

METROPOLITAN KNOXVILLE AIRPORT AUTHORITY

Minutes of the Board of Commissioners

Date: May 22, 2024

Place: Airport Operations Center
McGhee Tyson Airport

The Board of Commissioners of the Metropolitan Knoxville Airport Authority met pursuant to notice at 4:01 p.m. on Wednesday, May 22, 2024, 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 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. 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 April 17, 2024 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 provided the Board with highlights of the activity report, the project report, and financial information that was included with the agenda materials.

Mr. Wilson announced that Mayor Indya Kincannon and her leadership team visited McGhee Tyson Airport recently and received an update on the Airport Authority's activities. The City's leadership team also received a tour of the Tennessee Air National Guard Base.

Mr. Wilson updated the Board on the funding levels from the State of Tennessee for commercial airports and general aviation airports. Mr. Wilson was pleased with the higher funding levels that have been approved by the State in recent years, including the upcoming fiscal year. The State administration recognizes the economic value of commercial airports and the high return on investment the State receives by investing in the State's commercial airports.

Mr. Wilson then reported on the new and expanded air service that has recently commenced or that would commence soon at McGhee Tyson Airport. In particular, Mr. Wilson notes that Avelo Airlines had just started direct service to New Haven, Connecticut and that Allegiant Air was starting direct service to Orlando's largest airport.

Mr. Wilson noted that the Board will be asked to participate in a workshop relating to the upcoming bond financing for the garage project in July.

Mr. Wilson announced that the graduation ceremony for the Aviation Academy would be held after the Board meeting. He reported that the Airport Authority had great participation in this class with 41 graduates.

Mr. Wilson reminded the Board that the Airport Authority was moving to a common gate system for McGhee Tyson Airport to maximize the use of gates. He explained to the Board that the high demand for gate usage has created scheduling challenges.

Mr. Wilson also announced that he and Commissioner Stowers attended the annual Airport Association of Airport Executives (“AAAE”) conference in Nashville earlier this month and reported that the conference provided an excellent learning experience. During the conference, it was announced that Mr. Wilson will serve in a leadership role with the Board of Directors of AAAE, which will lead to him serving as President for AAAE for the 2027-2028 year.

IV. Capital Development Committee. Commissioner Koella, Chair of the Capital Development Committee, advised the Board that the Committee had met prior to the Board meeting to consider the revised airport capital improvement program for McGhee Tyson Airport (TYS) and Knoxville Downtown Island Airport (DKX) for the fiscal year ending June 30, 2025. Ms. Koella then, on behalf of the Committee, moved for approval of the revised airport capital improvement program for the fiscal year ending June 30, 2025, which motion required no second. The motion was unanimously approved by a voice vote.

V. 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 changes in the structure and salary of the public safety officer positions. Mr. Harr explained that the staff recommends implementing these pay adjustments and planned promotions in the current fiscal year. Mr. Harr then, on behalf of the Committee, moved for approval of the adjustments to the structure and salary for public safety officers, which motion required no second. The motion was unanimously approved by a voice vote.

Mr. Harr reported that the Committee considered the personnel program for the fiscal year ending on June 30, 2025. Mr. Harr noted that the costs of the personnel program are included in the operating budget for the fiscal year ending on June 30, 2025. Mr. Harr then, on behalf of the Committee, moved for approval of the personnel program for the fiscal year ending on June 30, 2025, which motion required no second. The motion was unanimously approved by a voice vote.

Mr. Harr advised that the Committee also considered the operating budget and airline rates and charges for the fiscal year ending June 30, 2025. The Committee recommended approval of the operating budget and airline rates and charges for the fiscal year ending June 30, 2025. 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 explained that the Committee considered the renewal of the Airport Authority’s property, workers’ compensation, and automobile insurance policy. Allianz provided the most competitive property insurance quote, with a premium of \$326,325. Beacon Aviation Insurance Services provided a quote of \$105,658 for workers’ compensation insurance. Cincinnati Insurance Company provided a quote of \$63,984 for automobile liability and uninsured motorist insurance. The Committee recommended approval of the insurance policies with Allianz, Beacon Aviation Insurance Services, and Cincinnati Insurance Company. 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.

VI. New Business.

A. Consideration of Approval of Work Authorization Number 24-319 with Gresham Smith for Stormwater and Spill Prevention Compliance Assistance for TYS and DKX. Bryan White, the Vice President of Planning and Development at the Airport Authority, explained to the Board that the proposed work authorization allowed Gresham Smith to provide services related to inspections and environmental compliance under their general consultant agreement. The inspections include four quarterly stormwater inspections for TYS and DKX and the annual evaluation required by the Tennessee Stormwater MultiSector General Permit. Additionally, the stormwater pollution prevention plan will be updated, and annual environmental training will be provided. The cost of the work authorization is \$51,260. It was moved by Mr. Dawson, seconded by Mr. Vogel, that Work Authorization Number 24-319 with Gresham Smith be approved as presented. The motion was unanimously approved by a voice vote.

B. Consideration of Approval of Work Authorization Number 23-158C to CHA Consulting, Inc. for the Runway 5R/23L Rehabilitation Design and Bidding at TYS. Mr. White explained that the proposed work authorization provides for the design and bidding of the Runway 5R/23L rehabilitation project. Mr. White explained that the construction project is expected to occur in three separate phases over a three to four-year period. The cost of the work authorization is \$1,860,746, and the cost is eligible for reimbursement with federal funds. It was moved by Mr. Vogel, seconded by Ms. Koella, that Work Authorization Number 23-158C to CHA Consulting, Inc. be approved as presented. The motion was unanimously approved by a voice vote. Mr. Wilson commented that this action was an important step in a multi-year process and commended staff on their efforts on this project.

C. Consideration of Approval of Award to Messer Construction (Messer) and Approval of Work Authorization Number 15-218G to C2RL, Inc. (C2RL) for the Terminal Envelope Improvements, Phase One at TYS. Mr. White informed the Board that the proposed award and work authorization relates to the first phase of the multi-phase terminal envelope improvements. This first phase will include the terminal facility walls and columns associated with the second level entryways, lobby, and the third floor Airport Authority's staff offices. The Board previously approved Messer as the Construction Manager at Risk for this project. The total cost of this award to Messer is \$3,787,000. The proposed work authorization to C2RL includes construction administration, enhanced inspections, phasing coordination, and closeout/record documentation services. The cost of the work authorization is \$661,495. It was moved by Mr. Vogel, seconded by Mr. Dawson, that the award to Messer and Work Authorization Number 15-218G to C2RL be approved as presented. Commissioner Stowers recused himself from the vote due to a potential, indirect conflict of interest. The remaining Commissioners unanimously approved the motion by a voice vote.

D. Consideration of Approval of Award to Messer for the Temporary Public Parking Lot G Construction at TYS. Mr. White explained that a new temporary economy lot, to be known as Lot G, is needed to cover projected parking deficits. Lot G will provide approximately 700 parking spaces. Messer, the approved Construction Manager at Risk, will employ a modified design build approach. The cost to construct Lot G will be \$4,102,586. It was moved by Ms. Koella, seconded by Mr. Vogel, that the award to Messer for the temporary public parking Lot G construction be approved as presented. Commissioner Stowers recused himself from the vote due to a potential, indirect conflict of interest. Following discussion, the remaining Commissioners unanimously approved the motion by a voice vote.

E. Consideration of Updated Parking Products Structure. Mr. Wilson explained that the Airport Authority needed to update its parking offerings in order to enhance customer understanding of those products, to better accommodate the parking garage construction, to increase parking revenue, and to

reduce congestion at the curb and lower-level roadway. Among other changes, the revised parking offerings would result in the elimination of the concept of short-term parking, with all parking in the garage being treated the same. Mr. Wilson explained that the new offerings for parking will be implemented in phases over the next few months. Mr. Wilson also requested that the Board authorize the staff to set final parking rates for garage parking based on actual customer usage after the updated structure has been implemented for a period of time. It was moved by Mr. Stowers, seconded by Mr. Harr, that an update to the structure of parking products be approved as presented. Following discussion, the motion was unanimously approved by a voice vote.

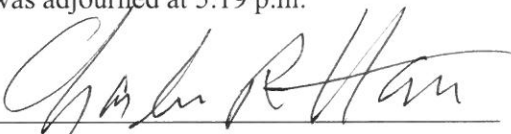
VII. Staff Reports. Mr. Wilson reported that passenger growth and parking availability have resulted in more congestion in front of the terminal and that the Airport Authority was taking steps to address this issue. Tom Aiken, the Director of Public Safety at the Airport Authority, provided the Board with a report on how these issues were being addressed with more vigorous enforcement against standing in front of the terminal and the creation of a larger cell phone lot to provide an alternative for waiting for passengers, among other measures.

Mr. Wilson then introduced Ashton Holt-Thornton who has served as an intern in the Human Resources department. Ashton then provided the Board with a report on his experience as an intern.

Becky Huckaby, the Vice of Public Relations at the Airport Authority, introduced Terrence Carter, as the Airport Authority's new Business Diversity Director.

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. Commissioner Dawson commented that the Aviation Academy is a great program and encouraged all Board members to participate if possible. Thereupon, upon motion duly seconded and unanimously approved, the meeting was adjourned at 5:19 p.m.


Secretary