

**LOUISVILLE REGIONAL AIRPORT AUTHORITY
BOARD MEETING
JANUARY 15, 2025**

The regular meeting of the Board of the Louisville Regional Airport Authority was held on January 15, 2025. Chairman Dale Boden convened the meeting at 3:06 p.m. in the Boardroom of the Louisville Regional Airport Authority.

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

Staff members present: Ms. Tairra Bridgewaters, Ms. Dodie Caulk, Ms. Natalie Ciresi Chaudoin, Ms. Lauren Deel, Mr. Jonathan Giardina, Mr. Anthony Gilmer, Mr. Kyle Hartlage, Mr. Damon Jewell, Ms. Noel Jolly, Mr. Dan Mann, Ms. Kim Pemberton, Ms. Brenda Perry, Mr. Billy Rowe, Ms. Beverly Santamouris, Mr. Brian Sinnwell, Ms. Megan Atkins Thoben, Mr. Adam Thomas, Mr. Darrell Watson, Mr. Jason Wheeler, and Mr. John Wilson.

Also in attendance: Mr. Phil Clark, Mr. Tony Derricks, Ms. Kelly Everett, Mr. Jacob Franklin, Ms. Wendy Harrower, Mr. John Kraft, Mr. Joe Perrman III, Mr. Chase Rodgers, Mr. Mike Sheehy, and Mr. Todd Tabor.

Prior to the approval of the minutes, Mr. Mann commended Maintenance and Operations staff at SDF for their hard work during the snow event last week, which he has been told was the biggest in 25 years. Authority staff kept the runways open, and UPS was happy with the Authority's performance during the event.

Vice Chairman Pat MacDonald also commended the Maintenance staff at LOU for their performance during the snow event. They did a great job and were very responsive during the event.

CONSIDERATION OF MINUTES

On motion duly made and seconded, the minutes of the Regular Board meeting held November 20, 2024, were unanimously approved.

STAFF REPORTS

Mr. Sinnwell referred the Board to the Planning and Facilities Report provided in their Board meeting materials. It is a comprehensive report of activities that were underway until the onset of winter weather. There are several items on the Board agenda today that will provide updates to the Authority's current project priorities.

Ms. Beverly Santamouris provided the Financial Report. Six months into the fiscal year the Authority's performance is true to budget. Fiscal-year-to-date operating revenues are

\$46,822,706, which is 4.2% higher than budgeted and \$3,565,309 higher than the prior year. Fiscal-year-to-date operating expenses are \$19,550,361, which is 10.1% below budget and \$449,017 lower than the prior year. Enplanements and landed weights are both true to budget.

She advised the Board that snow is expensive, and with the recent snow event the Authority spent close to the annual budget for snow removal, so these numbers could look different at the March meeting once snow removal expenses are paid. Mr. Mann advised the Board that the majority of snow removal is an airfield expense and any additional snow removal costs beyond what were budgeted would be recovered through the rates and charges.

CONSENT ITEMS

1. Appointment of Safety and Security Officers — Approval

The Director of Public Safety has reviewed the qualifications of Sebastian Adams and Jonathan Biven, has concluded they meet those set forth in the Board's November 18, 1998 resolution, and recommends their appointment as airport Safety and Security Officers.

Mr. Mann recommended the Board appoint Sebastian Adams and Jonathan Biven as airport Safety and Security Officers, to serve at the pleasure of the Board until such time as the Director of Public Safety shall terminate the appointments; and authorize and direct the Authority's Director of Public Safety to administer the Oath of Office. On motion duly made and seconded, the Board approved Mr. Mann's recommendation.

2. Learfield Sports, LLC Marketing and Sponsorship Agreement — Louisville Muhammad Ali International Airport — Approval

In July 2019, the Board approved a marketing and advertising agreement with Louisville Sports Properties, LLC/Louisville Arena Sports and Entertainment, LLC now known as Learfield Sports, LLC. The contract had an initial term of three years with a not-to-exceed amount of \$328,635 and included advertising and marketing benefits for the Louisville Muhammad Ali International Airport at various University of Louisville athletic events. In July 2021, the Board approved extending the term of the agreement three years for a new expiration date of June 30, 2025, and increasing the not-to-exceed limit of the agreement to \$1,203,577 for the inclusion of additional advertising and marketing benefits. The Authority has experienced good quality results from this advertising and marketing agreement for the full six years of the term.

With the expiration date of the amended agreement approaching, staff recommend entering a new, four-year agreement with a not-to-exceed amount of \$1,004,070 for the advertising and marketing benefits outlined in Exhibit A of the agreement (copy attached).

Mr. Mann recommended the Board approve the four-year agreement with Learfield Sports, LLC for a not-to-exceed agreement amount of \$1,004,070 for advertising and marketing benefits at various University of Louisville athletic events as outlined in Exhibit A of the agreement (copy attached); 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. Maintenance Parking Lot Construction Contract — Louisville Muhammad Ali International Airport — Award

This project involves the construction of a new parking lot near Park Boulevard and Crittenden Drive, providing approximately 700 additional parking spaces. The scope of work includes site clearing and grading, earthwork, installation of a storm drainage system, site electrical and lighting, gate access control systems, and asphalt and concrete paving. This new parking lot is designed to meet current and future parking needs as we begin implementing projects outlined in the nearly finalized Terminal Area Plan.

The Maintenance Parking Lot project was advertised in *The Courier-Journal* and the *Louisville Defender*, and was posted on the Authority's website and Tri-State Minority Supplier Development Council website. Four bids were received. Upon review of all documentation provided, the lowest, most responsive bidder was E&B Paving, LLC of Jeffersonville, IN with a bid price of \$3,850,500. Authority staff and our consultant have reviewed the bid documents submitted by E&B Paving, LLC, have verified the bids to be responsive, and are recommending the contract award.

Mr. Mann recommended the Board award the contract for the Maintenance Parking Lot project to E&B Paving, LLC of Jeffersonville, IN at a bid price of \$3,850,500; 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. Arora Engineers Task Order 1— On-Call GIS Program and Surveying Services — Louisville Muhammad Ali International Airport and Bowman Field — Approval

On November 20, 2024, the Board approved the award of an On-Call GIS Program and Surveying Services contract to Arora Engineers for a three-year period. The contract requires Board approval for each Task Order.

Task Order 1 authorizes Arora Engineers to provide general services for GIS upgrades and maintenance, including conducting surveys as needed to enhance the GIS database. Authority staff plan to issue annual task orders as the GIS system is expanded and distributed for use across all departments. This task order includes support for updating and maintaining the system. Any additional surveys unrelated to the GIS system, as well as larger GIS-related initiatives, will be addressed through separate task orders. The negotiated amount for Task Order 1 is \$200,000.

Mr. Mann recommended the Board approve the above Task Order to the contract with Arora Engineers for a negotiated amount of \$200,000; 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. Foth Infrastructure & Environment, LLC Task Orders 1 and 2 — Planning, Engineering and Architectural Services — Louisville Muhammad Ali International Airport and Bowman Field — Approval

On November 20, 2024, the Board approved the award of a Planning, Engineering & Architectural Services contract to Foth Infrastructure & Environment, LLC for a three-year period. The contract requires Board approval for each Task Order.

Task Order 1 authorizes Foth to provide construction administration and observation services for the Maintenance Parking Lot Project at Louisville Muhammad Ali International Airport. The project includes the construction of an asphalt parking lot with gate access and associated lighting. The parking lot is located in the vacant lot north of the existing Authority maintenance facility, adjacent to Crittenden Drive and Park Boulevard. The negotiated amount for Task Order 1 is \$174,209.

Task Order 2 authorizes Foth to provide design and bidding services for the hot spot mitigation project at Bowman Field Airport. This project was identified in the ALP Update completed last year, which highlighted several areas on the airfield where safety improvements are needed. One key area is Hot Spot #1, where the intersections of Runway 6-24, Runway 15-33, Taxiway A, and Taxiway B are in close proximity, causing confusion and leading pilots to miss the holding position markings. Additionally, since the report was issued, the Air Traffic Control Tower has identified the direct runway access at Taxiway A1 as Hot Spot #2. Both locations will be addressed and safety improved as part of this project. The negotiated amount for Task Order 2 is \$68,280.

Mr. Mann recommended the Board approve the above Task Orders to the contract with Foth Infrastructure & Environment, LLC for a combined negotiated amount of \$242,489; 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

6. Billboard Display Advertising Concession Agreement — Louisville Muhammad Ali International Airport — Award

The Authority recently issued a solicitation for the non-exclusive right and privilege to finance, design, construct, operate and manage a Billboard Display Advertising Concession at up to five exterior locations at Louisville Muhammad Ali International Airport.

The specific terms of the invitation to submit proposals include: (i) a Minimum Annual Guarantee in the amount of \$125,000.00, (ii) a Percentage Fee in the minimum amount of 40% of monthly gross receipts and (iii) a term of 10 years with two, five-year renewal terms.

Advertisements for this opportunity were placed in *The Courier-Journal*, *Louisville Defender*, TriState Minority Supplier Development Council and on the Authority's website. Additionally, invitations to submit proposals were sent directly to numerous individuals as well as the certified vendor list for the Louisville Metro Human Relations Commission. The Authority conducted a pre-proposal meeting, and the meeting was attended by representatives from one company.

Proposals were received from OUTFRONT Media, LLC and The Lamar Company, LLC. Based on a number of factors, staff recommend awarding the Billboard Display Advertising Concession Agreement to OUTFRONT Media, LLC (OUTFRONT). OUTFRONT Aviation proposes (i) a Minimum Annual Guarantee in the amount of \$225,000.00 for agreement years 1-10 and Minimum Annual Guarantee in the amount of \$300,000.00 for agreement years 11-20 and (ii) a Percentage Fee in the amount of 42% of monthly gross receipts.

Mr. Mann recommended the Board award the Billboard Display Advertising Concession Agreement to OUTFRONT Media, LLC for an initial term of 10 years with two, five-year renewal terms, at the terms and conditions described above; 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, subject to the addition of language which alleviates concerns about advertising competitors of the airport, or advertising which might be offensive to community standards.

7. Alliance — Phase 2 Terminal Enhancement and Remodeling Program Consulting Services Contract Amendment 8— Louisville Muhammad Ali International Airport — Approval

At the January 20, 2015 board meeting, Alliance was awarded the contract to lead the design of the Terminal Enhancement and Remodeling Program. Additionally, the Board approved an amendment to the contract with Alliance at the July 18, 2018 board meeting to provide consulting services required for Phase 2 design of the Terminal Enhancement and Remodeling Program as a continuation of comprehensive upgrades to public spaces of the terminal, including interior renovations, technology updates and a range of exterior & landside enhancements.

The purpose of Contract Amendment 8 is to authorize Alliance to provide additional design services for the Ticketing Renovations project. While the original scope excluded Airline/Tenant Office design and other tenant renovations, several factors—such as the complexities of the Baggage Handling System installation and the need for fire protection and ceiling replacement—have prompted a recommendation to include a full renovation of the back-of-house spaces. In accordance with the previously approved unit rates with Alliance, the not-to-exceed value of Contract Amendment 8 is \$395,955.

Mr. Mann recommended the Board approve Amendment 8 to the contract for Terminal Enhancement and Remodeling Program Consultant Phase 2 Design Services with Alliance of Minneapolis, MN in the not-to-exceed amount of \$395,955 for a new total not-to-exceed amount of \$15,718,549.76; 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. HNTB Task Order 8 — Planning, Engineering and Architectural Professional Services — 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 Corporation, Inc. The contract requires Board approval for each Task Order.

Task Order 8 authorizes HNTB to provide preliminary design services for the Terminal Approach Roadway and West Terminal Area Improvements project at SDF. This project, a top priority from the nearly finalized Terminal Area Plan, includes the proposed realignment of the entrance roadway to improve traffic flow, expand the arrivals and departure curbs, upgrade and relocate various utilities to a designated utility corridor, and accommodate a new passenger Cell Phone Waiting Lot. Additionally, the planned improvements aim to enhance circulation and expand facilities, providing more space for the Premier West Parking Lot and the Rental Car Companies' Quick Turnaround (QTA) facilities on the west side of the terminal. The negotiated amount for Task Order 8 is \$415,428.

Mr. Mann recommended the Board approve the above Task Order to the contract with HNTB Corporation, Inc., for the negotiated amount of \$415,428; 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.

9. Auditing Services — Louisville Muhammad Ali International Airport and Bowman Field — Contract Award

The Authority awarded Plante Moran a contract for auditing services in March 2020. The selection of Plante Moran was based on the evaluation of proposals and presentations from qualified firms for auditing services. The contract was for an initial three-year term and two, single year renewals at the option of the Authority. The final extension year was exercised for the Fiscal Year 2024 audit.

Over the past five years, Plante Moran has executed its audit services with a high degree of expertise and professionalism, while demonstrating strong technical skills in the aviation industry. The audit team demonstrated a commitment to being a good partner by providing guidance on the implementation of two new highly technical and time-consuming accounting standards changes.

Staff desire to continue its relationship with Plante Moran by executing a new contract for audit services with an initial 3-year term and two single-year renewal options at the Authority's discretion. The total not-to-exceed compensation for audit services for the initial three-year term is \$322,500 and \$576,000 for the full five-year term. While the fee increase is significant from the prior contract, staff conducted a survey of peer airports' audit services fees and determined

Plante Moran's proposed fees to be within market range for similarly sized airports. Additionally, while airports often switch audit firms after a five-year engagement to provide a new perspective on financial reporting, Plante Moran's structure addresses this practice by requiring a separate review performed by a partner that is not assigned to the audit engagement to assess the technical soundness of the audit.

Mr. Mann recommended the Board award a contract for Audit Services to Plante Moran for the initial three years with two, one-year renewal options for a not-to-exceed amount of \$322,500 for the initial three-year contract; and authorize the Executive Director to execute the necessary contract documents subject to review and approval by counsel as to the legality of form and content. On motion duly made and seconded, the Board approved Mr. Mann's recommendation.

OTHER BUSINESS

Mr. Mann advised the Board that 2024 was a new record high year for enplanements and that staff are organizing a press event to celebrate the record.

He then updated the Board on the Terminal Improvements portion of the SDF Next Program. Through calendar year 2023, the Authority has completed \$149 million in projects including: construction of an airport operations command center and security upgrades; rental car facility and enabling projects; geothermal wellfield and ramp phase 1; terminal mechanical system upgrades; "Signature Louisville" project and rental car access tunnels remodeling project; replacement of Terminal passenger boarding bridges; elevator, escalator and moving walkway replacement; parking improvements and installation of park assist; parking lot improvements; baggage claim restroom remodeling and construction of an all-gender restroom and mother's room; and installation of Terminal covered walkways and a pet relief area.

In 2024, the Authority completed \$56 million in projects including: geothermal phase 2 to connect the landside Terminal to the grid; new baggage handling system and baggage carousels; new rental car counters, airport information center and other baggage claim area improvements; and construction of Louisville Tourism's Welcome Center.

Mr. Mann advised the Board that the Authority completed all these improvements while lowering debt and with very little impact to unrestricted cash reserves.

For 2025 and 2026, the Authority plans \$201 million in projects including: security checkpoint expansion; SDF MicroGrid completion; geothermal phase 3 to connect the airside Terminal to the grid; Terminal roadway realignment; airside concourse improvements; and additional improvements to enhance parking. Beyond 2026, future projects include: ticketing level enhancements; terminal exterior upgrades, replacement of the remaining passenger boarding bridges; and construction of a new parking garage for a total investment of \$193 million.

Mr. Mann and Chairman Boden advised the Board the Authority has just signed a contract with a firm to conduct a strategic planning session with the Board and the consultant is targeting March

to hold the strategic planning session.

There being no additional business the meeting adjourned at 3:38 p.m.

Dale Boden, Chairman

Dan E. Mann, Assistant Secretary

APPROVED