

# METROPOLITAN KNOXVILLE AIRPORT AUTHORITY

## Minutes of the Board of Commissioners

Date: June 17, 2020

Place: 510 Center

The Board of Commissioners of the Metropolitan Knoxville Airport Authority met pursuant to notice at 4:09 p.m. on Wednesday, June 17, at the 510 Center located at 2950 Airfield Service Drive, Alcoa, Tennessee, with the Board Chairman, Eddie Mannis, presiding. Commissioners had the option to attend the meeting electronically due to the COVID-19 pandemic.

Roll call developed that Board members present in person or electronically, in addition to Chairman Mannis, were Ursula Bailey, Julia Bentley, Joe Dawson, Charles Harr, Maribel Koella, Brian Simmons, Jeff Smith, and Howard Vogel. Also present were Patrick Wilson, President of the Airport Authority, and members of his staff; Mark Mamantov, legal counsel; and other visitors attended electronically.

Chairman Mannis announced that Mr. Howard Vogel was recently reappointed to the Board by the Knoxville City Council, and he is required to take the Oath of Office before business may be conducted. At the Chairman's request, Mr. Mamantov administered the Oath of Office, and then Mr. Vogel took his seat with the Board of Commissioners.

### BUSINESS AGENDA

I. Procedure for Conducting Business. Chairman Mannis first asked for a motion for the Board to agree that this meeting be held electronically as it is necessary to protect the health, safety, and welfare of the citizens of Tennessee. It was moved by Mr. Vogel, and seconded by Mr. Harr. The motion was unanimously approved by a roll call vote.

II. Announcements. Chairman Mannis explained that members of the public were given the option to submit written comments to the Board of Commissioners and were given the option to sign up to speak during the public forum at the end of the meeting by emailing [info@tys.org](mailto:info@tys.org), pursuant to the meeting notice. The Chairman noted that the Board of Commissioners did not receive any written comments or requests to address the Board of Commissioners.

III. Minutes. The Chairman noted that the minutes of the regular meeting of May 27, 2020, had been distributed with the agenda materials. Upon motion duly seconded, the minutes were approved as presented by unanimous roll call vote.

IV. Consent Calendar. The Chairman noted that the Consent Calendar for June 17, 2020, had been included with the agenda materials, and he requested that Mr. Wilson 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 roll call vote, and a copy will be filed with these minutes.

V. President's Report and Financial Report. President Patrick Wilson provided his President's report and noted that the financial report was included with the agenda materials. In his President's report, Mr. Wilson explained to the Board that, due to the impacts of the COVID-19 pandemic, the McGhee Tyson Airport served only 8,683 passengers in April, which is a 95.5% decrease

from April 2019. Mr. Wilson noted that the McGhee Tyson Airport handled 6.46 million pounds of air cargo and mail in April, a decrease of 3% compared to April 2019.

Despite the COVID-19 pandemic, Mr. Wilson announced that Allegiant Air launched new flights to Austin, Houston, and Chicago twice weekly for the summer and resumed service to Las Vegas, Denver, Baltimore/Washington, and Destin/Ft. Walton Beach.

VI. 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 considered renewal of the Airport Authority's airport liability insurance, property insurance, cyber and privacy insurance, and worker's compensation insurance. All four policies were recommended by the Airport Authority's various insurance consultants. Mr. Harr then stated that, based on the Committee's review, the Committee recommends that each of the four policies be approved by the full Board. Mr. Harr then, on behalf of the Committee, moved for approval of the Committee's recommendation, which motion required no second. The motion was unanimously approved by a roll call vote.

VII. New Business.

A. Consideration of Approval of Resolution No. 20-01 Designating Certain Institutions for Deposits, Authorizing Investment of the Airport Authority's Funds, and Designating Authorized Signatories. Mr. Wilson advised the Board that the proposed resolution updates the list of depositories and recurring expenses. Additionally, the types of investments that qualify as permitted investments have been expanded to include permitted investments of Knox County and the City of Knoxville, Tennessee. The Airport Authority has historically limited its permitted investments to only those investments permitted for counties. Mr. Wilson explained that legal counsel prepared the resolution. It was moved by Mr. Vogel, seconded by Ms. Bailey, that Resolution No. 20-01 designating certain institutions for deposits, authorizing investment of the Airport Authority's funds, and designating authorized signatories be approved. The motion was unanimously approved by a roll call vote.

B. Consideration of Approval of Addendum Number One to the Transportation Network Company Business Permit with Lyft, Inc. to Provide Term Renewals. Mr. Wilson advised the Board that the presented addendum provides for automatic term renewals for one-year periods with Lyft, Inc., a transportation network company that currently operates at the McGhee Tyson Airport. It was moved by Mr. Dawson, seconded by Mr. Smith, that Addendum Number One to the Transportation Network Company Business Permit with Lyft, Inc. be approved. The motion was unanimously approved by a roll call vote.

C. Consideration of Approval of Addendum Number One to the Maintenance Hangar Agreement Between the Metropolitan Knoxville Airport Authority and ExpressJet Airlines LLC at McGhee Tyson Airport. Mr. Wilson explained that the original Maintenance Hangar Agreement expires on November 30, 2020 and requires 180-day notice to exercise the renewal term of five years. The addendum allows ExpressJet Airlines LLC additional time to provide notice of its intention to renew with the caveat that the initial term be extended to provide the Airport Authority with a minimum of 180 days to plan for future use of the leased premises. The addendum was prepared by legal counsel. It was moved by Mr. Dawson, seconded by Ms. Koella, that Addendum Number One to the Maintenance Hangar Agreement with ExpressJet Airlines LLC be approved. The motion was unanimously approved by a roll call vote.

D. Consideration of Approval of Addendum Number One to the Ground Lease Agreement Between the Metropolitan Knoxville Airport Authority and Massey Properties, LLC (Hangar 3 and Aircraft Hangar Complex) at McGhee Tyson Airport. Mr. Wilson reminded the Board that this Ground Lease Agreement to Massey Properties, LLC related to the development of a hangar complex to be subleased by Massey Properties, LLC to Cirrus Design Corporation ("Cirrus"). The original lease contemplated a two-phase development, with the second phase of the development commencing by December 14, 2020 and completing by December 14, 2021. Due to the COVID-19 pandemic, the addendum allows Cirrus to delay the start date until December 14, 2021 and the completion date until December 14, 2022. In addition, if the COVID-19 pandemic effects are prolonged, the staff is requesting that the President have the discretion to extend the start date and completion date each by six months. It was moved by Ms. Bentley, seconded by Ms. Koella, that Addendum Number One to the Ground Lease Agreement with Massey Properties, LLC (Hangar 3 and Aircraft Hangar Complex) be approved and that President Wilson be authorized to additionally extend the required start date and completion date up to six months each. Commissioner Smith abstained from the vote due to his extensive efforts in recruiting Cirrus to the McGhee Tyson Airport. Following discussion, the remaining Commissioners unanimously approved the motion by roll call vote.

E. Consideration of Approval of a One-Year Contract Extension with Common Grounds Landscape Management for Landscaping Services at McGhee Tyson Airport. Mr. Wilson advised the Board that the current contract with Common Grounds Landscape Management for landscaping services expires on June 30, 2020. Due to the COVID-19 pandemic, the staff has negotiated a one-year extension to the contract that includes a 75% cost reduction. The total savings for the year will be \$134,805.13. It was moved by Mr. Dawson, seconded by Mr. Vogel, that the one-year extension to the contract with Common Grounds Landscape Management be approved, subject to legal review. The motion was unanimously approved by a roll call vote.

F. Consideration of Approval of a Two-Year Contract Extension with Kone, Inc. for Elevator and Escalator Inspection and Preventative Maintenance Services at McGhee Tyson Airport. Mr. Wilson advised the Board that the current contract with Kone, Inc. for elevator and escalator inspections and maintenance expires on July 1, 2020. Due to the COVID-19 pandemic, the staff has negotiated a two-year extension that includes 50% cost reduction for 90 days. The Airport Authority will save \$5,710.50 in the first year. It was moved by Mr. Smith, seconded by Ms. Bentley, that the two-year extension to the contract with Kone, Inc. be approved, subject to legal review. Following discussion, the motion was unanimously approved by a roll call vote.

G. Consideration of Approval of a One-Year Contract Extension with Cook's Mechanical for Heating, Ventilation, and Air Conditioning Maintenance Services to Support McGhee Tyson Airport and Knoxville Downtown Island Airport. Mr. Wilson advised the Board that the current contract with Cook's Mechanical for heating, ventilation, and air conditioning services expires on June 30, 2020. Due to the COVID-19 pandemic, the staff has negotiated a one-year extension with a reduction in scope. The estimated savings for the year is \$136,898.00. It was moved by Ms. Bailey, seconded by Ms. Koella, that the one-year extension to the contract with Cook's Mechanical be approved, subject to legal review. The motion was unanimously approved by a roll call vote.

H. Consideration of Approval of a One-Year Contract Extension with Service One for Electrical and Mechanical Contracting Maintenance Services Agreement at McGhee Tyson Airport. Mr. Wilson advised the Board that the current contract with Service One for electrical and mechanical services expires on July 1, 2020. Due to the COVID-19 pandemic, the staff has negotiated a one-year extension with a reduction in scope. The estimated savings for the year is \$144,000.00. It was moved by Mr. Dawson, seconded by Ms. Bailey, that the one-year extension to the contract with Service One be approved, subject to legal review. The motion was unanimously approved by a roll call vote.

I. Consideration of Approval of a One-Year Contract Extension with Waste Management of Tennessee for Waste Removal and Recycling Services at McGhee Tyson Airport and Knoxville Downtown Island Airport. Mr. Wilson advised the Board that the current contract with Waste Management of Tennessee for waste removal services expires on June 30, 2020. The staff has negotiated a one-year extension with provisions to fluctuate services and frequencies based on the pandemic and resulting changes in demand. It was moved by Ms. Bentley, seconded by Ms. Koella, that the one-year extension to the contract with Waste Management of Tennessee be approved, subject to legal review. The motion was unanimously approved by a roll call vote.

J. Consideration of Approval of Change Order Number 8 to the Contract with The Harper Company, Inc. for Runway 5L/23R Reconstruction, Taxiway G Lighting System. Mr. Wilson advised the Board that the proposed change order involves the demolition of concrete and asphalt as necessary to allow for reconstruction of several concrete slabs on the edge of the Tennessee Air National Guard fueling apron. The change order also includes the repaving of the shoulders. The change order has been approved by the Tennessee Air National Guard and is for a total of \$134,513.53. It was moved by Ms. Bentley, seconded by Mr. Vogel, that Change Order Number 8 to the contract with The Harper Company, Inc. for the Runway 5L/23R Reconstruction, Taxiway G lighting system be approved. The motion was unanimously approved by a roll call vote.

VIII. Staff Reports.

Bryan White, Vice President of Engineering and Planning of the Airport Authority, provided an update to the Board on the improvements to Alcoa Highway being undertaken by the Tennessee Department of Transportation.

The Chairman announced that the business agenda had been completed and that no requests had been received by individuals wishing to address the Board. Thereupon, upon motion duly seconded and unanimously approved, the meeting was adjourned at 5:06 p.m.

  
Asst. Secretary