



2022 Board Meeting Minutes

Chattanooga, Tennessee

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**Chattanooga Metropolitan Airport Authority
Board of Commissioners Meeting Minutes
January 31, 2022**

The Board of Commissioners of the Chattanooga Metropolitan Airport Authority met in open meeting, Monday, January 31, 2022 at 2:00 p.m. Chairman Jacobson, Vice Chairman Hall, Commissioners Snow, Roddy, Mallen, Lytle, LittleJohn, and Conn 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 Lytle, the minutes of the December 20, 2021 meeting were approved.

President's Report:

President Hart began with the stats for December 2021. We ended the year with 377,276 enplanements. That number is up 67% over 2020. Deplanements fell in line with enplanements for the year, up almost 68% compared to 2020. All carriers showed positive landing weight numbers for the entire year. Operations, which include air carriers, military, and general aviation, all showed positive growth in 2021. Air carriers had approximately 5,000 more take offs and landings for the year, military was up over 5,000. General Aviation was up 14,000 more operations than in 2020. Overall, operations were up 40% more than in 2020. That is the highest number that we have seen since 2008. It was a very busy year for operations.

A few things in the news have impacted the airline industry. Those include Covid-19, pilot shortages, and the 5G rollout and its impact on the United States. There were many cancellations during the holiday period due to an uptick of the virus and the Omicron variant and the resulting pilot shortages. Most of the airlines have adjusted their schedules to provide additional resources in the event they continue to see the shortage. Demands should start coming back in March, but pilot shortages are not going away. There will be a need for more pilots well into the future.

Continuing, The Department of Transportation finally issued its order soliciting small community air service grants. We are working on the application to move forward requesting grant funding for the South Florida market of Miami. We have to submit the request by March 15th and our air service partner, Volaire, is assisting us with this request. There are many airports submitting grant requests, but we are hopeful that we will receive the grant for this. There is a requirement that we will have some matching community funds. Our request to the DOT will be for \$1,000,000, and we would like to raise at least 30% of that in pledges, so letters will be going out for that in the

next week or so. Dialogue still needs to happen with American Airlines in order to complete the application process as they have the major hub in Miami.

In December, we recognized a police officer with 30 years of service, coincidentally, this month we had another employee, Mike Marsh, Maintenance Manager, also celebrating 30 years of service. Mike is a great asset to the organization and it is a pleasure to recognize those individuals that put years of service into the company.

Mr. Hart also shared a video of the history of aviation and how aircraft maintenance has changed over the last 100 years.

Board Action Items:

Hangar 18 Roof Repair

Hangar 18 was purchased from Executive Flight in September of 2020. This was an extremely helpful and timely purchase, as it provides the airport some much needed relief for future hangar space. Executive Flight remains the current tenant who now leases the hangar. Upon completion of their new hangar in Cleveland, TN, they will vacate the facility and it will become available for future general aviation use.

As this hangar has come under CMAA control, there are certain maintenance items that need to be addressed before a new tenant moves into the hangar. The primary concern is a number of roof leaks that have developed over the years. In early January, CMAA reached out to Tri-State Roofing, who has completed a number of roofing jobs over the last decade at the airport. Due to the extensive lead times prevalent in the construction industry, we requested immediately delivery of material and services upon contract approval.

Tri-State Roofing has created a scope of work to have the hangar fully repaired from all leaks and water damage. Additionally, it includes providing the following:

1. Mobilize to job site, set up equipment and safety per OSHA and Tri-State requirements.
2. Replace/repair approximately 3,000 square feet of roof insulation/vinyl backer as required.
3. Perform roof repairs to stop leaks until materials can be acquired for reroofing.
4. Install expanded styrene flute fill insulation to all panels and internal gutter.
5. Over the flute fill insulation attach high density cover-board to the existing metal panels.
6. Adhere 60 mil TPO membrane to the cover-board per the manufacturer's guidelines.
7. Flash all projections and walls per manufacturer's published details.

8. Fabricate and install new 24-gauge Kynar coated metal counter-flashings, copings, gutters and downspouts.
9. Remove and reattach PVC drain line along base of high wall.
10. Clean grounds of any debris caused from the above scope.

The total cost of the repair is \$260,022 and will be funded through reallocated Capital funds.

Board Action: CMAA requests Board approval to enter into a contract with Tri-State Roofing for the repair of the Hangar 18 roof. The fee for this work is \$260,022.

**Motion for approval by Commissioner Snow, seconded by Commissioner LittleJohn.
Motion approved.**

Acquire Property - 5709 Lee Highway

CMAA was contacted by the agent representing the property located at 5709 Lee Highway of its intent to sell. The property is approximately 2.14 acres and is located adjacent to airport owned property on Lee Highway.

CMAA is requesting the Board's approval to purchase and acquire certain real property located at 5709 Lee Highway, Chattanooga, TN for the purchase price of \$950,000 subject to review and satisfaction of customary due diligence inspections. In addition, all requirements outlined in the sales and purchase agreement must be satisfied. Those requirements include, but are not limited to:

- 1) The property is free of any tenants
- 2) The property receives an acceptable environmental review
- 3) Purchase is approved by CMAA Board of Commissioners.

We believe that this property is important for future growth and development of airport property on Lee Highway. The property acquisition will be funded with CMAA reserve funds.

Board Action: CMAA requests approval to acquire the property located at 5709 Lee Highway in the amount of \$950,000.

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

Terminal Expansion Construction

In 2019, we completed our FAA approved Master Plan. It outlined our projected growth over the next twenty years. From those projections, future facility requirements and timelines were developed for the airfield, the passenger terminal complex, ground access, air cargo, general aviation, and aviation support facilities. We have been working on and completing many of those projects associated with those requirements over the past few years.

In 2020, we moved forward with the design and environmental work required for the Terminal Expansion Phase 1 project. Our partners, Allen & Hoshall and DH&W worked with ourselves, and all our stakeholders to develop a plan that meets all our requirements.

- Increase the TSA Security Checkpoint area to allow for increased lanes.
- Provide three additional gates with covered boarding.
- Add another set of restrooms post-security.
- Increase space to provide additional concessions space for our customers.

The plan was completed and circulated in November 2021 for those interested parties to bid on the construction phase. We received four proposals.

Contractor	Base Bid	Alternate	Total Project Cost
TriCon	\$23,084,908	\$2,260,000	\$25,344,908
Hoar Construction	\$24,679,960	\$2,650,000	\$27,329,960
EMJ Construction	\$22,268,475	\$2,283,200	\$24,551,675
J&J Contractors	\$21,584,000	\$2,326,000	\$23,910,000

Based on the bids provided, J&J Contractors is the apparent low bid with a base bid of \$21,584,000 and an alternate of \$2,326,000 for a total of \$23,910,000.

No bidder was able to meet the Buy American Requirement as outlined by the Federal Aviation Administration (FAA). Therefore, the award will be contingent on the contractor securing a waiver from the FAA.

The expansion will be funded through a combination of Airport Improvement Project (AIP) funds, Passenger Facility Charge (PFC) funds, and CMAA funds. The airport has already received federal grant funding of \$12,574,846. Through the Master Plan, we estimated the remaining eligible portion to be \$7,741,481. This amount is being requested through our current PFC application. The remaining ineligible portion estimated at \$3,593,673 will be funded through CMAA funds and was included in our approved Capital Budget. The estimated funding plan is presented below.

Description	Project Cost	Percent Eligible	Eligible Cost	AIP Funding	PFC Funding	CMAA Funding
Terminal Expansion	\$23,910,000	84.97%	\$20,316,327	\$12,574,846	\$7,741,481	\$3,593,673

Board Action: CMAA requests Board approval to enter into a contract with J&J Contractors to expand the terminal building in the amount of \$23,910,000 contingent upon the contractor receiving the required waiver from the FAA.

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

Motion approved.

**Allen & Hoshall Task Order #9
Terminal Expansion Construction Administration**

In addition to selecting the Prime Contractor for the construction of the expansion project, CMAA is also requesting a contract with Allen & Hoshall for the Construction Administration (CA) Services of the Terminal Expansion Project. The fee breakdown for Construction Administration is outlined below.

Basic Services - (Engineering oversight; submittal reviews, meetings with Airport and Contractor, etc.)	\$467,150
Construction Administration (lump sum fee) 104 weeks construction anticipated 936 man hours anticipated	\$185,300
Resident project representative (budgeted amounts)	
Inspection – 4720 man hours anticipated	\$379,800
Expenses – 108 weeks anticipated	\$2,700
Final Jet Bridge Inspection (3 bridges)	\$6,140
Quality Assurance – Testing	\$50,000
Total Fee	\$1,091,090

These construction administration fees will be funded through a combination of Airport Improvement Project (AIP) funds, Passenger Facility Charge (PFC) funds, and CMAA funds.

Board Action: CMAA requests Board approval to enter into Task Order #9 with Allen & Hoshall for the construction administration services associated with the construction of the Terminal Expansion Phase 1. The fee for this project is \$1,091,090.

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

Acquire Passenger Boarding Bridges

The Chattanooga Airport currently operates approximately 20 flights a day using our existing five passenger boarding bridges. Three of these bridges were purchased two years ago, while the remaining two were purchased within the last five years. As part of our terminal expansion project, we have planned to purchase an additional three boarding bridges for the added departure gates.

The bids were evaluated by a selection team including the Maintenance Manager, the VP of Operations, the VP of Finance, and the President & CEO. Evaluation criteria included the following:

Experience, Background & Qualification	20%
Proposed Solution	30%
Project Management	20%
Pricing	30%

Three bids were received, with Aero Bridgeworks, Inc. being the most qualified bidder with a bid of \$3,181,450. For reference, our most recent purchase of three boarding bridges was in the amount of \$2,136,643.

Below is the complete list of bidders and the total cost for each.

Company	Total Cost
Aero Bridgeworks, Inc	\$3,181,450
Thyssenkrupp	\$2,879,680
JBT Aero Tech Corporation	\$3,211,046

The project is included in our Capital budget as well as PFC Application #8 and once approved will be funded through PFC funds.

Board Action: CMAA requests Board approval to enter into a contract with Aero Bridgeworks, Inc for the purchase of three boarding bridges. The fee for this work is \$3,181,450.

**Motion for approval by Commissioner Conn, seconded by Commissioner Mallen.
Motion approved.**

Other Business:

There has not been an election of Chairman and Vice Chairman of the Board in a number of years. Therefore, Dan Jacobson is stepping down as Chairman of the Board and has elected Vice Chairman Jim Hall as the new Chairman for a two-year term effective February 1st, 2022.

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

Motion approved.

As the new Chairman of the Board, Jim Hall has elected Dan Jacobson as Vice Chairman of the Board for a two-year term effective February 1st, 2022.

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

Motion approved.

Public Comment:

John Naylor commented on how proud he was of the airport, and its staff. He said that the city, and the community should be proud of the funding of these projects. Not a dime is coming out of city or county taxes. The community should be aware of this. Every dime the airport makes is invested back into the airport. The staff does their job, the board does its job, and the community benefits.

Legal commented they are in the process of cleaning up a few items and working with City Council on old zoning issues.

Closing Comment:

Comments from Dan Jacobson:

I want to begin by sharing what a tremendous honor it has been to serve as chairman of the Airport Authority the last 18 years.

Since I was named chairman in 2003, our airport has enjoyed incredible growth and improvements for the betterment of our travelers' flying experiences and region's economic development.

We've partnered with our airline providers to offer new nonstop service to destinations throughout the country, which has been a significant benefit to both our business and leisure travelers. With our solar farm milestone, we became the first airport in the country to generate enough solar energy to completely offset the cost of our daily power needs. We've celebrated Wilson Air Center becoming the first aviation terminal in the world to be LEED Platinum Certified, as well as being named the best FBO by Professional Pilot Magazine for two years in a row. We've broken records year after year of rising enplanements. We've developed a \$25 million parking facility that adds

another layer of convenience for our customers. And, as you all know, we'll soon begin construction of the largest terminal expansion in our airport's history.

Perhaps most notably, we've been able to work as a team throughout this once in a lifetime pandemic that had an unbelievable impact on air travel as we know it.

These accomplishments would have been unattainable without the partnership of this board, Terry's leadership, his team's commitment to unparalleled service and the continuous support from our air travel partners and community leaders.

It has been a distinct privilege to lead our board through these milestones and now pass the reins to Jim.

Jim brings a wealth of knowledge of transportation and security, as well as government relations to this role. He has served as a staff member to Senator Al Gore, Senator Ed Muskie and Senator Harlan Mathews, as well as Governor Ned McWherter. He was nominated by President Bill Clinton to be a member of the National Transportation Safety Board in 1993 and served as its chairman from 1994 to 2001. While chairman, he focused on improving safety in all modes of transportation. Throughout his tenure serving our government, he's also maintained his private legal practice here in Chattanooga. His more than five decades of experience will undoubtedly lead the Chattanooga Airport to new heights.

In closing, thank you all again for this wonderful opportunity to be part of air travel history in Chattanooga.

Commissioner Conn 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



CHATTANOOGA AIRPORT

NO BOARD OF
COMMISSIONERS
MEETING
FEBRUARY 2022



**NO BOARD OF
COMMISSIONERS
MEETING MARCH
2022**

**Chattanooga Metropolitan Airport Authority
Board of Commissioners Meeting Minutes
April 18, 2022**

The Board of Commissioners of the Chattanooga Metropolitan Airport Authority met in open meeting, Monday, April 18th, 2022 at 2:00 p.m. Chairman Hall, Vice Chairman Jacobson, Commissioners Snow, Stokes, Mallen, Lytle, LittleJohn, and Conn were present.

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

Chairman Hall recognized the passing of Commissioner Roddy's husband, Howard Roddy and asked for a moment of prayer.

Minutes:

On motion of Commissioner LittleJohn, seconded by Commissioner Lytle, the minutes of the January 31, 2022 meeting were approved.

President's Report:

President Hart began with an additional recognition of Commissioner Roddy's husband, and his passing and how well respected he was in the community.

Statistics in January and February tend to be slower months than the rest of the year, however, enplanements in January were at 25,508, up 53% from January 2021. Landing weights were good, and operations were up almost 39% compared to January of last year. February, even with less days than January ended up with higher enplanements at 28,678. This is up 71% from February of 2021. Again, operations up 32% from the same time last year. Cargo is rising from both 2020, and 2021. March had some Spring Break traffic, with enplanements of 36,197 also up 47% from March of 2021, and just about 10,000 below 2019. YTD our enplanements are up 56% compared to the first three months of last year, and very encouraging to see a continuation of this upward trend. Operations for March at 7,567 are up 25% to last year and well above what they were in 2020 and above what they were in 2019. Those numbers are being driven by General Aviation traffic in Chattanooga. This was a great way to start the year, and we are hopeful for the remainder of 2022.

The continuing discussion regarding pilot shortage is real, and unfortunately will continue with every carrier. This will be a challenge in the busy summer months as the airlines will probably start scaling back the schedules to accommodate the shortages. As an example of the struggles, Skywest notified the DOT that they wanted to end service to 29 cities across the United States at all of their hubs. The DOT asked them to hold in those markets until they find a replacement carrier

to serve them. Additionally, United announced that they will stop servicing 17 regional routes. Delta will be cutting 4 routes in the northeast and discontinuing JFK to Houston. This is all due to the pilot and crew shortages.

However, in our market, the airlines are starting to put more seat capacity back into service. American has put more seats into the Charlotte market. On May 7th, we will start the Miami service. Also in May, Delta will have two daily round trips to Detroit and adding more capacity to Atlanta. President Hart will keep everyone updated as this continues.

Continuing, we have filed and submitted a request for the Small Community Air Service Development Grant. The request was for \$750,000 in grant funding, targeting the Denver market in order to provide service to the west. Part of that grant required securing a local community match. We were able to raise \$370,000 in pledges from the community, and that funding, should we need it pending grant approval, will be collected through the Chamber Foundation. We don't anticipate hearing from the DOT until mid-June, but Mr. Hart will keep the board updated on what happens moving forward with this grant.

Next, Mr. Hart updated on current projects. The T-Hangar refurbishment is underway and about 75% complete with Tri-State Roofing as the contractor on this project. They are fixing all of the doors, replacing sheet metal, cleaning, and all will be re-painted.

Another project that we worked on, was the modification of all three of our fuel farms and the fuel trucks that Wilson Air Center uses. Rebel Services was the contractor and they have completed the project and everything is working as intended and meets the requirement that was put in place.

Mr. Hart continued with an update on the terminal expansion project that the board approved in January. In order to proceed with this project, we needed to secure a waiver from the FAA regarding 100% buying American requirement. None of the companies were able to fully comply with that requirement in regards to light fixtures, however, we were able to secure that variance. We have signed the contract with J&J to start the process. Construction will start in early June.

Another project the board approved was for the security access control system with Convergent. Cameras have been ordered and the anticipated delivery date will be within the next 30-45 days, and then they can be installed in the garage. An additional Convergent project is the update of the CCTV system that was originally installed in 2008. The order has been placed for all of the infrastructure needed for the system replacement. This is expected to be completed this summer.

Lastly, Allen & Hoshall has been working on three projects and all are in preliminary design work stages on three different areas. Taxiway C connector is an additional connector ramp to the West Star facilities. Next, Allen & Hoshall is working on a general aviation development for new hangar

space as well as the development of another general aviation site on the airfield near Taxiway A for more T-Hangar development. Glen and his team have been working on these three projects for a number of weeks, with surveys, geotechnical and environmental being complete. He anticipates sometime in May to have the 30% drawings complete.

Finally, on March 18th we celebrated the retirement of our Police Chief Vincent White. He had over 27 years of service with the Airport Authority. We had an event in the Lovell Room with Vinnie’s family, employees, and even some former employees. He was well respected, a good leader, good person, and will be missed.

Board Action Items:

**ACTION BY WRITTEN CONSENT OF
THE BOARD OF COMMISSIONERS**

OF

CHATTANOOGA METROPOLITAN AIRPORT AUTHORITY

As allowed by Section 100.06 of the Amended and Restated Bylaws of the Chattanooga Metropolitan Airport Authority, the undersigned, being a Commissioner of the Chattanooga Metropolitan Airport Authority, a metropolitan airport authority organized and existing under the laws of the State of Tennessee (the “CMAA”), do hereby consent to the taking of the following action without a meeting, and by my signature below vote in favor of such action, this instrument to have the same force and effect as if the action had been taken by a lawful and appropriate vote at the regular meeting of the Board of Directors held on this date. This written consent is being requested upon a determination by the Chairman of the Board of Commissioners that exigent circumstances require Board approval of the Memorandum of Agreement described herein below prior to the next scheduled meeting of the CMAA Board of Commissioners.

On January 31, 2022, the Board of Commissioners approved a contract to expand the terminal building as specified in the Master Plan. Our insurance broker, USI, recommended that CMAA acquire the builder’s risk policy rather than requiring the contractor to secure the policy given that the expansion will be connected to the current terminal building. They felt this was important to prevent any gaps of coverage between the builder’s risk policy and CMAA’s current property policy. After soliciting quotes from a variety of carriers, USI received the best quote from our current property carrier, CNA. CNA quoted a two-year policy term for a premium of \$45,702. This premium was much less than we had anticipated and provides coverage for the entire cost of construction, including \$1M each for delay in completion, property in transit limit, and temporary storage limit. The deductible is set at \$25,000 except for specific situations such as flood, earthquake, wind/hail, and water damage.

This expense will be reimbursed through our federal Airport Improvement Program grant.

Board Action: CMAA requests Board approval to secure the Builder’s Risk Policy for the terminal expansion project. This policy will be effective from May 1, 2022 through June 1, 2024 in the amount of \$45,702.

APPROVED, this ____ day of _____, 2022.

Commissioner
Chattanooga Metropolitan Airport Authority

The written consent was approved by Chairman Hall and Commissioners Conn, Jacobson, Mallen, Roddy, and Snow.

Motion for approval by Commissioner Snow, seconded by Commissioner Lytle. Motion approved.

West Star Aviation Phase III Lease

In 2015, West Star Aviation opened a new Maintenance, Repair, and Overhaul (MRO) operation in Hangar 7 at the Airport. Based on its significant growth at their Chattanooga location, West Star expanded its operations with the development of Hangars 24 and 25. Growth has continued for West Star which has prompted them to expand once again. Phase III of the West Star development will encompass 144,970 square feet of land on which West Star will build a 40,000 square foot maintenance hangar, and associated support space and parking areas. Based on West Star’s estimate, their investment in these new facilities is expected to be \$17M.

CMAA is proposing a lease agreement with West Star Aviation with the following terms and conditions:

- 20 year Initial Term
- Two 10-year Renewal Options
- Rent Structure
 - Years 1-5 \$ 83,180.25 / year
 - Years 6-10 \$ 91,498.27 / year
 - Years 11-15 \$100,648.10 / year
 - Years 16-20 \$110,712.91 / year
 - Years 21-25 \$121,784.20 / year
 - Years 26-30 \$133,962.62 / year
 - Years 31-35 \$147,358.88 / year
 - Years 36-40 \$162,094.77 / year
- Improvements revert to CMAA at the end of the lease

- CMAA may relocate West Star to a comparable location if current location is needed for other Airport purposes
- West Star will invest no less than \$17M in facilities and infrastructure
- Wilson Air Center will continue to provide fuel
- West Star responsible to maintain the premises

Board Action: CMAA requests approval of a lease with West Star Aviation as outlined.

**Motion for approval by Commissioner Jacobson, seconded by Commissioner LittleJohn.
Motion approved.**

West Star Hangar 18 Lease

Hangar 18 was constructed on the east side of the Chattanooga Airport by Shaw Aviation in 1994. Executive Flight acquired the hangar from Shaw Aviation in 2001. CMAA acquired Hangar 18 from Executive Flight in 2020 and has leased back to Executive Flight since that time. The current lease between CMAA and Executive Jet expires on June 30, 2022. At that time, Executive Flight will vacate the hangar. Given West Star's continued growth, they have requested to lease Hangar 18 from CMAA at the termination of the current lease. Hangar 18 consists of 19,200 square feet of hangar space with 5,000 square feet of attached office space, a 900 square foot shop addition, and an attached carport for automobiles. In addition, the site hosts a 12,000-gallon above ground jet fuel tank and a 1,000-gallon Avgas tank.

CMAA has agreed to lease Hangar 18 under the following terms if approved by the Board.

- 5-year term commencing on July 1, 2022
- Monthly Rent - \$19,888.00
- Five one-year renewal options
- CMAA may relocate West Star to a comparable location if current location is needed for other Airport purposes
- Wilson Air Center will continue to provide fuel
- West Star responsible to maintain the premises

Board Action:

CMAA requests approval to lease Hangar 18 to West Star in the amount of \$19,888.00 per month for a term of five years commencing July 1, 2022.

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

Other Business:

Public Comment:

Closing Comment:

Chairman Hall noted that he appreciates the opportunity to serve as Chairman, and is looking forward to seeing the assets and new projects and is impressed with what is happening at the airport. He thanked Dan Jacobson for the many years he served as the Chairman. Dan Jacobson encouraged everyone to go to the top of the parking deck and admire the view. He noted that everyone should be proud of what has been done with the garage as an asset of the airport.

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

Adjourn

Minutes approved by:

Mike Mallen
CMAA Secretary

Corporate Secretary:

April Cameron

Minutes approved by:

Jim Hall
CMAA Chairman

Minutes Recorded by:

Kimberly Randle

**Chattanooga Metropolitan Airport Authority
Board of Commissioners Meeting Minutes
May 16, 2022**

The Board of Commissioners of the Chattanooga Metropolitan Airport Authority met in open meeting, Monday, May 16, 2022 at 2:00 p.m. Chairman Hall, Commissioners Snow, Stokes, Mallen, Lytle, LittleJohn, and Roddy were present.

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

Minutes:

On motion of Commissioner Mallen, seconded by Commissioner Lytle, the minutes of the April 18, 2022 meeting were approved.

President's Report:

President Hart began with the statistics for the month of April. Enplanements had a slight increase over March, but comparatively to March of 2021 we are up 38%. Year to date, we are up 50% of the first four months of last year. Looking ahead, we should surpass 400,000 enplanements for the year. Landing weights and cargo are up for the month and from last year. Operations are up 22%, again, driven primarily by general aviation. Mr. Hart presented a slide with average daily seat capacity, past and present trends, and what predictions show for future enplanements regarding commercial air service, and an additional slide with trends for operations and general aviation.

Continuing, Mr. Hart discussed projects, beginning with the new terminal expansion. This project will start in the middle of June with a ground breaking event, and will be completed in three phases within a duration of approximately 22-24 months.

The acquisition of the property at 5709 Lee Highway has been completed. The location has been secured and the existing building will be removed. This property is important to the airport for future development.

The T-Hangar project is now finished. All of the repairs have been completed, and feedback is now coming in from tenants expressing how pleased they are with these improvements.

A project underway is the replacement of the roof on hangar 18. Tri-State Roofing anticipates a mid-June completion date. The current tenant, Executive Flight, will be moving to a new location in Cleveland, TN, and West Star Aviation will be leasing this space.

Moving on, each year two organizations, Pro Pilot magazine and Aviation International News, rank FBO's across the country. The rankings came out last month, and Pro Pilot Magazine ranked Wilson Air Center Chattanooga #2 in the United States. Wilson Air Center finished as the best FBO in the country again, earning this accomplishment 15 years in a row. Wilson Air continues to manage our general aviation and take care of our customers with tremendous customer service year after year.

Finally, Mr. Hart acknowledged Airport Police Officer Sekiya for a job well done, going above and beyond with customer service regarding a letter that was received. This exemplifies how all of the employees take care of our customers. That is what people expect and what we do as an organization.

Board Action Items:

FY 2023 Budget

In developing the FY 2023 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 \$30.9 million. This is a 9% increase over current year forecast. We believe that this is a conservative estimate based on current flight schedules.

Operating expenses are budgeted at \$23.4 million for FY 2023. This is a 20% increase over current year projection. This increase includes hiring for all airport positions, additional dollars for janitorial and cleaning supplies to support additional passenger traffic, and additional monies for marketing and air service development.

We are budgeting net operating revenues of \$7.5 million for FY 2023. 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 \$5.2 million portion of the FY 2023 Capital Program. The remaining \$2.3 million balance will be paid towards debt service on the parking garage. This results in a balanced budget.

Board Action: CMAA requests approval of the FY 2023 Budget as presented.

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

USI Contract Extension

In July 2017, CMAA entered into the current contract with USI Insurance Services for a three-year term with two one-year options. Those options end on July 15, 2022. We have been extremely pleased with USI since our relationship began in 2012. Since that time, we have experienced rate

reductions, improved coverages, and a strong base of knowledge to draw from when making decisions regarding insurance related matters.

Based on the support that USI has provided over the years and the fact that we are beginning construction of the terminal expansion very soon, we believe that it would be in our best interests to retain the services of USI for an additional two years in order to maintain consistency during this construction project.

USI has agreed to extend the agreement for two additional years under the same terms and conditions. This allows for their fee to increase 2% each year.

The fee for FY 2023 will be \$40,851 and FY 2024 will be \$41,668.

Board Action: CMAA requests board approval to extend the agreement with USI for a term of two years beginning July 15, 2022.

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

Convergint - Hangar 24 & 25 Project

The existing beam detection perimeter protection system was put in place in 2018 and still has function, but has experienced frequent interruptions and frustrations to the user. Convergint Technologies, our security service consultant, has proposed replacing the current system with our current badge and pin pad system. This new system will be fully integrated into our existing perimeter protection system and will protect the Airport's critical assets in support of the Airport Security Program, as well as maintaining compliance with DHS, TSA, and FAA rules and regulations. It will make both hangar areas into a SIDA Area upon completion.

West Star Hanger 24:

- Add a new enclosure and access control hardware for the three Perimeter Doors and two Interior Doors.
- Three Perimeter Doors - Full access control. Two interior doors access control. One monitored only door.
- Existing access doors have all hardware installed and only require reader replacement.
- Five new access control readers.
- Four @ 500 ft bundled access cables.

West Star Hanger 25:

- Add a new enclosure and access control hardware for the three Perimeter Doors.
- Three Perimeter access control doors full access control. Six monitoring only doors.
- One @ 1000 indoor MM fiber Gstrand required from new panel to existing network switch in rear of hanger. Small termination boxes and corning connectors.
- Two @ 1000 18/4
- Seven door contacts.
- Three new access control readers
- Add J-hooks for raceway - utilize existing raceways where possible.

Total for both hangar conversion is \$62,895.71.

This project is included in the FY 2023 capital budget.

Board Action: CMAA will request Board approval to enter into a contract with Convergent Technologies for the upgrade of our access control system in Hangars 24 and 25. The fee for this work is \$62,895.71.

Motion for approval by Commissioner Snow, seconded by Commissioner Roddy. Motion approved.

Convergent - Hangar 27 Project

Convergent Technologies will furnish and install a GENETEC Card Badging System for controlling six door openings and one gate opening with seven proximity card readers. The card badging system will be connected to the Customer's existing server via the network.

All labor, materials, tools, and equipment required for the complete installation of this system are included in this proposal. Fiber Optic cabling and terminations for connectivity to the existing security network has been excluded from this proposal at this time.

Convergent will provide and install the following electrical door hardware to work in conjunction with the mechanical door hardware that will be provided and installed by others:

Outside Drive in Gate-

- Card Reader
- Card Reader Pedestal

Door 137A-

- Double Maglock
- Card Reader
- Recessed Door contact

- REX Motion Detector
- Push-to-Exit Button

Door 100G, 133A, 121B-

- Electrified RIM Door Strike
- Card Reader
- Recessed Door contact
- REX Motion Detector

Convergint will provide and install door monitoring for the following doors:

- Overhead Door Room 154 Door Contact
- Double Door 154A Door Contacts

Convergint Technologies will also furnish and install an AVIGILON Video Surveillance System for viewing and recording five indoor IP fixed cameras and one outdoor IP PTZ cameras (including weather-proof housings). All labor, materials, tools, and equipment required for the complete installation of this system are included in this proposal. The new IP cameras will be connected to the Customer's existing server via the network.

Convergint will provide and install the following IP Cameras at these locations:

- Outside Northeast Wall PTZ Camera
- Door 100G Fixed Dome Camera
- Door 137A Fixed Dome Camera
- Door 133A Fixed Dome Camera
- Door 121B Fixed Dome Camera
- Door 154A Fixed Dome Camera

Total for the entire project is \$80,710.21. This project is included in the FY 2023 Capital Budget.

Board Action: CMAA will request Board approval to enter into a contract with Convergint Technologies for the installation of our access control system in Hangar 27. The fee for this work is \$80,710.21

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

**Allen & Hoshall Task Order #10
Taxiway E Demolition (Design)**

This request is to enter into Task Order #10 with Allen & Hoshall, CMAA's Engineer of Record, for the Professional Services associated with the removal of Taxiway E.

The 2018 Airport Layout Plan depicts the complete removal of Taxiway E. This high-speed exit taxiway was built to accommodate aircraft landing on runway 2 with a quick exit immediately to the commercial terminal. Recent airport design specifications state that all high-speed exits must lead onto a parallel taxiway. Currently, Taxiway E leads onto a perpendicular runway. This area was identified as a “hot spot” during our annual Runway Safety Action Team meeting, and has already been approved in our PFC packet.

The following is a distribution of Allen & Hoshall’s fee for Task Order #10 to the Master Agreement.

Design sub-consultants	
Survey	\$6,050
Geotechnical Investigation	\$4,840
Design of Plans & Specifications	
Construction Budget: \$570,000, 300 man-hours	<u>\$35,000</u>
Total – Preliminary Design	\$45,890

The project will be 100% funded through PFC Funds.

Board Action: CMAA requests Board approval to enter into Task Order #10 with Allen & Hoshall for the design services associated with the removal of taxiway E. The fee for this project is \$45,890.

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

Airfield Movement Area Painting Project

As part of our Part 139 certification, CHA must maintain all runway and taxiway areas to certain standards. Our operations department continuously monitors all lights, signs, and pavement markings in addition to numerous other standards. This year, Operations has identified numerous markings on the taxiways that are due for repainting. They have already put in a great deal of effort to pressure wash and clean some existing markings, but there still remain some that need to be completely redone.

A similar situation exists for our primary runway. Our annual landings leave behind plenty of rubber marks which obscures our pavement markings.

Metro Construction Services, LLC has proposed to repaint markings on both the taxiway and runway at the following rates:

Yellow: 3,681.5 sqft @ \$2.00/sf
Black: 6,895 sqft @ \$1.15/sf
Two white stop bars totaling up to 48 sf - \$48.00
White: 10,800 sqft @ \$1.25/sf
Black: 3,690 sqft @ \$1.15/sf

CMAA solicited four contractors for proposals in early 2022 for this project, and received the following:

1. Metro Construction Services, \$1.32/sf
2. Chemtek, \$2.11/sf
3. Hasco, \$1.80/sf
4. Remac, No quote received.

The project was included in our approved operating budget.

Board Action: CMAA will request Board approval to enter into a construction contract with Metro Construction Services, LLC for the painting of 25,000 sq feet of pavement markings. The fee for this work is \$33,084.

Motion for approval by Commissioner Mallen, seconded by Commissioner Stokes. Motion approved.

Other Business:

Public Comment:

Closing Comment:

Chairman Hall thanked all of the Board Members for being in attendance and encouraged them to attend the upcoming retreat to gain important knowledge and information about the growth of the airport.

Chairman Hall made a motion for adjournment. The motion was seconded by Commissioner Snow. Motion is approved. The Board is adjourned.

Adjourn

Minutes approved by:

Mike Mallen
CMAA Secretary

Corporate Secretary:

April Cameron

Minutes approved by:

Jim Hall
CMAA Chairman

Minutes Recorded by:

Kimberly Randle



NO BOARD OF
COMMISSIONERS
MEETING
JUNE 2022



CHATTANOOGA AIRPORT

NO BOARD OF
COMMISSIONERS
MEETING
JULY 2022

**Chattanooga Metropolitan Airport Authority
Board of Commissioners Meeting Minutes
August 15, 2022**

The Board of Commissioners of the Chattanooga Metropolitan Airport Authority met in open meeting, Monday, August 15, 2022 at 2:00 p.m. Chairman Hall, Vice Chairman Jacobson, Commissioners Conn, LittleJohn, Lytle, Roddy, Snow, and Stokes were present.

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

Minutes:

On motion of Commissioner Lytle, seconded by Commissioner Stokes, the minutes of the May 16, 2022 meeting were approved.

President's Report:

President Hart began with statistics for the last three months. In May, we surpassed 40,000 enplanements at 41,420. We have not seen that number since before December 2019. Landing weights, deplanements, operations and cargo were all positive. May was a very good month for us. June followed with 42,036 enplanements. Landing weights, deplanements, operations, and cargo were all up in June as well.

July showed a downward trend with enplanements at 38,014 which is primarily due to the number of available seats in the market for July. There were 4,000 less seats available in July compared to the previous two months. Less seats equates to less enplanements. The rest of the numbers follow in line with enplanements.

The seat capacity has been updated for the rest of the year. The airlines tend to look about two months out and then make adjustments accordingly. All three of the large carriers have made flight and seat reductions for the remainder of the year, again, due to pilot shortage and availability. It is still a very challenging period, and will take time before the airlines can operate back to where they were pre-pandemic. Additionally, On September 6th, United will be adding a third flight to Chicago. CMAA will continue talks with the air carriers to add more flights to the Chattanooga area.

Continuing, a few months ago, we applied with the DOT to request a grant to secure service to Denver. The DOT sent out the list of their selected airports, and unfortunately, Chattanooga was not selected to receive the grant. They received 48 grant applications, and issued 25 grants across the country, and 24 of those cities were much smaller airports than Chattanooga. The DOT had a

purpose and were trying to push money to the smaller airports that were greatly impacted by COVID, and seat capacity loss over the past couple years. We will still continue our dialogue with United to try to acquire service to Denver despite not being selected for the grant. Mr. Hart will keep everyone updated on air service.

Next, Mr. Hart updated on projects. The first major project is the terminal expansion that started work two months ago. The work today is all about preparing the ground to build up. J&J Contractors have done a great job so far in preparation for steel delivery in September. A tremendous amount of work has been done in a short amount of time.

In June, the FAA Part 139 inspection and TSA 1542 security inspection, were both done and were once again both completed with zero finding audits. We are operating in compliance with these important inspections. Not only are these annual inspections, but we must maintain compliance each and every day. There is a lot that goes into these inspections. Thanks to Jack, Alex, Operations, and all of the teams for their hard work and diligence.

Next, in mid-July was the ground breaking on West Star Aviation's expansion of Hangar 27 on the East ramp. This is well underway with construction. This expansion will bring 100 new jobs to West Star which is very important to the airport as well as the community. They hope to be completed by the second quarter of next year.

In conclusion, Mr. Hart wanted to touch on a subject seen on the news lately. Over the last two to three weeks, we have seen migrants come to the airport to travel out. They have paperwork and generally stay to themselves. We will treat them with respect, and provide assistance when necessary. Police Chief Byrd met with the City of Chattanooga to ensure that they are scheduled to be dropped off right before a flight so they are not sitting in the airport for many hours at a time, thus making it more convenient for the airport, and for them.

Board Action Items:

**ACTION BY WRITTEN CONSENT OF
THE BOARD OF COMMISSIONERS**

OF

CHATTANOOGA METROPOLITAN AIRPORT AUTHORITY

As allowed by Section 100.06 of the Amended and Restated Bylaws of the Chattanooga Metropolitan Airport Authority, the undersigned, being a Commissioner of the Chattanooga Metropolitan Airport Authority, a metropolitan airport authority organized and existing under the laws of the State of Tennessee (the "CMAA"), do hereby consent to the taking of the following action without a meeting, and by my signature below vote in favor of such action, this instrument to have the same force and

effect as if the action had been taken by a lawful and appropriate vote at the regular meeting of the Board of Directors held on this date. This written consent is being requested upon a determination by the Chairman of the Board of Commissioners that exigent circumstances require Board approval of the Memorandum of Agreement described herein below prior to the next scheduled meeting of the CMAA Board of Commissioners.

The public areas of the airport terminal require continuous cleaning to keep the airport as clean as possible for the traveling public. We have set high standards and continue to receive positive comments regarding the appearance of the building. Earlier this month, CMAA solicited quotes to provide both janitorial and carpet cleaning services in the terminal building. We received three quotes.

CBS Management	\$306,095.04
Superior Cleaning Services	\$320,944.00
Alliance Facility Services	\$326,144.00

Based on the quotes provided, CMAA requests approval of a contract with CBS Management for a period of 12 months beginning September 1, 2022. The contract will automatically renew for a period of 12 months but allows for termination by either party with a 30-day written notice.

The fee for this service includes staffing two daytime and two evening positions, seven days per week, and was included in the FY 2023 Operating Budget.

Board Action: CMAA requests approval of an agreement with CBS Management to provide janitorial and carpet cleaning services in the terminal building in the amount of \$306,095.04.

CMAA requested approval by written consent of an agreement with CBS Management to provide janitorial and carpet cleaning services in the terminal building in the amount of \$306,095.04. The request was approved by majority vote by Commissioners Jacobson, Conn, LittleJohn, Lytle, Mallen, Roddy, Snow, and Stokes.

Motion to ratify approval by Commissioner Roddy, seconded by Commissioner Conn. Motion approved.

Acquire Bag Valets

In 2019, CMAA acquired two new passenger boarding bridges located at Gates 2 and 5. We have determined that it would greatly improve performance if those bridges were equipped with bag valets/wheelchair lifts in order to expedite the transfer of valet bags from the boarding bridges to the ramp to be loaded on the airplane.

CMAA reached out to Aero Bridgeworks for a quote to purchase and install these new bag valets/wheelchair lifts at Gates 2 & 5. Aero Bridgeworks provided a quote of \$80,708.00 for both

and includes the cost of the equipment and installation. Aero Bridgeworks will install the new equipment when they are on site to install the first of our new passenger boarding bridges included in the terminal expansion project which will eliminate the need for additional mobilization costs.

The project will be funded through reallocated capital funds.

Board Action: CMAA requests Board approval to enter into a contract with Aero Bridgeworks, Inc to acquire two new bag valets/wheelchair lifts. The fee for this work is \$80,708.

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

Motion approved.

Acquire FBO Equipment

As part of the budget process, Wilson Air Center made the request to acquire several pieces of equipment to support its operations. Staff has received quotes for two equipment purchases for Wilson Air Center.

The first request quote is for a new diesel tug with a drawbar pull rating of a minimum of 10,000 lbs. Wilson Air Center has been experiencing larger aircraft that exceed the towing capability of the standard two tractors currently being used. This increases the probability of damaging the tug or the aircraft. Below are the quotes received for a 10,000 lbs capacity tug:

10,000 lbs capacity tug			
Vendor	Manufacturer/Model	Lead Time	Price
AERO Specialties	TMX-50-6	120-150 Days	\$109,620.42
Textron GSE	MR	196-224 Days	\$94,725.00
Carolina GSE	TTR-12	224-238 Days	\$93,929.08

Wilson Air Center recommends purchasing the Aero Specialties TMX-50-6 given that it supports a wider range of aircraft, provides the longest warranty, and has the shortest lead time. This was included in our approved Capital Budget.

Board Action: CMAA requests approval to purchase the TMX-50-6 tug from AERO Specialties in the amount of \$109,620.42

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

Motion approved.

The second request is for a new gas-powered tug to support Wilson’s ground handling operation. Currently, staff is utilizing an aircraft tug from the FBO operation to support ground handling operations during Allegiant flights or charter flights. This eliminates the ability to perform aircraft

movements if the equipment is being utilized for another function. Wilson is requesting to purchase an additional aircraft tug to improve its efficiency. Below are the quotes received for the 5,000 lbs. capacity tug.

5,000 lbs capacity tug			
Vendor	Manufacturer/Model	Lead Time	Price
AERO Specialties	JST-25G	~300 Days	\$52,707.09
Textron GSE	M1A	196-224 Days	\$61,900.00
Carolina GSE	TTR-6	30-60 Days	\$66,165.68

Wilson Air Center recommends purchasing the Aero Specialties JST-25G due to its lower cost and its safety features. This was included in our approved Capital Budget.

Board Action: CMAA requests approval to purchase the JST-25G tug from AERO Specialties in the amount of \$52,707.09.

Motion for approval by Commissioner Snow, seconded by Commissioner Stokes. Motion approved.

Elevator and Escalator Systems Maintenance

Back in September of 2021, CMAA requested Board Approval to enter into an elevator and escalator maintenance contract to keep the equipment operating safely and properly for the travelers coming through the airport. Over the past year, we have decided that the aforementioned contract was not being upheld to the standards expected by CMAA. Today we would like to request that the second most qualified bidder, Premier Elevator, be selected for the airport’s three-year maintenance contract.

Premier Elevator would be responsible for the maintenance services for the 2 (Montgomery) elevators, the 2 (Schindler) escalators, and in one year after the initial warranty expires, the additional 3 (Kone) elevators in the parking garage will be included in this contract. The scope of this contract will include all inspections, testing, lubrication, adjustment, and maintenance of the elevator and escalator systems.

Premier Elevator held the previous maintenance contract at CMAA prior to the current contract. That contract amount was \$38,340, which is slightly lower than the proposed contract of \$44,549 which is spread over the next three years.

This cost is included in our approved operating budget.

Board Action: CMAA requests Board approval to enter into a contract with Premier Elevator for the Elevator and Escalator Systems Maintenance for a contracted total amount of \$44,549 for three years.

Motion for approval by Commissioner LittleJohn, seconded by Commissioner Conn. Motion approved.

Interior Landscape Planter Repair

As anyone can see when walking into the building, the interior planters are much in need of attention and repair. The soil level has dropped considerably, the plants are struggling to survive, and there are some pest infestations. Most of these problems stem from poor drainage, which drains the soil slowly, lowering the plants in the process. As a counter-measure, all plants are placed in the planter in pots, which is not the best for their growth.

CMAA solicited several landscaping companies for proposals to repair the interior planters, the scope of which will include: repairing the drain on both sides so the soil will remain in place; backfilling the planters with soil and mulch up to the appropriate level; replacing all plants; and installing irrigation. We received responses from the following companies:

Earthscapes - \$41,610

Lush Chattanooga - \$16,564

Grass & More Outdoor – \$27,975

Southern Landscape & Design – Booked until next year

Groundzero Landcare – Unable

Full Circle – Unable

Dreamscapes – No response

Landscape Workshop – No response

This project is included in our approved capital budget and will be paid with CMAA funds.

Board Action: CMAA requests Board approval to enter into a construction contract with Lush Chattanooga for the repair of the two interior landscaping planters in the rotunda area. The fee for this work is \$16,564.00

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

Tractor Replacement

The Chattanooga Airport currently maintains the grass in the fields adjacent to the runways and taxiways which consist of approximately 350 acres of grass. During the summer months, this can mean that a tractor is being operated to cut the grass at nearly all times during the day. Currently, the airport owns and operates two tractors for this operation, a New Holland T4 Series (#5), and a New Holland TS90 (#3), which was also purchased in 2002. The New Holland T4 is beyond its useable life, and no longer functions in the manner intended. The New Holland TS90 is in need of repairs which vastly exceed its value and has experienced increased maintenance over the last several years.

The airport would like to purchase two replacements for these tractors. As well as a 0° Mower, which assists with cutting close to the lights and signs; and finally, one attachment for the larger tractor.

Three bids were received, with Kubota of Chattanooga being the most qualified bidder with a bid of \$183,387 and includes:

- 2x Kubota 4WD Tractor with 12 speed, hydraulic shuttle and cab.
- Kubota 25HP 72” 0° turn mower with cab assembly
- 10’ cutter

Below is the complete list of bidders and the total cost for each.

Company	Total Cost
Kubota of Chattanooga	\$183,387
Ag-Pro (John Deere)	\$217,344
Chattanooga Tractor	\$188,285

The project is included in our Capital budget and will be paid with CMAA funds.

Board Action: CMAA requests Board approval to enter into a contract with Kubota of Chattanooga, Inc for the purchase of two tractors, a 0° turn mower, and a 10’ cutters. The fee for this equipment is \$183,387.

Motion for approval by Commissioner Conn, seconded by Commissioner LittleJohn. Motion approved.

Enterprise Facility Lease Extension

Enterprise Rent-A-Car currently leases a 1,925 square foot building and approximately one acre of land located at 1800 West Polymer Drive and at 1 Warlick Avenue. The current agreement includes two remaining five-year renewal options expiring in 2032. Enterprise wishes to make improvements to the premises consisting of:

- Replacing fence and installing entrance barriers

- Replacing lighting in the lot
- Removing dilapidated structures and replacing with new
- Installing security cameras

In return for their investment, Enterprise has requested to extend its current term by adding two additional five-year renewal options thereby extending the term from 2032 to 2042 under the same terms and conditions which includes a 1% increase in the rental rate every year. CMAA has no plans for the property as it is located on the other side of the railroad track. Therefore, we support this extension to allow for the requested improvements.

Board Action: CMAA requests approval to extend the Enterprise Facility Lease renewal option by two additional five-year terms in return for the improvements specified in the amendment.

**Motion for approval by Vice Chairman Jacobson, seconded by Commissioner Lytle.
Motion approved.**

Executive Limousine and Shuttle Service

Recently, CMAA entered into lease agreements with two different taxi companies to occupy two of the unused booths in the Baggage Claim wing that was previously used by other ground transportation companies. We have now been approached by Executive Limousine and Shuttle Service who wishes to lease another unused booth to advertise their company and promote the services they provide our customers.

Staff has reviewed and determined that Executive Limousine and Shuttle Service's plan is in line with the intended purpose of the space.

The proposed contract has very strict guidelines on what the lessee can do with this location – they must keep the premises neat and clean and there is a limit to the number of people who can occupy the space at the same time.

The proposed cost will be \$230.00 per month.

Board Action: CMAA requests Board approval to lease one of the unused booths in Baggage Claim to Executive Limousine and Shuttle Service for a 12-month term, with an option to renew for two additional one-year terms. The rate will be \$230.00 per month.

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

Flight Information Display System

CMAA’s current Flight Information Display System (FIDS) and Baggage Information Display System (BIDS) were installed in 2014 after a competitive bid process. The FIDS system provides current flight status information to include arrivals, departures, and a flight tracking map. The BIDS system provides real time baggage information from incoming flights to notify passengers which baggage belt will be used to disperse baggage. Our current agreement has been in place since 2014 and will expire on September 30, 2022.

In June 2022 we issued a Request for Proposals for a new FIDS and BIDS system to include both hardware and software components. CMAA received nine proposals. A team of four staff members including the VP Finance and Administration, VP of Air Service and Economic Development, Director of Finance, and Airport Project Manager reviewed the proposals and scored them based on the following criteria.

Technical Proposal	35%
Cost	35%
Qualifications and Experience	30%

After reviewing and scoring each proposal, CMAA has selected Infax, Inc. to provide FIDS and BIDS to the Chattanooga airport for the next three years.

Below is a summary of the fee structure proposed by Infax.

Hardware Costs	\$24,547.00
Initial Set Up Fees	\$10,764.00
Monthly Fee – Year 1	\$1,512.67
Monthly Fee – Year 2	\$1,588.31
Monthly Fee – Year 3	\$1,667.72

The hardware and initial set up fees are expected to be reimbursed through PFC Application #8. The annual fees are included in CMAA’s operating budget.

Board Action: CMAA requests approval of a contract with Infax, Inc. to provide FIDS and BIDS to the airport for three years in the amounts specified.

Motion for approval by Commissioner LittleJohn, seconded by Commissioner Snow. Motion approved.

Other Business:

Commissioner Snow commented on the SKYLIB being closed. President Hart clarified that the SKYLIB is temporarily closed during construction, and will re-open when the terminal expansion is completed. In the meantime, the room has been converted to the displaced TSA office, and will be used by TSA until their new office is completed.

Additionally, a mention was made of a huge jump in social media hits during the month of July. This was in response to the terminal expansion announcement. The story was picked up nationally, so it generated a very large number of responses.

Public Comment:

None

Closing Comment:

Chairman Hall thanked all of the Board members for attending the retreat in July and appreciated the valuable information received during this event. He is also looking forward to the work of the new cleaning service and Mike Davis with Infax, Inc., noting that he appreciated their attendance at today's meeting.

Chairman Hall 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:

Jim Hall
CMAA Chairman

Minutes Recorded by:

Kimberly Randle

**Chattanooga Metropolitan Airport Authority
Board of Commissioners Meeting Minutes
September 19, 2022**

The Board of Commissioners of the Chattanooga Metropolitan Airport Authority met in open meeting, Monday, September 19, 2022 at 2:00 p.m. Vice Chairman Jacobson, Commissioners LittleJohn, Lytle, Roddy, Snow, and Stokes were present.

Vice 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 Stokes, seconded by Commissioner Snow, the minutes of the August 15, 2022 meeting were approved.

President's Report:

President Hart began with operational stats for the month of August. Enplanements are even with August 2021 and year to date is up 25% from last year. Based on the expected numbers, we should finish out the year with approximately 425,000 enplanements which will be up from the 377,000 in 2021. Deplanements track in line with enplanements for the year.

Operations, arrivals and take-offs, have been staying above 2021. On 9/18/21, we had one of the highest operation days of the year at 200. This, again is primarily general aviation and West Star Aviation and their growth. At the end of the year, operations should be around 88,000 compared to 83,000 in 2021. Cargo was up almost 8% over the first eight months. September numbers are encouraging as well.

Mr. Hart presented a chart with seat capacity projected out the next two months. This is still showing the effects of pilot staffing and shortages and the forecast of less seats available in the market. However, September numbers have been up and we have seen the highest numbers of weekly bookings since March of 2020.

Since the pandemic started, fifty-nine cities have been removed from the big three air carriers over the last two years. The majority of these cities have been regional markets, similar to Chattanooga. The pilot shortage is real, and it will likely continue into 2024.

The conversation with the carriers is not going to stop. Blake Poole has an air service conference in October and will be talking to eight or nine carriers, trying to build those relationships with them, to potentially earn some business with our Chattanooga market.

Continuing, President Hart talked about the ongoing projects. We are ninety days into construction on the terminal expansion. J & J Construction has been doing a great job laying the foundations, columns, and working on storm drainage. The steel placement has started and they are working on tying everything in to the existing structure.

Convergint is working on two projects. One is the installation of cameras in our parking structure. There are some issues with supply chains, but in the coming weeks, the project will be complete. Convergint continues to work on the second project which is the replacement of the access control system.

Allen & Hoshall has a few projects working in which final designs will be presented here today. Those projects include the Taxiway "C" connector at the East ramp, a general aviation site on the south end of the airfield, and on the west side of the airfield is expansion for another community hangar.

Back in July of 2021, April Cameron began the process of preparing the next PFC application #8. She was working with Newton & Association and the FAA. We are pleased that we received approval in August 2022 in the amount of \$15 million for that application, which will allow us to continue to collect PFC funds for use on projects with the bulk going to the terminal expansion.

This is our 10th year partnering with the American Heart Association, in particular the Tennessee Valley Heart Walk. CMAA set an internal goal of \$25,000.00 during this campaign. Mr. Hart was happy to say as of today we have raised \$20,248.00. Many of our vendors have been very generous in helping us to meet our goals. The Heart Walk will take place on Saturday, October 1st, and ask that if your schedule allows to join us at Coolidge Park.

Next, is our annual financial audit of the Airport Authority. Elliott Davis started back in June gathering information here at the airport, working with the Finance Department. They have completed all of the field work, and are now back at their office. We are confident that it will be completed soon, and can bring forward the results to the next board meeting in October.

Finally, our insurance is coming up for renewal. USI has been working hard securing quotes. There will be Finance Committee meeting next week with the results of their work. Everything should be finalized to be brought forward to the October board meeting for approval.

Commissioner Lytle asked a question about more government funding coming in for airports. Mr. Hart acknowledged that we were successful to receive an infrastructure grant for \$5 million dollars specifically for terminal expansions. We were the only airport in Tennessee to have received this grant. However, Mr. Hart is not seeing any new money at the moment.

Board Action Items:

Allen & Hoshall Task Order #11

This request is to enter into Task Order #11 with Allen & Hoshall, CMAA’s Engineer of Record, for the Professional Services associated with a Taxiway “C” Connector.

Last October, I brought forward the request for the preliminary design of Taxiway “C” by Allen & Hoshall. That has since been completed, and we are now ready for the final design.

As you are aware, West Star has begun the construction of their first additional hangar to expand their operations. Currently, their existing hangars are overflowing with aircraft, and they are routinely parked on the ramp adjacent to their hangars. This creates congestion on the ramp for movement of aircraft, which will only worsen if additional hangars are built on the east ramp. Building a connector taxiway will allow aircraft an additional access point to the ramp, freeing congestion. The following is a distribution of Allen & Hoshall’s fee for Task Order #11 to the Master Agreement.

Professional Services Fee Distribution – Taxiway “C” Connector
The following is a distribution of Allen & Hoshall’s fee for Task Order #11

Final Design (Sub-consultants, Environmental)	\$13,200
Professional Services (Allen & Hoshall Design, 400 man-hours)	<u>\$57,000</u>
GRAND TOTAL	\$70,200

The project will be 95% funded through State Funds. 5% Sponsor match will be covered by CMAA and was included in the approved capital budget.

Board Action: CMAA requests Board approval to enter into Task Order #11 with Allen & Hoshall for the professional services associated with the Taxiway “C” Connector. The fee for this project is \$70,200.

Motion for approval by Commissioner Snow, seconded by Commissioner Lytle.
Motion approved.

Allen & Hoshall Task Order #12

This request is to enter into Task Order #12 with Allen & Hoshall, CMAA’s Engineer of Record, for the Professional Services associated with a new West Side Development.

Last October, I brought forward the request for the preliminary design of the westside development by Allen & Hoshall. That has since been completed, and we are now ready for the final design.

Continued growth at Chattanooga has kept steady pressure on the need for hangar space. Wilson Air Center has frequently cited this need, and oftentimes has been forced to decline allowing additional aircraft to be stored in their hangars due to lack of space. A new West Side Development, which would include up to two hangars, ramp space, parking lots, and an associated taxilane will be designed under this task order. The following is a distribution of Allen & Hoshall’s fee for Task Order #12 to the Master Agreement.

Professional Services Fee Distribution – West Side Development
The following is a distribution of Allen & Hoshall’s fee for Task Order #12

Final Design (Sub-consultants, Televised additional pipe)	\$6,600
Professional Services (Allen & Hoshall Design, 920 man-hours)	<u>\$124,800</u>
GRAND TOTAL	\$131,400

The project will be 95% funded through State Funds. 5% Sponsor match will be covered by CMAA and was included in the approved capital budget.

Board Action: CMAA requests Board approval to enter into Task Order #12 with Allen & Hoshall for the professional services associated with the West Side Development. The fee for this project is \$131,400.

Motion for approval by Commissioner Stokes, seconded by Commissioner LittleJohn. Motion approved.

Allen & Hoshall Task Order #13

This request is to enter into Task Order #13 with Allen & Hoshall, CMAA’s Engineer of Record, for the Professional Services associated with the final design of a new T-Hangar Site.

With the existing T-Hangars having been constructed nearly 60 years ago, while simultaneously having not increased the number of available T-Hangars since they were built – the need for new T-Hangars has steadily increased. By building new T-Hangars on a site that has sat undeveloped for over 40 years, we solve two problems – increasing the availability of T-Hangars and shifting GA away from commercial operations. The final design of this site will bring us another step closer

in completing this task. The following is a distribution of Allen & Hoshall’s fee for Task Order #13.

Professional Services Fee Distribution – T-Hangar Site
The following is a distribution of Allen & Hoshall’s fee for Task Order #13

Professional Services (Allen & Hoshall Final Design, 910 man-hours)	\$126,100
GRAND TOTAL	\$126,100

The project will be 95% funded through State Funds. 5% Sponsor match will be covered by CMAA and was included in the approved capital budget.

Board Action: CMAA requests Board approval to enter into Task Order #13 with Allen & Hoshall for the professional services associated with the final design of a new T-Hangar site. The fee for this project is \$126,100.

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

Taxiway E Demolition

The 2018 Airport Layout Plan depicts the complete removal of Taxiway E. This high-speed exit taxiway was built to accommodate aircraft landing on runway 2 with a quick exit immediately to the commercial terminal. Recent airport design specifications state that all high-speed exits must lead onto a parallel taxiway. Currently, Taxiway E leads onto a perpendicular runway. This area was identified as a “hot spot” during our annual Runway Safety Action Team meeting, and has already been approved in our PFC application.

Project scope will include the full removal of all Taxiway Echo pavement surfaces between runways 15/33 and 2/20. Lighting and signage will be removed and the circuit rewired. The grading for drainage purposes will remain unchanged so no additional grates or pipes will be needed. A combination of sod and seed will be utilized to ensure the grading holds in place once the project is complete.

CMAA solicited bids in early 2022 for this project, and received the following:

1. Talley Construction: Total Bid amount - \$1,234,909.73
2. Thomas Brothers Construction Company: Total Bid amount - \$998,276.00

The project will be funded through PFC Funds.

Board Action: CMAA will request Board approval to enter into a construction contract with Thomas Brothers Construction Company for the demolition of Taxiway Echo. The fee for this work is \$998,276.00.

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

Allen & Hoshall Task Order #14

In addition to selecting the Prime Contractor for the demolition of Taxiway Echo project, CMAA is also requesting a contract with Allen & Hoshall for Construction Administration (CA) Services for the project. The fee breakdown for Construction Administration is outlined below.

Construction Administration (lump sum fee)	\$22,850
6 weeks construction anticipated	
136 man hours anticipated	
Resident project representative (budgeted amounts)	
Inspection – 400 man hours anticipated	\$35,750
Expenses – 6 weeks anticipated	\$200
Sub-Total Construction Fee	\$58,800
Reimbursable Expenses	
Q/A – Testing (Budgeted Amount)	\$11,000
Grand Total	\$69,800

These construction administration fees will be funded through a combination of Passenger Facility Charge (PFC) funds and CMAA funds.

Board Action: CMAA will request Board approval to enter into Task Order #14 with Allen & Hoshall for the construction administration services associated with the demolition of Taxiway Echo. The fee for this work is \$69,800.

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

Acquire FBO Equipment – Passenger Van

As part of the budget process, Wilson Air Center made the request to acquire a new passenger van to support its operations. The current shuttle van, purchased nearly 12 years ago, is beginning to show its age and while the van is mechanically sound it will need to be removed from service to have the current wrap removed and replaced in addition to the suspension being serviced. Additionally, the van is capable of transporting 12 passengers, which is often more than what is required for most shuttle requests. Therefore, Wilson Air Center is requesting the purchase of a smaller shuttle.

Staff has received the following quotes.

Vendor	Manufacture/Model	Lead Time	Price
Crown Chrysler Dodge	Chrysler Pacifica	2-3 Months	\$41,995.40
Crown Chrysler Dodge	Chrysler Pacifica Hybrid	2-3 Months	\$49,420.61
Capital Toyota	Sienna XLE Hybrid	Not currently taking orders	\$43,369.00
Economy Honda	Odyssey	3-4 months	\$50,563.61
Kia of Chattanooga	Carnival	12-16 Months	\$0.00 ¹

The Chrysler Pacifica (non-hybrid) is the least expensive with the shortest lead time. All vehicles have the same standard warranty: 3 yr. / 36,000 miles and 5 yr. / 60,000 miles powertrain.

This purchase was included in our approved capital budget.

Board Action: CMAA requests approval to purchase a Chrysler Pacifica from Crown Chrysler Dodge in the amount of \$41,995.40

Motion for approval by Commissioner Stokes, seconded by Commissioner Snow. Motion approved.

Choo Choo Aero Lease Amendment

Choo Choo Aero entered into a land lease agreement with CMAA on March 31, 2000 to construct Hangar 8. The original term allowed for a period of construction in addition to 20 years with two (2) five-year extensions ending on October 18, 2032. The parties have requested additional time on their lease agreement in order to amortize improvements to the facility. CMAA is requesting approval to extend the agreement by three (3) additional periods of five (5) years each. If all options are exercised, the agreement will terminate on September 30, 2047.

The revised rent structure includes an estimated fair market value of the hangar for the three (3) additional periods of five (5) years each. The rent has been established as follows.

October 1, 2032 – September 30, 2037

\$8,125.00 per month

October 1, 2037 – September 30, 2042	\$9,750.00 per month
October 1, 2042 – September 30, 2047	\$10,833.33 per month

Board Action: CMAA requests approval to extend the current agreement by three (3) additional periods of five (5) years each at the rates specified.

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

Other Business:

Commissioner Stokes thanked April Cameron and Jack McAfee for stepping in as guest speakers for her Kiwanis meeting when Terry Hart was unable to attend. She that that her team heard more great comments on their speeches than anyone else this year and appreciated their time and efforts very much.

Public Comment:

Closing Comment:

Vice Chairman Jacobson remains encouraged with the enplanement numbers holding relatively steady particularly since the industry continues to suffer with staff shortages throughout the country. We are making progress, but it will be slow. We are coming out of the pandemic's impact and will be back stronger than ever. He is pleased to see the progress of the terminal expansion and has been hearing positive feedback from customers. Great job to Terry and the entire team. Also to Glen at Allen and Hoshall for his key direction as well. Vice Chairman Jacobson also wanted to recognize all our customers, staff and all airport associates, airport partners and vendors, and all elected officials, who continue to do a great job.

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

Adjourn

Minutes approved by:

Mike Mallen
CMAA Secretary

Corporate Secretary:

April Cameron

Minutes approved by:

Jim Hall
CMAA Chairman

Minutes Recorded by:

Kimberly Randle

**Chattanooga Metropolitan Airport Authority
Board of Commissioners Meeting Minutes
October 17, 2022**

The Board of Commissioners of the Chattanooga Metropolitan Airport Authority met in open meeting, Monday, October 17, 2022 at 2:00 p.m. Chairman Hall, Vice Chairman Jacobson, Commissioners LittleJohn, Lytle, Mallen, Roddy, Snow, and Stokes were present.

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

Minutes:

On motion of Commissioner Roddy, seconded by Commissioner Snow, the minutes of the September 19, 2022 meeting were approved.

President's Report:

President Hart began with the operational statistics. September was a very good month. It was trending up with enplanements at 38,050 up about 2,000 from the previous month of August. All the carriers are showing positive numbers except for United, mainly because this time last year they had a Houston flight on the schedule, and that has since stopped.

Last month all our load factors were averaging 91%. The higher seat capacity raises load factors and enplanement numbers will continue to rise. With the current pace, we should see enplanements for the year around 430,000 up from 377,000 in 2021. Deplanements are in line with enplanements. Operations are up 5% compared to September 2021. The big driver as always, is General Aviation. We are in the middle of October, traditionally our busiest month, driven mostly by fall break and business travelers.

Currently, Blake Poole is at the Routes World Air Service conference speaking with nine different carriers telling the very important Chattanooga story to hopefully bring more air carriers and additional service to our airport.

Mr. Hart continued with project updates. The biggest project underway is the terminal expansion project. We are currently on day 125 of 680 so there is still a long way to go, but the progress is obvious. The vast majority is all the ground work, footings, columns, steel, and concrete. On December 1st, we will have delivery of our new jet bridge for Gate 6. J&J have been great and all the employees have been working very hard to stay on top of this project.

In August, the Board approved our Flight Information Display System (FIDS). Infax was the contractor. This project is complete. All the displays are up in baggage, ticketing, the dome, and the concourse. Thanks to Alex Nutt for being instrumental in assisting with this project.

Continuing, last month the Board approved to remove a portion of Taxiway "E." The FAA called this area a "hot spot" and it needed to be removed. We have received funding, and Thomas Brothers are well under way on this removal process. They are 50% complete, with all the pavement gone, backfilling of dirt, grading, and structures put in place for proper drainage. This project is scheduled to be complete by November 15th, however, it looks to be finished before that deadline.

Allen & Hoshall have been working on three additional projects, Taxiway "C" connector at the East Ramp, a general aviation ramp for more hangars on the West Side, and a general aviation development off of Honest Street. They anticipate 100% completion of the design work in the first quarter of 2023.

Convergint has been working on two projects. First of those is the garage cameras. The equipment arrived a week and a half ago, and with the completion of some programming that needs to be done, they anticipate that everything will be up and running by October 28th. Second, our access control system needed upgrading, and all those components are in and are being programmed. They anticipate that this project will be complete by the end of November.

Moving on from projects, Mr. Hart updated on the results of the Tennessee Valley Heart Walk. We did not quite meet our goal of \$25,000, however we did raise \$21,635.97. As a company we finished in third place. We finished in second place as one of the top walkers and the top team.

Finally, with concurrence of the Board Chair, there will not be a Board meeting in November.

Audit Report:

Alan Doak with Elliott Davis presented the June 2022-2023 financial audit. It was a clean audit with zero findings and zero audit adjustments. The balance sheet continues to be in a strong position. Overall revenues are showing some of the rebound from Covid. The report shows the airport is in a very strong financial position.

Board Action Items:

**ACTION BY WRITTEN CONSENT OF
THE BOARD OF COMMISSIONERS**

OF

CHATTANOOGA METROPOLITAN AIRPORT AUTHORITY

As allowed by Section 100.06 of the Amended and Restated Bylaws of the Chattanooga Metropolitan Airport Authority, the undersigned, being a Commissioner of the Chattanooga Metropolitan Airport Authority, a metropolitan airport authority organized and existing under the laws of the State of Tennessee (the “CMAA”), do hereby consent to the taking of the following action without a meeting, and by my signature below vote in favor of such action, this instrument to have the same force and effect as if the action had been taken by a lawful and appropriate vote at the regular meeting of the Board of Directors held on this date. This written consent is being requested upon a determination by the Chairman of the Board of Commissioners that exigent circumstances require Board approval of the Memorandum of Agreement described herein below prior to the next scheduled meeting of the CMAA Board of Commissioners.

On June 8, 2020, CMAA acquired the property located at 5707 Lee Highway and assumed a lease agreement with American Car Center to operate a used car dealership on the premises. Given the current economic situation, American Car Center is no longer operating at the Lee Highway location and has requested to terminate the lease agreement effective September 30, 2022. CMAA would recommend termination of the agreement with American Car Center.

Board Action: CMAA requests approval to terminate the lease agreement with American Car Center.

APPROVED, this ____ day of _____, 2022.

Commissioner
Chattanooga Metropolitan Airport Authority

The request was approved via written consent by majority vote by Chairman Hall, and Commissioners Jacobson, Conn, Lytle, Mallen, Roddy, Snow, and Stokes.

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

Motion approved.

Insurance Renewal

CMAA has partnered with USI Insurance Services over the last ten years to ensure that the airport has the best insurance coverage at the most competitive pricing. The insurance marketplace remains volatile for the most part. Property coverages continue to trend upward primarily due to unfavorable loss experience in general by the carriers in addition to claims experienced by the airport. According to statistics, 8 of the 21 most costly disasters in US history have occurred in the last 5 years. Premiums for casualty lines continue to increase also with the exception of workers comp which is coming in at a significant reduction. With all that being said, we are pleased with the work that USI has done on our behalf. Overall, the premium is up only 2.6% over expiring which is a great result given the exposure increases this year.

Staff has reviewed the proposal with the Finance Committee and has received their concurrence to request approval at the October Board Meeting.

A summary of USI's proposal is provided below.

Board Action: CMAA requests Board approval of the insurance proposal as outlined.

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

Chattanooga Metropolitan Airport Authority Insurance Renewal Update

Line of Coverage/Limit	10/31/2021-22 Expiring Program		10/31/2022-23 Recommended Program		Premium change over Expiring
	Insurance Carrier	Premium	Insurance Carrier	Premium	
Airport Liability/\$300M	Commerce & Industry (AIG)	\$83,830	Commerce & Industry (AIG)	\$89,790	7.1%
Workers' Compensation/ Statutory/\$1M EL	Old Republic	\$28,578	Old Republic	\$24,172	(15.4%)
Automobile/\$1M	New Hampshire (AIG)	\$32,235	New Hampshire (AIG)	\$35,368	9.7%
Property/\$146M*	CNA/Seneca	\$156,441	CNA/Seneca	\$173,646	10.9%
Terrorism/\$150M	Lloyds	\$12,385	Lloyds	\$11,885	(4.0%)
Inland Marine/\$3.9M	CNA	\$14,966	CNA	\$15,713	4.9%
Network Security/\$2M	Hudson Excess Ins.	\$18,672	Cowbell Cyber	\$12,088	(35.4%)
Fiduciary Liability/\$1M	Travelers Casualty & Surety	\$846	Travelers Casualty & Surety	\$846	0.0%
Crime/\$500k	Travelers Casualty & Surety	\$3,357	Travelers Casualty & Surety	\$3,695	10.0%
Directors & Officers/EPLI/\$5M	Atlantic Specialty	\$31,968	Hartford	\$28,171	(11.9%)
Excess D&O/EPLI/\$5M xs \$5M	Ironshore Indemnity	\$18,999	Indian Harbor	\$18,713	(1.5%)
Excess D&O/EPLI/\$5M xs \$10M	RSUI Indemnity	\$13,596	RSUI Indemnity	\$13,388	(1.5%)
Excess D&O/\$5M xs \$15M	Starr Indemnity	\$10,197	Intact	\$9,998	(2.0%)
Excess D&O/\$5M xs \$20M	RSUI Indemnity	\$8,492	RSUI Indemnity	\$8,492	0.0%
Total		\$434,562		\$445,965	2.6%

5707 Lee Highway Lease

On June 8, 2020, CMAA acquired the property located at 5707 Lee Highway and assumed a lease agreement that terminated on September 30, 2022. CMAA was recently approached by JARA Enterprises, LLC to lease the property at 5707 Lee Highway to operate Tri-State Outdoors, a local outdoor retailer specializing in sales of recreational vehicles and watercraft.

JARA Enterprises wishes to lease the premises including the building of approximately 7,800 sq ft and 2.25 acres of land. The term of the agreement would be for three years with one additional two-year option to extend. The monthly rental rates for the initial term would be as follows:

October (prorated 14 days)	\$2,032.00
November 2022 – September 2023	\$4,500.00
October 2023 – September 2024	\$5,200.00
October 2024 – September 2025	\$5,900.00

As part of the agreement, CMAA will agree to JARA’s initial improvements which include:

- Installing fence and gates around the leased property.
- Removing trees and bushes to clean up exterior landscape.
- Installing an automated gate/fence to the entrance from Jubilee Drive.
- Installing new doors on the south side of the building.
- Painting the building.
- Updating the flooring inside the building.

CMAA recommends approval of a lease agreement with JARA Enterprises, LLC for a three-year term with one two-year option at the monthly rental rates outlined.

Board Action: CMAA requests approval of a lease agreement with JARA Enterprises, LLC for a three-year term with one two-year option at the monthly rental rates outlined.

**Motion for approval by Commissioner Snow, seconded by Commissioner LittleJohn.
Motion approved.**

Solar Farm O&M Contract

The Solar Farm was built in three phases – first completed in 2011, 2013, and 2019. Inman Solar installed all three phases, and since 2011, has managed the maintenance of each. Recently, Inman Solar has decided to shift their operations fully into the installation of solar farm facilities, and discontinue maintenance services. They notified us earlier this year of their interest to part ways, and this has given us ample time to find a replacement.

The scope of this contract includes daily monitoring of the site, which includes immediate notification if any phase shuts down. It includes on-call repair and an annual inspection of the facility. All warranties related to the equipment will be handled under this contract as well.

CMAA solicited a number of solar companies and inquired with several of the other solar producers in the Chattanooga area to find a replacement.

EDF-Renewables – No interest (CHA farm was too small)

NovaSource Power – Year 1 fee of \$9,754.33 with a 2.5% increase for years 2-5

Radiance Solar – Declined to remove indemnification from contract.

Silicon Ranch – No interest (Works solely for EPB)

Solar Alliance – No Response

This cost is included in our approved operating budget.

Board Action: CMAA requests Board approval to enter into a contract with NovaSource Power for Maintenance Services for a term of five years. The fee for year 1 is \$9,754.33 and escalates 2.5% each year for years 2-5.

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

Electrical Upgrades

The Chattanooga Airport Terminal is a facility that needs power for 24 hours a day, 7 days a week. The current infrastructure that provides power to the airport was installed over 30 years ago, in 1990, as part of the modern terminal construction project. We have begun to notice the effects of older systems, as twice this year we have experienced power outages exceeding 3 hours. This will become more likely in the future as the infrastructure continues to age.

EPB, our power provider, has proposed a solution to our power system which will improve our electrical infrastructure.

First, EPB would like to take possession of our primary electrical facilities. These include the two transformers, the metering cabinet, and switchgear. EPB will also install two steel electrical poles. This will allow redundancy if one pole is knocked offline and allow a workaround.

Next, EPB will replace the medium voltage underground primary cables that feed the terminal, which are over 30 years old. Additionally, they will upgrade the two transformers to 1,500 kVA (currently 1,000 and 1,500 kVA), which will not only create a redundancy, but also give the airport additional capacity to grow in the future. EPB will also install an automated distribution switch (smart switch) which will automatically isolate the airport from a local system fault and restore to a non-faulted distribution system. Currently, when the airport loses power an EPB mobile team must report to the site to restore power. Finally, EPB will install a manual switchgear near the transformers. This will provide the ability to restore either transformer during an outage.

The total cost for this work is \$106,079. The project will be paid for with reallocated Capital funds.

Board Action: CMAA requests Board approval to enter into a contract with EPB for the improvements to our current electrical connections in an amount not to exceed \$106,079.

Motion for approval by Commissioner Jacobson, seconded by Commissioner Stokes. Motion approved.

Bylaw Revision

During the Board Retreat, legal counsel provided an overview of the Bylaws and discussed several updates for consideration. They were asked to prepare a red-lined version outlining the potential revisions which was emailed to the Board for review. In addition, the proposed changes were reviewed in detail with both the Finance and Personnel Committees. At the recommendation of both committees, CMAA is presenting the following changes to the bylaws.

Section 100.06 (2) – This section currently tracks the language from TCA code related to meetings hosted by electronic means. That statute was updated, effective July 1, 2022. We are proposing to simply reference the statute, as it may be amended from time to time, rather than restating the language, which may continue to change.

Section 200.02 Purchasing – This section specifies the purchasing requirements established for CMAA which currently has a purchasing threshold of \$15,000. Any purchase over that threshold requires board approval. After reviewing other airport bylaws and the current economic conditions, we are recommending to increase that threshold to \$25,000. Any purchases over \$25,000 would require board approval.

Section 200.04 Contracts, Leases, and Agreements – This section outlines requirements for

CMAA to enter into contract, leases, and other agreements. We are proposing new language to eliminate the requirement for legal counsel to sign documents that they have previously prepared or approved. In addition, the Chairman will no longer be required to sign contracts that do not require board approval.

Section 200.09 Disposal of Property – This section specifies requirements for disposing of equipment. We are proposing to increase the value of the President’s authority to dispose of assets from \$5,000 to \$10,000.

Board Action: CMAA is requesting approval to update the CMAA Bylaws with the changes as outlined.

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

Other Business:

President Hart updated that the Fire department will have training at the former Sky Zoo location the last week of November. The building will then be demolished down to a vacant lot.

Public Comment:

Closing Comment:

Chairman Hall thanked everyone for attending the meeting.

Adjourn

Minutes approved by:

Mike Mallen
CMAA Secretary

Corporate Secretary:

April Cameron

Minutes approved by:

Jim Hall
CMAA Chairman

Minutes Recorded by:

Kimberly Randle



**NO BOARD OF
COMMISSIONERS
MEETING
NOVEMBER 2022**

**Chattanooga Metropolitan Airport Authority
Board of Commissioners Meeting Minutes
December 19, 2022**

The Board of Commissioners of the Chattanooga Metropolitan Airport Authority met in open meeting, Monday, December 19, 2022 at 2:00 p.m. Chairman Hall, Vice Chairman Jacobson, Commissioners LittleJohn, Roddy, and Snow were present.

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

Minutes:

On motion of Commissioner Roddy, seconded by Commissioner Snow, the minutes of the October 17, 2022 meeting were approved.

President's Report:

President Hart began with the operational statistics for October and November. The month of October finished with 37,880 enplanements and a 91% load factor with all the airlines. Deplanements track in line with enplanements. Operations were strong and as always, driven by General Aviation.

November, with Thanksgiving, boosts some of the numbers. Enplanements were 36,378 tracking even with November of 2021. Year to date enplanements are 398,101 and looking to December to the end of the year, should finish around 432,000. These numbers are just slightly below our best numbers in 2019. Operations are in line with what was expected. We finished with 82,700 through November with operations, and are projecting to have our best year yet with 90,000. Mr. Hart presented a video that shows the East Ramp full with military and West Star aircraft. It confirms how valuable our ramp space is and why we need to continue to develop usable space.

Mr. Hart continued with an update on current projects. First is the ongoing construction of the terminal expansion. There is a progression of aerial photos that have been taken that depict the progress of construction, and, by the end of January, all the steel should be on the structure, even with the non-cooperative weather as of late. Glen Heath with Allen & Hoshall commented that the project is moving along nicely and J&J Contractors are probably one quarter completed and still on schedule.

Another project completed is Taxiway Echo Demo. The taxiway was removed and finished three weeks early. West Star's new Hangar 27 is well under way and on schedule. This is anticipated to be completed in the second quarter of 2023.

Continuing, one of the three jet bridges that have been ordered is here and in place at Gate 6. The contractor is on site to do the finish work and will be complete final testing next week.

Allen & Hoshall has been working on three projects that are all development for future airline activity. These projects are a connector from the East ramp to Taxiway C, another west side ramp and hangar development with a connector back to Taxiway H, and Honest St. development for additional T-hangar space. All this design work should be finished by the first quarter of next year.

Mr. Hart was pleased, once again, to have the tenants participate in the Shepherd Community Toy Drive. Six large boxes of gifts were collected, and delivered last week to the Community Center. Ms. Ivey at the center will make sure that the toys will be distributed to those children in need.

Additionally, Mr. Hart wanted to recognize Chambliss Attorney, Hugh Moore, named a "Midsouth Super Lawyer", and Attorney, Kirby Yost, named a "Rising Star". We value the relationship that we have with Chambliss and are appreciative of what they do.

Blake Poole presented the results of the World Routes/Take Off Conference he attended back in October. Mr. Poole's narrative included the following:

Meetings with 9 airlines over 3 days: Allegiant, American, Delta, United, Breeze, Frontier, JetBlue, Southwest, Spirit. Our air service consultant (Voltaire) prepared the individual presentations and accompanied me on all the meetings.

Like at most air service conferences, we had 20 minutes at each meeting to make our pitch. The airlines have all the passenger data from the DOT. My main job is to tell them about the Airport and the region and the dynamic growth in this area.

Several of the Network planners were new, so it was a good chance to make connections with them.

All the incumbent carriers were pleased with Chattanooga. They appreciated the updates and would contact us if they needed anything or had any concerns. I stressed our appreciation of the current service level.

The non-incumbents were interested in CPE (cost per enplanement), and were impressed that we own the FBO and could ground handle them if needed. We shared the incentive package with all the carriers. The low-cost carriers were interested in revenue guarantees. Several of the non-incumbents had not visited Chattanooga. We have a lot to offer with our airport as well as the Chattanooga area, so the potential draw for new carriers is very good.

Every carrier is facing similar challenges coming out of the pandemic. Crew shortages, overall employee shortages and fleet changes/delivery delays were a common theme. Many of their respective plans have been altered and it sounds like early 2023 will be a continuation of 2022.

We pitched nonstop service to South Florida (FLL or MIA) to several airlines, as well as service to Denver.

Mr. Hart concluded with a few comments on Mr. Poole's presentation. He wanted to reiterate that all the carriers know what the routes are and the numbers each airport reports. This conference just confirms what they already know, and it allows a chance for us to develop the relationships with the Network Planners that are already here in Chattanooga, and potential new carrier opportunities. We will see air service come back better and stronger than ever.

Board Action Items:

Acquire Foam Test System

The Chattanooga Airport is required per FAA Part 139 regulations to maintain a fire department, which includes the necessary equipment. The primary components of our fire department are our personnel and the trucks. At this time, we have two fire trucks, both of which carry 1500 gallons of water and 200 gallons of foam. Foam stays on top of the liquid and smothers it by creating a physical separation or barrier to exclude oxygen from flammable vapors.

During training and drills, foam is not regularly used, as it is much more expensive than water. Therefore, to ensure that the foam we use on our trucks always remains in good condition, foam systems and concentrates must be thoroughly inspected at regular intervals.

The Ecologic mobile foam test system is an input-based testing system designed to provide fire departments the means to test the accuracy of their foam system without the expense or environmental impact of using foam to perform an output-based test. A single cart can be used to test multiple trucks.

The airport would like to purchase a mobile foam test system. This system would include all equipment, including hoses and fittings, vehicle modifications, and the initial setup.

The purchase was included in our approved application #8 and will be paid with PFC funds.

Board Action: CMAA requests Board approval to enter in to a contract with Company Two Fire, for the purchase of an Ecologic Mobile Foam Test System. The fee for this equipment is \$37,800.

**Motion for approval by Commissioner LittleJohn, seconded by Vice Chairman Jacobson.
Motion approved.**

Duct Detector Replacements

The Chattanooga Airport Terminal was built in 1991, which means it is over 30 years of age. Most electrical equipment has a shelf life of 20-30 years, and much of this has been replaced over the last decade. However, our duct detectors, which notify us if smoke is observed in the HVAC system, are overdue for replacement.

Johnson Controls, the conglomerate who provide fire protection and perform our quarterly and annual inspections, has proposed a solution to the problem.

They will replace 37 existing duct detectors throughout the terminal and concourse. Johnson Controls will provide the relays associated with the installation. The termination relays will be provided by CMAA. All devices will be connected to the existing building fire alarm system. None of the aforementioned duct detectors include what we are installing as part of the new construction.

The total cost for this work is \$42,971. The project will be paid for with reallocated Capital funds.

Board Action: CMAA requests Board approval to enter in to a contract with Johnson Controls for the replacement and installation of new duct detectors in an amount not to exceed \$42,971.

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

Passenger Boarding Bridge Contract Amendment

Last November, as part of the terminal expansion project, we solicited bids to purchase three passenger boarding bridges (PBBs). We chose to solicit these quotes separate from the terminal construction project in order to purchase the bridges directly under a tax-exempt status as we have for our last 5 PBB purchases. We followed the exact same solicitation process as we had in the past and received three quotes. After a review process and recommendation to the Board, we received approval to purchase the three PBBs from Aero Bridgeworks, Inc. in the amount of \$3,181,450.

After entering into an agreement (for a fixed price) and providing our tax-exempt certificate to Aero Bridgeworks, Aero Bridgeworks determined that they were not allowed to use our tax-exempt certificate and that tax was required to be paid on the project. After inquiring as to why taxes are owed now but not in the past, they determined that JBT, from whom we purchased in the past, should have paid taxes on our prior purchases, but failed to do so in error. After legal review, we determined that any contractors who install property to improve realty are required to pay taxes on the materials used in providing the contracted service, *even when the contractor's client is an otherwise tax-exempt entity*. As a result, taxes in the amount of \$200,957.45 are required to be paid to the State of Tennessee on the three PBBs. While the tax liability is on the contractor and not us, contractors generally include the tax in their bids so that the customer covers the tax cost

as part of the payment to contractor. Due to the our (and Aero's) misunderstanding that no taxes would be due, such taxes were not included in Aero's bid.

Despite the tax issue, while we and Aero continued investigations to determine the liability for taxes, Aero has continued to build the bridges throughout this review process to avoid delay to us. The first of the three bridges were installed the first week of December. In general, Aero has been a good partner to CHA over the years.

Aero Bridgeworks has offered to fund \$60,000 of the total cost of the tax, asking the airport to fund the remaining \$140,957.45. This would require an amendment to the contract to add \$140,957.45 to the price. If we agree to amend the contract, the additional \$140,957.45 will be requested through an amendment to the PFC program.

We are requesting Board approval to amend the contract to increase the price to cover our share of the taxes, outlined above.

Board Approval: CMAA requests approval to amend and increase the contract with Aero Bridgeworks in the amount of \$140,957.45.

Motion for approval by Vice Chairman Jacobson, seconded by Commissioner LittleJohn. Motion approved.

Acquire Bag Valets

In 2019, CMAA acquired two new passenger boarding bridges located at Gates 2 and 5. We have determined that it would greatly improve performance if those bridges were equipped with bag valets/wheelchair lifts in order to expedite the transfer of valet bags from the boarding bridges to the ramp to be loaded on the airplane.

We received a quote from the manufacturer of the bag valet systems, P&W Quality Machine Inc., to acquire two bag valets/wheelchair lifts for a total cost of \$50,620. CMAA will install the bag valets to Gates 2 and 5.

The project will be funded through reallocated capital funds.

Board Action: CMAA requests Board approval to acquire two new bag valets/wheelchair lifts direct from the manufacturer P&W Quality Machine Inc. for a cost of \$50,620.

Motion for approval by Commissioner Roddy, seconded by Commissioner Snow. Motion approved.

Other Business:

Mr. Hart acknowledged the Chairman's birthday coming up on December 21.

Public Comment:

Closing Comment:

Chairman Hall and the Commissioners thanked everyone for attending the meeting and wished everyone a Merry Christmas, Happy Holidays, and Happy New Year.

Adjourn

Minutes approved by:

No Current Appointee
CMAA Secretary

Corporate Secretary:

April Cameron

Minutes approved by:

Jim Hall
CMAA Chairman

Minutes Recorded by:

Kimberly Randle