

REGULAR MEETING OF THE BOARD OF COMMISSIONERS, MEMPHIS-SHELBY COUNTY AIRPORT AUTHORITY (MSCAA) June 15, 2023

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 18, 2023***

**Resolutions for Approval This Month**

Approval of Contract – Charles Baker Airport Terminal Construction - ViktorHall Construction, LLC

Approval to Negotiate and Award Purchase – Airport Vehicles in the Approved FY24 Capital Outlay Budget – Tennessee Statewide Contract (SWC) Suppliers

Approval to Negotiate and Execute Contract - Parking Access and Revenue Control System (PARCS) - TIBA LLC

Approval to Negotiate and Award of Purchase Order – Parking Access and Revenue Control System (PARCS) Switches and Five-year Licensing - NASPO ValuePoint (“NVP”)

Approval of Amendment No.2 – Pavement Joint Resealing 2022-2026 - Interstate Sealant & Concrete, Inc.

Approval to Execute Contract - Security Services and Parts to Maintain Access Control and Closed-Circuit Television Infrastructure - Schneider Electric Buildings Americas, Inc.

Approval of Amendment No. 1 - Terminal Modernization and Seismic Program (TMSP)- UrbanARCH Associates

**Division Reports**

**TREASURER and PROPERTIES REPORTS**

Sylvester Lavender, Vice President of Finance and Administration/CFO

**OPERATIONS REPORT**

Terry Blue, Executive Vice President of Operations/COO

**INFORMATION ITEMS**

**NEXT BOARD MEETING – *July 20, 2023***

# Memphis-Shelby County Airport Authority

## Treasurer's Report

For the Eleven Months Ended May 31, 2023

<b>SUMMARY</b>									
	Current Period Actual	Current Period Budget	Variance	% Variance	YTD Actual	YTD Budget	YTD Variance	YTD % Variance	Annual Budget
Revenues	11,099,401	11,352,720	(253,319)	(2.2%)	117,821,068	119,440,863	(1,619,795)	(1.4%)	133,385,000
Expenses	9,896,172	10,361,226	(465,054)	(4.5%)	113,825,151	117,358,401	(3,533,250)	(3.0%)	133,385,000
<b>Net Revenues</b>	<b>1,203,229</b>	<b>991,494</b>	<b>211,735</b>		<b>3,995,917</b>	<b>2,082,462</b>	<b>1,913,455</b>		<b>0</b>
<b>SUMMARY BY COST CENTER</b>									
<b>Revenues</b>									
Terminal	1,900,522	1,811,050	89,472	4.9%	19,971,345	19,153,922	817,423	4.3%	20,934,800
Ground Transportation	3,618,028	3,025,490	592,538	19.6%	35,455,027	27,773,260	7,681,767	27.7%	30,902,800
Airfield	4,300,745	4,426,930	(126,185)	(2.9%)	47,663,074	49,841,571	(2,178,497)	(4.4%)	56,772,600
Other Aviation	326,615	315,440	11,175	3.5%	3,977,229	3,515,050	462,179	13.1%	3,830,600
Non-Aviation	216,008	159,170	56,838	35.7%	1,597,370	1,396,020	201,350	14.4%	1,537,800
Other Sources	487,482	163,040	324,442	199.0%	3,271,022	1,793,440	1,477,582	82.4%	1,986,400
<b>Operating Revenues</b>	<b>10,849,401</b>	<b>9,901,120</b>	<b>948,281</b>	<b>9.6%</b>	<b>111,935,068</b>	<b>103,473,263</b>	<b>8,461,805</b>	<b>8.2%</b>	<b>115,965,000</b>
Allocated Surplus	250,000	250,000		0.0%	2,750,000	2,750,000		0.0%	3,000,000
CRRSSA	1,201,600	1,201,600		(100.0%)	3,136,000	13,217,600	(10,081,600)	(76.3%)	14,420,000
<b>Total Revenues</b>	<b>11,099,401</b>	<b>11,352,720</b>	<b>(253,319)</b>	<b>(2.2%)</b>	<b>117,821,068</b>	<b>119,440,863</b>	<b>(1,619,795)</b>	<b>(1.4%)</b>	<b>133,385,000</b>
<b>Expenses</b>									
Terminal	999,691	1,123,260	(123,569)	(11.0%)	12,923,758	12,635,540	288,218	2.3%	14,049,670
Ground Transportation	468,689	445,204	23,485	5.3%	4,917,326	4,905,091	12,235	0.2%	5,351,200
Airfield	900,641	896,948	3,693	0.4%	13,749,422	14,688,667	(939,245)	(6.4%)	18,219,402
Field Shop	150,132	163,385	(13,253)	(8.1%)	1,858,035	1,821,035	37,000	2.0%	2,019,040
General Admin	1,437,890	1,639,298	(201,408)	(12.3%)	17,056,778	18,554,910	(1,498,132)	(8.1%)	22,564,062
Operation & Public Safety	903,502	975,005	(71,503)	(7.3%)	10,307,484	11,176,895	(869,411)	(7.8%)	12,505,826
Other & Non Aviation	78,872	161,370	(82,498)	(51.1%)	1,242,685	1,806,600	(563,915)	(31.2%)	1,967,700
Bond Principal Int. & Coverage	3,905,600	3,905,600		0.0%	42,961,600	42,961,600		0.0%	46,867,700
Capital Disbursements	1,051,156	1,051,156		0.0%	8,808,063	8,808,063		0.0%	9,840,400
<b>Total Expenses</b>	<b>9,896,172</b>	<b>10,361,226</b>	<b>(465,055)</b>	<b>(4.5%)</b>	<b>113,825,151</b>	<b>117,358,401</b>	<b>(3,533,250)</b>	<b>(3.0%)</b>	<b>133,385,000</b>
<b>Revenues Over/(Under) Expenses</b>	<b>1,203,229</b>	<b>991,494</b>	<b>211,735</b>		<b>3,995,917</b>	<b>2,082,462</b>	<b>1,913,455</b>		<b>0</b>

RESOLUTION

WHEREAS, pursuant to public advertisement, bids were received as follows:

REQUEST FOR BIDS  
CHARLES BAKER - TERMINAL - CONSTRUCTION  
MSCAA PROJECT NO. 12-1353-01  
MEMPHIS INTERNATIONAL AIRPORT  
Received June 1, 2023

BIDDER	BID AMOUNT
Enlightenment, Inc. dba APS Facility Maintenance*	\$ 2,608,754.09
Fifer & Associates, Inc.*	\$ 3,794,000.00
Fulwood Construction Company, LLC*	\$ 3,461,435.00
ViktorHall Construction, LLC*	\$ 2,444,000.00
Wagner General Contractors, Inc.*	\$ 4,600,000.00
Zellner Construction Services, LLC*	\$ 3,930,253.00

*\*local*

and,

WHEREAS, bids include replacement of an existing approximately 2,400 SF terminal building with a 4,830 SF terminal building at Charles Baker Airport; and,

WHEREAS, the scope of work consists of demolition of existing terminal and construction of new terminal building, including necessary associated site work. The work includes, but is not limited to, grading, utility installation, asphalt paving, and building construction including associated mechanical, electrical, and plumbing systems; and,

WHEREAS, the Bids were evaluated according to established criteria; and,

WHEREAS, ViktorHall Construction, LLC was deemed the lowest responsive bidder; and,

WHEREAS, the Airport Authority Management's Capital Program Executive Staff recommended award of the Bid in the total amount of \$2,444,000 to ViktorHall

Construction, LLC as well as acceptance of Alternate 3 to improve the Veeder-Root fuel management system for a not to exceed total of \$75,000 and an Initial Contingency Amount (ICA) in the amount of \$251,900 (10%) for the project, which, in accordance with Airport Authority Policy 701, requires approval of the President and CEO and the Board; and,

WHEREAS, in furtherance of its Disadvantaged Business Enterprise (DBE) Program, the Airport Authority established a DBE goal of 28% for the full term of this contract; and,

WHEREAS, ViktorHall Construction, LLC is a local DBE prime contractor, using two local certified DBE subcontractors, totaling 29% of the project, which will total \$666,438.03 on this contract; and,

WHEREAS, Airport Authority Management recommends the approval of a contract with ViktorHall Construction, LLC in the amount of \$2,519,000;

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 ViktorHall Construction, LLC as herein described, cost to be paid from FAA BIL-ATP, MSCAA Capital Outlay, and State Grant funds.

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06-15-23

## 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, in accordance with the approved FY2024 capital outlay budget, the Airport Authority intends to purchase multiple vehicles; and,

WHEREAS, during FY2023, the Airport Authority encountered multiple supply chain challenges including vehicle purchases and deliveries; and,

WHEREAS, some vehicle resellers have recommended that the Airport Authority order 2024 model vehicles as early as possible in order to minimize challenges and to increase the likelihood of timely deliveries; and,

WHEREAS, the Airport Authority orders many vehicles pursuant to the State of Tennessee’s Statewide Contract (“SWC”) for Vehicles, and the SWC will be used for eligible vehicle orders in FY2024; and,

WHEREAS, under the terms of the SWC, vehicles of various makes and models can be ordered through various Tennessee-approved resellers; and,

WHEREAS, the Airport Authority is seeking approval to proceed with orders for all vehicles included in the approved FY2024 capital outlay budget, which could include orders to individual suppliers in excess of the \$100,000 Board approval threshold; 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 negotiate and award purchases for vehicles from SWC suppliers



as listed in the FY24 approved Capital Outlay portion of the Budget, 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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06-15-23

## RESOLUTION

WHEREAS, by Resolution #18-4867, dated December 13, 2018, the Board of Commissioners of the Memphis-Shelby County Airport Authority ("Airport Authority") approved award of a contract to AECOM Technical Services, Inc. ("AECOM"), for the Airport Enterprise System; and,

WHEREAS, AECOM's scope of work consists of the evaluation, identification, implementation, and procurement of Geographic Information Systems ("GIS")-Centric applications best suited for Memphis International Airport, including but not limited to, GIS-centric Computerized Maintenance Management Software, asset management, operations management, Police Computer Aided Dispatch, safety management, properties/revenue/lease management and other related applications or systems; and,

WHEREAS, pursuant to the aforementioned contract, AECOM conducted a business requirements review and a systems evaluation in order to identify a Parking Access and Revenue Control System ("PARCS") which will best meet the Airport Authority's needs; and,

WHEREAS, based on their assessment and comparison of multiple systems, AECOM recommends that the Airport Authority implement the PARCS provided by TIBA LLC ("TIBA"); and,

WHEREAS, TIBA can accommodate the existing and future Airport Authority's requirements for a PARCS, including, but not limited to entry and exit stations, two-way audio and video communications systems, automated barrier gates, pay stations, cashiering terminals, LED instructional signs, license plate recognition, reservation systems, integrations with other systems, hardware and software, project management, and installation; and,

WHEREAS, TIBA has proposed to furnish and install a PARCS for

\$2,393,690.00; and,

WHEREAS, Airport Authority Management recommends that a contingency of \$239,369.00 (10%) be established for the project, resulting in a total cost of \$2,633,059.00; and,

WHEREAS, TIBA has proposed an annual subscription cost of \$36,108.00 per year for five years, with the final cost dependent upon the options selected; and,

WHEREAS, TIBA has proposed a hardware and software warranty for five years for a total cost \$115,400.00; and,

WHEREAS, TIBA has proposed to provide a full-time, on-site technician for five years beginning at \$227,880.00 for year one and escalating to \$269,160.00 for year five; and,

WHEREAS, in the furtherance of its Disadvantage Business Enterprise (“DBE”) Program, the Airport Authority established a DBE goal of 5% for the full term of this contract; 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 negotiate and execute a contract with TIBA LLC, in accordance with this Resolution, with costs to be paid from the Airport Authority’s annual operating funds or any other funds as identified by the CFO.

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06-15-23



## 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 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, by Resolution #18-4834, adopted May 17, 2018, the Airport Authority’s Board of Commissioners approved a State-enabled exception to the Tennessee Open Records Act, codified as T.C.A. 10-7-504(i)(3), which authorizes the Airport Authority to maintain the confidentiality of its vendors who provide goods and services used to protect certain electronic, communication, and data storage systems; and,

WHEREAS, due to the sensitive security nature of this purchase, the Airport Authority is maintaining the confidentiality of the vendor; and,

WHEREAS, the Airport Authority has identified an information technology company (“the Supplier”) which is a current service provider for NASPO ValuePoint (“NVP”), a public purchasing cooperative, and, under an NVP cooperative purchasing contract, the Supplier provides data communications products and services; and,

WHEREAS, under the terms of the NVP contract, the Supplier has proposed to provide switches and five-year licensing for a total cost of \$244,061.35; and,

WHEREAS, minor adjustments to the scope and fee could be necessary, due to certain requirements of the Airport Authority, in the negotiation of the final proposal; and,

WHEREAS, these switches are necessary for the desired functionality of the new Parking Access and Revenue Control System (PARCS); 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 negotiate the final proposal with and award a Purchase Order to the Supplier 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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06-15-23

## 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 pavement joint resealing with silicone joint sealant and hot-pour elastomeric sealant, and joint rebuilding with urethane-base concrete at Memphis International Airport for the project described as:

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

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 contract year of \$3,251,256.25; 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, by Resolution No. 22-5028, adopted June 16, 2022, approval was granted for Amendment No. 1 for the second contract year totaling \$3,200,000; and,

WHEREAS, services include, among other things, joint saw cutting, backer rod installation, and silicone and hot-pour 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, to proceed with the program, it is necessary to Amend the Contract to incorporate updated unit billing rates, which Airport Management has negotiated for the third year of the contract; and,

WHEREAS, the fiscal year 2024 Budget included \$3,520,000 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; and,

WHEREAS, Management recommends approval of Contract Amendment No. 2 and adjustment of the contract term as applicable; and,

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. 2 to Contract Agreement 20-1441-00 with Interstate Sealant & Concrete, Inc., as herein described, effective July 1, 2023, cost to be paid from the MSCAA Operating Budget.

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06-15-23

## 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 #R220703, Schneider is authorized to provide facility technology integration and 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 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 \$256,000; and,

WHEREAS, under the terms of the OMNIA Partners contract, Schneider has proposed to provide the service for a fee of \$290,000 (13% increase) for one year, beginning on July 1, 2023, and ending on June 30, 2024; and,

WHEREAS, the cost increase is partially due to the addition of systems at Mission Support Center and in the New Concourse, both of which were previously covered under the respective construction warranties; 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 43%; and,

WHEREAS, cooperative purchasing agencies can change service providers,

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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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06-15-23

## RESOLUTION

WHEREAS, by Resolution No. 22-5039, adopted August 18, 2022, approval was granted by the Memphis-Shelby County Airport Authority (“Airport Authority”) Board of Commissioners to award a contract for professional engineering design services, and construction administrative assistance as necessary for planning, designing and detailing the Terminal Modernization and Seismic Program (TMSP) at Memphis International Airport for project described as:

### **TERMINAL MODERNIZATION & SEISMIC PROGRAM (TMSP) – DESIGN MSCAA PROJECT NO. 22-1459-00**

WHEREAS, the Airport Authority’s Capital Program Executive Staff, by action taken on August 17, 2022, approved the award of Contract No. 22-1459-00 with UrbanARCH Associates, which was executed and dated October 11, 2022 (“Contract”) in the amount of \$12,022,500; and,

WHEREAS, additional Design Services are needed for the Terminal Modernization and Seismic; and,

WHEREAS, the design work efforts include architectural design, structural and seismic design, civil design, mechanical, electrical, and plumbing (MEP) design, cost estimating, construction scheduling, and any other efforts as required for continued Civil Design for the Basis of Design document, adjusting the civil scope for the Roadway, additional Central Plant design efforts for the BIL, Tunnel Level Scanning and BIM modeling, Vertical Circulation consultation, Code consultation, Additional Program Design associated the TSA funding opportunity, Simulations for Additional Planning Activity Levels, and additional Hazardous Material survey at the tunnel level; and,

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WHEREAS, the design efforts detailed above and contained in this Amendment are all items that would eventually be required but were envisioned in a later phase of design; and,

WHEREAS, it is beneficial to the Authority to move forward with these items at this phase to ensure the project phasing and various scope of construction elements are timely and enhance the overall project; and,

WHEREAS, it is now Airport Authority Management's desire to implement Contract Amendment No. 1 for additional Design Services; and,

WHEREAS, Airport Authority Staff has negotiated Contract Amendment No. 1 in the amount of One Million One Hundred Eighty-Six Thousand Five Hundred and 00/100 Dollars (\$1,186,500.00) for additional Design Services; and,

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

Original Contract Amount	\$ 12,022,500.00
Amendment No. 1	\$ 1,186,500.00
<b>TOTAL AMENDED CONTRACT AMOUNT</b>	<b>\$ 13,209,000.00</b>

WHEREAS, the Airport Management's Capital Program Executive Staff (CPES), by action taken on June 8, 2023, recommends approval of Contract Amendment No. 1; and,

WHEREAS, in furtherance of its Disadvantaged Business Enterprise (DBE) Program, the Airport Authority established a DBE goal of 21% for the full term of this contract; and,

WHEREAS, Management recommends approval of Contract Amendment No. 1;



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 No. 22-1459-00 with UrbanARCH Associates as herein described, cost to be paid from Federal Aviation Administration BIL AIG and ATP grants, state grants, and other funds designated by the CFO.

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