The Board of Commissioners of the Metropolitan Knoxville Airport Authority met pursuant to notice at 4:05 p.m. on Wednesday, September 25, in the Henrietta Grant Board Room at McGhee Tyson Airport with the Board Chairman, Eddie Mannis, presiding.

Roll call developed that Board members present, in addition to Chairman Mannis, were 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.

BUSINESS AGENDA

I. Announcements. Chairman Mannis 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.

Mr. Mannis introduced Brian Shutt, the new Operations Manager of the Knoxville Downtown Island Airport. Mr. Shutt earned his bachelor’s degree in Business and Organizational Management with a minor in Accounting from Maryville College and his Master of Public Administration degree from the University of Tennessee. For the past 11 years, Brian served as a Special Agent for the Internal Revenue Service’s Criminal Investigation Division. Chairman Mannis explained that Mr. Shutt began his aviation career as an intern for the Airport Authority in 2006, and the Airport Authority is happy to welcome him back in his new role as Operations Manager of the Knoxville Downtown Island Airport.

Mr. Mannis then explained that the Tennessee Air National Guard and the Tennessee Army National Guard requested that consideration of their Joint Use Agreements with the Airport Authority be added as an agenda item so that the Agreements could be completed by the end of the month. It was moved by Mr. Harr, seconded by Mr. Simmons that the addition of the Joint Use Agreements to the agenda be approved. The motion was unanimously approved by a voice vote.

II. Minutes. The Chairman noted that the minutes of the regular meeting of August 21, 2019, had been distributed with the agenda materials. Upon motion duly seconded, the minutes were approved as presented by unanimous voice vote.

III. Consent Calendar. The Chairman noted that the Consent Calendar for September 25, 2019, 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 voice vote, and a copy will be filed with these minutes.

IV. President’s Report and Financial Report. President Patrick Wilson advised the Board that his written report was included with the agenda materials, that the financial report was also included with the agenda materials, and that both reports would be on file in the administrative offices of the Airport Authority. Mr. Wilson then reported that the Airport has served 1,456,385 passengers during the first seven
months of 2019, an increase of 16% versus the same period last year, and the Airport has now achieved 39 consecutive months of year-over-year passenger traffic increases at the Airport. Further, the Airport broke its passenger record in July, serving 259,119 passengers during July, an increase of 22% when compared to July 2018. This breaks the previous passenger record of 250,409 passengers just set in June 2019.

V. Committee Reports

A. Report of the Marketing and Public Relations Committee. Commissioner Brian Simmons, Chair of the Marketing and Public Relations Committee, advised the Board that the Committee had met prior to the Board meeting and first discussed the approval of air service incentives consistent with the Authority's Enhanced Air Service Partnership Program for a new twice-weekly nonstop service to the Sarasota Bradenton International Airport for Allegiant Air (Allegiant). The incentives include $30,000.00 in initial marketing and advertising funds to support the Sarasota flights, plus $1.00 per flown passenger in additional marketing dollars, and a waiver of all related terminal rents and landing fees. These incentives will be offered for 12 months and will require Allegiant to operate the Sarasota flights for at least 18 months to avoid repayment of the incentives. Mr. Simmons then, on behalf of the Committee, moved for approval of the incentive package supporting the Allegiant Sarasota flight be approved, subject to execution of a Memorandum of Understanding between Allegiant and the Airport Authority and subject to legal counsel's review of same, which motion required no second. The motion was unanimously approved by a voice vote.

The second order of business before the Committee was the approval of air service incentives consistent with the Authority's Enhanced Air Service Partnership Program for a new twice-weekly nonstop service to the Palm Beach International Airport for Allegiant. The incentives include $30,000.00 in initial marketing and advertising funds to support the Palm Beach flights, plus $1.00 per flown passenger in additional marketing dollars, and a waiver of all related terminal rents and landing fees. These incentives will be offered for 12 months and will require Allegiant to operate the Palm Beach flights for at least 18 months to avoid repayment of the incentives. Mr. Simmons then, on behalf of the Committee, moved for approval of the incentive package supporting the Allegiant Palm Beach flight be approved, subject to execution of a Memorandum of Understanding between Allegiant and the Airport Authority and subject to legal counsel's review of same, which motion required no second. The motion was unanimously approved by a voice vote.

Finally, the Committee reviewed the renewal agreement with the University of Tennessee for the skybox in Thompson-Boling Arena for the 2019/2020 season. Mr. Simmons explained that, over the past two years, the skybox has allowed the Airport Authority's staff to entertain and network with over 500 airline executives, tenants, regional partners, and other major airport supporters. The renewal agreement for a total cost of $39,000.00 was recommended by the Committee to the Board for approval. Mr. Simmons then, on behalf of the Committee, moved for approval of the renewal agreement with the University of Tennessee, which motion required no second. The motion was unanimously approved by a voice vote.

B. 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 first discussed the addition of a new position at the Airport Authority, entitled Parking and Ground Transportation Administrator. The new position will be charged with supervising the overall direction of activities related to parking and ground transportation at the Airport Authority's facilities. The Authority's management recommends adding this position based on the increasing parking constraints, the increasing popularity of ride-share programs, and the importance of parking to the Airport Authority's revenue. Mr. Harr then, on behalf of the Committee, moved for approval of the addition of the Parking and Ground Transportation Administrator position, which motion required no second. The motion was unanimously approved by a voice vote.
The second and final order of business before the Committee was to discuss the hiring of ADK Consulting & Executive Search (ADK) to assist the Airport Authority in the search for a new Properties and Risk Manager. Mr. Harr explained that this position is responsible for the management of activities related to properties, concessions, lease management and real estate management and development for the Airport Authority. The proposed agreement with ADK to assist with this search is in the amount of $19,600.00. Mr. Harr then, on behalf of the Committee, moved for approval of the agreement with ADK to provide assistance in the search and recruitment of the Properties and Risk Manager, which motion required no second. The motion was unanimously approved by a voice vote.

VI. New Business.

A. Consideration of Authorization to Apply for Grants from the Federal Aviation Administration and the Tennessee Department of Transportation Aeronautics Division. Mr. Wilson advised the Board that the Airport Authority’s staff is requesting the authorization to apply for grants from the Federal Aviation Administration (the FAA) and the Tennessee Department of Transportation (TDOT) for its Airfield Modernization Program. Any obtained grant will be for the fiscal year starting October 1, 2019 through September 30, 2020. It was moved by Mr. Dawson, seconded by Mr. Vogel, that the appropriate Airport Authority’s staff be authorized to apply for grants with the FAA and TDOT in support of the Airfield Modernization Program, with the execution of such grants subject to legal review. The motion was unanimously approved by a voice vote.

B. Consideration of Authorization to Submit a Grant Application to the Tennessee Department of Transportation Aeronautics Division for Access Control Equipment Replacements, Access Control Upgraded 2020, and Airfield Maintenance Equipment. Mr. Wilson explained to the Board that the presented agenda item was to authorize Airport Authority’s staff to submit a grant application to TDOT Aeronautics Division for certain access control equipment replacements and upgrades and airfield maintenance equipment replacements. The access control equipment will provide for security upgrades and overall updates to the access control system. The airfield maintenance equipment includes items such as zero-turn mowers and tractors with plows and cutting attachments. It was moved by Ms. Bentley, seconded by Mr. Vogel, that the appropriate Airport Authority’s staff be authorized to apply for a grant with TDOT Aeronautics Division for certain access control equipment and airfield maintenance equipment. The motion was unanimously approved by a voice vote.

C. Consideration of Approval of Change Order Number 5 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 provides for approximately 700 linear feet of 1” directional bored conduit, wiring for the emergency fuel shut off system, and the repair of a construction fall out. Mr. Wilson explained that the change order will not add additional time to the project and has been approved by the Tennessee Air National Guard. The amount of the change order is $55,369.29. It was moved by Mr. Dawson, seconded by Mr. Harr, that Change Order Number 5 with The Harper Company for the Runway 5L/23R reconstruction taxiway lighting system be approved. The motion was unanimously approved by a voice vote.

D. Consideration of Approval of Change Order Number 1 (Final Balance) to Cortese Tree Specialists, a Division of Wolf Tree, Inc., for the DKK Obstruction Removal 2018 Project for Knoxville Downtown Island Airport. Mr. Wilson advised the Board that the proposed change order with Cortese Tree Specialists includes the removal of trees due to declining health and stump grinding, planting of replacement trees within the Island Home Park, removal or pruning of 91 trees across from the Knoxville Downtown Island Airport Runway 26, application of tree growth regulator to suppress growth of fast growing species, and the pruning of four additional areas. The amount of the change order is $272,400.00. It was moved by Ms. Bentley, seconded by Ms. Koella, that Change Order Number 1 with the Cortese Tree
Specialists for obstruction removal at the Knoxville Downtown Island Airport be approved. After discussion, the motion was unanimously approved by a voice vote.

E. Consideration of Award to CDW-G for the Purchase of 40 Replacement Computers. Mr. Wilson advised the Board that the agenda item provides for the replacement of 40 computers used by the Airport Authority’s staff. Mr. Wilson explained that the computers to be replaced run on Windows 7, which will no longer be supported by Microsoft beginning January 2020. In order to allow the computers to be continually updated and to avoid any security risks, the Windows 7 computers will be replaced with computers utilizing a Windows 10 operating system. The proposed cost of the forty computers is $35,960.00. It was moved by Mr. Simmons, seconded by Ms. Koella, that the contract with CDW-G for the purchase of 40 new computers be approved, subject to legal counsel’s review. The motion was unanimously approved by a voice vote.

F. Consideration of Award to BESCO for the Purchase of a 60kw Emergency Generator. Mr. Wilson advised the Board that the agenda item provides for the purchase of an emergency generator and explained that the Airport Authority relies on emergency generators for electrical power at various facilities during unexpected outages. This purchase will replace an out of service unit located at the fire house station serving the Express Jet Aircraft Maintenance and Repair Complex. The Airport Authority solicited bids for the generator, and BESCO was the lowest bidder, at a proposed cost of $44,950.00. It was moved by Mr. Harr, seconded by Ms. Bentley, that the contract with BESCO for the purchase of an emergency generator be approved, subject to legal counsel’s review. The motion was unanimously approved by a voice vote.

G. Consideration of Approval of Purchase from Vaisala, Inc. for Surface Weather Forecasting Condition Reporting. Mr. Wilson advised the Board that the agenda item provides for a renewal of the contract with Vaisala, Inc. for the reporting of the surface weather forecasting conditions. The software system will provide data polling and hosting, pavement forecast, and communication abilities. The amount of the renewal contract is $10,825.00. It was moved by Mr. Dawson, seconded by Mr. Simmons, that the renewal of the contract with Vaisala, Inc. for surface weather forecasting be approved, subject to legal counsel’s review. The motion was unanimously approved by a voice vote.

H. Consideration of Approval of Purchase from Chemtek for Runway Friction Testing. Mr. Wilson advised the Board that the agenda item provides for runway friction testing at McGhee Tyson Airport. Due to the use of only one runway, the frequency of the tests must be increased from two to four times per year. Additionally, the increasing use of the runway also creates the need for an additional type of test. Mr. Wilson explained that the Airport Authority’s staff expects to need ten tests during the next two years. The selection of Chemtek was based on previous work at the McGhee Tyson Airport and a survey of other southeastern airports. The contract amount is not to exceed $35,000.00. It was moved by Ms. Bentley, seconded by Mr. Simmons, that the contract with Chemtek for runway friction testing be approved, subject to legal counsel’s review. The motion was unanimously approved by a voice vote.

I. Consideration of Approval of Work Authorization No. 2019-14 to Digital AV, Inc. for Information Technology Professional Services. Mr. Wilson advised the Board that the agenda item provides for a work authorization with Digital AV, Inc. for information technology services. Specifically, the services would include a Flight Information Display System (FIDS) Upgrade and a Common Use Passenger Processing Systems (CUPPS) Implementation Project. The current FIDS system is beyond its useful life and proposed upgrades will include the replacement of all gate and terminal monitors/CPUs, paging stations, and digital signage in the passenger terminal. Under the CUPPS project, Digital AV, Inc. will study and provide equipment and capability to configure the passenger processing equipment at ticket counters, boarding gates, and the airport ticket office locations with a common use, non-airline specific system. The common use system will provide additional passenger capacity and gate management features.
The work authorization is for $96,950.00. It was moved by Mr. Vogel, seconded by Mr. Harr, that Work Authorization No. 2019-14 for information technology services be approved. The motion was unanimously approved by a voice vote.

J. Consideration of Approval of the Joint Use Agreements with the Tennessee Air National Guard and the Tennessee Army National Guard. Mr. Wilson advised the Airport Authority has previously entered into a single Joint Use Agreement with both the Tennessee Air National Guard and the Tennessee Army National Guard for their operations at McGhee Tyson Airport. The Tennessee Air National Guard and the Tennessee Army National Guard now desire to enter into separate joint use agreements with the Airport Authority. Despite the two separate agreements, Mr. Wilson explained that the provisions within the agreements have not significantly changed and that legal counsel has reviewed and approved the agreements. It was moved by Ms. Koella, seconded by Mr. Simmons, that the joint use agreements with the Tennessee Air National Guard and the Tennessee Army National Guard be approved. The motion was unanimously approved by a voice vote.

VII. Staff Reports.

Jim Evans, Vice President of Marketing and Air Service Development Safety for the Airport Authority, reported to the Board on the changes in the aviation industry as a whole and how those changes are specifically affecting the Airport Authority.

Then, Bryan White, Vice President of Engineering and Planning, discussed the Airport Authority’s master plan. He specifically focused on vehicle parking and the expected reconfiguration to the Airport Authority’s property because of the TDOT construction on Alcoa Highway.

Finally, Mr. Wilson reported to the Airport Authority on the current parking lot capacity and usage, and the changes that will be made to various lots as a result of the increasing passenger growth.

The Chairman announced that the new business agenda item and the staff reports had been completed and asked if there were any requests by individuals wishing to address the Board. At that time, Tom Silffies introduced himself and addressed his concerns as a monthly parker at McGhee Tyson Airport and the movement of monthly parkers to a different lot.

After Mr. Silffies addressed the Board, the Chairman announced that the agenda of the Board was concluded. Upon motion duly seconded and unanimously approved, the meeting was adjourned at 5:34 p.m.

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Secretary