

METROPOLITAN KNOXVILLE AIRPORT AUTHORITY

Minutes of the Board of Commissioners

Date: September 20, 2023

Place: Airport Operations Center
McGhee Tyson Airport

The Board of Commissioners of the Metropolitan Knoxville Airport Authority met pursuant to notice at 4:20 p.m. on Wednesday, September 20, 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 Ursula Bailey, Julia Bentley, Joe Dawson, Charlie Harr, Caryn Hawthorne, 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 as to an item on the agenda or to speak during the public forum at the conclusion of the meeting.

II. Minutes. The minutes of the regular meeting of July 19, 2023, had been distributed with the agenda materials. Upon motion duly seconded, the minutes were approved as presented by a unanimous voice vote.

III. President's Report and Financial Report. President Wilson recognized Kumi Alderman, the Executive Director of the Knoxville Asian Festival. Ms. Alderman thanked the Airport Authority and the Board for their support of the festival and highlighted the economic and cultural impacts of the festival, which was held recently.

Next, Mr. Wilson recognized Alan Jones, the Director of Diversity and Business at the Airport Authority, for his 18 years of service to the Airport Authority. Mr. Jones was instrumental at connecting the Airport Authority with the community and for leading the Airport Authority's human resources program for many years. Mr. Jones was also instrumental in implementing the Arts at the Airport program. Mr. Wilson thanked Mr. Jones for his extraordinary service to the Airport Authority and in the surrounding community.

Mr. Wilson then provided highlights of the activity report, the project report, and financial information that was included with the agenda materials.

Prior to commencing new business, Chairman Simmons explained that the Board had met prior to this meeting and held a strategic planning workshop. Mr. Simmons thanked Stephen Van Beek for his guidance during the workshop.

IV. New Business.

A. Consideration of Downtown Island Airport (DKX) Revenue Development Plan. Mr. Wilson explained to the Board that the Airport Authority's strategic plan includes an initiative to optimize the financial self-sufficiency of DKX. DKX is among the top four busiest general aviation airports in Tennessee, and DKX has a history of being subsidized by revenue generated at McGhee Tyson Airport (TYS). The current rates for aircraft storage and hangars at DKX were established in 2006, and the average

hangar rates at DKX have increased only by 9% over the past 17 years. The Airport Authority's staff recommends a rate increase of 18% for the fiscal year ending June 30, 2024, 16% for the fiscal year ending June 30, 2025, 12% for the fiscal year ending June 30, 2026, and 10% for the fiscal year ending June 30, 2027. Notice of the four-year rate plan would be provided to tenants during the first week of October 2023, and the rate increase for the fiscal year ending June 30, 2024 would become effective on January 1, 2024. It was moved by Ms. Koella, seconded by Ms. Bailey, that the DKX Revenue Development Plan be approved as presented. Following discussion, the motion was unanimously approved by a voice vote.

B. Consideration of Purchase of Residential Lot 026G A 022.00 Located on Hobbs Road in the Blueberry Hills Subdivision. Dave Schroth, the Director of Properties and Risk Management at the Airport Authority, informed the Board that an undeveloped lot located on Hobbs Road, in the Blueberry Hills subdivision, is near property owned by the Airport Authority and is important to the Airport Authority's future expansion and development. The lot is 0.39 acres, and the cost of the property is \$37,000 plus closing costs. The purchase will be contingent on a property appraisal, survey, and title report. It was moved by Ms. Bentley, seconded by Ms. Bailey, that the purchase of residential lot 026G A 022.00 located on Hobbs Road in the Blueberry Hills subdivision be approved. The motion was unanimously approved by a voice vote.

C. Consideration of Purchase of Property Located at 414 East Cunningham Street. Mr. Schroth explained to the Board that a residential home located at 414 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 0.77 acres, and the house on the lot is 2,700 square feet. The cost of the property is \$650,000 plus closing costs. The purchase will be contingent on a property inspection, appraisal, and title report. The staff further recommends that a contingency of \$25,000 be made available at the President's discretion for property repairs. It was moved by Ms. Bailey, seconded by Mr. Vogel, that the purchase of property located at 414 East Cunningham Street be approved as presented. The motion was unanimously approved by a voice vote.

D. Consideration of Purchase of Property Located at 410 Link Drive. Mr. Schroth also informed the Board that a residential home located at 410 Link Drive is near property owned by the Airport Authority and is important to the Airport Authority's future expansion and development. The lot is 0.68 acres, and the house on the lot is 2,470 square feet. The seller has requested to reserve a life estate in the property. The cost of the property is \$434,000, plus closing costs. The purchase will be contingent on a property inspection, appraisal, and title report. It was moved by Ms. Koella, seconded by Mr. Dawson, that the purchase of property located at 410 Link Drive with a reservation of a life estate for the benefit of the seller be approved as presented. The motion was unanimously approved by a voice vote.

E. Consideration of Approval to Ratify the Acceptance of a Grant from the Tennessee Department of Transportation (TDOT) Aeronautics Division and Accept an Amendment for the Same Grant for the Audio-Visual and Public Address System Replacement at TYS. Bryan White, the Vice President of Planning and Development at the Airport Authority, informed the Board that the proposed grant will cover the replacement of the audio-visual and public address system equipment and infrastructure. The total amount of the grant, including the related amendment, is \$3,660,100. It was moved by Ms. Bentley, seconded by Ms. Bailey, that the ratification of acceptance of a grant from TDOT Aeronautics Division and acceptance of an amendment for the same grant for the audio-visual and public address system replacement at TYS be approved as presented. The motion was unanimously approved by a voice vote.

F. Consideration of Approval of Work Authorization Number 23-160 to CHA Consulting, Inc. (CHA) for Terminal Upper-Level Roadway Bridge and Lower-Level Roadway Retaining Walls Assessment at TYS. Mr. White explained that the proposed work authorization included professional services related to the analysis of the upper-level roadway bridge for departure drop-offs and the retaining walls for the lower-level roadway that serves the arrival pick-ups. CHA will provide a comprehensive inspection and assessment of the structures and recommendations for repairs. This project is part of the

future, comprehensive terminal expansion program. The cost of the proposed work authorization is \$86,108. It was moved by Mr. Dawson, seconded by Ms. Bailey, that Work Authorization Number 23-160 to CHA for terminal upper-level roadway bridge and lower-level roadway retaining walls assessment at TYS be approved as presented. The motion was unanimously approved by a voice vote.

G. Consideration of Approval of Work Authorization Number 23-161 to CHA Consulting, Inc. for Snow Removal Equipment Procurement at TYS. Mr. White explained that the proposed work authorization included the development of specifications and bid documents for the purchase of snow removal equipment. This equipment must comply with the Federal Aviation Administration's (FAA) requirements. The cost of the proposed work authorization is \$37,632, and the cost is expected to be funded through a federal grant. It was moved by Mr. Dawson, seconded by Ms. Koella, that Work Authorization Number 23-161 to CHA for snow removal equipment procurement at McGhee Tyson Airport be approved as presented. The motion was unanimously approved by a voice vote.

H. Consideration of Approval of Work Authorization Number 23-162 to CHA Consulting, Inc. for Electric Bus Procurement and Charging Station Design and Bid at TYS. Mr. White informed the Board that the Airport Authority applied for and was selected for a discretionary FAA grant for an electric shuttle bus and related charging facility. The proposed work authorization includes the development of specifications and bid documents for the purchase of the zero emissions vehicle and the design and bid documents for the charging facility. The cost of the proposed work authorization is \$261,929. It was moved by Ms. Bentley, seconded by Ms. Bailey, that Work Authorization Number 23-162 to CHA for electric bus procurement and charging station design and bid at TYS be approved as presented. The motion was unanimously approved by a voice vote.

I. Consideration of Approval of Work Authorization Number 22-500C to Gresham Smith for the Terminal Building Program Evaluation and Project Definition Document Additional Services at TYS. Mr. White explained that the initial terminal building program evaluation and project definition document focused on further defining terminal and concourse projects, analyzing existing forecasts, prioritizing project sequencing, developing planning level opinions of costs, and development of project and program schedules. As that document has neared completion, additional development of potential projects, costs, and schedules is necessary. The proposed work authorization procures services utilizing the previously developed forecasts and facility analysis to develop additional terminal and concourse projects for evaluation toward the future terminal expansion program. The cost of the proposed work authorization is \$63,436, and the cost is expected to be funded through a grant from TDOT Aeronautics Division. It was moved by Mr. Harr, seconded by Ms. Bailey, that Work Authorization Number 22-500C to Gresham Smith for terminal building program evaluation and project definition document additional services at TYS be approved as presented. The motion was unanimously approved by a voice vote.

J. Consideration of Approval of Work Authorization Number 23-163 to CHA Consulting, Inc. for Fuel Farm Assessment and Programming at TYS. Mr. White informed the Board that the existing fuel storage facility was built in the mid-1970's and needs an upgrade and expansion. The owner and operator of the facility, Signature Aviation, is working with MKAA on both long-term and short-term solutions, due to the quickly increasing demand. The proposed work authorization will provide professional planning support services for the Airport Authority's staff on an as-needed basis to assess the fuel farm facility and develop programming level options for expanding the existing facility. The cost of the proposed work authorization is \$125,000. It was moved by Ms. Bailey, seconded by Ms. Bentley, that Work Authorization Number 23-163 to CHA for fuel farm assessment and programming at McGhee Tyson Airport be approved as presented. The motion was unanimously approved by a voice vote.

K. Consideration of Approval of Work Authorization Number 23-509 to Gresham Smith for Waiting Lot and Curbside Signage at TYS. Mr. White informed the Board that the curbsides at TYS are congested due to drivers idling for long durations to pick up passengers. The proposed work authorization provides professional services to develop a landside signage plan to facilitate clear directions to the new

phone and wait lot, as well as reduce front curb congestion. The cost of the proposed work authorization is \$27,000. It was moved by Ms. Bailey, seconded by Ms. Koella, that Work Authorization Number 23-509 to Gresham Smith for the waiting lot and curbside signage at McGhee Tyson Airport be approved as presented. Following discussion, the motion was unanimously approved by a voice vote.

L. Consideration of Approval of Work Authorization Number 22-502D to Gresham Smith for Parking Access and Revenue Control System Design, Bidding, and Selection Services for the Parking Garage Expansion Project at TYS. Mr. White explained that the parking garage expansion project hastens the need for updating the parking access and revenue control system (PARCS) throughout the entire airport campus. The existing system is nearing the end of its useful life and is experiencing increased mechanical and IT related failures. To aid in the selection of the best product and service provider, Gresham Smith and Walker Parking Consultants will lead the Airport Authority's staff through a design and bidding process. The cost of the proposed work authorization is \$132,495. It was moved by Ms. Bentley, seconded by Ms. Bailey, that Work Authorization Number 22-502D to Gresham Smith for parking access and revenue control system design, bidding, and selection services for the parking garage expansion project at McGhee Tyson Airport be approved as presented. The motion was unanimously approved by a voice vote.

M. Consideration of Authorizing the President to Negotiate the Terms of and to Execute an Agreement with RTW for Airport Shuttle Service for TYS. Susan Gennoe, Vice President of Finance at the Airport Authority, explained to the Board that the proposed agreement with RTW would be for 30 months with an additional one-year month-to-month extension. This contract is for a new 2023 bus option that utilizes compressed natural gas. The cost is not-to-exceed \$3,464,660 for the base 30-month contract, or \$4,917,773 for the base contract including the full option year. The contract is expected to start on or around December 18, 2023 in preparation for the upcoming garage build. It was moved by Ms. Koella, seconded by Ms. Hawthorne, to authorize the President to negotiate the terms of and to execute an agreement with RTW for airport shuttle service for McGhee Tyson Airport as presented. Following discussion, the motion was unanimously approved by a voice vote.

N. Consideration of Award of a Janitorial Supplies and Cleaning Equipment Service Maintenance Agreement for TYS and DKX. Michael Giles, the Procurement Manager at the Airport Authority, informed the Board that, after a competitive selection process, Kelsan is the primary selection for janitorial supplies and cleaning equipment maintenance, with American Paper and Twine being recognized as the secondary selection. Mr. Giles explained that American Paper and Twine would be recognized as an alternative due to ongoing supply chain concerns. The initial agreement with Kelsan will be for a term of three years and may be extended for two additional one-year terms at the discretion of the Airport Authority. It was moved by Mr. Vogel, seconded by Mr. Dawson, that the award of a janitorial supplies and cleaning equipment service maintenance agreement for TYS and DKX be approved as presented. The motion was unanimously approved by a voice vote.

O. Consideration of Approval of a Cooperative Service Agreement with the United States Department of Agriculture (USDA), Animal and Plant Health Inspection Service (APHIS), and Wildlife Services (WS) for Supplemental Wildlife Management Services. Mr. Giles explained that the proposed renewal of the agreement with USDA, APHIS, and WS will support the Airport Authority's wildlife hazard management plan. The plan decreases the risks to human health and damage to aircraft. The proposed renewal cost is \$83,500. It was moved by Ms. Bentley, seconded by Ms. Koella, that a cooperative service agreement with the United States Department of Agriculture, Animal and Plant Health Inspection Service, and Wildlife Services for Supplemental Wildlife Management Services be approved as presented. The motion was unanimously approved by a voice vote.

V. Consideration of 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.

VI. Adjournment. Thereupon, upon motion duly seconded and unanimously approved, the meeting was adjourned at 5:35 p.m.

A handwritten signature in cursive script, reading "Charles R. Han", written over a horizontal line.

Secretary