

**Chattanooga Metropolitan Airport Authority
Board of Commissioners Meeting Minutes
May 17, 2021**

The Board of Commissioners of the Chattanooga Metropolitan Airport Authority met in open meeting, Monday, May 17, 2021 at 2:00 p.m. Chairman Jacobson, Commissioners Lytle, LittleJohn, Stokes, and Roddy were present.

Chairman Jacobson verified a quorum was present and April Cameron verified the requirements of the Sunshine Law had been met.

Minutes:

On motion of Commissioner Roddy, seconded by Commissioner Stokes, the minutes of the April 19, 2021 meeting were approved.

President's Report:

President Hart opened with a welcome to everyone in attendance. It has been 15 months since the last in-person board meeting so it is very good to see everyone after a very challenging year.

Mr. Hart presented the stats and charts for April 2021. The enplanements were 26,856. This is up 9% from March, which were at 24,664. Obviously, everything is showing up from the same month last year. American continues to be the top airline and is outpacing all of the other airlines here at the airport with their enplanements. Deplanements are actually higher, up 17% from March of last year. Operations numbers have been steadily increasing over the last few months, driven primarily by military and general aviation. Additionally, cargo is still trending very strong.

We are looking forward to May and an increase in the average number of seats available per day. Seat numbers continue to increase and airlines continue to add flights to their schedule. American has added a fourth DFW flight as well as increased the number of flights to Charlotte. United added a second Chicago flight and Delta has increased their seat capacity for their Atlanta market.

With that being said, Mr. Hart feels like it will be well into 2022 before we actually see enplanement numbers back in the black again. Enplanement numbers are really driven by business travelers, and we have just not seen the business travel up to where it should be quite yet.

Projects are continuing, primarily the parking garage project. The agreement was signed on February 28, 2020 right when the pandemic hit and with only 50 cars in the parking lot, we decided to go ahead and move forward. Still on target for an early July completion, the 1300 space garage will house public parking on floors two through four, and the lower level will be used for rental cars that will be relocated there upon completion. Trades are in the final stages of their completion and look forward to the conclusion of this project.

At the last board meeting, the board approved the rubber removal from the runway. Over time the rubber builds up and obscures the center line, and also reduces friction. The process was completed last week, during a four-night closure. Within the next week or two, the center line will be re-painted.

Pro Pilot Magazine has voted for the second year in a row, that Wilson Air Center Chattanooga was the #1 FBO in the United States. Thank you to Glenn Rivenbark and his team for taking care of our customers and providing quality service. Wilson Air Center as a whole, with its four FBO's has been named the best small FBO chain in the country for the past 14 years.

Additionally, West Star Aviation has been named the most preferred MRO in the country for the second year in a row. They are a quality company and we are pleased to have them here with us. Thank you to West Star Aviation and their team for doing an outstanding job.

Board Action Items:

FY 2022 Budget

FY 2021 has been challenging for the airport. Our team worked diligently throughout the year to keep our expenses in line with our significantly reduced revenues. Because of those efforts, we have been able to operate efficiently while continuing our capital program in preparation for rebound and future growth.

In developing the FY 2022 Budget, we have taken a conservative, yet realistic, approach. Much time has gone into evaluating our revenues and expenses in an effort to determine our plan for the upcoming year. Revenues are budgeted at \$20.5 million. This is a 22% increase over current year forecast. We believe that this is a conservative estimate as we are beginning to see passenger growth as more people are being vaccinated.

Operating expenses are budgeted at \$14.8 million for FY 2022. This is a 16% increase over current year projection. This increase includes replacement of five airport positions that have not been backfilled during the pandemic as well as an average salary increase of 3% for airport employees. Additionally, we have budgeted additional dollars for janitorial and cleaning to support additional passenger traffic.

We are budgeting net operating revenues of \$5.7 million for FY 2022. As you all are aware, every dollar the airport generates in revenue goes back into the airport infrastructure. Those net operating revenues will be used to pay CMAA's \$3.6 million portion of the FY 2022 Capital Program. The remaining \$2.1 million balance will be paid towards debt service on the parking garage. This results in a balanced budget.

Board Action: CMAA requests Board approval of the FY 2022 Budget and associated organizational structure, pay plan, and Rates and Charges Policy.

Motion for approval by Commissioner Stokes, seconded by Commissioner Lytle.

Motion approved.

Security Gate/Fence Contractor

In March, CMAA issued a Request for Qualifications for a Security Gate/Fence Contractor to perform work on security fences and access control gates at the Chattanooga Airport. The contractor will perform routine maintenance and special projects as determined by the CMAA.

The scope of work includes but is not limited to:

1. Repair/Installation of Security Fencing
2. Repair/Installation of Access Control Gates
3. Removal of Security Fencing/Access Control Gates

The term of the agreement will be for three years beginning June 1, 2021 with an option to renew for additional periods of one-year, at the sole discretion of the CMAA.

Statement of Qualifications (SOQ) were evaluated according to the following criteria:

- 25% Experience and qualifications of the firm in providing these services on similar projects.
- 25% Understanding of projects completed on an airport premises.
- 25% Past performance references. Provide client names, addresses and contact information for at least three (3) contracts completed within the last three (3) years which are similar in scope to this requirement.
- 10% Identify the location of the local office.
- 15% Overall evaluation and opinion of the team's capability to provide the required services.

CMAA received one Statement of Qualification from Hi-Tech Gate Systems that has been reviewed by an evaluation team consisting of the Airport President, Airport planner, and the Operations Safety Compliance Coordinator Manager. Hi-Tech has met all of the requirements specified in the Request for Qualifications and has performed several projects at the Chattanooga Airport as well as many other high security locations.

Based on the qualifications submitted, CMAA requests approval of an agreement with Hi-Tech Gate Systems to perform work on security fences and access control gates at the Chattanooga

Airport as needed for a term of three years. All projects will require board approval as specified in CMAA Bylaws.

Board Action: CMAA requests approval of an agreement with Hi-Tech Gate Systems to perform work security fences and access control gates at the Chattanooga Airport as needed for a term of three years.

**Motion for approval by Commissioner Roddy, seconded by Commissioner Stokes.
Motion approved.**

Long Term 2 Parking Lot Paving

On June 15, 2020, the underground fuel tank removal project was approved by the Board. This project removed the last remaining underground storage tanks from the airport, having been in place for over 30 years and exceeded their useful life. The remaining “pit” in the ground was backfilled with stone, but the final layer of asphalt was delayed due to the timing of the project. This project was included in the approved capital budget.

CMAA solicited for proposals in early 2021 for the final paving of this project.

Allen & Hoshall’s review and evaluation found Weeks Paving to be properly licensed by the State of Tennessee, experienced in the type of work required by this project, and in possession of sufficient equipment and financial resources to perform the work. After reviewing the proposal, Allen & Hoshall has recommended awarding the construction contract to Weeks Paving. CMAA has reviewed the Engineer’s recommendation and is in agreement. The price proposed was \$16,000.00.

Board Action: CMAA requests Board approval to enter into a construction contract with Weeks Paving for the paving of the former underground fuel farm area. The fee for this work is \$16,000.00

**Motion for approval by Commissioner Lytle, seconded by Commissioner Roddy.
Motion approved.**

Parking Garage Fiber Installation

With the parking garage nearing completion and the final stages of construction underway, there are a few projects that remain the responsibility of the airport. One of these is connecting the systems which allow the parking garage to fully function. Fiber will need to be pulled from the terminal, to the garage, and ultimately to nearly a dozen locations to connect the Amano ticket booths and gate arms, the parking guidance system, the fire protection system, and the rental car booths. This project will be funded through rental car customer facility charges.

CMAA solicited for proposals in April 2021 from three vendors. One was non-responsive; Young Electric was the lowest cost proposal of the remaining two. Their price proposed was \$30,490.00.

Young Electric has done extensive work for the Chattanooga Airport, including the Terminal Renovation and Phase III of our solar farm. In addition, they are a Disadvantaged Business Enterprise as certified by the TNUCP.

Board Action: CMAA requests Board approval to enter into a contract with Young Electric to pull fiber to various points in the parking garage. The fee for this work is \$30,490.00.

Motion for approval by Commissioner Lytle, seconded by Commissioner LittleJohn.

Motion approved.

North Perimeter Road Repair – Talley Construction

The north perimeter road connects the northeast side of the airfield to the northwest side from Hangar 6 to Hangar 7. Over the past several years, the traffic on this perimeter road has increased significantly due to West Star's location in Hangar 7. The additional use has caused the road to fail in certain areas. Consequently, CMAA must correct the issues with the road in order to provide safe connectivity around the airfield.

CMAA engineers, Allen & Hoshall, requested an emergency quote from Talley Construction to repair the road as soon as possible. The work will include mobilization, demo, backfill, 6" CTB, two lifts of 3" Binder, and topped with 2" surface, earthwork and seeding. Due to the exigent nature of the repair only one quote was obtained.

Talley Construction provided a quote of \$140,760.81 to perform the work as outlined. The work will begin as soon as board approval is received and should take two weeks to complete.

Board Action: CMAA requests board approval of a contract with Talley Construction to repair the North Perimeter Road in the amount of \$140,760.81.

Motion for approval by Commissioner Lytle, seconded by Commissioner Roddy.

Motion approved.

Other Business:

Ray Boaz of DH&W Architects presented renderings and information on the new terminal expansion. The new expansion will add 26,000 square feet and 14,000 existing square footage will be renovated. This will allow for up to 3 new gates adding to the existing five gates already in place.

The current plan is to add a third TSA Security checkpoint lane. A new restaurant, café, gift shop and additional restrooms are included as well. The terminal will be a welcoming, open concept, with plenty of natural light, that will flow nicely with the existing design, including the iconic rotunda. This will provide a new, yet familiar feeling for passengers arriving and departing from the Chattanooga Airport. This design will also allow for additional passenger gates, and security checkpoint lanes in the future.

The \$28 million project will include funding from federal grants and passenger facility charges. The project could be completed in as little as 18 months to 22 months depending on how the work is phased out.

Public Comment:

John Naylor, former Vice President of Planning and Development at the Chattanooga Airport commented on how proud he is of Terry Hart and the airport staff for pressing forward with the parking garage and continuation and development of the master planned terminal expansion. Where most airports would have halted construction during these difficult and uncertain times, the Chattanooga Airport continued to move forward, and will thrive because of it.

Closing Comment:

Chairman Jacobson ended the meeting with some closing comments.

Mr. Jacobson was happy to see an increase in passengers flying in and out of the Chattanooga Airport as more individuals become vaccinated and the strong desire to travel returns. This is reflected in our April enplanements. Our airline partners are also reinforcing this positive trend by resuming flights and increasing seat capacity.

The parking garage is in the final stages of construction, scheduled to open in early July. This is an impressive addition to the airport and meets the needs of our customers.

Congratulations again to Wilson Air Center Chattanooga for being named the Best FBO in the country for the second year in a row. This is a well deserved and tremendous accomplishment. Well done to Glenn and his team.

Continuing, thanks to Allen & Hoshall and DH&W Architects for their dedication to our planned terminal expansion. We are very pleased to partner with them as we grow the airport's footprint to accommodate more passengers in the years to come.

In closing, 89 years ago this week, Amelia Earhart completed the first solo flight by a female pilot across the Atlantic She flew from Newfoundland to Northern Ireland in a Lockheed "Vega" monoplane in 13 hours and 30 minutes.

Commissioner Lytle made a motion for adjournment. The motion was seconded by Commissioner Roddy. Motion is approved. The Board is adjourned.

Adjourn

Minutes approved by:

Mike Mallen
CMAA Secretary

Corporate Secretary:

April Cameron

Minutes approved by:

Daniel R. Jacobson
CMAA Chairman

Minutes Recorded by:

Kimberly Randle