

REGULAR MEETING OF THE BOARD OF COMMISSIONERS, MEMPHIS-SHELBY COUNTY AIRPORT AUTHORITY (MSCAA) June 16, 2022

CALL TO ORDER

The Board Meeting is conducted in person to the Board of Commissioners and Airport Authority Executive Staff and via ZOOM Webcast to the Public.

APPROVAL OF BOARD MEETING MINUTES: ***May 19, 2022***

Resolutions for Approval This Month

Approval of Amendment No. 3 – Glycol Management Program-Control Facility-Design - Ross Witt Architecture, PLLC

Approval of Agreement - Enterprise Agreement with Microsoft Through an Authorized Reseller- Insight Public Sector, Inc

Approval of Property Sale Agreement – Kilarney Tract of 57 Acres

Approval of Amendment No. 1 – Pavement Joint Resealing (2022 -2026) – Interstate Sealant & Concrete, Inc.,

Approval of Contract - Security Services and Parts to Maintain Access Control and Closed-Circuit Television (“CCTV”) Infrastructure- Schneider Electric Buildings Americas, Inc.

Division Reports

TREASURER and PROPERTIES REPORTS

Forrest Artz, Vice President of Finance and Administration/CFO

OPERATIONS REPORT

Terry Blue, Executive Vice President of Operations

INFORMATION ITEMS

NEXT BOARD MEETING – ***July 21, 2022***

RESOLUTION

Memphis-Shelby County Airport Authority
Treasurer's Report

For the Eleven Months Ended May 31, 2022

SUMMARY	Current Period Actual	Current Period Budget	Variance	% Variance	YTD Actual	YTD Budget	YTD Variance	YTD % Variance	Annual Budget
Revenues	9,971,550	10,078,409	(106,859)	(1.1%)	112,793,867	107,979,285	4,814,582	4.5%	117,863,700
Expenses	10,303,632	10,813,217	(509,585)	(4.7%)	101,308,318	104,138,261	(2,829,942)	(2.7%)	117,863,700
Net Revenues	(332,082)	(734,808)	402,726		11,485,549	3,841,024	7,644,525		0
SUMMARY BY COST CENTER									
Revenues									
Terminal	1,722,588	1,517,730	204,858	13.5%	18,251,415	16,218,030	2,033,385	12.5%	17,749,800
Ground Transportation	3,315,725	1,663,830	1,651,895	99.3%	30,490,524	16,843,360	13,647,164	81.0%	18,562,000
Airfield	3,931,711	4,072,930	(141,219)	(3.5%)	44,292,089	44,237,580	54,509	0.1%	48,116,100
Other Aviation	325,340	305,275	20,065	6.6%	3,790,510	3,413,485	377,025	11.0%	3,718,700
Non-Aviation	167,422	158,984	8,438	5.3%	2,539,815	1,309,570	1,230,245	93.9%	1,400,500
Other Sources	175,365	153,660	21,705	14.1%	1,709,415	1,690,260	19,155	1.1%	1,843,900
Operating Revenues	9,638,150	7,872,409	1,765,741	22.4%	101,073,767	83,712,285	17,361,482	20.7%	91,391,000
Allocated Surplus	333,400	333,400		0.0%	3,667,400	3,667,400		0.0%	4,000,000
CARES Act					8,052,700	8,052,700		0.0%	8,052,700
CRRSSA		1,872,600	(1,872,600)	(100.0%)		12,546,900	(12,546,900)	(100.0%)	14,420,000
Total Revenues	9,971,550	10,078,409	(106,859)	(1.1%)	112,793,867	107,979,285	4,814,582	4.5%	117,863,700
Expenses									
Terminal	934,373	1,032,978	(98,605)	(9.5%)	11,776,913	11,338,215	438,698	3.9%	12,673,022
Ground Transportation	343,556	403,136	(59,580)	(14.8%)	3,920,047	4,349,536	(429,489)	(9.9%)	4,745,800
Airfield	1,143,321	1,144,125	(804)	(0.1%)	10,590,358	11,425,291	(834,934)	(7.3%)	12,694,286
Field Shop	139,929	159,600	(19,671)	(12.3%)	1,734,303	1,745,344	(11,040)	(0.6%)	1,938,524
General Admin	1,286,856	1,468,903	(182,047)	(12.4%)	15,162,822	16,645,099	(1,482,277)	(8.9%)	20,322,269
Operation & Public Safety	686,206	808,515	(122,309)	(15.1%)	8,932,913	9,247,436	(314,523)	(3.4%)	10,305,799
Other & Non Aviation	100,901	127,470	(26,569)	(20.8%)	1,240,152	1,436,530	(196,378)	(13.7%)	1,563,700
Bond Principal Int. & Coverage	3,527,900	3,527,900		0.0%	38,806,900	38,806,900		0.0%	42,335,800
Capital Disbursements	2,140,590	2,140,590		0.0%	9,143,910	9,143,910		0.0%	11,284,500
Total Expenses	10,303,632	10,813,217	(509,585)	(4.7%)	101,308,318	104,138,261	(2,829,942)	(2.7%)	117,863,700
Revenues Over/(Under) Expenses	(332,082)	(734,808)	402,726		11,485,549	3,841,024	7,644,525		0

**Report is comprised of estimates and is for internal management purposes only.

WHEREAS, by Resolution No. 19-4903, adopted September 19, 2019, approval was granted by the Memphis-Shelby County Airport Authority (“Airport Authority”) Board of Commissioners to award a contract for professional engineering services to complete the Glycol De-Ice facility construction documents at the Memphis International Airport in the amount of \$717,000.00 for the project described as:

GLYCOL MANAGEMENT PROGRAM – CONTROL FACILITY - DESIGN
Memphis International Airport
MSCAA PROJECT NO. 08-1260-04

WHEREAS, the Airport Authority’s Capital Program Executive Staff, by action taken on September 6, 2019, approved the award of Contract No. 08-1260-04 with Ross Witt Architecture, PLLC, which was executed and dated October 24, 2019 (“Contract”); and,

WHEREAS, additional Contract Support Services are needed to sustain the project; and,

WHEREAS, the original estimate for number of hours required to support the project was underestimated, and unforeseen supply chain issues have warranted additional meetings and discussions to determine alternates or substitutions to keep the project on schedule. Additional funds are intended to take the project through final project completion and closeout; and,

WHEREAS, it is now the Airport Authority Management’s desire to implement Contract Amendment No. 3 for additional Contract Support Services; and,

WHEREAS, Airport Authority Staff has negotiated Contract Amendment No. 3 in the amount of One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) for additional Contract Support Services; and,

WHEREAS, Airport Authority Management proposes to amend the Contract as follows:

Original Contract Amount	\$ 717,000.00
Amendment No. 1	\$ 121,000.00
Amendment No. 2	\$ 44,000.00
Amendment No. 3	\$ 150,000.00 (this item)
TOTAL AMENDED CONTRACT AMOUNT	\$1,032,000.00

WHEREAS, the Airport Management's Capital Program Executive Staff, by action taken on May 12, 2022, recommended approval of Contract Amendment No. 3; and,

WHEREAS, in furtherance of its Disadvantaged Business Enterprise (DBE) Program, the Airport Authority established a DBE goal of 30% for the full term of this contract; and,

WHEREAS, Management recommends approval of Contract Amendment No. 3.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Memphis-Shelby County Airport Authority, that the President and CEO or his designee, is hereby authorized to execute Amendment No. 3 to Contract No. 08-1260-04 with Ross Witt Architecture, PLLC, as herein described, cost to be paid from 2016A Bonds funds or other source identified by the CFO.

06-16-22

RESOLUTION

WHEREAS, the Memphis-Shelby County Airport Authority (“Airport Authority”) is authorized by the public purchasing provisions of state law to participate in the cooperative purchasing of supplies and/or services and, as an exception to the bidding requirements, such authority is set forth in Policy 801(7)(a) of the Airport Authority’s Policy Manual; and,

WHEREAS, pursuant to the State of Tennessee’s Statewide Contract #3999, Insight Public Sector, Inc. (“Insight”) offers commercial off-the-shelf software; and,

WHEREAS, the Airport Authority desires to enter into a new three-year Enterprise Agreement (EA) with Microsoft through Insight, their authorized reseller, to provide software licenses, hosting services, and updates for Microsoft operating systems and Microsoft application software for a three-year period starting July 1, 2022, and ending on June 30, 2025; and,

WHEREAS, Insight has offered the software for an annual price of \$123,203.51, which results in a three-year total of \$369,610.53; and,

WHEREAS, the costs are estimates and will be verified by annual true-ups of the Airport Authority’s computer servers, licenses, services, and desktop units, and said true-ups could result in additional costs; and,

WHEREAS, cooperative purchasing agencies can change service providers and, should such a service provider change occur during the term of the cooperative purchasing contract described herein, Airport Authority Management requests authorization to likewise change service providers to remain compliant with the cooperative purchasing contract offered by the agency referenced herein; and,

WHEREAS, Airport Authority Management recommends approval;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners, Memphis-Shelby County Airport Authority, that the President and CEO or his designee is hereby authorized to execute an Agreement with Microsoft through their authorized reseller, Insight Public Sector, Inc., for the three-year term as herein described, cost to be paid from the Airport Authority's Operating Funds or a funding source identified by the CFO.

06-16-22

RESOLUTION

WHEREAS, the Memphis-Shelby County Airport Authority (“Authority”) owns 57.032 acres, more or less comprising sixteen (16) parcels, of unimproved property located on Airways Boulevard, Kilarney Avenue, and Shepards Tree Street in Memphis, Tennessee, as more fully described in Exhibit “A” of the Agreement of Purchase and Sale (“Property”), attached hereto; and,

WHEREAS, it has been determined that the Property is no longer needed for future airport use; and,

WHEREAS, the Authority entered into that certain Agreement of Purchase and Sale dated May 24, 2021, as amended by that certain First Amendment to Agreement of Purchase and Sale dated November 8, 2021 (collectively, the “Agreement”) with Memphis Airways Investors, LLC, a Georgia limited liability company (“Purchaser”), for the sale of the Property to Purchaser for a purchase price in the amount of One Million Eight-hundred Twenty-five Thousand and No/100 Dollars (\$1,825,000), as determined by the Review Appraisal required by the Agreement; and,

WHEREAS, the Agreement provides that closing is to take place no later than thirty (30) days after the later of (i) the expiration of the Inspection Period, as defined in Article 5 of the Agreement, or (ii) the Final Approval Date, as defined in Section 7.1.5 of the Agreement; and,

WHEREAS, the Authority’s performance of the transaction and conveyance of the Property as provided in the Agreement is contingent upon and subject to (i) approval by the Authority’s Board, and (ii) approval by the Federal Aviation Administration; and,

WHEREAS, Authority management recommends approval of the sale of the Property pursuant to the Agreement;

NOW THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the

Memphis-Shelby County Airport Authority, that the transaction for sale and conveyance of the Property upon the terms and conditions set forth in the Agreement is approved, and by the President and CEO of the Authority or his designee is hereby authorized to execute any and all documents necessary to complete such transaction.

06-16-22

RESOLUTION

WHEREAS, by Resolution 21-5009, adopted December 16, 2021, the Board of Commissioners (“Board”) of the Memphis-Shelby County Airport Authority (“Airport Authority”) authorized the execution of a multi-year contract agreement with Interstate Sealant & Concrete, Inc. to provide joint rebuilding with urethane-base concrete, and pavement joint resealing with silicone joint sealant and hot-pour elastomeric sealant at Memphis International Airport for the project described as:

PAVEMENT JOINT RESEALING 2022 -2026 MSCAA PROJECT NO. 20-1441-00

WHEREAS, Interstate Sealant & Concrete was the sole respondent to the competitive solicitation referenced above; and,

WHEREAS, Contract No. 20-1441-00 was executed effective January 11, 2022 (“Contract”) and established a scope of services with commensurate unit billing rates and a not-to-exceed budget for the first period of performance for the contract of \$3,251,256.25; and,

WHEREAS, services include, among other things, joint saw cutting, backer rod installation, and silicone joint seal filler material; and,

WHEREAS, the pavement joint resealing program is critical to protecting the miles of runways, taxiways, and aprons making up critical airfield infrastructure at Memphis International Airport; and,

WHEREAS, the first period of performance for the contract has been completed using all available fiscal year 2022 Budget funds totaling \$1,250,000; and,

WHEREAS, to proceed with the program, it is necessary to Amend the Contract to incorporate the next period of performance and to include updated unit billing rates; and,

WHEREAS, management also desires to amend the Contract to modify the term to match the Authority's fiscal year; and,

WHEREAS, the fiscal year 2023 Budget included \$3,200,000 for Repairs & Maintenance – Joint Sealant; and,

WHEREAS, in furtherance of its Disadvantaged Business Enterprise (DBE) Program, the Airport Authority established a DBE goal of 22% for the full term of this Contract;

WHEREAS, Management recommends approval of Contract Amendment No. 1 and adjustment of the contract term as applicable;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Memphis-Shelby County Airport Authority, that the President and CEO or his designee, is hereby authorized to execute Amendment No. 1 to Contract Agreement 20-1441-00 with Interstate Sealant & Concrete, Inc., as herein described, effective July 1, 2022, cost to be paid from the MSCAA Operating Budget.

06-16-22

RESOLUTION

WHEREAS, the Memphis-Shelby County Airport Authority (“Airport Authority”) is authorized by the public purchasing provisions of state law to participate in the cooperative purchasing of supplies and/or services and, as an exception to the bidding requirements, such authority is set forth in Policy 801(7)(a) of the Airport Authority’s Policy Manual; and,

WHEREAS, Schneider Electric Buildings Americas, Inc. (“Schneider”) is a current service provider for OMNIA Partners, a public purchasing cooperative, and, under OMNIA Partners cooperative purchasing contract #R170504, Schneider is authorized to provide security system services; and,

WHEREAS, pursuant to the OMNIA Partners contract, the Authority desires to purchase security services and parts to maintain access control and closed-circuit television (“CCTV”) infrastructure throughout the Memphis International Airport; and,

WHEREAS, Schneider is the current provider of the referenced services under an Agreement with a current fiscal year fee of \$247,000; and,

WHEREAS, under the terms of the OMNIA Partners contract, Schneider has proposed to provide the service for a fee of \$256,000 (3.6% increase) for one year, beginning on July 1, 2022, and ending on June 30, 2023; and,

WHEREAS, while the OMNIA Partners contract does not include participation goals for Disadvantaged Business Enterprises (“DBE”), Schneider has proposed local DBE participation of approximately 37%; and,

WHEREAS, cooperative purchasing agencies can change service providers, and, should such a service provider change occur during the term of the cooperative purchasing contract described herein, Airport Authority Management requests authorization to likewise change service providers to remain compliant with the

cooperative purchasing contract offered by the agency referenced herein; and,

WHEREAS, Airport Authority Management recommends approval;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Memphis-Shelby County Airport Authority, that the President and CEO or his designee is hereby authorized to execute a contract with Schneider Electric Buildings Americas, Inc., as herein described, cost to be paid from the Airport Authority's Operating Funds or a funding source identified by the CFO.

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06-16-22