

**LOUISVILLE REGIONAL AIRPORT AUTHORITY
BOARD MEETING
JUNE 19, 2024**

The regular meeting of the Board of the Louisville Regional Airport Authority was held on June 19, 2024. Chairman Dale Boden convened the meeting at 3:07 p.m. in the Boardroom of the Louisville Regional Airport Authority.

Board members present: Mr. Mark Blieden, Mr. Dale Boden, Mr. Mitchel Denham, Mr. Brian Lavin, Mr. Pat MacDonald, Ms. Lesa Seibert, and Mr. John Sistarenik. Not in attendance: Mr. Cleo Battle, Mayor Craig Greenberg and Ms. Maggie Payette Harlow. Mr. Tom Halbleib attended as counsel to the Board.

Staff members present: Ms. Pat Apone, Ms. Megan Atkins Thoben, Ms. Dodie Caulk, Mr. Dillon Chado, Ms. Natalie Ciresi Chaudoin, Ms. Lauren Deel, Ms. Jorgie Dermody, Mr. Anthony Gilmer, Mr. Damon Jewell, Ms. Noel Jolly, Mr. Daniel Klein, Mr. Dan Mann, Ms. Kristal Monroe, Ms. Kim Pemberton, Ms. Brenda Perry, Ms. Beverly Santamouris, Ms. Jamieson Siburt, Mr. Brian Sinnwell, Ms. Kelly Stengel, Mr. Adam Thomas, and Mr. Jason Wheeler.

Also in attendance: Mr. Phil Clark, Mr. Mike Grim, Mr. John Kraft, Ms. Roxie Ruckriegel and Mr. Todd Tabor.

CONSIDERATION OF MINUTES

On motion duly made and seconded, the minutes of the Regular Board meeting held April 17, 2024, were unanimously approved.

AUDIT COMMITTEE

Ms. Beverly Santamouris provided a brief summary of the May 9, 2024 Audit Committee meeting and advised the Board that the goal is to present the audit report to the full Board at the November Board meeting. The Audit Committee will meet again on November 7, 2024 for an in-depth review the audit report.

CONSENT ITEMS

1. Hi-Lite Contract Amendment 1 — Louisville Muhammad Ali International Airport — Approval

In April 2023, the Board approved an agreement with Hi-Lite Airfield Services for Airfield Markings Maintenance and Runway Skid Resistance Testing based upon the Sourcewell Cooperative Agreement 1100122-HLA. The agreement also included the option of Runway Rubber Removal Services, which was not exercised at that time. Services are presently provided by Authority maintenance staff using a chemical-based detergent and airfield equipment to remove the rubber buildup on runways. Runway cleaning, a two-day process, is performed a minimum of eight times per year. Runway rubber removal is a labor-intensive process utilizing up to 9 staff members, 4 front-end broom sweepers, 3 water/detergent spreaders and 12 totes of chemical

detergent. Adding this service through an amendment of the original Hi-Lite service agreement would allow for shortening runway closure time, allow Maintenance staff to be assigned to other maintenance projects and extend the useful life of existing equipment.

Pricing terms and conditions are based upon the Sourcewell Master Agreement 110122-HLA which runs through January 13, 2027 with available renewal options. This contract will cover all labor and equipment required. State law, specifically KRS 45A affords the Authority, as a political subdivision of the Commonwealth, the opportunity to participate in cooperative contracts with other public entities under certain circumstances without the need to conduct an additional solicitation. This agreement has been reviewed by the Authority and has been determined to meet the contracting and purchasing requirements for Kentucky Cooperative Purchasing Agreements.

Mr. Mann recommended the Board approve the amendment for adding Runway Rubber Removal Services to the contract with Hi-Lite Airfield Services at a not-to-exceed amount of \$500,000; and authorize the Executive Director to execute the necessary amendment 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.

2. In-Line Baggage Screening System Operation and Maintenance Services — Louisville Muhammad Ali International Airport — Contract Award

The Authority recently issued an invitation to submit proposals from qualified firms to perform operations and maintenance of its In-Line Baggage Screening System (ILBSS) at Louisville Muhammad Ali International Airport. The system has been in operation since September of 2007, providing all screening activities for checked baggage. The systems computer software was upgraded in 2020. The existing ILBSS service contract will expire July 22, 2024. The Request for Proposal was advertised in *The Courier Journal*, *Louisville Defender* and on the websites of the Authority and Tri-State Minority Supplier Development Council. Invitations to submit proposals were sent to 12 known companies that provide such services. Five proposals were received from: ERMC Aviation (the incumbent), Diafuku, JSM, Siemens and PBP Services. The proposal received from Diafuku was nonresponsive as no pricing was submitted as required.

Proposals were reviewed by a committee consisting of four Authority staff members. Evaluation criteria included: Company History, Experience, Staffing, Financial Ability, Transition Plan, References and Annual Costs. After review and completing reference checks, the evaluation committee recommends an award to ERMC Aviation, LLC to provide the in-line baggage screening system services. ERMC Aviation, LLC has proposed a three-year contract price of \$2,708,959.80 with an additional two, one-year renewal options available.

Mr. Mann recommended the Board award a three-year contract with two, one-year renewal options for Operations and Maintenance of the In-Line Baggage Screening System to ERMC Aviation, LLC of Grand Prairie Texas with an initial three year not-to-exceed amount of \$2,708,959.80; 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.

3. Aircraft Flight Tracking System — Louisville Muhammad Ali International Airport — Contract Award

The Authority solicited proposals for the replacement of the current Aircraft Flight Tracking and Noise Management System (AFTNMS). In the Part 150 Noise Compatibility Program, a mitigation measure was included to track the flights at Louisville Muhammad Ali International Airport. The flight tracking system allows staff to address complaints from the community, ensure compliance with the runway use agreement with the Air Traffic Control Tower and serves as a rich source of data for analysis and compliance initiatives such as completing updates to the Master Plan and Noise Exposure Maps. The system also provides a component that can be viewed by the public via the Authority's website, allowing near real time flight tracking and monitoring. This project was advertised in *The Courier-Journal*, the *Louisville Defender*, Tri-State Minority Supplier Development Council, the AAAE website and on the Authority's website. Proposals were received from two (2) companies: Casper Airport Solutions Inc, and PASSUR Aerospace, Inc. Authority staff reviewed all proposals and determined the proposal from Casper Airport Solutions Inc. of Berwyn, PA was the most responsive. Their price proposal of \$108,000.00 includes: three years flight operations and identification monitoring, warranty, maintenance, hosting and support, and two annual renewal options.

Mr. Mann recommended that the Board award the contract for an Aircraft Flight Tracking and Noise Management System to Casper Airport Solutions Inc. of Berwyn, PA with a total not-to-exceed amount of \$108,000.00; 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.

4. Terminal Ramp Expansion Separator — Louisville Muhammad Ali International Airport — Contract Award

This project involves installing a water quality unit on the storm drainage system recently added during the terminal ramp expansion. It includes setting up a diversion structure, a stormwater treatment device, and monitoring equipment to contain potential fuel spillage or other contaminants while allowing stormwater to drain. The Terminal Ramp Expansion Separator project was advertised in *The Courier-Journal* and posted on the Authority's website. Three bids were received. Upon review of all documentation provided, the lowest, responsive bidder was MAC Construction & Excavating, Inc. of New Albany, IN with a bid price of \$475,000.00. Authority staff and our consultant have reviewed the bid documents submitted by MAC Construction & Excavating, Inc., have verified the bids to be responsive, and are recommending the contract award.

Mr. Mann recommended the Board award the contract for the Terminal Ramp Expansion Separator project to MAC Construction & Excavating, Inc. at a bid price of \$475,000.00; 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 Order 3 — Louisville Muhammad Ali International Airport — Approval

On November 15, 2023, the Board approved the award of a Planning, Engineering, & Architectural Professional Services contract with HNTB. The contract requires Board approval for each Task Order. Task Order 3 authorizes HNTB to provide construction administration and oversight services for the Terminal Ramp Expansion Separator project. This project involves installing a water quality unit on the storm drainage system recently added during the terminal ramp expansion. The negotiated amount for Task Order 3 is \$76,180.

Mr. Mann recommended the Board approve Task Order 3 to the contract with HNTB for a negotiated amount of \$76,180; 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.

6. Taxiway B Reconstruction, Phase 1 — Louisville Muhammad Ali International Airport — Contract Award

This project involves reconstructing a section of Taxiway B between B4 and B5. Serving as the main parallel to Runway 17R-35L, Taxiway B is crucial for SDF operations. This initiative marks the beginning of a three-year program aimed at reconstructing the severely distressed sections of Taxiway B. The Taxiway B Reconstruction, Phase 1 project was advertised in *The Courier-Journal* and posted on the Authority's website. Two bids were received. Upon review of all documentation provided, the lowest, responsive bidder was The Harper Company of Hebron, KY with a bid price of \$9,211,755.09. This project is 90% funded by the FAA. Authority staff and our consultant have reviewed the bid documents submitted by The Harper Company, have verified the bid to be responsive, and are recommending the contract award.

Mr. Mann recommended the Board award the contract for the Taxiway B Reconstruction, Phase 1 project to The Harper Company at a bid price of \$9,211,755.09; 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. TEM Group, Inc. Change Order 1 — Louisville Muhammad Ali International Airport — Approval

This project consists of the replacement of incandescent lights, signs, and circuits on Runway 17L-35R. Most of these systems have reached the end of their useful life and the lights and signs will be upgraded to modern LED standards. This change order request approves the installation of individual lighting control and monitoring systems for the centerline and touchdown zone lighting on Runway 17L-35R. This system will allow our Operations and Maintenance Departments to monitor the real-time status of each individual light, thereby reducing response times for work orders and increasing airfield safety. This technology aligns with what was installed during the 17R-35L Electrical Reconstruction project last year. The amount for Change Order No. 1 is

\$723,531.96. Authority staff and our consultant have reviewed the documents submitted by TEM Group, Inc. and are recommending the change order be approved.

Mr. Mann recommended the Board approve Change Order No. 1 to the contract for the Runway 17L-35R Electrical Rehabilitation project to TEM Group, Inc. in the amount of \$723,531.96 resulting in a revised total contract price of \$3,601,750.96; 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.

8. CMTA Energy Solutions Task Order 2B Amendment 3— Louisville Muhammad Ali International Airport — Approval

At the September 15th, 2021 Board meeting, the Board approved a contract with CMTA Energy Solutions (CMTA ES) for Construction and Energy Management Services for the next phases of Terminal Renovation work. Since then, a number of task orders have been brought to the Board for the various phases of design, construction and commissioning. In April 2023, the Board approved Task Order 2B for landside Mechanical Electrical and Plumbing work, the installation of new baggage claim equipment, renovations of rental car counters, relocation of the information desk and various lighting, ceiling and flooring improvements, as well as the purchase of certain equipment, all with a Guaranteed Maximum Price (GMP) for Task Order 2B of \$22,657,520.

Since then, there have been two amendments to the task order to change the scope of work, with some additive and other deductive cost and work changes. It is now necessary for a third amendment to Task Order 2B. This amendment has three components: 1) the demolition and installation of new finishes and passenger seating in what was formerly the Fifth Third Bank at a cost of \$544,487.20; 2) a new Information Desk at a cost of \$123,987.64; and 3) upgrades to the video walls in various areas to add discreet audio subsystems for what are currently video only displays, at a cost of \$57,951.06. The direct costs, along with an allowance and O&P for CMTA ES, bring the total cost of the Amendment to \$903,842.81.

Mr. Mann recommended the Board approve Amendment 3 to Task Order 2B as outlined above, in the amount of \$903,842.81 which brings the new not to exceed amount of \$22,906,610.81; 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

9. ARFF Bathrooms and Gear Storage — Louisville Muhammad Ali International Airport — Award

This project consists of the renovations of the bathrooms and gear storage room within the Aircraft Rescue and Fire Fighting (ARFF) facility at SDF. These updates are essential since the facilities date back to their original construction in 2008 and are utilized by staff members working 24-hour

shifts. The ARFF Bathrooms and Gear Storage Renovation project was advertised in *The Courier-Journal* and posted on the Authority's website. Three bids were received on May 10, 2024. Upon review of all documentation provided, the lowest, responsive bidder was Miranda Construction of Louisville, KY with a bid price of \$597,950.00. Authority staff and our consultant have reviewed the bid documents submitted by Miranda Construction, have verified the bids to be responsive, and are recommending the contract award.

Mr. Mann recommended the Board award the contract for the ARFF Bathrooms and Gear Storage Renovation project to Miranda Construction at a bid price of \$597,950.00; 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.

6. Foth Task Orders 72,73,74,75,76 — Louisville Muhammad Ali International Airport and Bowman Field — Approval

On November 20, 2019, the Board approved the award of a Planning, Engineering and Architectural Professional Services contract to Foth for a three-year period. Subsequently, the option for an additional two-year term was approved on January 18, 2023. The contract requires Board approval for each Task Order.

Task Order 72 authorizes Foth to provide design and bidding services for the SDF Maintenance Parking Lot project. This project involves constructing a parking lot on a 16-acre vacant lot owned by the LRAA, located along Park Boulevard, just north of the existing Maintenance Facility. The negotiated amount for Task Order 72 is \$370,079.

Task Order 73 authorizes Foth to provide construction administration and observation services for the Taxiway B Reconstruction, Phase 1 project at SDF. This project consists of the reconstruction of a portion of Taxiway B between B4 and B5. The negotiated amount for Task Order 73 is \$893,457. This project is 90% funded by an FAA grant.

Task Order 74 authorizes Foth to provide construction administration and escorting services for the ARFF Bathroom & Gear Room Renovation project. This project consists of renovations of the bathrooms and gear storage room within the Aircraft Rescue and Fire Fighting (ARFF) facility at SDF. The negotiated amount for Task Order 74 is \$51,766.00.

Task Order 75 authorizes Foth to provide design and bidding services for the Taxiway B Reconstruction, Phase 2 project at SDF. This project consists of design for the reconstruction of Taxiway B between B5 and F. The negotiated amount for Task Order 75 is \$613,682. This project will be 90% funded by an FAA grant.

Task Order 76 authorizes Foth to provide design and bidding services for a proposed wash rack and bathroom facility at LOU. The wash rack and bathrooms will be centralized between the east and west t-hangars and be available for all tenants. The negotiated amount for Task Order 76 is \$59,418.

Mr. Mann recommended the Board approve the above Task Orders to the contract with Foth for a combined negotiated amount of \$1,988,402; 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

Committee Chairwoman Lesa Seibert advised the Board that the Finances, Facilities and Operations Committee met on June 11, 2024 and reviewed the proposed FY2025 budget, the proposed changes to Authority regulations and the proposed changes to the Bowman Field Special Event Use Policy and are recommending that the full Board adopt these items. A copy of the draft committee meeting minutes was provided to the Board for review.

V.1.i. FY 2025 Budget — Review and Adoption

The fiscal year 2025 Operating and Capital Budgets (copy attached) are being presented to the Board for its review and approval. Key highlights of the proposed budget include:

- Operating Revenues are projected at \$93.3 million, an increase of \$8.6 million or 10.1%, from the prior year's budget. Increased enplanements and expected increases in landed weights are the drivers of the projected revenue increases.
- Operating Expenses are projected at \$44.3 million, an increase of \$2.2 million or 5.3%, from the prior year's budget. Estimated average salary increase of 6% and additional contracted services account for most of the increase.
- The Full-Time Equivalent (FTE) has been increased by two positions to 153 employees.
- The estimated cost per enplanement is \$5.97, an increase of 9 cents from \$5.88.
- Enplanements are forecasted at 2.4 million passengers, an increase of 200,000 from the prior year's budget. Actual enplanements for the 11 months ending May 31, 2024 are 2.19 million.
- Landing fee rate is \$1.079, a reduction of 8.3 cents from the mid-year adjusted landing fee rate of \$1.162 and a reduction of 1.3 cents from the original FY 2024 landing fee of \$1.092. The projected landed weight is 22,680,000 units, an increase of 1,980,000 units from the prior year's budget.
- The Capital Plan for FY25-27 identifies capital needs of both airports, cost estimates and anticipated funding sources for the various projects. Projects totaling \$453.0 million are planned over the upcoming three fiscal years, with \$131.0 million of expenditures expected to transpire during the 2025 fiscal year.

This budget meets the needs of the Authority to provide facilities and services to fulfill our mission to serve our region with safe and efficient aeronautical facilities. Revisions to Chapter 600 of the Authority Regulations to incorporate these changes and others, will be effectuated by separate agenda item and Board action.

Mr. Mann recommended the Board adopt the Fiscal Year 2025 Budget as submitted by Authority staff and authorize the Executive Director to take the necessary steps to implement the changes. On motion duly made and seconded, the Board approved Mr. Mann's recommendation.

V.1. ii. Revision to Authority Regulations Chapter 200, 300 and 600 — Approval

It is necessary to revise Chapter 600 of the Authority's Regulations to incorporate: (i) changes resulting from the adoption of the Fiscal 2025 budget, (ii) updates to non-signatory airline rates and charges and (iii) updates to the fuel flowage fees at Louisville Muhammad Ali International Airport. Further, the Authority is implementing a change to Chapter 200 of the Authority's Regulations to reduce the time required for the Authority to store lost or mislaid property and Chapter 300 of the Authority's Regulations to incorporate a change to the Rules of Operation - Air Operations Area.

Mr. Mann recommended the Board approve and adopt the revised Regulations (copy attached) as proposed; and authorize the Executive Director to take the necessary steps to implement the changes. On motion duly made and seconded, the Board approved Mr. Mann's recommendation.

V.1.iii. Revision to Policy for Special Event Use of Bowman Field — Approval

The Authority has permitted the use of Bowman Field for special community events other than routine aviation related activities. These events, while being accommodated by the Authority, also provide exposure and support for aviation in our community. The Policy for Special Event Use at Bowman Field was last adopted by the Board at the January 18, 2006 Board Meeting. Since that time, it has been determined that the fee structure should be set on a sliding scale based upon the number of attendees, with other minor revisions in keeping with the Board's philosophy to maintain its standing as a good neighbor in the community. Accordingly, the Authority has updated and standardized the Policy for Special Event Use of Bowman Field for both aeronautical and non-aeronautical related activities.

Mr. Mann recommended the Board approve the Policy for Special Event Use at Bowman Field as attached. On motion duly made and seconded, the Board approved Mr. Mann's recommendation.

OTHER BUSINESS

Mr. Mann provided the Board an update on parking. The Authority has added 260 spots by reconfiguring existing pavement, that number is as of June 1, 2024. The expansion of the Shuttle Lot will add an additional 355 spots by Fall 2024. Earlier in the meeting the Board awarded the design and build of a 7-acre lot near the maintenance facility. This lot will add approximately 900 spaces and the target opening date is Memorial Day 2025. This lot will enable the Authority to

build a 1400 to 1600 spot parking garage to go over the West Premier Lot. The anticipated award date of this project is June 2025 with an 18-month construction period. While the parking garage is being constructed the Authority will begin looking at road realignments that will allow the construction of an additional parking garage on the east side of the Terminal that would also house the rental cars and their wash facility and ground transportation. Moving the rental cars would create 900 spots for customer parking in the existing garage.

There being no additional business the meeting adjourned at 3:47 p.m.

Dale Boden, Chairman

Dan E. Mann, Assistant Secretary

APPROVED