

**LOUISVILLE REGIONAL AIRPORT AUTHORITY
BOARD MEETING
JANUARY 18, 2023**

The regular meeting of the Board of the Louisville Regional Airport Authority was held on January 18, 2023. Chairman Dale Boden convened the meeting at 3:09 p.m. in the Boardroom of the Louisville Regional Airport Authority.

Board members present: Mr. Cleo Battle, Mr. Dale Boden, Ms. Toni Clem, Mr. Mitchel Denham, Ms. Nikki R. Lanier, Mr. Brian Lavin, Mr. Pat MacDonald, Ms. Lesa Seibert, and Mr. John Sistarenik. Not in attendance: Mayor Craig Greenberg and Mr. John A. Moore. Mr. Tom Halbleib attended as counsel to the Board.

Staff members present: Ms. Megan Atkins Thoben, Ms. Dodie Caulk, Ms. Natalie Ciresi Chaudoin, Ms. Jorgie Dermody, Ms. Heather Fuqua, Mr. Anthony Gilmer, Ms. Noel Jolly, Mr. Dan Mann, Ms. Kim Pemberton, Ms. Brenda Perry, Mr. Brian Sinnwell, Mr. Adam Thomas, Mr. Darrell Watson and Mr. Jason Wheeler.

Also in attendance: Mr. Tony Derricks, Mr. Pat Dominik, Mr. Matt Glowicki, Ms. Wendy Harrower, Mr. Tom Nicolas, , Ms. Holli Reger-Smith, Mr. Roxie Ruckriegel, Ms. Betsy Ruhe, Mr. Michael Scans, and Ms. Melissa Vasher.

CONSIDERATION OF MINUTES

On motion duly made and seconded, the minutes of the Regular Board meeting held on November 16, 2022, were unanimously approved.

STAFF REPORTS

CONSTRUCTION

Mr. Brian Sinnwell presented the construction report. At SDF, UPS continues work on the UPS Hangar Development with ongoing roof construction. At LOU, work to replace the airfield electrical vault and install precision approach path indicators (PAPIs) on all runways is substantially complete. In the Renaissance South Business Park area, utility relocation is underway on the project to widen South Park Road west of Minor Lane to allow for a center turn lane.

FINANCE

Ms. Brenda Perry presented the finance report. For the six months ending December 31, 2022, fiscal-year-to-date operating revenue is \$40,511,637 which is \$1,566,233 favorable to the budgeted amount or 4.0%. Compared to the six months ending December 31, 2021 there was an increase of \$3,613,565. Fiscal-year-to-date operating expenses are \$17,871,741 which is \$1,103,301 favorable to the budgeted amount or 5.8%. Compared to the six months ending

December 31, 2021 there was an increase of \$1,187,135. Landed weight for cargo and passenger carriers is 4.90% lower than December of last year, and total cargo weight is 7.14% lower than December of last year. December 2022 passenger activity is down .64% from December 2021 but is up 22.39% calendar-year-to-date.

CONSENT ITEMS

1. Appointment of Safety and Security Officers

The Director of Public Safety has reviewed the qualifications of Quincy Skillion, Christopher Wilks, and Zachary Burford, has concluded they meet those set forth in the Board's November 18, 1998 resolution, and recommends their appointment as an airport Safety and Security Officers.

Therefore, 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. Airfield Marking Removal and Replacement Services — Louisville Muhammad Ali International Airport — Contract Award

This service consists of providing Airfield Markings Removal and Re-Painting Services for Louisville Muhammad Ali International Airport. An Invitation to Bid was advertised in *The Courier-Journal* and *Louisville Defender* and was posted to the Authority and Tri-State Minority Supplier Development Council websites.

The Authority received two responsive bids from Axtell Pavement Solutions and Hi-Lite Airfield Services which were carefully evaluated by Maintenance and Procurement staff based upon award criteria including but not limited to: bidders qualifications, pricing, quality of service, delivery, supplier history, references, and previous experience with the Authority.

This service has been provided by both vendors at Louisville Muhammad Ali International Airport since 2017. Axtel has provided stellar service for all requested work and has been responsive to all Authority work requests. Hi-Lite has however, fallen short on responsiveness to the Authority with frequent late or non-responsive work. Staff recommends an award to Axtell Pavement Solutions of Scott, Pennsylvania as the firm providing the best value to the Authority and requests a not-to-exceed amount of \$800,000 for the two-year term. Budgeted funds are available to support this service.

Therefore, Mr. Mann recommended the Board approve a two-year Agreement for Airfield Markings Removal and Re-Painting Services to Axtel Pavement Solutions. in the not-to-exceed amount of \$800,000 with three additional one-year optional extensions; and, authorize the Executive Director to execute the necessary agreement 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. Lawn Care and Landscaping Services — Louisville Muhammad Ali International Airport — Contract Award

This service consists of providing regular scheduled Lawn Care and Landscaping Maintenance Services for Louisville Muhammad Ali International Airport, landside grounds, the Authority administrative office grounds, and maintenance facility grounds. The current lawncare and landscaping agreement expires March 31, 2023. An Invitation to Bid was advertised in *The Courier-Journal* and was posted to the Authority and Tri-State Minority Supplier Development Council websites.

The Authority received three responsive bids which were evaluated by Maintenance and Procurement staff based upon several award criteria with the main focus being the company's ability to meet or exceed the criteria established in the solicitation. Staff recommends an award to Klausing Group, Inc. of Louisville, Kentucky as the firm providing the best value to the Authority and requests a not-to-exceed amount of \$864,864.00 for the three-year term. Budgeted funds are available to support this service.

Mr. Mann recommended the Board approve a three-year agreement for lawn care and landscaping Services to Klausing Group, Inc. in the not-to-exceed amount of \$864,864.00 with two additional one-year optional extensions; and authorize the Executive Director to execute the necessary agreement 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.

4. Foth — Contract Amendment 1 and Task Orders 51 and 52 — Louisville Muhammad Ali International Airport — Approval

On November 20, 2019, the Board approved the award of contract for Planning, Engineering, & Architectural Professional Services with Foth. This contract was for a three-year period with an option for an additional two-year term. Authority Planning and Engineering staff recommends awarding the additional two-year term to extend the contract to January 2025. If approved, a fee schedule consistent with FAA and engineering standards will be negotiated with Foth for the additional term. In addition to the contract extension, the following Task Orders require Board approval:

Task Order 51 authorizes Foth to provide design services for the 17L/35R Electrical Rehabilitation project. This project includes the replacement of electrical circuits, incandescent lights, and signs on Runway 17L/35R. Most of these systems have reached the end of their useful life and no longer comply with today's FAA standards. Task Order 51 will be a time and material not-to-exceed contract partially funded (90%) by a future FAA grant in the amount of \$275,392.

Task Order 52 authorizes Foth to provide design services for updating our airfield Pavement Condition Index (PCI) at Louisville Muhammad Ali International Airport. The project will consist of evaluating airfield pavements, select non-destructive testing (NDT), and providing an airfield-wide Pavement Maintenance and Management Program (PMMP) Report - which will include recommendations for prioritization of future rehabilitation projects. Task Order 52 will be a time

and material not-to-exceed contract partially funded (90%) by a future FAA grant in the amount of \$452,514.

Mr. Mann recommended the Board approve the two-year contract extension with Foth and approve Task Orders 51 and 52 in the time and material not-to-exceed amounts of \$275,392 and \$452,514 respectively for a total contract increase of \$727,906; 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.

5. HNTB — Task Orders 29 and 30 and Amendment 1 to Task Order 10 — 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. An option for an additional two-year term was approved on December 8, 2021, extending the contract to January 2024. This contract requires Board approval for each Task Order. Accordingly, the following Task Orders and an Amendment require board approval:

Task Orders 29 and 30 authorize HNTB to provide design services for 2023-A and 2023-B Airfield Pavement Rehabilitation projects respectively. These projects are part of our annual pavement rehabilitation program at Louisville Muhammad Ali International Airport that will continue to extend the useful life of our airfield runways and taxiways. Task Orders 29 and 30 will be time and material not-to-exceed contracts in the amount of \$133,475 and \$133,475, respectively. Both projects will be partially (90%) funded by a future FAA grant.

Amendment 1 to Task Order 10, (approved May 13, 2020) authorizes HNTB to complete design modifications to the future Taxiway L reconstruction project. Since the original design was completed, new FAA airfield design criteria (FAA Advisory Circular 150/5300-13B) were issued. HNTB will modify the taxiway design to include these geometric updates and prepare the project for bidding in two (2) phases. The cost of this Amendment #1 is \$103,144. This project will be funded partially (90%) by a future FAA grant.

Mr. Mann recommended the Board approve Task Orders 29 and 30 to the contract with HNTB in the amounts of \$133,475 and \$133,475 respectively and approve Amendment 1 to Task Order 10 in the amount of \$103,144 for a total contract increase of \$370,094; 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.

FINANCES, FACILITIES AND OPERATIONS COMMITTEE REVIEWED ACTION ITEMS

6. Valet Parking Concession Agreement — Louisville Muhammad Ali International Airport — Approval

The Authority recently issued an invitation for proposals for the exclusive right to operate a Valet Parking Concession at Louisville Muhammad Ali International Airport for an initial term of three (3) years with one (1) two-year renewal option, which renewal option is at the sole discretion of the Authority.

The specific terms of the invitation to submit proposals include: (i) a minimum parking fee to the Authority in the amount of \$16.00 per vehicle per day, (ii) a percentage fee of 10% of monthly gross receipts for off-airport services provided to customers, such as car wash and detailing services, (iii) an Airport Concession Disadvantaged Business Enterprise (ACDBE) goal of 1% and (iv) a minimum capital investment of \$10,000.00.

Advertisements for this opportunity were placed in *The Courier-Journal*, *Louisville Defender*, TriState Minority Supplier Development Council, airport industry publications and on the Authority's website. Additionally, invitations to submit proposals were sent directly to numerous individuals as well as the certified vendor list for the Louisville Metro Human Relations Commission. The Authority conducted a pre-proposal meeting which was attended by representatives from two companies.

Proposals were received from AmeriPark, LLC and SP Plus Corporation. Based on a number of factors, Properties staff selected SP Plus Corporation as the recommended company to be awarded the Valet Parking Concession Agreement. SP Plus Corporation proposes: (i) a minimum parking fee to the Authority in the amount of \$16.00 per vehicle per day, (ii) a percentage fee of 10% of monthly gross receipts for off-airport services provided to customers and (iii) as proposed, SP Plus Corporation will meet the Authority's ACDBE goal of 1% by partnering with Flying Leap, Inc, which is a certified ACDBE in the state of Indiana. Further, SP Plus Corporation intends to subcontract car washing / detailing services with On the Spot Mobile Detailing Services, which is currently applying for ACDBE certification.

Mr. Mann recommended the Board award the Valet Parking Concession Agreement to SP Plus Corporation for a term of three years with one, two-year renewal option at the financial terms described above; 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.

7. Specialty Hangar and Ground Lease Agreement — Bowman Field — Approval

The Authority recently issued a solicitation for proposals to lease all or a portion of a 119,913 sq. ft. tract of land at Bowman Field for the purpose of constructing and operating an aircraft hangar.

The specific terms of the invitation to submit proposals include: (i) a minimum annual ground rent of \$0.306 per square foot per year, for the first five (5) years of the agreement and adjusted by CPI beginning in the sixth agreement year and subject to increase after each five (5) year lease period, (ii) a minimum capital investment of \$1,000,000.00, and (iii) a term of 20 years, and, if proposed by proposer, a 10 year renewal term pursuant to a separate option agreement. The permitted use under the agreement is for the storage of tenant's owned or leased aircraft for non-commercial purposes or for one or more of the specialized aviation services.

Advertisements for this opportunity were placed in *The Courier-Journal*, *Louisville Defender*, and on the Authority's website. Additionally, invitations to submit proposals were sent directly to numerous individuals as well as the certified vendor list for the Louisville Metro Human Relations Commission. The Authority conducted a pre-proposal meeting attended by a representative from one company.

The Authority received one proposal, which was from Louisville Aviation, LLC. Louisville Aviation, LLC, proposes (i) to lease 119,000 square feet of Available Exclusive Use Ground, (ii) a minimum capital investment contribution of \$1,000,000.00, and (iii) a minimum exclusive ground rent of \$0.31 per square foot per year (\$3,074.17 per month) for the first five years of the lease and adjusted by CPI beginning in the sixth agreement year and subject to increase after each five-year lease period thereafter. Properties staff have reviewed the proposal and are recommending the agreement be awarded to Louisville Aviation, LLC.

Mr. Mann recommended the Board award the Specialty Hangar Construction and Ground Lease Agreement to Louisville Aviation, LLC at the following terms: (i) to lease 119,000 square feet of Available Exclusive Use Ground (ii) a minimum capital investment contribution of \$1,000,000.00, and (iii) a minimum exclusive ground rent of \$0.31 per square foot per year for the first five years of the lease and adjusted by CPI beginning in the sixth agreement year and subject to increase after each five year lease period thereafter; 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.

ACTION ITEMS

8. CMTA Energy Solutions — Terminal Power Generation Project Bid Repackage Using Design Allowance Funds — Louisville Muhammad Ali International Airport — Approval

At the January 19, 2022 Board meeting, the Airport Authority approved CMTA for design services for Task Order 5A, Terminal Power Generation. The scope for this project includes the construction of a terminal generator plant, an upgrade to the terminal's jetbridge power capacity, and capacity for additional airline ground service equipment (GSE) charging. The intent at the time of design was to complete construction under the CMAR model. However, since the project has been approved for FAA funding, the more suitable delivery method is design-bid-build. This decision will involve an additional labor effort for the design team to package the construction documents in accordance with design-bid-build requirements. Engineering staff seeks Board approval to allocate and approve the spending of design allowance monies to cover this additional cost. These allowances were included in the original not-to-exceed amount approved for Task Order 5A. The current allowance balance for Task Orders 3A-8A is \$339,145.

Mr. Mann recommended the Board approve spending \$52,600 in design allowance monies for CMTA Task Order 5A to repackage the Terminal Power Generation Project as a design-bid-build project; 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.

OTHER BUSINESS

Mr. Mann gave a PowerPoint presentation on the 2022 Year in Review to the Board.

Ms. Megan Atkins Thoben advised the Board there would be a Global Entry event at Louisville Muhammad Ali International Airport March 13 through March 17, 2023.

Chairman Dale Boden congratulated Ms. Lesa Seibert on her appointment to the Airports Council International-North America Board of Directors.

CLOSED SESSION – PERSONNEL MATTER

Upon motion duly made by Vice Chairman MacDonald, seconded, and approved, the following motion to go into closed session was adopted at 3:47 p.m.:

I hereby move that the Board enter closed session. The general nature of the business to be discussed might lead to the appointment, discipline, or dismissal of an individual employee. The reason for entering closed session is to allow the Board members to obtain privileged, legal advice. No final action is to be taken in this closed session. This action is authorized by KRS 61.810(1)(c).

I further move that the foregoing motion constitutes notice and public announcement of the general nature of the business to be discussed in closed session, the reason for the closed session, and the specific provision of the Kentucky Open Meetings Act authorizing the closed session, as required by KRS 61.815.

The Board reconvened in open session, and there being no additional business the meeting adjourned at 4:54 p.m.

Dale Boden, Chairman

Dan E. Mann, Assistant Secretary