

**LOUISVILLE REGIONAL AIRPORT AUTHORITY  
BOARD MEETING  
NOVEMBER 20, 2019**

The regular meeting of the Board of the Louisville Regional Airport Authority was held on November 20, 2019. Chairman Jim Welch convened the meeting at 3:02 p.m. in the Boardroom of the Louisville Regional Airport Authority, Louisville, Kentucky.

Those in attendance were: Mr. Dale Boden, Ms. Mary Rose Evans, Mr. Earl Jones, Ms. Nikki R. Lanier, Mr. Pat MacDonald, Ms. Lesa Seibert, and Mr. Jim Welch. Not in attendance: Mr. Bill Byrley, Ms. Toni Clem, Mayor Greg Fischer, and Mr. John A. Moore. Mr. Tom Halbleib attended as counsel to the Board.

Staff Members in attendance were: Ms. Brenda Allen, Ms. Pat Apone, Mr. Josh Ball, Ms. Phyllis Baylor, Ms. Sara Brown, Mr. Greg Bunten, Ms. Dodie Caulk, Ms. Natalie Chaudoin, Mr. Dwight Clayton, Mr. Anthony Gilmer, Mr. Vince Glasnovic, Ms. Noel Jolly, Mr. Dan Mann, Mr. Curtis Monroe, Ms. Antissa Riley, Ms. Jessica Sims, Mr. Brian Sinnwell, Ms. Megan Atkins Thoben, Mr. Adam Thomas, Mr. Darrell Watson, and Mr. Jason Wheeler.

Also in attendance: Mr. Phil Clark, Mr. Cody Crawford, Ms. Kim George, Mr. Chris Gould, Ms. Wendy Harrower, Mr. Kyle Hartlage, Mr. Jonathan Jones, Mr. Darin Larson, Mr. Zach Neds, Mr. Patrick Osbourne, Mr. David Parrin, Mr. P. Terry Rogers, Mr. Bob Sallee, Mr. Tom Schnetzer, Mr. John Slone, Mr. Rick Storm, Mr. Todd Tabor, Ms. Julie Taylor, Mr. Joe Tick, Ms. Melissa Vasher, Ms. Mary Ellen Wiederwohl and Mr. Braden Zehner.

**CONSIDERATION OF MINUTES**

The minutes of the regular board meeting held on October 16, 2019 were reviewed and, upon motion duly made and seconded, unanimously approved. Ms. Nikki R. Lanier was not present for the approval of the minutes.

**FINANCIAL REPORT**

Ms. Pat Apone presented the financial report for the month ending October 31, 2019. Operating revenues for the month were \$6,254,325 and \$25,911,865 for the fiscal year to date which was 5.4% or \$1,328,542 over the budgeted amount of \$24,583,323 for the fiscal year to date. Landing fees, terminal concessions and parking and ground transportation contributed to the surplus. Operating expenses for the month were \$2,565,279 and for the fiscal year to date were \$10,321,386 which was 12.1% or \$1,422,333 under the budgeted amount of \$11,743,719. Professional consulting services, payroll and related expenses, and contract services expenses were down.

**MARKETING REPORT**

Mr. Darrell Watson reported on air service. Enplanements are up 9% for the month and enplanement growth outpaced capacity growth which was 4% for the month. On November 25<sup>th</sup>

Alleghiant Air will begin nonstop service from Louisville to Sarasota, FL. Mr. Watson also informed the Board that Louisville Muhammad Ali International Airport received Louisville Tourism's Partner of the Year award at the annual ROSE (Recognition of Service Excellence) Awards Gala on November 1<sup>st</sup>.

## **CONSTRUCTION REPORT**

Mr. Brian Sinnwell presented the planning and facilities status report. At Louisville Muhammad Ali International Airport, for the Main Terminal Electrical Switchgear Project, notice to proceed was issued on July 1 and construction is underway. For the Construct West Cargo Apron Project to construct 30 acres of apron on the west side of Taxiway A south of the Compass Hangar, construction work is underway including installation of storm water pipe, concrete and asphalt, and installation of other utilities. Work is also progressing to construct the taxiway connectors. For the Airfield Pavement Rehabilitation Project, 2019A to complete reconstruction of concrete pavement slabs on the east runway, 17L/35R. At our request the contractor moved operations to the west runway, 17R/35L, to complete critical pavement slab replacement under a contract change order. All work on both the east and west runways is now complete. For the Airfield Pavement Rehabilitation Project, 2019 B to rehabilitate the west runway and Taxiways B and C, additional slabs were repaired as reflected in a change order and work is complete.

Work is 100% complete for the Runway and Taxiway Shoulder Rehabilitation Project to rehabilitate asphalt shoulders on the west runway and Taxiway B. This project also replaced aged asphalt and corrected pavement joints and drop-offs along the runways and taxiways. A contract was executed for the Maintenance Building Emergency Generator Project to design an emergency generator for the maintenance facility on Park Boulevard. A predesign meeting was held to determine scope and equipment location. An \$189,500 contract was awarded to Link Electric Co., Inc. to install the generator in the Maintenance Building. For the Main Terminal Emergency Generator Project, final design work for an emergency generator for the passenger terminal is underway, and coordination meetings were held with LG&E, the Authority and consultants regarding sizing, siting and design alternatives. Design concepts and site selection continues. A contract was awarded on July 17<sup>th</sup> to continue the replacement of aged perimeter security fence near the end of Runway 35R, and work will begin in April with an estimated completion date of June.

Bids were received on August 15<sup>th</sup> for the Reconstruction of Taxiway G, Phase I Project, a major design effort to re-align and reconstruct Taxiway G. This parallel taxiway to Runway 11-29 is critical for the efficient movement of aircraft from the east to west on the airfield. This pavement is old, nearing the end of its useful life and does not meet all Group VI standards. This project will increase surface separation, will eliminate FAA designated "hot-spots" and will create new access points to the terminal area. The construction contract was awarded to Mac Construction and Excavating, Inc. and we anticipate work will begin in May 2020.

For the Terminal Renovation and Enhancement Project, Messer Construction is preparing pre-construction items to prepare for the bidding of access control and security upgrades; operations department and communication center renovations; and roadway and parking garage renovations and parking expansion. Alliance is continuing their design efforts in the Terminal, and CMTA

is working on mechanical design elements throughout the Terminal. Two new moving walkways have been ordered to replace the connector walkways. Manufacturing of these units will take 140 days and installation will begin after Derby 2020. Installation time is approximately 130 days. Coordination is underway to replace six escalators in the Terminal in June 2020. Modernization of the elevator cab, controls and lift for the main elevator near the information booth, will be completed in April 2020.

At Bowman Field, for the Airfield Electrical Project, Phase 1, a construction contract was awarded to begin replacement of airfield cable and lighting and work is substantially complete. For the Airfield Electrical Project, Phase 2, work is underway to replace all airfield signs and correct airfield nomenclature. Work is under way on the project to replace the roof of Hangar #3.

Work is complete on the project to renovate/rehabilitate the exterior condition of the Administration building. An exterior sealant, reconstruction of mortar joints and repairs to the upper building coping were completed. An assessment of the building's HVAC and a plan to improve its performance is under consideration. A section of plaster wall in the Bowman Field Administration Building failed and was removed to prevent further damage. The exposed brick wall was cleaned, caulked as needed and the surface will be sealed while the Authority determines how to best proceed with repairs. Work will continue in January.

For the Airport Area Safety Program, project formulation work is underway to acquire additional aviation easements from willing sellers with existing or near-term obstructions. Easements will be purchased in anticipation of a future phase of tree removal & landscaping. There are at least 12 willing residents who wish to be considered for aviation easements.

Mr. Sinnwell reported on the Residential Relocation Project. An \$82, 177 contract for demolition of several residences is being developed with Wooldridge Construction Group.

Mr. Sinnwell provided an update on the Residential Sound Insulation Program. This project is for the sound insulation of residences within the DNL 65 contour on the 2021 Noise Exposure Map. The recommended program boundary and Acoustical Testing Plan and Program Policies and Procedures are approved. A second homeowner's workshop was held on September 17, 2019. Design formulation, acoustical testing and preliminary design is underway for two phases of work.

Mr. Sinnwell provided an update on the University of Louisville – Noise Mitigation Project. The project was advertised for construction bids and a contract was awarded in October.

Mr. Sinnwell reported on projects in the Louisville Renaissance Zone and Renaissance South Business Park. Formulation of the project to improve access to the Renaissance South Business Park continues. Traffic modeling efforts, lane studies and other planning work is currently underway.

## **BOARD CONSENT ITEMS**

### **1. Appointment of Safety and Security Officers — Approval**

The Director of Public Safety has reviewed the qualifications of Clay L. Boone, Michael J. Weathers, Christopher T. Martin, Wesley R. England, and Gregory R. Whobrey and has concluded that they satisfy the qualifications set forth in the Board's November 18, 1998 resolution and recommends their appointment as airport Safety and Security Officers:

Mr. Mann recommended the Board appoint the above-named persons as airport Safety and Security Officers, to serve at the pleasure of the Board until such time as the Director of Public Safety shall terminate the appointment; and authorize and direct the Authority's Director of Public Safety to administer the Oath of Office. On motion duly made and seconded, the Board approved Mr. Mann's recommendation.

### **2. Wood — On-Call Material Testing Services Contract Amendment No. 4 — Louisville Muhammad Ali International Airport and Bowman Field — Approval**

On March 17, 2015, the Authority approved the award of an "On-Call Material Testing Services" contract with Amec Foster Wheeler (now operating as Wood) for ongoing material testing services of soils, concrete and asphalt at Louisville International Airport and Bowman Field. The contract was for three years with an option for two additional years. On July 19, 2017, the Authority amended the contract amount by authorizing an additional \$300,000 for professional services. On April 25, 2018, the Authority exercised the option for extending the contract with Wood an additional two years but no additional fees were added to the contract at that time. On September 19, 2019, the Authority amended the contract by authorizing an additional \$300,000 for professional services.

The previous budget amendment of \$300,000 is depleted due to the heavy amount of construction accomplished this year. Therefore, this amendment authorizes the continued use of Wood for On-Call Material Testing Services for an additional not-to-exceed amount of \$300,000 to address ongoing and anticipated material testing needs.

Mr. Mann recommended the Board approve Contract Amendment No. 4 with Wood of Louisville, KY in the amount of \$300,000, bringing their total not-to-exceed contract fees to \$1,200,000; and authorize the Executive Director to execute the necessary contract documents subject to review and approval by counsel as to legality of form and content. On motion duly made and seconded, the Board approved Mr. Mann's recommendation.

### **3. Bowman Field Administration Building Lighting Replacement — Bowman Field — Contract Award**

This project consists of replacement of exterior and interior light fixtures at the Bowman Field Administration Building. These efforts will restore historical aesthetics while improving lighting and energy efficiencies of this proud focal point of Bowman Field. This project was advertised in *The Courier-Journal* the *Louisville Defender*, was provided to the Tri-State Minority Supplier Development Council and was posted on the Authority's website. Four bids were received with the lowest most responsive bid from Link Electric Co., Inc. of Louisville, KY with a lump sum

bid base bid of \$137,675 and an additive alternate bid for boring under pavement of \$1,500 for a total bid of \$139,175. Authority staff and our consultant have reviewed the bid documents submitted by Link Electric Co., Inc., have verified their bid to be responsive and recommend the contract award.

Mr. Mann recommended the Board award the contract for the Bowman Field Administration Building Lighting Replacement to Link Electric Co., Inc. of Louisville, KY at the lump sum bid of \$137,675 for the base bid and \$1,500 for additive alternate 1 for a total contract price of \$139,175, and authorize the Executive Director to execute the necessary contract documents subject to review and approval by counsel as to legality of form and content. On motion duly made and seconded, the Board approved Mr. Mann's recommendation.

### **COMMITTEE REVIEWED ACTION ITEMS**

The Finances, Contracts and Planning Committee met, reviewed the following 11 action items, and determined the items are ready for Board consideration:

#### **IV.a.i. Enterprise Resource Planning Software System, Configuration, Implementation, and Support — Agreement Award**

The Authority issued a Request for Proposal from qualified firms to: provide, configure, implement and support a new cloud based Enterprise Resource Planning (ERP) Software System for the Authority. The current ERP system from Oracle was installed in 2009 provides the majority of Authority financial and reporting activities. The existing ERP system has become too narrow in its capabilities, is becoming obsolete and is no longer supported by software developer Oracle.

The Request for Proposal was advertised in *The Courier Journal* and in the *Louisville Defender* and on the websites of the Authority and the Tri-State Minority Supplier Development Council. Invitations to submit proposals were sent to 15 companies. Five responsive proposals were received from: Crowe LLP (Microsoft product), AST (Oracle product), Navigator (Workday product), Tyler Technologies and Infolob (Oracle Product).

The proposals were reviewed by a committee of eight Authority staff members, references were checked and one company was invited to make an oral presentation and demonstration to a larger group of Authority end-users. The committee has determined Crowe LLP provides the best value to the Authority and requests Board approval to negotiate and finalize an agreement for the Enterprise Resource Planning Software System and value-added options.

Crowe LLP proposed a five-year price of \$2,618,840.00 based upon the minimum deliverable requirements. Additionally, Crowe LLP presented several value-added options (five-year support, purchasing card and expense management, enhanced training) to the base bid requirements of the ERP system that staff recommends for inclusion. Inclusive of recommended value-added options a final five-year negotiated agreement is estimated at \$3,300,000.00. Award of the agreement to Crowe LLP will require the Authority to select a new audit firm.

#### **IV.a.ii. Planning, Engineering and Architectural Professional Services — Louisville Muhammad Ali International Airport and Bowman Field — Contract Award**

The Authority advertised a Request for Qualifications in *The Courier-Journal* and the *Louisville Defender*, through the American Association of Airport Executives website and the Authority's website for a project team to address the planning, engineering, and architectural services of future projects at Louisville Muhammad Ali International Airport and Bowman Field. Work requests may include airfield and landside projects: planning, design, and environmental services; construction management and inspection services; and architectural services if needed. A total of six qualified firms submitted proposals. The contract expiration for this consultant will be on a different rotation than our current airfield consultants to aid in scheduling and maintaining the flow of critical projects.

A consultant selection working group consisting of the Executive Director, the Vice President of Planning and Facilities, and the Vice President of Strategy and Innovation independently reviewed the proposals, interviewed three firms, and unanimously recommends Foth as the most qualified consultant to carry out these professional services. A fee schedule consistent with FAA and engineering standards will be negotiated and will be utilized for individual projects. Each project will be presented to the Board for approval unless the project was previously budgeted and falls under the Executive Director's spending limit. The indefinite delivery planning, engineering and architectural professional services contract will be in effect for a three-year period with an option for an additional mutually agreed upon two-year term.

#### **IV.a.iii. Design Build Services – Snow Removal Equipment Facility — Louisville Muhammad Ali International Airport — Contract Award**

The Authority recognizes the need for design/build services to address current and potential building needs that may require immediate attention. This need was magnified by the approved purchase of new multi-function snow removal vehicles for which the Authority has no available storage facility. A request for qualifications was advertised for a design/build team to address this immediate need and to be on-call for future building construction, emergency or renovation needs.

A Request for Qualifications was advertised in *The Courier-Journal* and the *Louisville Defender* and was posted on the American Association of Airport Executives website, the Tri-State Minority Supplier Development Council website and the Authority's website. A total of five qualified teams submitted proposals.

A working group consisting of the Executive Director, the Vice President of Planning and Facilities and the Director of Maintenance independently reviewed the qualifications and unanimously recommends WEHR Constructors, Inc. as the most qualified design/build team to carry out these services. A fee schedule consistent with FAA to the extent applicable and engineering standards will be negotiated in the future and will be utilized for individual projects. Each project will be presented to the Board for approval unless the project was previously budgeted and falls under the Executive Director's spending limit. The design/build contract will be in effect for a maximum five-year period and will be implemented on an on-call basis allowing the Authority to aggressively respond to the needs of the airport and its stakeholders.

#### **IV.a.iv. HNTB Task Orders No. 7 and 8 — Louisville Muhammad Ali International Airport — Approval**

On January 16, 2019, the Board approved the award of a Supplemental Airfield Consultant Services contract with HNTB for a three-year period with an option for an additional two-year term. The contract requires Board approval for each Task Order.

Task Order 7 authorizes HNTB to provide design services for plans and specifications for airfield pavement rehabilitation at the Louisville Muhammad Ali International Airport to maintain the critical integrity of the pavement for safety and capacity concerns. The design efforts for this task will be 90 percent funded by an existing FAA grant. Task Order 7 will be a contract in the amount of \$117,149.

Task Order 8 authorizes HNTB to provide design services for plans and specifications for rehabilitation of the Engineered Material Arresting System (EMAS) located at the west end of runway 11-29. The EMAS has suffered from settlement of the subgrade and needs repair. The design efforts for this task will also be 90 percent funded by an existing FAA grant. Task Order 8 will be a contract in the amount of \$56,180.

#### **IV.a.v. Messer Construction — Construction Manager at Risk Services Contract Amendment No. 2, Task Order No. 4 — Louisville Muhammad Ali International Airport — Approval**

In May, the Board approved a contract with Messer Construction (Messer) for Construction Manager at Risk (CMAR) Services for Terminal and Garage Renovations/Construction and related projects at Louisville Muhammad Ali International Airport. Authorization was given to Messer to begin pre-construction services for Task Orders No.1, 2 and 3 and to work with the respective architectural and engineering teams to reach a Guaranteed Maximum Price (GMP) for each respective Task Order. Upon conclusion of pre-construction services for Task Orders No. 1,2 and 3, Messer was authorized by the Board in July to proceed with construction services under the respective Task Orders at a GMP of \$44,227,676.

Staff seeks to amend the existing contract for CMAR Services with Amendment No. 2 to authorize Messer to proceed with pre-construction services for Task Order No. 4 for Terminal and garage renovations/construction and related projects. Messer's efforts under this Amendment will include working with the respective architectural and engineering teams on pre-construction services leading to a GMP for consideration and approval by the Board. The described work will continue to be performed under the terms and conditions of the established Master Agreement.

Task Order No. 4 includes but is not limited to:

- Baggage handling upgrades, including ticketing counter take-away belts, oversized bag drops, curbside drops, and baggage claim carousels.
- Checkpoint Expansion and FIS Design Scope, including 20,800 sf checkpoint

expansion/addition to accommodate eight standard processing lanes, larger queueing space, new recomposure space, new restroom, and realigned exit lane. Design only of a new 41,600 sf FIS Gate and Office addition.

- Rental Car Phase #2, including realignment and connection of Terminal Drive to the terminal, a Rental Car Quick Turn Around (QTA) underpass, Terminal Drive landscaping, and Exit Plaza landscaping. Does not include construction of administration services, civic gateways, or monument sign locations.
- Terminal and garage image, including Terminal façade image, new Terminal roadway canopy, garage façade image, and associated garage landscaping.
- Mechanical and electrical upgrades including chilled water system upgrades, condenser water system upgrades, hot water heating system upgrades, landside air handling upgrades, airside air handling upgrades, plumbing upgrades, fire protection upgrades, main switchgear upgrades, power metering upgrades, branch distribution upgrades, fire alarm system upgrades, power study and new documentation, lighting replacement, and light control replacement.
- Additional Miscellaneous Items Needing Design and Construction:
  - Baggage Claim Experience (landscaping, sidewalk cuts for elevated pedestrian walkways)
  - Jet Bridge Replacement and Apron Remarketing
  - Gate Hold Aesthetics
  - Piedmont Office Conversion to Gate Hold Area
  - Ticket Counter Aesthetics
  - Moving Walkway Replacement
  - Escalator Replacement
  - Elevator Replacement
  - Restroom Additions and Renovations
  - Skylight Repairs or Replacement
  - Concourse Corridor Lighting Replacement and Soffit Reconfiguration
  - Structural Supports for Rotunda Artwork

#### **IV.a.vi. E&B Paving Inc. Change Order No. 3 West Cargo Apron — Louisville Muhammad Ali International Airport — Approval**

This project consists of approximately 30 acres of new concrete apron including two taxiway connectors, storm drainage, a storm water lift station, high mast lighting, and other appurtenances being constructed on the west side of Louisville Muhammad Ali International Airport. This change order addresses credits for pavement revisions from 19-inch concrete to 17-inch concrete and it addresses cost increases involving 1200 linear feet of 72-inch concrete pipe required by Louisville MSD for storm water/de-icing retention. It also includes cost increases regarding rerouting power for the lift station to accommodate UPS trailer locations and increased costs for temporary power to serve the UPS trailers. These change order items result in a net increase to the project cost in the amount of \$1,185,855.80.



#### **IV.a.vii. Terminal Use and Lease Agreement with Republic Airways Inc. — Louisville Muhammad Ali International Airport — Approval**

In order for an airline operating at Louisville Muhammad Ali International Airport to meet the definition of a Signatory Airline, an airline must: (i) execute an Airfield Use Agreement, (ii) enter into a Terminal Use and Lease Agreement directly or through a partial assignment from another Signatory Airline to lease at least 500 sq.ft. of exclusive use space in the terminal, or lease or sublease at least five (5) acres or enter into a “through the fence” agreement with the Authority.

Republic Airways Inc. (“Republic”) currently operates as a Signatory Airline by subleasing approximately 9.85 acres from Macquarie Aviation North America 2 Inc. d/b/a Atlantic Aviation, formerly known as AvPorts, pursuant to a Hangar and Office Complex Lease Agreement and by executing an Airfield Use Agreement. Republic has expressed a desire to directly lease 1,612 square feet of exclusive use enclosed operations space in the apron level of Concourse B to facilitate the opening of a new crew domicile within their network. The terms, conditions and rate-making methodology of this Terminal Use and Lease Agreement with Republic will be the same as the Board approved for all Signatory Airlines in May 2015. The expiration of the Terminal Use and Lease Agreement will be June 30, 2021.

#### **IV.a.viii. UPS – Amendment No. 2 to the Second Amended and Restated Grant of Easements — Louisville Muhammad Ali International Airport — Approval**

The Authority and KYLOU, Inc., as predecessor in interest to UPS, entered into a Grant of Easements dated July 17, 1986, retroactively effective May 2, 1984, as amended and restated by an Amended and Restated Grant of Easements dated 1997, retroactively effective to September 1, 1996 (the “Amended and Restated Grant of Easements”). Fundamentally, the Amended and Restated Grant of Easements grants and conveys to UPS a nonexclusive easement to access the Authority’s property by means of the taxiways to taxi aircraft and aviation support vehicles and equipment from UPS’s adjoining property to the Authority’s property and vice versa. The Amended and Restated Grant of Easements is granted in perpetuity.

At its March 16, 2011 meeting, the Authority approved further amending the Amended and Restated Grant of Easements by a Second Amended and Restated Grant of Easements (the “Second Amended and Restated Grant of Easements”) to account for (i) changes in the layout of Louisville International Airport, (ii) UPS’s cessation of certain business activities, and (iii) changing of the UPS entity which holds the Second Amended and Restated Grant of Easements.

At its July 16, 2014 meeting, the Authority approved further amending the Second Amended and Restated Grant of Easements (the “First Amendment to the Second Amended and Restated Grant of Easements”) to provide for access by UPS’ ground equipment between the Airport and UPS’ Adjoining Property (as defined in the First Amendment to the Second Amended and Restated Grant of Easements).

UPS and the Authority desire to further amend the First Amendment to the Second Amended and

Restated Grant of Easements (the “Second Amendment to the Second Amended and Restated Grant of Easements”) to amend the maintenance obligations with respect to Perimeter Road (as defined in the Second Amendment to the Second Amended and Restated Grant of Easements).

**IV.4.a.ix. Approval of the Assignment, Assumption and Airport Consent of the Taxi, LLC d/b/a Taxi 7 and Yellow Cab Co. of Louisville, LLC Taxicab Concession Agreements to WHC KY, LLC — Louisville Muhammad Ali International Airport — Approval**

In response to a solicitation in 2018, the Authority entered into the following Taxicab Concession Agreements (i) Taxi, LLC d/b/a Taxi 7 (“Taxi 7”), dated December 31, 2018 and (ii) Yellow Cab Co. of Louisville, LLC (“Yellow Cab”), dated December 13, 2018 (the “Agreements”) to provide taxicab service to pick-up passengers at Louisville Muhammad Ali International Airport for a term of three (3) years, effective January 1, 2019. Both Taxi 7 and Yellow Cab have formally notified staff that they entered into Asset Purchase Agreements with WHC KY, LLC (“WHC KY”) to sell their taxicab concessions and, pursuant to the Agreements, have requested that the Authority consent to the assignment of the Agreements. Staff has reviewed WHC KY’s financial standing and operating methods at other locations in which WHC KY operates and found the review to be favorable.

Additionally, in connection with improvements to the commercial curb, staff is seeking to eliminate the outdated equipment, which required taxicab drivers to physically remit the trip fee by inserting change into a machine at the commercial curb, and transition to a secured system using automatic vehicle identification (“AVI”) technologies. Accordingly, staff desires to amend the Taxicab Concession Agreements to facilitate this operational improvement.

**IV.a.x. SP Plus Corporation — Parking Management Concession Agreement Amendment No. 1 — Approval**

The Authority and SP Plus Corporation (“SP Plus”) are parties to a Parking Management Concession Agreement, dated February 26, 2019. The Parking Management Concession Agreement provides for SP Plus to manage the following parking facilities at Louisville Muhammad Ali International Airport: (i) Parking Garage, (ii) Surface Lot and (iii) Credit Card Lot.

In connection with the Terminal Renovation & Enhancement Project at Louisville Muhammad Ali International Airport, which includes various ground transportation projects, staff desires to amend the Parking Management Concession Agreement to include the new Express Shuttle Parking Lot. Accordingly, additional staffing and new shuttle bus vehicles are required to operate the Express Shuttle Parking Lot. As compensation, staff and SP Plus have negotiated a fixed hourly rate of \$28.10 to be reimbursed for all hours worked by the Express Shuttle Parking Lot Drivers serving the Express Shuttle Parking Lot. This fixed hourly rate includes all staffing and shuttle bus vehicle related costs.

When Authority staff was responsible for managing all airport parking facilities, the public vehicle parking rates were published in Chapter 600 of the Authority’s Regulations. Now that public vehicle parking is being handled by way of a Parking Management Concession

Agreement, staff proposes removing the public vehicle parking rates from the Authority's Regulations and managing them through the existing Parking Management Concession Agreement with SP Plus. The Authority shall continue to have sole authority for any public vehicle parking rate adjustments.

#### **IV.a.xi. Revisions to Authority's Regulations Chapter 600 and 700 — Approval and Adoption**

It is necessary to revise Chapter 600 (copy attached) of the Authority's Regulations to incorporate changes resulting from the incorporation of the Public Vehicle Parking Rates into the Parking Management Concession Agreement and to revise Chapter 700 (copy attached) of the Authority's Regulations to incorporate changes resulting from the operational changes to the commercial curb.

Each of items IV.a.i. through IV.a.xi. have been presented to and reviewed by the Finances, Contracts and Planning Committee. The Committee has determined that each of these items are ready for Board consideration. The minutes from the Committee, along with the action item memoranda, have been provided to the Board for review. Vice Chairman Boden recommended the Board approve the items IV.a.i. through IV.a.xi.; and authorize the executive director to execute the necessary documents for each subject to review and approval by counsel as to legality of form and content. On motion duly made and seconded, the Board approved Mr. Boden's recommendation.

#### **BOARD ACTION ITEMS**

##### **1. Resolution Authorizing Implementation of a Passenger Facility Charge and Application Submission – Louisville Muhammad Ali International Airport — Approval**

The Federal Aviation Administration (FAA) requires that airport operators submit applications for approval to implement a Passenger Facility Charge (PFC). PFCs are user fees authorized by the FAA, established by the Authority and collected on behalf of the Authority by the airlines with each airline ticket purchased for travel from Louisville Muhammad Ali International Airport. In order to submit a PFC application, the Authority's Board must pass a resolution authorizing the Executive Director to submit the application and implement the PFC. Although the Authority does not seek to increase the existing \$4.50 per enplaned passenger level of the PFC, it seeks the FAA's approval to use PFC proceeds to fund two projects not approved in prior PFC applications. This is anticipated to generate \$11,000,000 for a Security & Operations Modernization and Integration Project and \$13,000,000 for a separate project for Replacement of Elevators, Escalators and Moving Walkways, for a total of \$24,000,000. Prior to submission of the application, the Authority must provide notice to the airlines and the public with an opportunity to comment.

Mr. Mann recommended the Board approve a resolution (copy attached) authorizing the implementation of a Passenger Facility Charge; and authorize the Executive Director to file applications subject to review and approval by counsel as to legality of form and content. On motion duly made and seconded, the Board approved Mr. Mann's recommendation.

**OTHER BUSINESS**

Mr. Tom Schnetzer, Regional Vice President with Kimley-Horn, provided an update on the Master Plan Project for the Board.

Following Mr. Schnetzer's presentation, Chairman Welch congratulated Board member Pat MacDonald on a successful BowmanFest 2019.

Mr. Mann reminded the Board that the Holiday Open House would be held at 5:00 p.m. on December 11, 2019 at the Bowman Field Administration Building. He also advised the Board that copies of the 2020 Board meeting schedule had been provided to each Board member.

There being no additional business the meeting adjourned at 4:31 p.m.

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Jim Welch, Chairman

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Dan Mann, Assistant Secretary

Approved