

METROPOLITAN KNOXVILLE AIRPORT AUTHORITY

Minutes of the Board of Commissioners

Date: March 21, 2018

Place: Henrietta Grant Board Room
McGhee Tyson Airport

The Board of Commissioners of the Metropolitan Knoxville Airport Authority met pursuant to notice at 4:00 p.m. on Wednesday, March 21, in the Henrietta Grant Board Room at McGhee Tyson Airport with the Board Chairman, Eddie Mannis, presiding.

Roll call developed that Board members present, in addition to Chairman Mannis, were Joe Dawson, Charles Harr, Maribel Koella, Jeff Smith, and Howard Vogel. Also present were William F. Marrison, President of the Airport Authority, and members of his staff; Mark Mamantov, legal counsel; and other visitors and representatives of the media. Commissioner Julia Bentley listened to the meeting via conference call.

BUSINESS AGENDA

I. Announcements. Chairman Mannis reminded those in attendance that a sign-up sheet was available for members of the audience who would like to address the Board of Commissioners. The time for presentation would be limited to three minutes and then only if time permits.

Chairman Mannis announced that the Airport Authority received the Certificate for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for the Comprehensive Annual Financial Report for the fiscal year ending June 30, 2017. The Chairman noted that this was the highest form of recognition in the area of governmental accounting and financial reporting, and this was the 25th consecutive year the Airport Authority has received the award. The Chairman congratulated Mike Bachman, Vice President of Finance and Administration, and his team for his excellent work. Specifically, Nancy White, Controller, received an award for financial reporting achievement, being designated as instrumental and primarily responsible for the award-winning Comprehensive Annual Financial Report. The Chairman also thanked the external auditors, Coulter & Justus, P.C., for their role in helping the Airport Authority to receive the award again this year.

Subsequently, the Chairman explained that the Equality Coalition for Housing Opportunities (ECHO) is an organization that focuses on the promotion of housing equality and the achievement of parity. The Chairman recognized Alan Jones, the Human Resources Manager of the Airport Authority, as the recipient of ECHO's Bridge Builders Award, particularly for his devotion to homeless initiatives. Mr. Jones has played an integral role in advancing community efforts centered around civil rights, diversity and equality, and the Chairman thanked Mr. Jones for his service to the community.

II. Minutes. The Chairman noted that the minutes of the regular meeting of February 21, 2018, had been distributed with the agenda materials. Upon motion duly seconded, the minutes were approved as presented by unanimous voice vote.

III. Consent Calendar. The Chairman noted that the Consent Calendar for March 21, 2018, had been included with the agenda materials, and he requested that Mr. Marrison review it with the Board. Mr. Marrison reported to the Board that one of the Consent Calendar items was to update the furniture in the receptionist area for the Airport Authority's business offices, due to need for work space

for two receptionists. Mr. Marrison noted the design plans allowed for flexibility for workspace room for up to three people if needed in the future.

Following the review of the Consent Calendar, the Chairman inquired whether any Commissioner wished to move an item to the regular agenda. There being no such request, upon motion duly seconded, the Consent Calendar was approved by unanimous voice vote, and a copy will be filed with these minutes.

IV. President's Report and Financial Review. President Bill Marrison advised the Board that his written report was included with the agenda materials, that the financial report was also included with the agenda materials, and that both reports would be on file in the administrative offices of the Airport Authority. Mr. Marrison then reported the Airport had a record-setting January by serving 143,995 passengers, breaking the previous record set in January 2008, of 133,582 passengers. Further, January makes the 21st consecutive month of year-over-year traffic increases at the Airport.

For a project update, Mr. Marrison noted that the Runway 5L/23R Reconstruction Project 1 is near completion, with the final punch list underway. Also, the Runway 5L/23R Reconstruction Project 3 paving process started and will continue to progress as the weather gets warmer. Finally, with the Knoxville Downtown Island Airport, Mr. Marrison anticipates gaining ownership of the new T-hangars by the end of April.

Mr. Marrison then introduced Judd Conatser, a graduate of the United States Naval Academy and the University of Tennessee's Haslam College of Business. He explained that Mr. Conatser would be joining the Airport Authority's staff as the Manager of the Knoxville Downtown Island Airport. Mr. Marrison explained that Mr. Conatser is a seasoned general aviation pilot, flight instructor, and a past customer of the Downtown Island Airport.

Next, Mr. Marrison introduced Becky Huckaby, Vice President of Public Relations, to provide a Milestone Moment in connection with the celebration of McGhee Tyson Airport's 80th anniversary. As that Milestone Moment, Ms. Huckaby explained that the airport was named after Lieutenant Charles McGhee Tyson, born in 1889, to a United States Senator in Knoxville, Tennessee. Lt. Tyson studied at Princeton before returning to Knoxville to work at his father's textile mills. In 1917, Lt. Tyson enlisted in the United States Naval Reserve Flying Corps, and he was killed in action when his plane crashed into the North Sea. In 1929, his parents donated Tyson Park to the City of Knoxville, stipulating that the city airport be named in honor of their son.

Ms. Huckaby noted that as part of the 80th anniversary celebration, the Airport Authority had recently hosted a children's craft day in the terminal and tickets had been donated to both the Knoxville Symphony and the East Tennessee Children's Hospital. Additionally, the Airport Authority was running a "Spend Your Summer in the Sand" giveaway on its Facebook page, and the Airport Authority was sponsoring the Knoxville Zoo's "Boo at the Zoo" event. Ms. Huckaby explained that a full list of events and details of the 80th anniversary celebration could be viewed on the Airport's website.

Finally, Mr. Marrison called on Jim Evans who played the recordings of the "Celebrity Welcomes" that had been made to welcome passengers to the Airport and to the City of Knoxville. Mr. Evans explained that this was an effort encouraged by the Board to personalize the Airport, and these messages from local celebrities would be played on both audio systems and digital platforms. To date, recordings had been obtained from Kelsea Ballerini and Bob Kesling, and the Airport Authority was working on obtaining additional recordings.

V. Committee Reports.

A. Report of the Finance, Personnel and Insurance Committee. Commissioner Harr, Chair of the Finance, Personnel and Insurance Committee, advised the Board that the Committee had met prior to the Board meeting and first discussed the selection of a successor to Mike Bachman, Vice President of Finance and Administration, upon his retirement. ADK Consulting and Executive Search was hired to perform a national search and received over sixty applications for the position. Mr. Harr advised that the search committee interviewed five candidates and unanimously recommended Nancy White for the position. Mr. Harr explained that certain officers selected by the President must be confirmed by the Board, including this position. Thus, Commissioner Harr moved on behalf of the Committee that the confirmation of Nancy White as the Vice President of Finance and Administration be accepted by the Board, a motion which required no second. The motion was unanimously approved by voice vote.

Next, Mr. Harr advised that the Committee deliberated on the search firms that responded to the request for proposals to find candidates to fill the role of President upon Mr. Marrison's retirement at the end of the year. Mr. Harr explained the Committee recommended ADK Consulting and Executive Search to conduct the search due to their extensive experience with similar engagements. Commissioner Harr moved on behalf of the Committee that ADK Consulting and Executive Search be accepted by the Board to conduct the search for candidates, a motion which required no second. The motion was unanimously approved by voice vote after discussion by the Board.

VI. New Business.

A. Consideration of Approval of Professional Services Agreement with McCarty Holsaple McCarty, Inc. (MHM) for the Public Art Master Plan at McGhee Tyson Airport. Mr. Marrison advised that MHM assisted in the advertisement and selection of candidates to interview for the lead artist in developing an art master plan for the Airport. After MHM, Chairman Mannis, Mr. Marrison, and other Airport Authority's staff members interviewed four candidates, they determined that Cheryl Stewart was the best person for the job. Ms. Stewart had experience in working with other airports of similar size. Mr. Marrison explained that Ms. Stewart would be a sub-consultant of MHM, and MHM would still serve as the Architect of Record. Therefore, the next step was to approve this agreement with MHM to create a master plan for the airport. It was moved by Mr. Vogel, seconded by Mr. Harr that the agreement with McCarty Holsaple McCarty, Inc. to develop a public art master plan at a cost of \$29,600.00 be approved, subject to review and approval by legal counsel. The motion was unanimously approved by a voice vote.

B. Consideration of Acceptance of a Military Construction Cooperative Agreement from the National Guard Bureau for the 134th Air Refueling Wing at McGhee Tyson Air National Guard Base and Work Authorization Number 18-120 with CHA Consulting, Inc. for the TNANG Taxiway G Lighting Replacement Design Services. Mr. Marrison advised the Board that the Military Construction Cooperative Agreement being presented would allow this project to come under the Airfield Modernization Program being undertaken by the Authority. Specifically, this project would allow the Tennessee Air National Guard to provide financial support to replace the entire Guard's taxiway lighting circuit including asphalt shoulder widening, lighting fixtures, conduit, and cable. This project is estimated to cost \$7,600,000.00 and will be funded by the National Guard Bureau. It was moved by Ms. Koella, seconded by Mr. Vogel that the Military Construction Cooperative Agreement from the National Guard Bureau for Guard taxiway improvements be approved, subject to review and approval by legal counsel, and that Work Authorization Number 18-120 with CHA Consulting, Inc. in the amount of \$421,670.00 to implement such agreement also be approved. The motion was unanimously approved by a voice vote.

C. Consideration of Award of Purchase to Service One, Inc. for the Terminal Gate Vestibules Rehab for Phase 2 at McGhee Tyson Airport. Mr. Marrison advised the Board that it had previously approved the first phase of the terminal gate vestibules rehabilitation with Service One, Inc., and this award was for the remaining six gates. This project will upgrade the vestibules to make them more durable as well as upgrade finishes, paint, ceiling tiles, carpet, and LED lighting. The project will again be coordinated with the passenger boarding bridge installation to minimize gate downtime and airline conflicts. It was moved by Mr. Dawson, seconded by Mr. Harr, that the purchase to Service One, Inc. for the terminal gate vestibules rehabilitation for Phase 2 in the amount of \$64,410.00 be approved. The motion was unanimously approved by a voice vote.

D. Consideration of Award to JBT Aerotech for Purchase and Installation of Passenger Boarding Bridges for Phase 2 at McGhee Tyson Airport. Mr. Marrison announced to the Board that this award is for the passenger boarding bridges for the remaining six gates. Again, the Board approved the first phase of this project last year with JBT Aerotech for both the equipment purchase and the installation. It was moved by Mr. Vogel, seconded by Mr. Dawson, that the installation and purchase to JBT Aerotech for passenger boarding bridges for Phase 2 in the amount of \$4,050,469.00 be approved, subject to review and approval by legal counsel. Following discussion, the motion was unanimously approved by a voice vote.

E. Consideration of Approval of Change Order Number 9 to the Contract with Eutaw Construction Company, Inc. for Runway 5L/23R Reconstruction Project 2. Mr. Marrison advised the Board that due to the unusually high amount of rain throughout the winter, some additional environmental control items have become necessary. These items are to maintain compliance with Tennessee's Department of Environment and Conservation best management practices, as well as good and responsible stewardship of our community. The funding for this change order will be from federal and state grants. It was moved by Mr. Smith, seconded by Mr. Harr, that Change Order Number 9 to Eutaw Construction Company, Inc. for Runway 5L/23R Reconstruction Project 2 in the amount of \$44,150.00 be approved. The motion was unanimously approved by a voice vote.

The Chairman announced that the business agenda had been completed and that there were no requests by individuals wishing to address the Board. Thereupon, upon motion duly seconded and unanimously approved, the meeting was adjourned at 4:45 p.m.


Secretary