



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 29th through the 31st. 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 3rd 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.

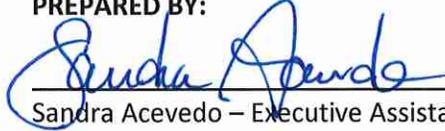
MLB has collaborated with Allegiant for a marketing campaign. It will be an influencer campaign partnership starting in February/March to boost awareness and promote space coast tourism.

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

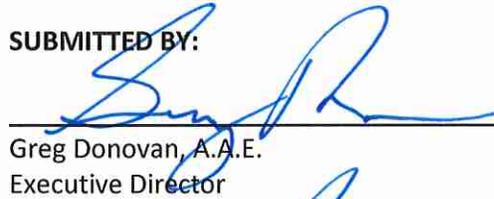
This meeting was adjourned by Chairman William Potter at 09:54 a.m.

PREPARED BY:



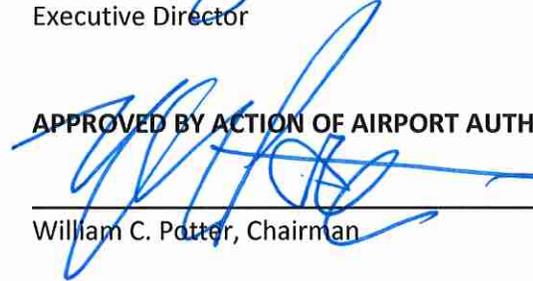
Sandra Acevedo – Executive Assistant

SUBMITTED BY:



Greg Donovan, A.A.E.
Executive Director

APPROVED BY ACTION OF AIRPORT AUTHORITY:



William C. Potter, Chairman