

METROPOLITAN KNOXVILLE AIRPORT AUTHORITY

Minutes of the Board of Commissioners

Date: October 17, 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, October 17, 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 Ursula Bailey, Julia Bentley, 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.

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.

II. Minutes. The Chairman noted that the minutes of the regular meeting of September 19, 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 October 17, 2018, had been included with the agenda materials, and he requested that Mr. Marrison review it with the Board. 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 that the Airport set a new airport monthly passenger traffic record for the month of August, by serving 192,263 passengers. The Airport has now achieved 28 consecutive months of year-over-year passenger traffic increases at the Airport.

Next, Mr. Marrison announced that the Airport Authority recently had a record class of employees receive the designation of Certified Member of the American Association of Airport Executives. The employees to receive this designation are Jim Evans, Nancy White, Tony Clark, Caitlin Darras, Michael Giles, Richard Good, Chris Grubb, Blake Sartin, and TC Payne. To earn this designation, the employees passed a 180-question examination that measured the candidates' comprehensive knowledge of airport management. Mr. Marrison congratulated this group of employees for this accomplishment.

Then, 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 announced that the Airport began its celebration of the 80th anniversary on October 15, 2017, and that the Airport Authority would complete its "Celebrating 80 Years

in 80 Ways" program at the end of the month. Ms. Huckaby highlighted several of the final celebration events, including an A-Maze-ing Vacation Social Sweepstakes, the Aviation Academy Lunch and Learn, the installation of water bottle refilling stations, a rocks scavenger hunt, and reverse trick-or-treating. Ms. Huckaby thanked everyone for all of their participation and support of the celebration throughout the past year.

Finally, Mr. Marrison called on Chairman Mannis to report on the Art Master Plan for the Airport. Mr. Mannis noted the committee formed to create the Art Master Plan has been working since earlier this year, along with area art experts, to develop the vision for the expansion of art throughout the Airport. Mr. Mannis explained that the draft presented today was open for comments until November 8, 2018, and the plan was to present the final plan for adoption at the November Board meeting. Mr. Mannis then called on Cheryl Stewart, the Airport Authority's art consultant. Ms. Stewart gave a presentation to the Board outlining the planning process and offered recommendations of specific locations where art would add to the aesthetic beauty of the Airport and compliment the passenger experience.

V. New Business.

A. Consideration of Authorization to Apply for Grants from the Federal Aviation Administration and the Tennessee Department of Transportation's Aeronautics Division for Environmental Assessment and Preliminary Design for the Proposed Oak Ridge Airport. Mr. Marrison advised the Board that the proposed agenda item would allow the appropriate Airport Authority's officers to apply for and accept Federal Aviation Administration (FAA) and Tennessee Department of Transportation's (TDOT) Aeronautics Division grants for the environmental assessment and preliminary design for the proposed Oak Ridge Airport. Mr. Marrison noted that all grants would be subject to the review and approval of the Airport Authority's legal counsel. It was moved by Mr. Smith, seconded by Mr. Harr, that the authorization to apply for grants from the FAA and TDOT's Aeronautics Division for the proposed Oak Ridge Airport be approved, subject to approval by legal counsel. The motion was unanimously approved by a voice vote.

B. Consideration of Authorization to Apply for a Grant from the Tennessee Aeronautics Commission for Funding Construction of the Proposed Oak Ridge Airport. Mr. Marrison advised the Board that the proposed agenda item would allow the appropriate Airport Authority officers to apply for and accept the Tennessee Aeronautics Commission grant for the first phase of construction on the Oak Ridge Airport. Mr. Marrison noted that the grant would be subject to the review and approval of the Airport Authority's legal counsel. It was moved by Mr. Smith, seconded by Ms. Bentley, that the authorization to apply for a grant from the Tennessee Aeronautics Commission for the construction of the proposed Oak Ridge Airport be approved, subject to approval by legal counsel. The motion was unanimously approved by a voice vote.

C. Consideration of Approval of Work Authorization Number 18-121B with CHA Consulting, Inc. and Authorization to Submit and Accept a Grant Amendment from TDOT's Aeronautics Division for the Runway Safety Area Determination for Runway 8/26 at the Knoxville Downtown Island Airport. Mr. Marrison advised the Board that portions of the runway safety area for each approach at the Knoxville Downtown Island Airport are non-standard because they extend over water. A recent development in the FAA standards requires that non-standard runway safety areas must undergo a "runway safety area determination" if there is an associated improvement project with the runway. Therefore, the FAA and TDOT's Aeronautics Division are requesting a determination due to the runway reconstruction project at the Knoxville Downtown Island Airport. This work authorization would allow CHA Consulting, Inc. to evaluate the existing runway safety areas, determine alternatives to meet or improve current runway safety area standards, analyze financial feasibility of alternatives, and coordinate with the FAA and TDOT's Aeronautics Division. Mr. Marrison further explained this project was eligible for a TDOT's Aeronautics Division grant and the appropriate Airport Authority officers were requesting the authorization to submit

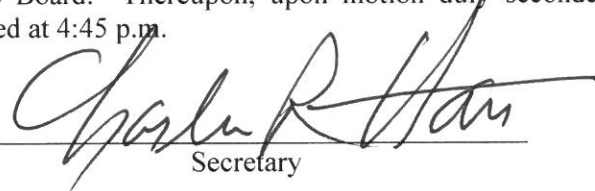
and accept a grant amendment for the project. It was moved by Mr. Dawson, seconded by Mr. Vogel, that Work Authorization Number 18-121B with CHA Consulting, Inc. in the amount of \$81,632.00 be approved and the authorization to accept a grant amendment from TDOT's Aeronautics Division be approved, subject to approval by legal counsel. The motion was unanimously approved by a voice vote.

D. Consideration of Approval of Work Authorization Number 15-218B to C2RL, Inc. for the Terminal Building Envelope Modernization Project; Design and Contractor Selection Assistance at McGhee Tyson Airport. Mr. Marrison explained to the Board that this work authorization is necessary for the design phase of the terminal building envelope modernization project. This work authorization will allow C2RL, Inc. to provide professional services for planning, programming, design, and contractor prequalification and selection services for this project. Mr. Marrison noted that the design phase of the project is expected to conclude in June of 2019, producing a detailed construction phasing plan that will minimize interruptions to normal business practices. The estimated cost of this project is \$1,192,563.00. It was moved by Ms. Bailey, seconded by Mr. Dawson, that Work Authorization Number 15-218B to C2RL, Inc. for the terminal building envelope modernization project and design and contractor selection assistance at the Airport be approved. Following discussion, the motion was unanimously approved by a voice vote.

E. Consideration of Approval of Work Authorization Number 18-125 with CHA Consulting, Inc. for the Transportation Security Administration Checkpoint Improvements Planning and Programming. Mr. Marrison advised the Board that the Transportation Security Administration (TSA) has informed the Airport Authority that the current configuration for the screening checkpoint area is in need of expansion. Therefore, to address increasing passenger traffic, new flights, and to avoid potential delays in the screening process, the Airport Authority desires to be proactive in response to the potential future problems on the screening checkpoint floor. This work authorization with CHA Consulting, Inc. will provide for alternative floor space allowances, coordination with the TSA and the Airport Authority, coordination with the airlines, recommendations of alternatives and cost estimates, and project initiation support. It was moved by Ms. Bentley, seconded by Mr. Vogel, that Work Authorization Number 18-125 with CHA Consulting, Inc., for the TSA Checkpoint Improvements Planning and Programming in the amount of \$37,188.00 be approved. The motion was unanimously approved by a voice vote.

F. Consideration of Approval of Addendum Number Three to the TAC Air Fixed Based Operator's Lease and Operating Agreement and Addendum Number Three to the TAC Air Fuel Farm Lease Agreement at McGhee Tyson Airport. Mr. Marrison advised the Board that Truman Arnold Companies (TAC Air) plans to construct an 18,000 square foot hangar for an approximate cost of \$1,700,000.00. TAC Air has requested to reset the term of its lease in exchange for the additional investment in capital. The new hangar is anticipated to open in early 2019, and the extended term will begin on the date of occupancy. Mr. Marrison explained that the construction plans would be subject to the approval of the Airport Authority's Engineering and Planning Department. It was moved by Ms. Koella, seconded by Ms. Bailey, that Addendum Number Three to the TAC Air Fixed Based Operator's Lease and Operating Agreement and Addendum Number Three to the TAC Air Fuel Farm Lease Agreement be approved, subject to approval by legal counsel. Following discussion, 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