

REGULAR MEETING OF THE BOARD OF COMMISSIONERS, MEMPHIS-SHELBY COUNTY AIRPORT AUTHORITY (MSCAA) December 21, 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: **October 19, 2023**

Resolutions for Approval This Month

Approval to Negotiate and Execute a Contract for Janitorial Services

Approval to Execute a Contract – Rental Car Parking Garage - Design - EXP U.S. Services, Inc.

Approval of a Space Rental Agreement with the United States of America for the Transportation Security Administration (TSA) by and through the General Services Administration (GSA)

Approval of Authorized Officers to Sign For and On Behalf of the Memphis-Shelby County Airport Authority with Regards to Financing Facilities

Nomination and Selection of the 2024 Board Vice Chair and Secretary

Division Reports

TREASURER and PROPERTIES REPORTS

Sylvester Lavender, Vice President of Finance and Administration/CFO

OPERATIONS REPORT

Marshall Stevens, Vice President of Operations/COO

EXECUTIVE SESSION

Senior Executives and Commissioners will remain in the conference room for this Session. All other staff and guests will step outside of the boardroom until asked to return for the remaining portion of the meeting.

INFORMATION ITEMS

NEXT BOARD MEETING – *January 18, 2024*

Memphis-Shelby County Airport Authority

Treasurer's Report

For the Four Months Ended October 31, 2023

SUMMARY									
	Current Period Actual	Current Period Budget	Variance	% Variance	YTD Actual	YTD Budget	YTD Variance	YTD % Variance	Annual Budget
Revenues	12,451,875	12,158,254	293,621	2.4%	48,988,802	47,693,408	1,295,394	2.7%	144,982,500
Expenses	10,638,750	10,893,632	(254,882)	(2.3%)	41,789,093	43,448,874	(1,659,781)	(3.8%)	144,982,500
Net Revenues	1,813,125	1,264,622	548,503		7,199,709	4,244,534	2,955,175		0
SUMMARY BY COST CENTER									
Revenues									
Terminal	2,092,142	1,926,574	165,568	8.6%	8,316,673	7,672,338	644,335	8.4%	23,208,200
Ground Transportation	3,725,287	3,595,280	130,007	3.6%	13,978,873	13,622,780	356,093	2.6%	39,520,600
Airfield	4,787,290	4,851,480	(64,190)	(1.3%)	18,731,222	19,322,340	(591,118)	(3.1%)	60,674,200
Other Aviation	339,833	352,410	(12,577)	(3.6%)	1,346,913	1,383,000	(36,087)	(2.6%)	4,335,700
Non-Aviation	127,410	128,783	(1,373)	(1.1%)	695,831	478,082	217,749	45.5%	1,599,200
Other Sources	374,496	298,310	76,186	25.5%	1,897,622	1,193,200	704,422	59.0%	3,579,600
Operating Revenues	11,446,458	11,152,837	293,621	2.6%	44,967,134	43,671,740	1,295,394	3.0%	132,917,500
Allocated Surplus	513,750	513,750		0.0%	2,055,000	2,055,000		0.0%	6,165,000
CRRSSA	491,667	491,667		0.0%	1,966,668	1,966,668		0.0%	5,900,000
Total Revenues	12,451,875	12,158,254	293,621	2.4%	48,988,802	47,693,408	1,295,394	2.7%	144,982,500
Expenses									
Terminal	1,162,149	1,202,750	(40,601)	(3.4%)	4,596,474	5,096,130	(499,656)	(9.8%)	15,235,100
Ground Transportation	507,577	498,961	8,616	1.7%	1,941,567	2,052,383	(110,816)	(5.4%)	6,079,400
Airfield	1,425,848	1,398,121	27,727	2.0%	6,149,425	6,186,428	(37,004)	(0.6%)	21,386,900
Field Shop	222,772	180,880	41,892	23.2%	739,937	721,870	18,067	2.5%	2,283,700
General Admin	1,643,243	1,803,567	(160,324)	(8.9%)	6,641,005	7,279,431	(638,426)	(8.8%)	25,019,700
Operation & Public Safety	982,566	1,079,021	(96,455)	(8.9%)	4,004,406	4,317,794	(313,388)	(7.3%)	13,791,200
Other & Non Aviation	140,823	176,560	(35,737)	(20.2%)	628,311	706,870	(78,559)	(11.1%)	2,154,400
Bond Principal Int. & Coverage	4,061,200	4,061,200		0.0%	16,244,800	16,244,800		0.0%	48,733,900
Capital Disbursements	492,572	492,572		0.0%	843,168	843,168		0.0%	10,298,200
Total Expenses	10,638,750	10,893,632	(254,882)	(2.3%)	41,789,093	43,448,874	(1,659,781)	(3.8%)	144,982,500
Revenues Over/(Under) Expenses	1,813,125	1,264,622	548,503		7,199,709	4,244,534	2,955,175		0

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

Memphis-Shelby County Airport Authority

Treasurer's Report

For the Five Months Ended November 30, 2023

SUMMARY		Current Period Actual	Current Period Budget	Variance	% Variance	YTD Actual	YTD Budget	YTD Variance	YTD % Variance	Annual Budget
Revenues		12,443,829	11,783,165	660,664	5.6%	61,486,269	59,476,573	2,009,696	3.4%	144,982,500
Expenses		10,221,381	10,920,553	(699,172)	(6.4%)	51,944,871	54,369,778	(2,424,908)	(4.5%)	144,982,500
Net Revenues		2,222,448	862,612	1,359,836		9,541,398	5,106,795	4,434,603		0
SUMMARY BY COST CENTER										
Revenues										
Terminal		2,028,054	1,921,210	106,844	5.6%	10,328,904	9,593,548	735,356	7.7%	23,208,200
Ground Transportation		3,719,272	3,155,400	563,872	17.9%	17,706,384	16,778,180	928,204	5.5%	39,520,600
Airfield		4,794,293	4,943,460	(149,167)	(3.0%)	23,530,886	24,265,800	(734,914)	(3.0%)	60,674,200
Other Aviation		333,909	349,110	(15,201)	(4.4%)	1,659,612	1,732,110	(72,498)	(4.2%)	4,335,700
Non-Aviation		111,051	110,258	793	0.7%	806,882	588,340	218,542	37.1%	1,599,200
Other Sources		451,834	298,310	153,524	51.5%	2,426,516	1,491,510	935,006	62.7%	3,579,600
Operating Revenues		11,438,412	10,777,748	660,664	6.1%	56,459,184	54,449,488	2,009,696	3.7%	132,917,500
Allocated Surplus		513,750	513,750	0.0%	0.0%	2,568,750	2,568,750	0.0%	0.0%	6,165,000
CRRSSA		491,667	491,667	0.0%	0.0%	2,458,335	2,458,335	0.0%	0.0%	5,900,000
Total Revenues		12,443,829	11,783,165	660,664	5.6%	61,486,269	59,476,573	2,009,696	3.4%	144,982,500
Expenses										
Terminal		1,043,688	1,231,340	(187,653)	(15.2%)	5,629,832	6,327,470	(697,638)	(11.0%)	15,235,100
Ground Transportation		489,704	513,963	(24,259)	(4.7%)	2,437,896	2,566,346	(128,450)	(5.0%)	6,079,400
Airfield		1,405,295	1,427,200	(21,905)	(1.5%)	7,551,947	7,613,628	(61,681)	(0.8%)	21,426,900
Field Shop		177,255	180,510	(3,255)	(1.8%)	920,320	902,380	17,940	2.0%	2,283,700
General Admin		1,567,676	1,878,167	(310,491)	(16.5%)	8,169,217	9,157,598	(988,381)	(10.8%)	25,019,700
Operation & Public Safety		974,729	1,087,021	(112,292)	(10.3%)	4,984,135	5,404,815	(420,680)	(7.8%)	13,791,200
Other & Non Aviation		142,972	182,290	(39,318)	(21.6%)	743,143	889,160	(146,017)	(16.4%)	2,154,400
Bond Principal Int. & Coverage		4,061,200	4,061,200	0.0%	0.0%	20,306,000	20,306,000	0.0%	0.0%	48,733,900
Capital Disbursements		358,862	358,862	0.0%	0.0%	1,202,381	1,202,381	0.0%	0.0%	10,258,200
Total Expenses		10,221,381	10,920,553	(699,172)	(6.4%)	51,944,871	54,369,778	(2,424,908)	(4.5%)	144,982,500
Revenues Over/(Under) Expenses		2,222,448	862,612	1,359,837		9,541,398	5,106,795	4,434,603		0

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

RESOLUTION

WHEREAS, pursuant to public advertisement, Proposals for Janitorial Services for the Memphis-Shelby County Airport Authority ("Airport Authority") were received as follows:

**REQUEST FOR PROPOSALS
JANITORIAL SERVICES
FOR MEMPHIS-SHELBY COUNTY AIRPORT AUTHORITY
Received November 15, 2023**

<i>Respondent</i>	<i>Year One Cost</i>	<i>Five-Year Total</i>
Beck & Call Professional Services, LLC	\$2,122,829.00	\$10,814,787.00
Bio Janitorial Services, Inc.*	\$4,635,818.49	\$23,884,978.47
BuildEx Construction LLC *	\$2,727,000.00	\$14,623,444.46
Diverse Facility Solutions, Inc	\$3,540,729.63	\$19,034,264.83
Flagship Airport Services, Inc.	\$3,231,627.85	\$16,817,521.13
Fresh Start Facility Services, Inc *	\$2,966,345.21	\$15,748,729.58
General Building Maintenance, LLC	\$3,134,534.94	\$17,471,132.28
LGC Global Energy FM, LLC	\$4,995,000.00	\$25,637,490.14
Newbold Services, LLC	\$5,248,945.00	\$26,937,650.00
SKB Facilities & Maintenance, Inc. *	\$3,900,999.00	\$20,649,122.51
Uniserve Facilities Services Corporation	\$3,097,061.16	\$16,244,789.36
Whayne and Sons Enterprises, Inc.	\$3,183,246.99	\$17,241,492.49

**Local Business*

and,

WHEREAS, proposals received from JA&E Veterans Staffing, ParCou LLC., and Union Service Company, Inc., were deemed to be non-responsive; and,

WHEREAS, the scope of services will consist of providing "Best-in-Class" janitorial services for the Memphis International Airport and outlying facilities, to include,

but not be limited to, scheduled and unscheduled cleaning in both public and private spaces; and,

WHEREAS, the initial term of the contract will be for a period of one year with four one-year renewal options to be exercised at the Airport Authority's sole discretion, for a potential total contract term of five years; and,

WHEREAS, pricing calculations and proposals were based on current estimated efforts; therefore, final costs over the five-year contract period will fluctuate based on actual services rendered; and,

WHEREAS, the selection committee evaluated the proposals according to established criteria and selected the top six firms for interviews, and, following interviews, subsequently ranked the top three firms in the following order:

1. SKB Facilities & Maintenance, Inc.
2. Diverse Facility Solutions, Inc
3. Flagship Airport Services, Inc.

and,

WHEREAS, Airport Authority management will negotiate a contract for services to be performed with the top-ranked firm; and,

WHEREAS, in furtherance of its Disadvantaged Business Enterprise (DBE) Program, the Airport Authority established a DBE goal of 37% for the full term of this contract; and,

WHEREAS, Airport Authority management recommends that SKB Facilities & Maintenance, Inc., a local DBE, be designated the top-ranked firm;

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

Memphis-Shelby County Airport Authority, that SKB Facilities & Maintenance, Inc., be hereby designated the top-ranked firm, and the President or his designee be hereby authorized to negotiate and execute a contract for janitorial services in accordance with this Resolution, with cost to be paid from the Airport Authority's annual operating funds or any other funds as identified by the CFO.

12/21/23

RESOLUTION

WHEREAS, pursuant to public advertisement, Statements of Qualifications for professional engineering design services, and construction administrative assistance as necessary for planning, and designing a new Rental Car Parking Garage at Memphis International Airport for project described as:

**REQUEST FOR QUALIFICATIONS
Rental Car Parking Garage - Design
MSCAA PROJECT NO. 23-1472-00
Received August 3, 2023**

STATEMENTS OF QUALIFICATIONS RECEIVED FROM:

EXP U.S. Services, Inc.*

HOK*

PGAL, Inc.*

TranSystems Corporation*

**out of town*

and,

WHEREAS, the facility will include, but may not be limited to, space for vehicle parking, a customer service building as well as an interior or exterior quick turnaround facility; and,

WHEREAS, the facility will be designed to accommodate potential alternative uses such as public vehicle parking at any point during the lifespan of the facility in order to provide maximum flexibility to the Authority; and,

WHEREAS, the design will include considerations for electrical vehicle charging and solar panels and will require extensive stakeholder (airport, rental car companies, etc.) coordination; and,

WHEREAS, major work phases will be Programming, Schematic Design, Design Development, Construction Documents, Bid Assistance, and Construction Support Services; and,

WHEREAS, work efforts may include geotechnical investigation, site surveying, architectural design, civil design, structural and seismic design, mechanical, electrical, and plumbing (MEP) design, cost estimating, construction scheduling, and other efforts as required; and,

WHEREAS, the Statement of Qualifications of all firms were evaluated by the Selection Committee according to established criteria, and after review, the four firms were interviewed and ranked in the following order:

1. EXP U.S. Services, Inc.
2. TranSystems Corporation
3. PGAL, Inc.
4. HOK

and,

WHEREAS, EXP U.S. Services, Inc. was selected as the most qualified firm to provide the requested professional engineering services; and,

WHEREAS, in furtherance of its Disadvantaged Business Enterprise (DBE) Program, the Memphis-Shelby County Airport Authority (Airport Authority) established a DBE goal of 26% for the full term of this contract; and,

WHEREAS, the following Programming/Pre-Design Task fees have been negotiated for the professional engineering services:

Not To Exceed Contract Amount

\$ 500,000.00

and,

WHEREAS, the Programming and Pre-Design efforts of this task will determine the ultimate facility design as well as what the associated complete design fees will be; and,

WHEREAS, additional design fees will be brought to the Board for approval as an amendment to this contract at a future date; and,

WHEREAS, Airport Authority's Capital Program Executive Staff, by action taken on December 1, 2023, recommends approval of the negotiated fees for services to be performed by the contractor; and,

WHEREAS, Airport Authority's Capital Program Executive Staff, recommends an Initial Contingency Amount (ICA) in the amount of \$50,000.00 (10%) for the project, which, in accordance with Policy 701, requires approval of the President and CEO and the Board; and,

WHEREAS, EXP U.S. Services, Inc., an out-of-town prime contractor, will utilize four (4) out of town and one (1) local certified DBE subcontractor, which at approximately 26% would total \$ 130,000.00 on this contract; and,

WHEREAS, 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 EXP U.S. Services, Inc. as herein described, cost to be paid from Customer Facility Charges (CFCs) or other funds as identified by the Airport Chief Financial Officer (CFO).

12-21-23

RESOLUTION

WHEREAS, Memphis-Shelby County Airport Authority (“Airport Authority”) owns and operates certain real property located at 2491 Winchester Road in Memphis, TN, identified as the Memphis International Airport (Property); and,

WHEREAS, the Airport Authority entered into a Lease Agreement (“Agreement”) with the United States of America, by and through the General Services Administration, for the Transportation Security Administration (“TSA”) effective April 1, 2016 for a five year term ending on March 31, 2021; and,

WHEREAS, the Agreement was amended by a First Amendment to the Agreement, effective April 1, 2021, to provide approximately 4,828 rentable square feet of office and related space located at the Property and to extend the Agreement to March 31, 2022; and,

WHEREAS, the parties have continued to operate under the Agreement; and,

WHEREAS, the parties desire to execute a new agreement for a term of five (5) years; and,

WHEREAS, the new agreement will be a Space Rental Agreement with updates to the demised premises as approximately 5,005 square feet of rented space in the Memphis International Airport Terminal; and,

WHEREAS, the new agreement contains a Termination Clause which states the agreement may be terminated by the Authority, with or without cause, upon thirty (30) days’ written notice to the TSA so that the leased space does not become an impediment to any future terminal modernization efforts; and,

WHEREAS, the total gross revenue for the Space Rental Agreement shall be \$4,851,457.50, for the five-year term; 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 enter into a Space Rental Agreement with the United States of America for the Transportation Security Administration by and through the General Services Administration as herein described.

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12-21-23

CORPORATE RESOLUTION

I hereby certify that the following is a true and exact copy of a resolution by the Board of Commissioners of the Memphis-Shelby County Airport Authority, a body politic organized and existing under the laws of the State of Tennessee, held at its offices on the _____ day of December 2023.

WHEREAS, from time to time and for various purposes, the Memphis-Shelby County Airport Authority (“Authority”) must apply for and enter into loans and financing facilities with one or more lending institutions to fund various construction, operational, and other financial needs of the Authority; and

WHEREAS, a line of credit is by nature a short-term funding option that may be used on any number of projects as appropriate and has proven to be financially advantageous to the Authority; and

WHEREAS, it is in the Authority’s best interest to continue to enter into various financing facilities and to have the ability to do so under a continuing authorizing resolution;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Memphis-Shelby County Airport Authority, that the President of the Authority may from time to time enter into and extend financing facilities with one or more lending institutions in various amounts deemed appropriate to fund construction, operational, and other financial needs as they may arise.

BE IT FURTHER RESOLVED, that all such financing facility instruments and documents must be executed by and on behalf of the Authority by the signatures of two (2) officers of the Authority; the authorized officers being the below named Category A Officer and the below named Category B Officers:

CATEGORY	NAME	OFFICE
A	Terry Blue, A.A.E.	President
B	Sylvester Lavender, CPA	Treasurer
B	Jeffrey W. Hanley	Assistant Treasurer

BE IT FURTHER RESOLVED, that upon execution by the Category A Officer and one of the Category B Officers, each of the financing facility instruments and documents shall be the valid and binding obligation of the Authority in accordance with the terms of such instruments and documents.

*End of Page
Certification and signature page follow*

**CERTIFICATION AND SIGNATURE PAGE
OF
RECERTIFIED COPY OF CORPORATE RESOLUTION**

I further certify that I am the duly qualified, elected and serving Secretary of the Board of Commissioners of the Memphis-Shelby County Airport Authority and that the above and foregoing resolution remains in full force and effect as of the date below and has not been rescinded, modified or amended.

Dated this _____ day of December, 2023

Name: _____,
Secretary of the Board of Commissioners of the
Memphis-Shelby County Airport Authority

Approved as to form and legality:

Amber Floyd, Esquire, General Counsel and Secretary
of the Memphis-Shelby County Airport Authority

Date: December ____, 2023

4895-8901-4588, v. 1

12-21-23