

METROPOLITAN KNOXVILLE AIRPORT AUTHORITY

Minutes of the Board of Commissioners

Date: July 16, 2025

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, July 16, 2025, in the Henrietta Grant Board Room at McGhee Tyson Airport (TYS) with the Board Chairman, Howard Vogel, presiding.

Roll call developed that Board members present, in addition to Chairman Vogel, were Ursula Bailey, Markus Chady, Joe Dawson, Charlie Harr, Caryn Hawthorne, Maribel Koella, Allison Page, and Wes Stowers. 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. Oath of Office. Chairman Vogel announced that Markus Chady was appointed to the Board of Commissioners for his first term. Mark Mamantov administered the Oath of Office.

II. Announcements. Chairman Vogel 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 speak during the public forum at the conclusion of the meeting.

III. Minutes. The minutes of the regular meeting of June 18, 2025 had been distributed with the agenda materials. Upon motion duly seconded, the minutes were approved as presented by a unanimous voice vote.

IV. Resolution 25-05: A Resolution Expressing Appreciation to Brian Simmons for His Service on the Board of Commissioners of the Metropolitan Knoxville Airport Authority. Mr. Vogel recognized the Board's former Chairman and member, Brian Simmons, and thanked him for his special contributions to the Board. Mr. Mamantov read aloud Resolution 25-05 expressing appreciation for Mr. Simmons' service and dedication to 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 Mr. Simmons for his service to the Airport Authority, particularly for his support of the Airport Authority's staff.

V. 2025 Board Committees. Chairman Vogel submitted his proposed appointments for the chairpersons and members of the Airline and Passenger Services Committee, Aviation Operations and Services Committee, Administration and Finance Committee, and the Capital Development Committee. It was moved by Mr. Dawson, seconded by Ms. Page, that the committee assignments be approved. The motion was unanimously approved by a voice vote.

VI. Report of 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 presented the report on debt obligation for the Airport Authority's subordinate revenue bonds issued on June 4, 2025 for the parking garage project.

VII. New Business.

A. Consideration of Approval of Aviation Service Partners, Inc. Lease and Operating Agreement. Dave Schroth, the Director of Properties and Risk Management at the Airport Authority, explained to the Board that the proposed agreement would permit Aviation Service Partners, Inc. to operate an on-call maintenance base at TYS serving multiple airlines. The leased area is approximately 922 square feet on the ground level of the concourse for offices and parts storage. The term of the Agreement is month-to-month, and either party may terminate upon 30 days' written notice. The monthly rental rate is \$5,599.61. It was moved by Ms. Hawthorne, seconded by Ms. Bailey, that the Lease and Operating Agreement with Aviation Service Partners, Inc. be approved as presented. Following discussion, the motion was unanimously approved by a voice vote.

B. Consideration of Approval of Lease Agreement between the Metropolitan Knoxville Airport Authority and United States of America at TYS. Mr. Schroth explained to the Board that the Tennessee Air National Guard (TNANG) has requested an extension on the lease term of its main base, encompassing 294.74 acres. The lease term would be 75 years, through September 30, 2100. TNANG has two other leases and one permit at TYS that encompass approximately 67.88 acres in total. These agreements expire on June 30, 2044 and are not part of the current lease extension. Mr. Wilson and representatives of TNANG explained to the Board that the lease extension could help TNANG in its efforts to receive an updated aircraft platform. It was moved by Mr. Stowers, seconded by Mr. Dawson, that Lease No. DAC01-5-11-621 with TNANG be approved as presented. The motion was unanimously approved by a voice vote.

C. Consideration of Approval of FY 2026 Airport Cyber Liability and Crime Insurance Policy Renewals and Updated Worker's Compensation Insurance Policy Premium. Mr. Schroth explained to the Board that the Airport Authority's insurance broker, D.R. Cox and Company, recommends renewal of the airport cyber liability insurance policy with Cowbell for the fiscal year ending June 30, 2026. Cowbell has agreed to renew the policy for a premium of \$31,950, an increase of 6.6% from the previous year. The increase in premium is due to the projected increase in revenue. D.R. Cox and Company also recommended renewal of the crime protection policy for the fiscal year ending June 30, 2026 with Great American Insurance Group. The proposed premium is \$4,610, an increase of 6.8% from the previous year. Mr. Schroth reminded the Board that it previously approved the renewal of the worker's compensation insurance policy with Beacon Aviation for the fiscal year ending June 30, 2026. Between the initial quote and binding the policy, Beacon Aviation reviewed loss runs showing an increased number of claims. The new proposed premium is \$130,351, which is an increase of 10% above the premium previously approved by the Board and an increase of 24% over the prior year. It was moved by Ms. Hawthorne, seconded by Mr. Harr, that the renewals for the airport cyber liability and crime insurance policies be approved and the update to the worker's compensation insurance policy be approved as presented. The motion was unanimously approved by a voice vote.

D. Consideration of Approval of Air Service Incentives for New Allegiant Air Nonstop Service between TYS and Memphis International Airport (MEM). Jim Evans, Vice President of Marketing and Air Service Development at the Airport Authority, informed the Board that the proposed incentives relate to twice-weekly flights to MEM by Allegiant. The flights will start on September 4, 2025 and operate on a seasonal basis not to exceed three seasons of seven months each. The staff recommends providing \$20,000 of initial marketing assistance, \$1.00 per flown passenger in additional marketing assistance, and a waiver of gate area fees, ticket area fees and landing fees associated with the new flights. The proposed incentives are consistent with the Airport Authority's New Air Service Partnership Program. It was moved by Mr. Dawson, seconded by Mr. Stowers, that the incentives be approved as presented. Following discussion, the motion was unanimously approved by a voice vote.

E. Consideration of Approval of Air Service Incentives for New Allegiant Air Nonstop Service between TYS and Key West International Airport (EYW). Mr. Evans explained to the Board that

the proposed incentives relate to twice-weekly flights to EYW by Allegiant. The flights will start on October 3, 2025 and are required to operate for one year. The staff recommends providing \$30,000 of initial marketing assistance, \$1.00 per flown passenger in additional marketing assistance, and a waiver of gate area fees, ticket area fees and landing fees associated with the new flights. The proposed incentives are consistent with the Airport Authority's New Air Service Partnership Program. It was moved by Mr. Stowers, seconded by Mr. Dawson, that the incentives be approved as presented. The motion was unanimously approved by a voice vote.

F. Consideration of Approval of a Purchase for Replacement of HVAC Units at the Tyson Centre. Trey Meadows, the Senior Director of Facilities at the Airport Authority, informed the Board that the proposed purchase included the removal of two existing heating, ventilation, and air conditioning (HVAC) units and the installation of two new units at the Tyson Centre. This project was included in the Airport Authority's capital improvement plan for the fiscal year ending June 30, 2026. The work will be performed by Cook's Mechanical, the Airport Authority's approved HVAC provider, at a total cost of \$183,135. It was moved by Ms. Bailey, seconded by Ms. Hawthorne, that the HVAC replacement be approved as presented. The motion was unanimously approved by a voice vote.

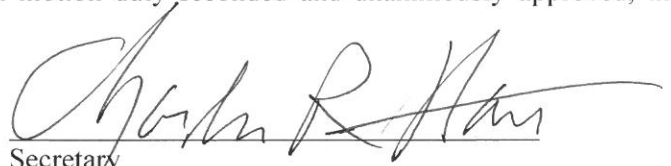
G. Consideration of Approval of Work Authorization Number 24-172A to CHA Consulting, Inc. (CHA) and the Acceptance of State and Federal Grants for the DKX Hangar Roof Repairs Project at Knoxville Downtown Island Airport (DKX). Bryan White, the Vice President of Planning and Development at the Airport Authority, informed the Board that the proposed work authorization includes construction phase services for the replacement of the metal roofs on the museum hangar and the support shop area of the terminal hangar at DKX. The total cost of the work authorization is \$76,646, with funding provided through state and federal grants. Mr. White also requested the Board's approval of the related state and federal grants in the amount of \$942,875, along with authorization for the execution of any future amendments. It was moved by Mr. Harr, seconded by Mr. Stowers, that Work Authorization Number 24-172A with CHA be approved as presented and that the President be authorized to execute the associated state and federal grants and any related amendments. The motion was unanimously approved by a voice vote.

H. Consideration of Approval of Acquisition of an Easement from the State of Tennessee for the Entrance Improvement Project at DKX. Mr. White explained to the Board that the proposed easement will permit the Airport Authority to construct the monument entrance sign as part of the DKX entrance improvement project. The area of land granted by the easement is approximately 1,642 square feet, and the cost of the easement is \$3,900. The easement will be subject to review by the Airport Authority's legal counsel. It was moved by Mr. Stowers, seconded by Ms. Page, that the easement from the State of Tennessee be approved as presented and that the President be authorized to execute the easement. The motion was unanimously approved by a voice vote.

VIII. Staff Reports. Taylor Dixon, the Safety Manager at the Airport Authority, presented to the Board on the Airport Authority's safety management system.

IX. Public Forum. Chairman Vogel announced that the business agenda had been completed and that there were two individuals wishing to address the Board. Doug Colclasure informed the Board about the growth of the nuclear industry in Oak Ridge. Michael Dilulio expressed concerns with the disrepair of certain Signature facilities.

X. Adjournment. Thereupon, upon motion duly seconded and unanimously approved, the meeting was adjourned at 5:26 p.m.


Secretary