

METROPOLITAN KNOXVILLE AIRPORT AUTHORITY

Minutes of the Board of Commissioners

Date: October 16, 2024

Place: Henrietta Grant Board Room
McGhee Tyson Airport

The Board of Commissioners of the Metropolitan Knoxville Airport Authority met pursuant to notice at 4:04 p.m. on Wednesday, October 16, 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, 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 September 18, 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 were included with the agenda materials.

Mr. Wilson informed the Board that McGhee Tyson Airport (TYS) and Knoxville Downtown Island Airport (DKX) were not impacted by the Hurricane Helene. He also reported that a team of volunteers from the Airport Authority traveled to the Asheville Regional Airport to assist with Hurricane Helene relief.

Mr. Wilson also announced that the parking garage groundbreaking will occur on November 7, 2024 at 10:00 a.m. Mr. Wilson noted that the Airport Authority will be emphasizing its initiative known as "Flight Plan" to communicate with the community about the parking garage construction project and future construction plans at TYS over the next decade.

IV. Report on Bond Sale from Bank of America. Matthew Jiang and Tom Cai from Bank of America presented to the Board a summary of the results from the sale of the Airport Authority's Airport Revenue Bonds, Series 2024A and Series 2024B that financed the new parking garage.

V. New Business.

A. Consideration of Approval of Federal Tax Compliance and Continuing Disclosure Policies and Procedures. Mr. Mamantov informed the Board that the Airport Authority will be required to comply with certain federal rules and regulations related to federally tax-exempt debt obligations in connection with the bond financing for the new parking garage project. The Airport Authority will also be required to provide ongoing financial and statistical information to the municipal bond market in order to fulfill its continuing disclosure obligations under a continuing disclosure agreement that the Airport Authority entered into in

connection with the issuance of the bonds to finance the parking garage project. Mr. Mamantov explained that the proposed policies and procedures presented to the Board will help ensure compliance with those requirements for the bond financing for the new parking garage project and for future debt obligations issued by the Airport Authority. It was moved by Mr. Vogel, seconded by Ms. Bailey, that the Federal Tax Compliance and Continuing Disclosure Policies and Procedures be approved as presented. The motion was unanimously approved by a voice vote.

B. Consideration of Approval of a Reimbursable Agreement with the Federal Aviation Administration (FAA) for Design and Construction Support for the 5R/23L Runway Rehabilitation Project at TYS. Bryan White, the Vice President of Planning and Development at the Airport Authority, explained that the Airport Authority was in the design phase of the Runway 5R/23L rehabilitation project, and the project will impact the FAA-owned fiber optic cable associated with navigational aid systems on the airfield. The proposed agreement provides for the FAA's participation in the design phase of the project in order to relocate the fiber optic cabling to a new permanent location. This portion of the project will be funded with federal funds. It was moved by Ms. Koella, seconded by Mr. Stowers, that the reimbursable agreement with the FAA for design and construction support for the Runway 5R/23L rehabilitation project be approved as presented. The motion was unanimously approved by a voice vote.

C. Consideration of Approval of Work Authorization Number 23-168 with CHA Consulting, Inc. for the DKX Entrance Improvements Project. Mr. White informed the Board that the proposed work authorization includes the design and bid phase services to provide a monument-style airport entrance sign, decorative entrance security gate, and an archway entrance from the terminal parking to the terminal offices at DKX. The work authorization also includes the development of easements with the State of Tennessee and permitting with the City of Knoxville and the Tennessee Valley Authority. The cost of the work authorization is \$103,993. It was moved by Mr. Dawson, seconded by Mr. Stowers, that Work Authorization Number 23-168 with CHA Consulting, Inc. be approved as presented. Following discussion, the motion was unanimously approved by a voice vote.

D. Consideration of Award of a Construction Contract with Kone, Inc. for the Up and Down Terminal Building Escalators Replacement Project at TYS. Mr. White explained that the terminal escalators at TYS have been experiencing increased maintenance issues and are reaching the end of their service life. Following a request for proposals, Kone, Inc. submitted the most responsive and responsible response for the replacement of the escalators. The cost of the proposed contract is \$1,066,000. It was moved by Ms. Bailey, seconded by Mr. Stowers, that a construction contract with Kone, Inc. for the escalators replacement project be awarded as presented. Following discussion, the motion was unanimously approved by a voice vote.

E. Consideration of Award of Contract to Stansell Electric Company, Inc. for Construction of Electric Shuttle Bus Charging Stations and Purchase of Electrical Shuttle Buses at TYS. Mr. White informed the Board that the proposed contract provides the procurement of three Zero Emissions Vehicles (ZEV) electrical shuttle buses and four electrical charging stations. The cost of the three buses is \$1,307,226, and the cost of the construction of the charging stations is \$925,539. The Airport Authority will receive a federal grant of \$2,000,000 for the project. It was moved by Ms. Koella, seconded by Ms. Bailey, that a contract to Stansell Electric Company, Inc. for the construction of electric shuttle bus charging stations and the purchase of electrical shuttle buses be awarded as presented. The motion was unanimously approved by a voice vote.

F. Consideration of Approval of Change Order No. 1 for Building 800 Fire Suppression System Upgrade Project at TYS. Mr. White explained that, upon further inspection of the fire suppression system at Building 800, the contractor and the design team determined that the flexible couplings have likely deteriorated and would result in a protection system unable to maintain pressure due to leaking. The proposed change order will provide over 500 pipe couplings to replace the existing couplings in the system due to their age and inspected condition. This change order will preemptively address the issues with no

schedule impacts if performed simultaneously with the existing project scope. Mr. White also noted that replacing the couplings will decrease the likelihood of future maintenance issues. The cost of the change order is \$95,080. It was moved by Mr. Dawson, seconded by Mr. Stowers, that Change Order No. 1 to Shambaugh & Son, L.P. for Building 800 fire suppression system upgrade project be approved as presented. The motion was unanimously approved by a voice vote.

G. Consideration of Approval for a Contract for Fire Systems Test, Inspection, and Maintenance. Mr. Perry explained to the Board that the Airport Authority tests and inspects the fire alarm system on a regular schedule. The original equipment manufacturer is Notifier by Honeywell, and Notifier products are sold and maintained based on territory assignments. Gallaher and Associates is the authorized Notifier equipment distributor and installer for the Airport Authority based on the current Notifier territory assignments. The Airport Authority's staff recommends a five-year agreement with Gallaher and Associates for the maintenance, testing, and inspection of the fire systems. The cost of the agreement is \$183,446.05. It was moved by Ms. Bailey, seconded by Ms. Koella, that a contract with Gallaher and Associates be approved as presented. The motion was unanimously approved by a voice vote.

H. Consideration of Award of a Purchase for Fleet Vehicles. Mr. Perry informed the Board that the proposed purchase of two fleet service trucks was included in the Airport Authority's capital improvement program. These vehicles will be purchased from Ford of Murfreesboro through a state-wide purchasing contract for \$84,458. It was moved by Mr. Dawson, seconded by Ms. Bailey, that a purchase for fleet vehicles be approved as presented. The motion was unanimously approved by a voice vote.

I. Consideration of Award of a Purchase for Heating, Ventilation, and Air Conditioning (HVAC) Replacement Units. Mr. Perry explained to the Board that the existing heater systems in the hangar bay and the heat pump for the spray booths do not function in Building 800. Upon an evaluation by Cook's Mechanical, it was determined the units would require full replacement. The cost of the replacement is \$309,890, and the Airport Authority's staff requests a contingency of \$30,000 due to the age of the buildings and support systems. It was moved by Ms. Koella, seconded by Ms. Bailey, that a purchase of HVAC replacement units for Building 800 be approved as presented. Following discussion, the motion was unanimously approved by a voice vote.

J. Consideration of Approval of Fuel and Fire Truck Insurance Policy Renewal. Dave Schroth, the Director of Properties and Risk Management at the Airport Authority, explained to the Board that D.R. Cox and Company sought insurance quotes for the four fire trucks at TYS and two leased fuel trucks at DKX. The current provider, Travelers Indemnity Company, quoted a premium of \$16,333 or an increase of 5% from the previous year. It was moved by Mr. Dawson, seconded by Mr. Stowers, that renewal of the fuel and fire truck insurance policy be approved as presented. The motion was unanimously approved by a voice vote.

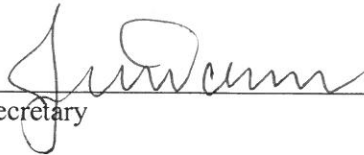
K. Consideration of Approval of Public Officials and Employment Practices Liability Insurance Renewal. Mr. Schroth explained that Donnaud-Clay Aviation Insurance, the Airport Authority's insurance agent, recommended the renewal of the public officials and employment practices liability insurance policy with Chubb. The proposed renewal is a 10% increase in the premium over the prior year for a cost of approximately \$77,009 plus the policy fee of \$150. The policy is effective on December 1, 2024. It was moved by Ms. Hawthorne, seconded by Mr. Vogel, that renewal of the public officials and employment practices liability insurance be approved as presented. The motion was unanimously approved by a voice vote.

VI. Staff Reports. Adrienne Washington, the Vice President of Human Resources at the Airport Authority, presented a report to the Board on the goals and highlights of the human resources department from the last year.

Becky Huckaby, the Vice President of Public Relations at the Airport Authority, reported to the Board on the Oak Ridge National Laboratory Traveling Science Fair for fifth graders hosted at DKX on October 8, 2024 and the "Hallowings" event planned for October 27, 2024 at DKX.

VII. Public Forum. Chairman Simmons announced that the business agenda had been completed and two individuals requested to speak during the public forum. Alexis Apps requested that her expired parking pass be reinstated. Carol Smith expressed concerns about the closure of the monthly parking program.

VIII. Adjournment. Thereupon, upon motion duly seconded and unanimously approved, the meeting was adjourned at 5:25 p.m.


Asst. Secretary

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