

REGULAR MEETING OF THE BOARD OF COMMISSIONERS, MEMPHIS-SHELBY
COUNTY AIRPORT AUTHORITY (MSCAA) May 15, 2025

CALL TO ORDER

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

APPROVAL OF BOARD MEETING MINUTES: ***March 20, 2025***

Resolutions for Approval This Month

Approval to Execute an Agreement – Wildlife Management Program – USDA-APHIS Wildlife Services

Approval of Funding Authorization Level No. 6 – TMSP: Construction of Trash Chutes for Concourse B - Turner Construction Company, Inc./Ardmore Roderick, Inc./Chris Woods Construction Company (Tri-Venture)

Approval of Funding Authorization Level No. 7 – TMSP: Early Delivery Package for the new CBIS/Admin Building - Turner Construction Company, Inc./Ardmore Roderick, Inc./Chris Woods Construction Company (Tri-Venture)

Approval to Execute a Contract – Purchase and Installation of a Parking Guidance System for Terminal Garages - Parking Guidance Systems, LLC

Adoption of and Approval to Execute the updated MEM Air Service Incentive Plan

Approval of Fiscal Year 2026 Budget (July 1, 2025 – June 30, 2026)

Division Reports

TREASURER and PROPERTIES REPORTS

Sylvester Lavender, Vice President of Finance and Administration/CFO

OPERATIONS REPORT

Marshall Stevens, Vice President of Operations/COO

INFORMATION ITEMS

EXECUTIVE SESSION

At this time the zoom webcast will end and those attending in person will be excused from the boardroom. The Senior Executives, General Counsel and the Board members will remain. After the Executive Session has concluded, the board meeting will resume to formally adjourn the meeting.

NEXT BOARD MEETING – ***June 26, 2025 (adjusted date)***

Memphis-Shelby County Airport Authority

Treasurer's Report

For the Ten Months Ended April 30, 2025

SUMMARY	Current Period Actual	Current Period Budget	Variance	% Variance	YTD Actual	YTD Budget	YTD Variance	YTD % Variance	Annual Budget
Revenues	11,648,282	12,086,443	(438,161)	(3.6%)	126,564,320	128,234,806	(1,670,486)	(1.3%)	153,341,500
Expenses	13,087,156	13,643,446	(556,290)	(4.1%)	117,842,455	121,269,940	(3,427,485)	(2.8%)	153,341,500
Net Revenues	(1,438,874)	(1,557,003)	118,129		8,721,866	6,964,866	1,757,000		0
SUMMARY BY COST CENTER									
Revenues									
Terminal	2,258,304	2,487,833	(229,529)	(9.2%)	24,014,185	24,901,695	(887,510)	(3.6%)	29,885,200
Ground Transportation	3,537,712	3,656,629	(118,917)	(3.3%)	36,361,491	37,473,680	(1,112,189)	(3.0%)	45,613,800
Airfield	5,045,285	5,132,277	(86,992)	(1.7%)	56,279,199	57,870,277	(1,591,078)	(2.7%)	68,253,500
Other Aviation	334,312	360,582	(26,270)	(7.3%)	4,153,159	3,609,144	544,015	15.1%	4,330,300
Non-Aviation	113,706	125,897	(12,191)	(9.7%)	1,337,209	1,147,760	189,449	16.5%	1,380,000
Other Sources	358,964	323,225	35,739	11.1%	4,419,077	3,232,250	1,186,827	36.7%	3,878,700
Total Revenues	11,648,282	12,086,443	(438,161)	(3.6%)	126,564,320	128,234,806	(1,670,486)	(1.3%)	153,341,500
Expenses									
Terminal	1,271,085	1,354,275	(83,190)	(6.1%)	13,519,709	14,173,567	(653,858)	(4.6%)	17,244,113
Ground Transportation	571,795	586,186	(14,391)	(2.5%)	5,785,285	5,926,242	(140,958)	(2.4%)	7,108,200
Airfield	1,532,182	1,654,111	(121,929)	(7.4%)	19,320,090	20,115,337	(795,247)	(4.0%)	23,689,437
Field Shop	165,693	207,106	(41,413)	(20.0%)	2,043,807	2,014,991	28,816	1.4%	2,460,016
General Admin	1,780,403	1,928,295	(147,892)	(7.7%)	18,982,001	19,936,081	(954,080)	(4.8%)	26,761,747
Operation & Public Safety	1,140,430	1,252,441	(112,011)	(8.9%)	12,216,375	12,889,397	(673,022)	(5.2%)	15,830,687
Other & Non Aviation	149,456	184,920	(35,464)	(19.2%)	1,614,402	1,853,540	(239,138)	(12.9%)	2,226,100
Bond Principal Int. & Coverage	3,434,617	3,434,617		0.0%	34,346,170	34,346,170		0.0%	41,215,400
Capital Disbursements	3,041,495	3,041,495		0.0%	10,014,615	10,014,615		0.0%	16,805,800
Total Expenses	13,087,156	13,643,446	(556,290)	(4.1%)	117,842,455	121,269,940	(3,427,486)	(2.8%)	153,341,500
Revenues Over/(Under) Expenses	(1,438,874)	(1,557,003)	118,129		8,721,866	6,964,866	1,757,000		0

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

Memphis-Shelby County Airport Authority
Treasurer's Report

For the Nine Months Ended March 31, 2025

SUMMARY	Current Period Actual	Current Period Budget	Variance	% Variance	YTD Actual	YTD Budget	YTD Variance	YTD % Variance	Annual Budget
Revenues	12,303,999	12,899,053	(595,054)	(4.6%)	114,983,315	116,148,363	(1,165,048)	(1.0%)	153,341,500
Expenses	11,842,876	12,853,418	(1,010,542)	(7.9%)	104,724,355	107,630,078	(2,905,723)	(2.7%)	153,341,500
Net Revenues	461,123	45,635	415,488		10,258,960	8,518,285	1,740,675		0
SUMMARY BY COST CENTER									
Revenues									
Terminal	2,240,769	2,452,118	(211,349)	(8.6%)	21,726,818	22,413,862	(687,044)	(3.1%)	29,885,200
Ground Transportation	3,897,303	4,060,669	(163,366)	(4.0%)	32,870,308	33,817,051	(946,743)	(2.8%)	45,613,800
Airfield	5,103,861	5,595,082	(491,221)	(8.8%)	51,233,151	52,738,000	(1,504,849)	(2.9%)	68,253,500
Other Aviation	336,493	360,582	(24,089)	(6.7%)	3,818,847	3,248,562	570,285	17.6%	4,330,300
Non-Aviation	345,574	107,377	238,197	221.8%	1,223,503	1,021,863	201,640	19.7%	1,380,000
Other Sources	379,999	323,225	56,774	17.6%	4,110,687	2,909,025	1,201,662	41.3%	3,878,700
Total Revenues	12,303,999	12,899,053	(595,054)	(4.6%)	114,983,315	116,148,363	(1,165,048)	(1.0%)	153,341,500
Expenses									
Terminal	1,298,314	1,376,705	(78,391)	(5.7%)	12,225,822	12,824,292	(598,470)	(4.7%)	17,244,113
Ground Transportation	522,698	583,623	(60,925)	(10.4%)	5,190,412	5,340,056	(149,644)	(2.8%)	7,108,200
Airfield	1,824,703	2,298,196	(473,493)	(20.6%)	17,751,773	18,461,766	(709,993)	(3.8%)	23,689,437
Field Shop	164,790	200,306	(35,516)	(17.7%)	1,878,483	1,807,885	70,598	3.9%	2,460,016
General Admin	1,735,201	1,918,172	(182,971)	(9.5%)	17,294,155	18,007,786	(713,631)	(4.0%)	26,761,747
Operation & Public Safety	1,130,247	1,243,171	(112,924)	(9.1%)	11,037,296	11,636,956	(599,660)	(5.2%)	15,830,687
Other & Non Aviation	120,699	187,020	(66,321)	(35.5%)	1,463,697	1,668,620	(204,923)	(12.3%)	2,226,100
Bond Principal Int. & Coverage	3,434,616	3,434,616		0.0%	30,911,552	30,911,552		0.0%	41,215,400
Capital Disbursements	1,611,609	1,611,609		0.0%	6,971,165	6,971,165		0.0%	16,805,800
Total Expenses	11,842,876	12,853,418	(1,010,542)	(7.9%)	104,724,355	107,630,078	(2,905,723)	(2.7%)	153,341,500
Revenues Over/(Under) Expenses	461,123	45,635	415,488		10,258,960	8,518,285	1,740,675		0

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

RESOLUTION

WHEREAS, Memphis-Shelby County Airport Authority ("Airport Authority") is authorized by the public purchasing provisions of state law to enter into a contract offered by a government entity 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, the Airport Authority entered into a Cooperative Service Agreement ("Agreement") with the United States Department of Agriculture Animal and Plant Health Inspection Service – Wildlife Services ("APHIS-WS") effective July 1, 2005, to provide a wildlife damage management program for the protection of human health and air traffic safety at the Airport Authority's airports; and,

WHEREAS, APHIS-WS has statutory authority under applicable federal legislation to cooperate with states, local jurisdictions, individuals, public and private agencies, organizations, and institutions conducting a program of wildlife services involving mammal and bird species that are reservoirs for zoonotic diseases, or animal species that are injurious and/or a nuisance to, among other things, agriculture, horticulture, forestry, animal husbandry, wildlife, and human health and safety; and,

WHEREAS, wildlife hazards and wildlife mitigation are critical to the safety of airports and aviation transportation; and,

WHEREAS, APHIS-WS, has submitted a cost proposal covering the five-year period of July 1, 2025, through June 30, 2030, at an annual, not-to-exceed cost of \$129,000.00 for the first three years and \$136,000.00 for years four and five; and,

WHEREAS, in accordance with established policies, the Airport Authority has listed APHIS-WS as a Single Source Vendor; 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 the Agreement as herein described, cost to be paid from MSCAA Annual Operating Funds or any other funds as identified by the CFO.

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05-15-25

RESOLUTION

WHEREAS, by Resolution No. 22-5056, adopted October 20, 2022, approval was granted for award of contract to Turner Construction Company, Inc./Ardmore Roderick, Inc./Chris Woods Construction Company (Tri-Venture) for the project described as:

**TERMINAL MODERNIZATION AND SEISMIC PROGRAM
CONSTRUCTION MANAGER AT RISK (CMAR) SERVICES
MSCAA PROJECT NO. 22-1459-01**

WHEREAS, the scope of services under the contract is to provide preconstruction services during the various design phases with the intent of forming a Guaranteed Maximum Price (GMP) for construction followed by a transition to assuming the risk of delivering the Terminal Modernization and Seismic Program (TMSP) project as the Construction Manager; and,

WHEREAS, the Board has approved amendments to the base contract to add additional scope and the associated funding as set forth in the table below:

Contract Agreement 22-1459-01	Board Resolution or Management Action	Date	Tri-Venture Amendment Number(s)	Scope	Cost / GMP	Contingency	DBE Goal
Base Contract	Resolution No. 22-5056	October 20, 2022		Preconstruction Services	\$3,000,000.00	\$300,000.00	0%
Funding Authorization N/A	Resolution No. 23-5087	April 20, 2023	N/A	Expansion of the East Employee and Overflow Passenger Parking (Yellow) Lot	Administratively withdrawn / not executed		N/A
Funding Authorization 1	Resolution No. 23-5123	October 29, 2023	1.0.0 2.1.0	Mobilization To Support TMSP	\$2,000,000.00 \$3,000,000.00 \$5,000,000.00		24%

Funding Authorization 2	Resolution No. 23-5124	October 29, 2023	1.1.0 1.1.1	Expansion of the East Employee and Overflow Passenger Parking (Yellow) Lot	\$2,100,000.00		10%
Funding Authorization 3	Resolution No. 24-5140	March 21, 2024	2.1.0 2.0.0 2.2.0	Enabling Components of the Upper/Outer Drive Replacement	\$22,000,000.00		26%
Funding Authorization 4	Resolution No. 24-5148	July 18, 2024	1.2.0	Demolition of Concourse A	\$8,400,000.00		26%
Funding Authorization 5	Resolution No. 24-5159	December 12, 2024	2.3.0	Upper/Outer Drive Replacement	\$59,281,028.00	3,468,585.10	18%
Approved Funding Authorization Amount To Date (Cost/GMP + Contingency)						\$103,549,613.10	

and,

WHEREAS, it is now Airport Management's desire to implement Funding Authorization No. 6, for installation of trash chutes to the Concourse Rotunda; and,

WHEREAS, the scope of services will include, but may not be limited to, demolition of existing glass curtain wall and sidewalks, relocation of existing generator, and installation of new trash chutes, new communication and power cabling, new concrete pad, new bollards, and other efforts as necessary; and,

WHEREAS, Airport Authority Management has negotiated a contract amendment with the Tri-Venture to establish a (GMP) budget amount of Five Hundred Fifty Five Thousand dollars and Zero cents (\$550,000.00) and recommends an Initial Contingency Amount (ICA) in the amount of \$55,000 (10%) for the aforementioned scope, which, in accordance with Airport Authority Policy 701, requires approval by the

President and CEO and the Board; and,

WHEREAS, if approved, Funding Authorization No. 6 will increase the Board approved funding authorization amount to date from \$103,549,613.10 to \$104,154,613.10 ; and,

WHEREAS, the Airport Management's Capital Program Executive Staff, by action taken on May 8, 2025, recommends approval of Funding Authorization No. 6 to Contract Agreement 22-1459-01; and,

WHEREAS, in furtherance of its Disadvantaged Business Enterprise (DBE) Program, the Airport Authority will establish a DBE participation goal for each major element of the TMSP project, and the goal established for the scope of work associated with proposed Funding Authorization No. 6 is 12%; and,

WHEREAS, the Tri-Venture has committed to meeting all DBE goals throughout the duration of the TMSP project;

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 granted Funding Authorization Level No. 6 in order to execute amendments to Contract Agreement 22-1459-01 with Turner Construction Company, Inc./Ardmore Roderick, Inc./Chris Woods Construction Company (Tri-Venture) for the associated scope as herein described with costs to be paid from FAA Grants, Terminal Capital Funds, and other funds as designated by the CFO.

RESOLUTION

WHEREAS, by Resolution No. 22-5056, adopted October 20, 2022, approval was granted for award of contract to Turner Construction Company, Inc./Ardmore Roderick, Inc./Chris Woods Construction Company (Tri-Venture) for the project described as:

**TERMINAL MODERNIZATION AND SEISMIC PROGRAM
CONSTRUCTION MANAGER AT RISK (CMAR) SERVICES
MSCAA PROJECT NO. 22-1459-01**

WHEREAS, the scope of services under the contract is to provide preconstruction services during the various design phases with the intent of forming a Guaranteed Maximum Price (GMP) for construction followed by a transition to assuming the risk of delivering the Terminal Modernization and Seismic Program (TMSP) project as the Construction Manager; and,

WHEREAS, the Board has approved amendments to the base contract to add additional scope and the associated funding as set forth in the table below:

Contract Agreement 22-1459-01	Board Resolution or Management Action	Date	Tri-Venture Amendment Number(s)	Scope	Cost / GMP	Contingency	DBE Goal
Base Contract	Resolution No. 22-5056	October 20, 2022		Preconstruction Services	\$3,000,000.00	\$300,000.00	0%
Funding Authorization N/A	Resolution No. 23-5087	April 20, 2023	N/A	Expansion of the East Employee and Overflow Passenger Parking (Yellow) Lot	Administratively withdrawn / not executed		N/A
Funding Authorization 1	Resolution No. 23-5123	October 29, 2023	1.0.0 2.1.0	Mobilization To Support TMSP	\$2,000,000.00 <u>\$3,000,000.00</u> \$5,000,000.00		24%

Funding Authorization 2	Resolution No. 23-5124	October 29, 2023	1.1.0 1.1.1	Expansion of the East Employee and Overflow Passenger Parking (Yellow) Lot	\$2,100,000.00		10%
Funding Authorization 3	Resolution No. 24-5140	March 21, 2024	2.1.0 2.0.0 2.2.0	Enabling Components of the Upper/Outer Drive Replacement	\$22,000,000.00		26%
Funding Authorization 4	Resolution No. 24-5148	July 18, 2024	1.2.0	Demolition of Concourse A	\$8,400,000.00		26%
Funding Authorization 5	Resolution No. 24-5159	December 12, 2024	2.3.0	Upper/Outer Drive Replacement	\$59,281,028.00	\$3,468,585.10	18%
Funding Authorization 6	Resolution No. 25-	May 15, 2025	1.3.0	Installation of Trash Chutes on Concourse B	\$550,000	\$55,000	12%
Approved Funding Authorization Amount To Date (Cost/GMP + Contingency)						\$104,154,613.10	

and,

WHEREAS, it is now Airport Management's desire to implement Funding Authorization No. 7, for the early delivery package for the CBIS/Admin Building; and,

WHEREAS, the scope of services will include, but may not be limited to, Site Preparation, Foundations, Building Slab, Steel Package, Three (3) Elevators, Backup Generator with the Associated Transfer Switch as well as Temporary Site Utilities for the construction of the CBIS/Admin Building; and,

WHEREAS, Airport Authority Management has negotiated a contract amendment with the Tri-Venture to establish a (GMP) budget amount of Twenty Million Nine Hundred Fifty Six Thousand Three Hundred Ninety Six dollars (\$20,956,396.00)

and recommends an Initial Contingency Amount (ICA) in the amount of \$2,095,639.60 (10%) for the aforementioned scope, which, in accordance with Airport Authority Policy 701, requires approval by the President and CEO and the Board; and,

WHEREAS, if approved, Funding Authorization No. 7 will increase the Board approved funding authorization amount to date from \$104,154,613.10 to \$127,206,648.70; and,

WHEREAS, the Airport Management's Capital Program Executive Staff, by action taken on May 8, 2025, recommends approval of Funding Authorization No. 7 to Contract Agreement 22-1459-01; and,

WHEREAS, in furtherance of its Disadvantaged Business Enterprise (DBE) Program, the Airport Authority will establish a DBE participation goal for each major element of the TMSP project and the goal established for the scope of work associated with proposed Funding Authorization No. 7 is 27%; and,

WHEREAS, the Tri-Venture has committed to meeting all DBE goals throughout the duration of the TMSP project;

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 granted Funding Authorization Level No. 7 in order to execute amendments to Contract Agreement 22-1459-01 with Turner Construction Company, Inc./Ardmore Roderick, Inc./Chris Woods Construction Company (Tri-Venture) for the associated scope as herein described with costs to be paid from FAA Grants, TSA Grants, Terminal Capital Funds, and other funds as designated by the CFO.

RESOLUTION

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

REQUEST FOR PROPOSALS
PARKING GUIDANCE SYSTEM
MSCAA PROJECT NO. 24-1477-00
MEMPHIS INTERNATIONAL AIRPORT
Received March 6, 2025

PROPOSER	TOTAL
Fennix Systems Inc / SpotGenius #	\$7,919,861.28
Parking Guidance Systems, LLC	\$5,043,399.96
TKH Security, LLC #	\$5,165,022.31

** local*

non-responsive

and,

WHEREAS, the proposals include the installation of a parking guidance system at the Economy and Short/Long-Term Garages at Memphis International Airport; and,

WHEREAS, the scope of work consists of, but are not necessarily limited to, installation of parking guidance equipment, installation of associated power and data infrastructure, and other efforts as necessary; and,

WHEREAS, the proposals were evaluated according to the established solicitation requirements and Parking Guidance Systems, LLC was deemed the sole responsive proposer; and,

WHEREAS, in accordance with Airport Authority Policy 703, the sole responsive proposal was evaluated by the Selection Committee according to established selection criteria; and,

WHEREAS, after review, the Selection Committee recommended selecting

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Parking Guidance Systems, LLC; and,

WHEREAS, the Airport Authority Management's Capital Program Executive Staff recommended award of the Contract in the total amount of \$5,043,399.96 to Parking Guidance Systems, LLC and an Initial Contingency Amount (ICA) in the amount of \$252,170.00 (5%) 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 6% for the full term of this contract; and,

WHEREAS, Parking Guidance Systems, LLC is a non-local prime contractor, using one local certified DBE subcontractor for a committed contract participation amount of \$669,600.00, totaling 13.2% DBE Participation on the project; and,

WHEREAS, Airport Authority Management recommends the approval of a contract with Parking Guidance Systems, LLC in the amount of \$5,043,399.96;

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 Parking Guidance Systems, LLC as herein described, cost to be paid from the FY25 Capital Outlay Budget, Capital Funds, or other funds as identified by the CFO.

RESOLUTION

WHEREAS, the Memphis-Shelby County Airport Authority ("Authority") adopted an Air Service Development Program ("Program") by Resolution No. 12-4599 on May 17, 2012; and,

WHEREAS, the Program has been amended from time to time to adjust the parameters of the incentives offered to reflect changes in the air service market at Memphis International Airport ("MEM"); and,

WHEREAS, the Federal Aviation Administration ("FAA") has recently updated its policy regarding Air Service Development Programs, now called Air Service Incentive Plans ("ASIP"), and the Authority must update its ASIP accordingly; and,

WHEREAS, Authority Executive Management recommends that the MEM ASIP not only be updated to match new FAA guidance, but that the parameters of the potential incentives included therein also be updated to ensure that MEM is competitive with peer airports; and,

WHEREAS, the updated MEM ASIP incentives are designed to target new passenger air service to unserved domestic and international markets through a combination of airport fee waivers and marketing support; and,

WHEREAS, such incentives and target markets included in the updated MEM ASIP may need to be amended from time to time at the discretion of the President and CEO based upon available funds, changes in the air service market, or any other conditions as may reasonably warrant adjustments to the MEM ASIP; and,

WHEREAS, the Airport Authority Board Air Service Development Committee and Authority Executive Management recommends adoption of the newly updated MEM ASIP;

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

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Memphis-Shelby County Airport Authority, that the updated Memphis International Airport Air Service Incentive Plan is hereby adopted to comply with updated FAA guidance and that the President and CEO is hereby authorized to amend and execute the MEM Air Service Incentive Plan as may be necessary based upon available funds, changes in the air service market, or any other relevant conditions to ensure that MEM remains competitive with peer airports; and,

BE IT FURTHER RESOLVED that the President and CEO or his designee is authorized to execute any and all documents necessary to carry out the MEM Air Service Incentive Plan.

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05-15-25

RESOLUTION

WHEREAS, the Memphis-Shelby County Airport Authority ("Authority") has prepared the Fiscal Year 2026 (July 1, 2025 – June 30, 2026) Operations and Maintenance Budget, including corresponding airline rates and charges; and,

WHEREAS, the Airport Authority Board Finance Administration and Audit Committee and Airport Authority Management recommend adoption of the budget;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the Memphis-Shelby County Airport Authority, that approval be and is hereby granted to adopt the Fiscal Year 2026 Operations and Maintenance Budget as herein described and the corresponding rates and charges contained therein.

05-15-25

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