

METROPOLITAN KNOXVILLE AIRPORT AUTHORITY

Minutes of the Board of Commissioners

Date: August 21, 2024

Place: Henrietta Grant Board Room
McGhee Tyson Airport

The Board of Commissioners of the Metropolitan Knoxville Airport Authority met pursuant to notice at 4:05 p.m. on Wednesday, August 21, 2024, in the Henrietta Grant Board Room at McGhee Tyson Airport with the Board Chairman, Brian Simmons, presiding.

Roll call developed that Board members present, in addition to Chairman Simmons, were Ursula Bailey, Joe Dawson, Charlie Harr, Caryn Hawthorne, Maribel Koella, Allison Page, 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 July 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. Consideration of Resolution No. 24-02: A Resolution Expressing Appreciation to Julia Bentley for Her Service on the Board of Commissioners of the Metropolitan Knoxville Airport Authority. Chairman Simmons recognized the Board's former member, Julia Bentley, and thanked her for her contributions to the Board. Mr. Mamantov read aloud Resolution No. 24-02 expressing appreciation for Ms. Bentley's service and dedication on the Board of Commissioners. Such resolution was duly adopted by unanimous voice vote of the Board and will be included with the Board's minutes. Mr. Wilson also expressed his gratitude to Ms. Bentley for her service to the Airport Authority.

IV. President's Report and Financial Report. President Wilson introduced Jeff Perry, the new Chief Operations Officer at the Airport Authority, to the Board. Mr. Perry is responsible for managing the Airport Authority's day-to-day operations and overseeing approximately 160 Airport Authority employees. Prior to joining the Airport Authority, Mr. Perry served as the Airport Operations Director at the Charlotte Douglas International Airport. Mr. Perry and his wife are originally from Tennessee. Mr. Perry expressed his excitement to join the Airport Authority and to be back in Tennessee.

Next, Mr. Wilson congratulated and recognized Harriet Davis for earning the certified member certificate from the American Association of Airport Executives.

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

V. New Business.

A. Consideration of Approval of New Debt Management Policy: Consideration of Rating Agency Agreements. Ms. Gennoe, the Vice President of Finance at the Airport Authority, explained the proposed debt management policy was consistent with the policy presented to the Board at the July

workshop. The policy addresses matters required by State law and also includes guidance relating to debt capacity, permissible types of debt, debt structures, refinancings, balloon indebtedness, method of sale, credit relationships, and credit enhancements. The policy was developed by the Airport Authority's financial advisor, PFM financial Advisors, LLC, and reviewed by the Airport Authority's staff and legal counsel. It was moved by Mr. Vogel, seconded by Mr. Stowers, that the new debt management policy be approved as presented. The motion was unanimously approved by a voice vote.

Mr. Simmons then announced that the Airport Authority's staff and legal counsel had requested that a matter be added to the agenda relating to the agreements with the rating agencies for the proposed bond financing. Ms. Bailey noted that the Board should approve adding an item to the agenda. Thereupon, it was moved by Ms. Bailey, seconded by Ms. Hawthorne, that consideration of agreements with the rating agencies be added to the agenda, and such motion was approved unanimously by voice vote. Mr. Mamantov then explained to the Board that the Airport Authority would be seeking ratings from Moody's and S&P Global Ratings as part of the parking garage financing. The cost of each rating was expected to not exceed \$200,000. Mr. Mamantov informed the Board that Moody's has requested that an agreement be signed this week before a rating is assigned. It is possible that S&P Global Ratings may also request the Airport Authority's signature on a similar document in the near future. In an effort to prevent a delay in the financing, Mr. Mamantov and the Airport Authority's staff recommend that the President be authorized to negotiate the terms of and execute agreements with Moody's and S&P Global Ratings to the extent required, with the total of each agreement not to exceed \$200,000. It was moved by Mr. Stowers, seconded by Ms. Bailey, that the President be authorized to negotiate the terms of and execute agreements with the rating agencies as presented. The motion was unanimously approved by a voice vote.

B. Consideration of Approval of Purchase of Property Located at 543 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 543 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 0.54 acres, and the house on the lot is 2,500 square feet. The cost of the property is \$485,000 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. Commissioner Bailey requested that the purchase of the property and the contingency for repairs be voted on by the Board separately. It was moved by Ms. Koella, seconded by Mr. Vogel, that the purchase of property located at 543 East Cunningham Street be approved as presented. Following discussion, the motion was unanimously approved by a voice vote. It was then moved by Ms. Koella, seconded by Mr. Vogel, that the contingency of \$25,000 be made available at the President's discretion for property repairs. This motion was also unanimously approved by a voice vote.

C. Consideration of Approval of Purchase of Computer Equipment from Internetwork Engineering. Michael Giles, the Procurement Manager at the Airport Authority, informed the Board that the proposed purchase from Internetwork Engineering includes a variety of computer equipment needed in conjunction with the ongoing improvement, modification and repair of the Airport Authority's network infrastructure. The cost of the proposed purchase is \$161,328.34. It was moved by Mr. Stowers, seconded by Ms. Hawthorne, that the purchase of computer equipment from Internetwork Engineering be approved as presented. Following discussion, the motion was unanimously approved by a voice vote.

D. Consideration of Approval of a Voice and Data Service Agreement Extension with AT&T. Mr. Giles explained to the Board that AT&T was chosen as the Airport Authority's voice and data service provider in 2018 through a competitive bid process. Due to the lack of competition in the market and in an effort to avoid service disruption, the Airport Authority's staff recommends extending the current master agreement with AT&T for an additional five years. The staff also recommends that the President be authorized to negotiate the terms of the individual product pricing agreements under the master agreement in an annual cost not-to-exceed \$150,000. It was moved by Mr. Vogel, seconded by Ms. Koella, that a

five-year extension with AT&T for voice and data services be approved as presented. Following discussion, the motion was unanimously approved the motion by a voice vote.

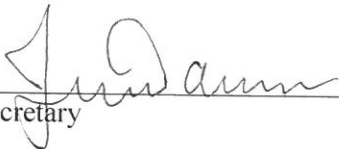
E. Consideration of Award of a Purchase to FINN Partners for Public Relations Services. Becky Huckaby, the Vice President of Public Relations at the Airport Authority, reminded the Board that the Airport Authority entered into a master agreement with FINN Partners for public relations services in October 2023. The proposed purchase under that master agreement would include completion and implementation of the strategic communications plan, development of print and digital deliverables, social media content creation, website development assistance, special event assistance and other miscellaneous projects. The cost of the proposed purchase will not exceed \$100,000. It was moved by Mr. Vogel, seconded by Mr. Dawson, that the award of a purchase to FINN Partners for public relations services be approved as presented. The motion was unanimously approved by a voice vote.

VI. Staff Reports. Mark Mamantov distributed a draft of the master bond resolution to the Board and explained that the Board would be requested to approve the resolution at the September Board meeting.

Ben Goebel from Gresham Smith then presented the program definition document for the terminal expansion to the Board.

VII. 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.

VIII. Adjournment. Thereupon, upon motion duly seconded and unanimously approved, the meeting was adjourned at 5:32 p.m.

Asst. Secretary 

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