



MELBOURNE AIRPORT AUTHORITY BOARD

Minutes October 22, 2025

Board Meeting Airport Board Room

In Attendance: Mr. William C. Potter, Chairman
The Honorable David Neuman, Councilmember
Mr. Michael Fischer, Member
Mr. Dan Schwinn, Member
Mr. Adam Bird, Attorney
Mr. Greg Donovan, A.A.E., Executive Director
Mr. Clifford Graham, C.M., Director of Operations & Maintenance
Mr. David Perley, A.I.C., Director of Capital Improvements
Ms. Melissa Naughton, C.M., ACE, Assistant Director of Business Development
Mr. Mike O'Dell, C.P.A., Director of Finance and Administration
Ms. Renee Purden, Chief of Police/Director of Public Safety
Mr. Scott Mostert, Captain, Melbourne Airport Police Department

Absent: The Honorable Paul Alfrey, Mayor
The Honorable Mark LaRusso, Councilmember
Mr. Brent Peoples, Member
Mr. Mark Busalacchi, Director of Business Development

Pledge of Allegiance

Airport Announcements by Executive Director Greg Donovan

Congratulations to Kayla Krause on her promotion to Accounting Manager and congratulations to Raynisha Wheeler on her promotion to Lieutenant.

Space Coast Honor Flight on October 11, 2025, was another successful event.

Dassault Falcon Jet held its grand opening ceremony on October 14, 2025.

Airport Transparency and Accountability, Section 332.0075 Florida Statutes new requirements will be posted on the MLB website effective November 1, 2025.

Next Board meeting will be on December 10, 2025.

Executive Director's Recognition of Excellence Award

Congratulations to Edward Bexfield, Equipment Operator I, on receiving this month's award.

Action Items

Item A-1 Approval of the minutes for the September 24, 2025, Regularly Scheduled Board Meeting.

Approval of the September 24, 2025, board meeting minutes. A motion was made by Mr. Neuman for approval of the minutes, seconded by Mr. Schwinn. Motion passed unanimously.

Item A-2 Recommendation to Approve Resolution 12-25 to Accept the Florida Department of Transportation Public Transportation Grant Agreement to Fund Certain Improvements for Phase 2 of the Taxiway A Rehabilitation Project in the amount of \$800,000.

Mr. Donovan explained the airport currently has an executed grant for this project; however, the Florida Department of Transportation (FDOT) issued a new grant to align the grant with the percentage funded by the Federal Aviation Administration (FAA). FAA issued a grant for Phase 2 of the Taxiway A Rehabilitation Project and increased funding from 90 percent to 95 percent, so the new FDOT grant will reduce the state funding percentage to 2.5 percent. Although FDOT's percentage decreased, the Airport is kept whole due to the higher participation level by the FAA. Phase 1 of this project is almost complete, and the airport is ready to begin Phase 2.

Staff recommends approval of Resolution 12-25 to accept the Florida Department of Transportation grant in the amount of \$800,000 to fund Phase 2 of the Taxiway A Rehabilitation Construction and authorization for the Chairman to execute said resolution on behalf of the Authority.

Mr. Potter asked what the time frame for Phase 2 would be. Mr. Perley stated work should commence in December 2025 and be completed by February 2027.

A motion was made by Mr. Fischer to approve Resolution 12-25 to Accept the Florida Department of Transportation Public Transportation Grant Agreement to fund certain improvements for Phase 2 of the Taxiway A Rehabilitation Project in the amount of \$800,000, seconded by Mr. Schwinn. Motion passed unanimously.

Item A-3 Recommendation to Approve a Ground Lease with Petroleum Marketing Group for the Development of a Gas Station, Convenience Store, and Quick Service Restaurant.

Mr. Donovan explained staff has negotiated a ground lease for the development of a gas station and convenience store with Petroleum Marketing Group (PMG). This new development will be located at the entryway of Air Terminal Parkway and NASA Boulevard with ingress and egress off Ed Foster Road and Air Terminal Parkway. It will consist of 16 fuel pumps, a convenience store, and a quick-service restaurant. The lease will also include the construction of a 40-parking space cell phone lot that will replace the existing cell phone lot.

The salient points of this lease are as follows: (1) 15 years with two 5-year options – 25 years total; (2) parcel size 1.3 acres. (3) Total revenue is \$105,894.36 per year, which is \$1.87 per square foot, payable one year after the certificate of occupancy has been issued. (4) Upon rent commencement, the airport will receive \$0.01 per gallon fuel flowage fee for all fuel sold and upon the commencement of the 4th anniversary, 3 percent of all gross revenue above a break point of \$1.5M. The initial 15-year term of this lease is projected to generate \$1.8 million in revenue.

Staff recommends approval of the Lease Agreement with Petroleum Marketing Group and authorization for the Executive Director to execute said agreement on behalf of the Authority.

Mr. Neuman stated this new gas station will benefit the airport and asked if the new gas station will be a 7-Eleven gas station. Mr. Donovan stated it will be a 7-Eleven and thanked the City of Melbourne planning and zoning for their assistance on this new project.

Mr. Fischer asked why the lease term is only 15 years and not longer since PMG is investing a great deal of money. Mr. Donovan stated overall the lease is 25 years total if PMG decides to exercise its options.

Mr. Schwinn asked if the Airport has any knowledge of how much PMG is going to invest in this site development. Mr. Donovan stated he estimates it will be above \$10M. Mr. Potter asked if PMG is paying for the cost of the cell phone lot. Mr. Donovan stated no. The airport will deduct the construction costs for the cell phone lot out of its rent.

A motion was made by Mr. Schwinn to approve a Ground Lease with Petroleum Marketing Group for the Development of a Gas Station, Convenience Store and Quick Service Restaurant, seconded by Mr. Neuman. Motion passed unanimously.

Item A-4 Recommendation to Approve the Second Amendment to Lease with Reserved Capital Partners GE SPE LLC.

Mr. Donovan explained Reserve Capital Partners GE SPE LLC would like an extension of its lease for the Wabtec property (formerly the GE Transportation property) located on NASA Boulevard. The existing base term of the lease is set to expire in 2057, and with this second amendment if approved, the base term will extend to April 30, 2080. RCP has made significant improvements on the property and has invested more than \$3.2 million in tenant improvements for GE/Wabtec and other building renovations. RCP recently executed a lease extension with Wabtec through 2034 and executed a 10-year lease with Northrop Grumman through 2034. RCP will invest an additional \$1.8 million in capital improvements and leasing costs.

Mr. Donovan stated RCP's current lease is set up different than most of our land leases. The land lease agreements currently include CPI increase every five years and range between 1 to 5 percent. RCP's current lease rent is adjusted every 5 years by fair market value appraisal and is capped at 25 percent, which are better terms for the airport than what the standard leases are, and this will allow RCP to continue with the current terms that are in place in their lease agreement.

Staff recommends approval of the Second amendment to Lease with Reserve Capital Partners GE SPE LLC and authorization for the Executive Director to execute said amendment on behalf of the Authority.

A motion was made by Mr. Neuman for recommendation to approve a Second Amendment Lease with Reserved Capital Partners GE SPE LLC, seconded by Mr. Fisher. Motion passed unanimously.

Information Items

Item I-1 Financial Update

Mr. O'Dell presented the financial report through August 31, 2025.

Item I-2 Operations

Mr. Graham explained at MLB our Operations and Maintenance department is a blended team under one leadership structure. At many commercial service airports, particularly larger airports, Operations and Maintenance are separate departments. Both structures have their pros and cons and generally come down to what is most effective and efficient for the specific airport. Our blended team structure goes back decades and has a proven record of adapting to the changes and growth at MLB over time. Maintenance workers, electricians, equipment operators, operation specialists, and supervisors work hand-in-hand and are cross trained in many aviation specialties. MLB's Operations and Maintenance group is committed to keeping the airfield, terminal, and other assets safe and secure.

Recently, there was an incident on the airfield that showcased the team's abilities. It was in the morning, and a flight student had an excursion after landing on Runway 5-23. The aircraft landed and lost directional control and

went into the grass and ended up in a swale. The student was not injured, and the aircraft was not damaged. However, one of the runways edge lights was struck by the plane's nose wheel and was removed from its base.

During the time of the incident, MLB Operations and Maintenance teams were performing their regular duties until a call came in and our group was disbursed to the accident. They were able to communicate with the air traffic control tower and coordinated temporarily closure of the runway and attended to the needs of the pilot. The operations team was able to tow the aircraft out of the swale and back to its hangar. ARFF received a notice and arrived at the scene. The edge light was quickly replaced, and the runway was inspected for foreign object debris (FOD). The runway was certified and re-opened within 30 minutes of the incident. Mr. Graham thanked the operations and maintenance team for doing an excellent job.

Item I-3 Construction Projects Update

In-Line Baggage System

Construction of the temporary baggage facility continues with roofing and ductwork. The temporary facility should go on-line in late November. Trailers for the temporary offices are currently being installed with the ATO trailers first. Comments from the building Department are being addressed, and revised drawings are being submitted to obtain the permit. Completion of this project is January 2027.

Existing Terminal Terrazzo Flooring

Terrazzo flooring is complete at this time and waiting on the ceiling project to be complete before final buffing. Carpeting in-fill and transition strips are now complete. Closeout of the flooring should be by the end of the year.

Existing Terminal Ceilings – Ticketing

Dryfall painting of the ceilings in ticketing is complete. Electrical conduit for lighting and low voltage is complete. New lights have been installed. Fire sprinklers in the ticketing area have been installed and have passed their pressure tests. Layout of the clouds is complete, and hanger wires are currently being installed. Cloud installation should start before the end of the month. This work is being done after hours. Ceilings in the Car Rental and Baggage area will be scheduled to work around the Honor Flights. This work is expected to be completed in December.

Existing Terminal Public Address System

Conduit and wire for the PA System in the ticketing area is complete. New speakers in the ticketing area have been installed. New head-end equipment continues with installation and is being tied into the current Valcom system in the new portion of the terminal.

Terminal Fire Sprinklers

Fire sprinklers are installed in the ticketing area. Pressure test has passed and is currently awaiting completion of the ceilings before energizing the system. Fabrication is nearing completion for the temporary baggage screening facility and should begin installation by the end of the week. Atrium fire sprinklers will be temporarily on hold until the new skylight is installed. Once the atrium is complete, our obligation to the City's Building Department will be complete as fire sprinklers within the existing terminal will have been completed.

Terminal Skylight Replacement

Designers are currently preparing documents for bidding. Project should be ready to bid by the end of November. Bids are expected after the first of the year.

T-Hangar Demolition and Infrastructure

We received 28 bids for the demolition. Bids ranged in price from \$35,700 to \$1,285,100. All bidders were required to visit the site prior to bidding. Demolition should start at the first of the year and take about six (6) weeks to complete

Taxiway A Rehabilitation

Paving for the Taxiway A Phase 1 project is now complete. Taxiway lighting is complete. Final striping is scheduled to be completed before the end of October. Phase 1 is expected to close out in the first part of November. Phase 2 has been awarded, and this work is expected to begin in early December. A portion of this work will be performed at night. Airlines have been notified, and arrangements have been made for aircraft and schedules. This work will be completed in the winter of 2027.

Item I-4 Business Development and Marketing Update

Ms. Naughton explained a piece of history, MLB birds-of-paradise carpeting giveaway is underway. The airport enlisted a local company, The Highland Mint, to assist with the framing of the carpet. Later this week, an announcement will be made on social media about a lottery to receive 1 of 150 framed carpet swatches along with a certificate of authenticity. Winners will be randomly selected and notified.

Business Development & Marketing would like to welcome Nicole Lopez, Marketing and Branding Specialist. Ms. Lopez worked as an ambassador, worked her way up to lead ambassador, and has assisted Ms. Campanini with the Space Coast Honor flights. Our team is happy to have her, and we welcome her aboard.

Mr. Donovan stated that the annual reports have been printed and distributed to each board member as well as having a few extra copies on the back table for anyone that is interested in the audience today. Mr. Donovan thanked Business Development team and The Quotient Group for doing a great job putting together the annual report.

Adjournment

This meeting was adjourned by Chairman William Potter at 9:35 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