

METROPOLITAN KNOXVILLE AIRPORT AUTHORITY

Minutes of the Board of Commissioners

Date: December 14, 2022

Place: Cascade Room, Airport Hilton
McGhee Tyson Airport

The Board of Commissioners of the Metropolitan Knoxville Airport Authority met pursuant to notice at 4:05 p.m. on Wednesday, December 14, 2022, 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 Ursula Bailey, Julia Bentley, Joe Dawson, Charlie Harr, Maribel Koella, 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. 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.

II. Minutes. The minutes of the regular meeting of October 19, 2022, had been distributed with the agenda materials. Upon motion duly seconded, the minutes were approved as presented by unanimous voice vote.

III. President's Report and Financial Report. President Patrick Wilson congratulated Ken Eckert on his retirement from the Airport Authority after serving 16 years as the Airport Authority's Facility and Project Manager. During his tenure at the Airport Authority, Mr. Eckert managed multiple important capital projects, and Mr. Wilson noted that Mr. Eckert had a great track record of completing projects on time and under budget without security or safety issues. Mr. Wilson thanked Mr. Eckert for his service to the Airport Authority.

Mr. Wilson then provided the President's report and highlights of the activity report, the project report, and financial information that was included with the agenda materials. Mr. Wilson reported that the runway renovation project at Knoxville Downtown Island Airport (DKX) was still on track for completion for the spring.

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 for a presentation from Coulter & Justus, P.C., the Airport Authority's external auditors, and received a report that the auditor was prepared to deliver a clean, unmodified audit opinion. Mr. Harr complimented Susan Gennoe, the Vice President of Finance of the Airport Authority, and her team for their excellent work in connection with the audit process. Mr. Harr moved on behalf of the Committee that the audit report be received by the Board and that the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022 be accepted by the Board, a motion which required no second. The motion was unanimously approved by voice vote.

Mr. Harr explained that the second item considered by the Committee was the authorization of the President to negotiate the terms of and execute an engagement letter with PFM Financial Advisors LLC

(PFM) for financial advisory services. Mr. Harr explained the terms of the engagement letter would not exceed five years. The Board will also approve any fee payable to PFM with respect to its work that is not directly related to a debt issuance in excess of \$75,000 in any fiscal year, and any fee payable in connection with the issuance of debt. On behalf of the Committee, Mr. Harr moved for approval of the Committee's recommendation, which motion required no second. The motion was unanimously approved by a voice vote.

Finally, Mr. Harr noted that the results of the workers' compensation insurance audit for the fiscal year ended June 30, 2022 were provided to the Committee. This report was informational only.

V. New Business.

A. Consideration of Approval of Work Authorization Number 22-149B to CHA Consulting, Inc. (CHA) for Planning Support Services at McGhee Tyson Airport (TYS). Bryan White, the Vice President of Planning and Development at the Airport Authority, explained to the Board that the proposed work authorization will provide professional planning support to the Airport Authority's staff on an hourly, as-needed basis. This would allow CHA to assist with small-scale planning needs that are not tied to an overarching project, such as planning development in response to a direct inquiry from the Federal Aviation Administration or the Tennessee Department of Transportation. The cost of the work authorization is not-to-exceed \$100,000. It was moved by Ms. Bailey, seconded by Ms. Koella, that Work Authorization Number 22-149B to CHA be approved and that the budget be amended to reflect the work authorization amount. The motion was unanimously approved by a voice vote.

B. Consideration of Approval of Modification of Contract to DPM Surface Care, Inc. (DPM) for Floor Maintenance and Specialized Cleaning Services at TYS. Mr. White explained to the Board that carpet samples from the Airport's terminal area were sent to laboratories to be analyzed per guidance from the Carpet and Rug Institute. Based on the analysis from these laboratories, an enhanced maintenance program for the carpet was recommended, including additional vacuuming cycles, the use of a newer model vacuum, increased spot cleaning, and the utilization of a newer foam cleaning system to lengthen the service life of the flooring. As a result of implementing these recommendations, the cost to maintain the carpeting would increase, and a modification of the maintenance contract with DPM was required to implement these changes. The additional cost of implementing these enhancements would be \$41,396.87 annually. It was moved by Ms. Bentley, seconded by Ms. Bailey, that the modification of the contract with DPM for a revised base amount of \$99,560.67 be approved and the budget be amended to reflect the change. The motion was unanimously approved by a voice vote.

C. Consideration of Approval of Work Authorization to Faith Group, LLC (Faith Group) for Cybersecurity Consulting Services at TYS and DKX. Mr. White informed the Board that the proposed work authorization with the Faith Group will provide for the expansion of cybersecurity services presented in the budget for the fiscal year ending June 30, 2023. New cybersecurity initiatives will include information security, network design and infrastructure, and data management and enterprise architecture. This work authorization is a not-to-exceed amount, based on hourly rate and need, with an expected two-year maximum need. The cost of the work authorization is \$191,068. It was moved by Mr. Dawson, seconded by Mr. Vogel, that the work authorization to the Faith Group be approved. The motion was unanimously approved by a voice vote.

D. Consideration of Award of Purchase to HUB Parking Technology USA, Inc. (HUB) for Parking Information Technology Systems Upgrades, Replacements, and Installation Services. Dave Schroth, the Director of Properties and Risk Management at the Airport Authority, informed the Board that Republic Parking, the Airport Authority's parking management company, has been evaluating all the information technology (IT) systems that support the parking management functions. In conjunction with HUB, Republic Parking has recommended multiple upgrades to the IT systems, including software updates along with the replacement of servers and computers. These upgrades and replacements will provide

enhanced security, lower ongoing costs for support and maintenance, and compatibility with current operating systems. The cost of the project is estimated to be \$31,374.17. The Airport Authority's staff recommends a contingency of 20% be made available at the President's discretion for a total project budget of \$37,649. It was moved by Ms. Koella, seconded by Mr. Vogel, that the purchase of parking IT system upgrades, replacements and installation services from HUB be approved. The motion was unanimously approved by a voice vote.

VI. Staff Reports. Jim Evans, the Vice President of Marketing and Air Service Development for the Airport Authority, provided an update to the Board on airline service. American Airlines has announced a new nonstop service to New York's La Guardia Airport starting in May, 2023 that will be offered daily. Additionally, Delta Air Lines added special, nonstop flights to Miami International Airport to provide additional transportation options for those traveling to the Capital One Orange Bowl. Mr. Evans then introduced the Airport Authority's new Marketing Specialist, Madeline Littleton.

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 4:33 p.m.


Secretary

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