiway A Rehabilitation**

The contractor is ready to begin work on February 3, after completion of the FAA 139 inspection. A tenant and stakeholder's meeting was held in December to discuss the main runway closure during the realignment of Taxiway "Q". This will close the main runway for approximately 40 days. The contractor is scheduled to start bringing materials and equipment next week and putting them in the staging area near the lighting vault. This first phase of the work is expected to be completed in the fall. The next phase of the work will go out to bid in March with bids due in May. Submission of the grant application for the next phase of discretionary funds must be submitted to the FAA by the end of June. Funds will not become available until October 2025.

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

All storm water adjustments have been completed. Subgrade and base rock is complete and ready for asphalt. Paving is ready to begin and will follow the completion of the paving at Taxiway H. Phase 2 work is expected to be complete by the end of February.

#### **Public and Employee Parking Lot Modifications**

Project is currently out for bid. Bids are due February 11, 2025. At least 10 firms have requested bid packages. The lowest qualified responsive bidder will be brought to the February Board meeting for approval. Work should begin immediately and is expected to be completed by June.

#### **Item I-4 Business Development and Marketing Update**

Mr. Busalacchi stated Hyatt Place Rooftop Bar and Grill grand opening is February 1, 2025.

Welcome back to Sun Country Airlines. Non-stop service to Minneapolis will commence on January 24, 2025.

Health First has signed a 3-year contract with Clear Chanel to advertise at MLB. The airport will receive about \$160,357 for this contract.

MLB has collaborated with Allegiant for a marketing campaign. It will be an influencer campaign partnership starting in February/March to boost awareness and promote space coast tourism.

MLB has been participating in community events and sponsoring several events: Downtown Melbourne Food and Wine Festival, Florida Marathon , The Scott Center for Autism Treatment and The Greater Palm Bay Chamber of Commerce.

**Adjournment**

This meeting was adjourned by Chairman William Potter at 09:54 a.m.

**PREPARED BY:**

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Sandra Acevedo – Executive Assistant

**SUBMITTED BY:**

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Greg Donovan, A.A.E.  
Executive Director

**APPROVED BY ACTION OF AIRPORT AUTHORITY:**

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William C. Potter, Chairman