

METROPOLITAN KNOXVILLE AIRPORT AUTHORITY

Minutes of the Board of Commissioners

Date: July 19, 2023

Place: Airport Operations Center
McGhee Tyson Airport

The Board of Commissioners of the Metropolitan Knoxville Airport Authority met pursuant to notice at 4:00 p.m. on Wednesday, July 19, 2023, at the Airport Operations Center, located at 100 Cirrus Landing, Alcoa, Tennessee, 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, Caryn Hawthorne, Maribel Koella, Wes Stowers, 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. Oath of Office. Chairman Simmons announced that Commissioner Dawson was reappointed to the Board of Commissioners for another term and that Caryn Hawthorne and Wes Stowers were appointed to the Board of Commissioners for their first terms. Mark Mamantov administered the Oath of Office for Joe Dawson, Caryn Hawthorne, and Wes Stowers.

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 as to an item on the agenda or to speak during the public forum at the conclusion of the meeting.

III. Minutes. The minutes of the regular meeting of June 14, 2023, had been distributed with the agenda materials. Upon motion duly seconded, the minutes were approved as presented by a unanimous voice vote.

IV. 2023 Board Committees. Chairman Simmons appointed the chairpersons and members to the Airline and Passenger Services Committee, Aviation Operations and Services Committee, Administration and Finance Committee, and the Capital Development Committee. It was moved by Mr. Vogel, seconded by Mr. Dawson, that the committee assignments be approved. The motion was unanimously approved by a voice vote.

Mr. Simmons also made a motion for Mr. Dawson to be elected as Assistant Secretary, and such motion was seconded by Mr. Vogel. The motion was unanimously approved by a voice vote.

V. President's Report and Financial Report. President Patrick Wilson recognized the following employees for completing the certified member program provided by the American Association of Airport Executives: Josh Helton, Assistant Supervisor of Airfield Operations, Justin Lackey, Director of Airfield Operations, and Trey Meadows, Senior Director of Facilities.

Mr. Wilson then provided legislative updates related to the Airport Improvement Program and highlighted various reports and financial information that was included with the agenda materials. Mr. Wilson also reminded the Board that Steve Van Beek would be attending the September Board meeting to discuss the next three years of initiatives related to the Strategic Plan.

VI. 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 President's performance and salary review and to make a recommendation for a salary increase consistent with the same percentage increase received by the Authority's other employees. On behalf of the Committee, Mr. Harr moved for approval of an increase of 4.25% to the President's salary, effective July 1, 2023, which motion required no second. The motion was unanimously approved by a voice vote.

Mr. Harr explained that the Committee considered the award of the Airport Authority's cyber liability insurance policy with Cowbell. The total premium cost is \$25,253. On behalf of the Committee, Mr. Harr moved for approval of the award of the cyber liability insurance policy to Cowbell, which motion required no second. The motion was unanimously approved by a voice vote.

Mr. Harr explained that the Committee also considered a professional services agreement with Landrum & Brown, Incorporated (L&B). L&B would provide financial feasibility analyses and financial projections in connection with the substantial amount of debt the Airport Authority anticipates incurring over the next five years for major capital improvements. On behalf of the Committee, Mr. Harr moved for authorization of the President to negotiate an agreement with L&B as presented, which motion required no second. The motion was unanimously approved by a voice vote.

Finally, Mr. Harr advised the Board that the Committee considered two initial task orders to L&B. The first task order was for an on-site meeting to tour the facilities, identify the Airport Authority goals, objectives and data collection needs, develop initial financial models and other on-call services. The cost of the task order will not exceed \$40,100. On behalf of the Committee, Mr. Harr moved for approval of the task order for the initial due diligence and modeling, which motion required no second. The motion was unanimously approved by a voice vote. The second task order was for feasibility studies for the upcoming debt financing. The cost of the task order will not exceed \$152,800. On behalf of the Committee, Mr. Harr moved for approval of the task order for the feasibility studies, which motion required no second. The motion was unanimously approved by a voice vote.

VII. New Business.

A. Consideration of Purchase of Property Located at 527 East Cunningham Street. Dave Schroth, the Director of Properties and Risk Management at the Airport Authority, informed the Board that a residential home located at 527 East Cunningham Street is near property owned by the Airport Authority and is important to the Airport Authority's future expansion and development. The lot is 0.64 acres, and the house on the lot is 4,500 square feet. The cost of the property is \$785,000 plus closing costs. The purchase will be contingent on a property inspection, appraisal and title report. The staff further recommends that a contingency of \$20,000 be made available at the President's discretion for property repairs. It was moved by Ms. Bentley, seconded by Ms. Koella, that the purchase of property located at 527 East Cunningham Street be approved as presented. The motion was unanimously approved by a voice vote.

B. Consideration of Award of Contract to Knoxville's Community Development Corporation for the Environmental Remediation of 745 Holloway Street and Demolition of Structures Located at 745 Holloway Street and 2431 Louisville Road. Mr. Schroth explained to the Board that Knoxville's Community Development Corporation (KCDC) solicited bids for the remediation of asbestos materials at 745 Holloway Street, together with the demolition of other structures located at 2341 Louisville Road. KCDC recommends the use of ServePro, at a cost of \$33,260, for remediation services. Following remediation, KCDC will solicit bids for the demolition of all structures and site restoration. KCDC advises that the cost of this second phase will not exceed \$90,000. The Airport Authority staff also recommends a 10% contingency be made available at the President's discretion for a total project budget of \$135,586. KCDC will manage the project through completion. It was moved by Mr. Vogel, seconded by Ms. Koella, that the award to KCDC for the remediation of asbestos materials and demolition of structures at 745 Holloway Street and 2341 Louisville Road be approved. The motion was unanimously approved by a voice vote.

C. Consideration of Approval of Resolution No. 23-02: An Amending Resolution of the Metropolitan Knoxville Airport Authority to Amend Resolution No. 19-03 and Resolution No. 22-01 Regarding Adopting and Implementing a Car Rental Customer Facility Charge. Mr. Schroth explained that the proposed resolution would increase the car rental customer facility charge (CFC) from \$4.00 to \$5.50. Mr. Schroth advised that raising the CFC would keep McGhee Tyson Airport in line with the average daily rate in Tennessee and with similar-sized airports in the southeastern United States. The increased CFC will assist in the funding of the proposed garage expansion project, which is currently planned to house additional public parking along with the rental car ready-return spaces. It was moved by Ms. Bentley, seconded by Mr. Dawson, that Resolution No. 23-02, which would amend Resolution Nos. 19-03 and 22-01, be approved. The motion was unanimously approved by a voice vote, and Resolution No. 23-02 will be filed with these minutes.

VIII. Public Forum. Chairman Simmons announced that the business agenda had been completed and that there were no requests by individuals wishing to address the Board.

IX. Adjournment. Thereupon, upon motion duly seconded and unanimously approved, the meeting was adjourned at 4:38 p.m.


Secretary