

# METROPOLITAN KNOXVILLE AIRPORT AUTHORITY

## Minutes of the Board of Commissioners

Date: December 15, 2021

Place: Cascade Room, Airport Hilton  
McGhee Tyson Airport

The Board of Commissioners of the Metropolitan Knoxville Airport Authority (Airport Authority) met pursuant to notice at 4:00 p.m. on Wednesday, December 15, 2021, in the Cascade Room at the Airport Hilton with the Board Chairman, Brian Simmons, presiding.

Roll call developed that Board members present, in addition to Chairman Simmons, were Julia Bentley, Joe Dawson, Charlie Harr, Maribel Koella, Eddie Mannis, 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.

### BUSINESS AGENDA

I. Minutes. Chairman Simmons noted that the minutes of the regular meeting of November 17, 2021, had been distributed with the agenda materials. Upon motion duly seconded, the minutes were approved as presented by unanimous voice vote.

Chairman Simmons also explained that, since the Board created new standing committees, the minutes of the Audit Committee from August 18, 2021, the Capital Improvements Committee from April 21, 2021, the Finance, Personnel, and Insurance Committee from June 16, 2021, the General Aviation Committee from March 17, 2021, and Marketing and Public Relations Committee from February 19, 2020, were distributed with the agenda materials for the Board's approval. Upon motion duly seconded, the committee minutes were approved as presented by unanimous voice vote.

II. Announcements. Chairman Simmons 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 Simmons then congratulated Mr. Wilson for being elected to the Airports Council International – North America Board of Directors. The Board applauded Mr. Wilson for his strong representation of the Airport Authority in the aviation community.

III. President's Report and Financial Review. President Patrick Wilson provided the President's report and highlights of the activity report, the project report, and financial information that was included with the agenda materials.

Specifically, Mr. Wilson noted that through October 31, 2021, the Airport Authority revenues exceeded budget by 31%, expenses were under budget by 9%, and net income was \$3,400,000 over budget.

Mr. Wilson announced that Runway 5L/23R would open on Friday, December 17, 2021, and that the runway reconstruction was one of the largest projects in scale and in cost to be completed by the Airport Authority. Mr. Wilson thanked his staff for all their hard work and recognized representatives in the engineering, operations, public safety, and accounting department who had been engaged on the project. Finally, Mr. Wilson requested that all Board members attend the opening ceremony on Friday to witness the first landing on the new runway.

#### IV. Committee Reports.

A. Report of the Administration and Finance Committee. Commissioner Harr, Chair of the Administration and Finance Committee, advised the Board that the Committee had met prior to the Board meeting to consider the proposed salary range for the vacant Vice President of Finance position. The proposed salary range of \$156,263 to \$250,021 was developed by The Segal Group as part of its classification analysis and market compensation study. Mr. Harr then, on behalf of the Committee, moved for approval of the Committee's recommendation of the salary range, which motion required no second. The motion was unanimously approved by a voice vote.

Next, Mr. Harr reported that the Committee considered a mid-year pay increase of 3% of all Airport Authority positions, including those vacant and advertised, to be effective on January 3, 2022. Mr. Harr explained that the Airport Authority was performing considerably ahead of budget and the competitive nature of the labor market, along with inflationary pressures, create a need for a pay increase. Mr. Harr also noted that the Committee recommends that the President's salary also receive a 3% increase effective January 3, 2022. Mr. Harr then, on behalf of the Committee, moved for approval of the Committee's recommendation of the pay increase, which motion required no second. The motion was unanimously approved by a voice vote.

Finally, Mr. Harr reported that the Committee considered the conversion of a contract accountant to a direct-hire accountant. Mr. Harr noted that the position for the contract accountant has been in place over 18 months, and due to an influx in federal grant funds and the difficulty of finding an appropriate hire from a hiring service, it is necessary to request a mid-year change in the staffing plan. Mr. Harr then, on behalf of the Committee, moved for approval of the Committee's recommendation to directly hire a full-time accountant, which motion required no second. The motion was unanimously approved by a voice vote.

#### V. New Business.

A. Consideration of Approval of Work Authorization Number 21-253B to C2RL, Inc. for Design and Bidding of the Temporary Public Parking Lot E at McGhee Tyson Airport (TYS). Bryan White, Vice President of Engineering and Planning at the Airport Authority, explained to the Board that a temporary lot was necessary to replicate the spaces that would be lost during construction of the parking garage expansion project. Mr. White noted that the lot would be constructed to accommodate 800 spaces and would include revenue control, lighting, fencing, and signage. This lot would also grant pedestrian access to the terminal through walkways and shuttle services. Mr. White explained that the proposed work authorization was for design, permitting, and bid evaluations for the parking lot. It was moved by Ms. Bentley, seconded by Mr. Dawson, that Work Authorization No. 21-253B in the amount of \$158,240 be approved and the FY 2022 Capital Budget be amended to include the project. Following discussion, the motion was unanimously approved by a voice vote.

In response to questions from Commissioner Smith, Mr. White explained that the proposed lot was included in the Airport Authority's Terminal Area Plan but was not included in the Airport Authority's existing Airport Layout Plan that had been submitted to the Federal Aviation Administration ("FAA"). Mr. White noted that the Airport Layout Plan would be updated through normal FAA procedures to reflect the construction of the new parking lot. Mr. White also explained that the parking lot would likely be needed until the fourth quarter of 2024 and would then be removed in the first quarter of 2025.

B. Consideration of Approval of Purchase of Residential Lot 97 Located on Stonybrook Lane in Rocky Waters Subdivision. Dave Schroth, the Properties and Risk Manager at the Airport Authority, informed the Board that Lot 97 on Stonybrook Lane is adjacent to property owned by the Airport Authority and is important to the Airport Authority's future expansion and development. The undeveloped property

is approximately 0.74 acre. The cost of the property is \$16,000 plus closing costs, and the purchase is contingent on an appraisal, title report, and survey. It was moved by Mr. Vogel, seconded by Mr. Harr, that the purchase of Lot 97 be approved as presented. Following discussion, the motion was unanimously approved by a voice vote.

C. Consideration of Approval of Addendum Number Three to Lease Agreement between the Airport Authority and Cirrus Design Corporation D/B/A Cirrus Aircraft (Cirrus) at TYS. Mr. Schroth explained that Cirrus requested a change to the use provisions of its lease of the hangar referred to as "Hangar 1." Hangar 1 has historically been used as a limited finishing workstation, which allowed for minor painting and cosmetic repair of aircraft stored inside Hangar 1. Cirrus has requested authorization to use Hangar 1 as a full paint workstation. Mr. Schroth noted that additional fire safety and environmental protections have been added to the lease to accommodate Cirrus' request. It was moved by Mr. Harr, seconded by Ms. Koella, that the addendum with Cirrus be approved as presented. The motion was unanimously approved by a voice vote.

D. Consideration of Approval of Resolution No. 21-02 Implementing Regulations and Fees for Peer-to-Peer Car Sharing Companies Operating at TYS. Mr. Schroth explained to the Board that the proposed resolution establishes policies, rules, regulations, and fees applicable to peer-to-peer car sharing companies, such as TURO and Avail Car Sharing, operating at TYS. Specifically, the resolution requires peer-to-peer companies to obtain a permit and to pay a percentage of gross revenues for each transaction at TYS. The resolution and the permit included in the agenda package was prepared by the Airport Authority's legal counsel. It was moved by Ms. Bentley, seconded by Mr. Dawson, that Resolution No. 21-02 be approved. Following discussion, the motion was unanimously approved by a voice vote.

E. Consideration of Approval of an Award of Contract to Cook's Mechanical Services (Cook's) for Mechanical Services Maintenance at TYS. Trevis Gardner, Vice President of Operations of the Airport Authority, informed the Board that the Airport Authority's staff advertised a request for proposals in October 2021 for preventative maintenance and repairs to the terminal mechanical systems and associated equipment. Two responsive bidders, Cook's and Four Seasons, were interviewed by the Airport Authority's staff. Cook's was selected as providing the best value to the Airport Authority at a base cost of \$262,480 annually, which is 2% percent over the previous 2018 agreement with an expanded scope. Mr. Gardner explained that the initial contract term will be four years with an option to renew at the Airport Authority's discretion. It was moved by Mr. Vogel, seconded by Ms. Koella, that the contract with Cook's be approved. The motion was unanimously approved by a voice vote.

F. Consideration of Approval of a Purchase for Airfield Equipment at TYS. Mr. Gardner explained to the Board that the fleet maintenance department needs to replace a utility tractor. The proposed tractor, a New Holland Powerstar 120, would be purchased from Maury County Equipment as part of a Tennessee statewide contract that offers a 25% discount. The cost of this tractor is \$76,151.55. It was moved by Mr. Vogel, seconded by Mr. Harr, that the purchase of the tractor be approved. The motion was unanimously approved by a voice vote.

G. Consideration of Approval of Information Technology Consulting Services Work Authorization for the Airport Authority Mr. Gardner informed the Board that the proposed work authorization with The Faith Group would permit planning, programming, and advisory services related to the Airport Authority's terminal technology systems, such as building automation system improvements and capital project planning and programming. The proposed work authorization will not exceed \$50,000. It was moved by Ms. Bentley, seconded by Ms. Koella, that the work authorization with The Faith Group be approved as presented. The motion was unanimously approved by a voice vote.

H. Consideration of Approval of Information Technology Staff Augmentation Work Authorization for the Airport Authority. Mr. Gardner informed the Board that the proposed work authorization with The Faith Group would outsource certain projects and initiatives over the next 36

months. Such projects include cybersecurity management, hardware and software resources, data management and enterprise architecture, and various terminal systems. The proposed work authorization will not exceed \$248,400, for a term of at least 24 months with the optional of an additional 12 months. It was moved by Ms. Koella, seconded by Mr. Vogel, that the work authorization with The Faith Group be approved as presented. The motion was unanimously approved by a voice vote.

I. Consideration of Approval of Resolution No. 21-03: A Resolution Authorizing the President of the Airport Authority to Negotiate, Approve, and Execute Certain Contracts Related to the Production of the 2022 Smoky Mountain Air Show. Mr. Gardner informed the Board that the proposed resolution provided flexibility to the Airport Authority to procure the services and goods necessary for the production of the 2022 Smoky Mountain Air Show. Mr. Gardner explained that this was crucial when the Airport Authority is competing with other venues to obtain such services and goods. The President would be allowed to execute contracts related to the airshow that do not exceed \$175,000, provided that such contract would be reported to the Board at the subsequent Board meeting. It was moved by Mr. Vogel, seconded by Mr. Harr, that Resolution No. 21-03 be approved. The motion was unanimously approved by a voice vote.

VII. Staff Reports.

Jim Evans, Vice President of Marketing and Air Service Development at the Airport Authority, reported to the Board regarding the status of air service at TYS. Mr. Evans noted that Allegiant Airlines added flights to Phoenix, Arizona to commence in February and flights to Minneapolis/St. Paul to commence in March. Additionally, Mr. Evans reported that Delta Air Lines has started using larger jets on certain flights from TYS to Atlanta, Georgia.

Becky Huckaby, Vice President of Public Relations, reported to the Board on the Runway 5L/23R grand opening event to take place on Friday, December 17, 2021. Additionally, Ms. Huckaby noted that the Airport Authority had been celebrating the opening all week, with an Airport Authority employee celebration held on Tuesday and a tenant breakfast to be held on Thursday.

Chairman Simmons 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 5:11 p.m.

  
Secretary