

## ST. LOUIS AIRPORT COMMISSION

Wednesday, September 2, 2009 - 2:00 P.M.

JoAnne Wayne Conference Room

Members Present: Mr. Bales, Mr. Esterline, Ms. Green, Mr. Lipman, Mr. McKinney, Ms. Morrell-Charles, Mr. Nash, Ms. Osborn, Mr. Reed, Mr. Sauget, Mr. Stelzer, Chairman Hrabko

Members Absent: Mr. Clark, Mr. Kennedy, Mr. McNutt, Mr. Sonderegger, Ms. Teitelbaum

Airport Staff: Brown, Helms, Kinsey, Kopinski, Korte, Lea, Mason, Mays, Robertson, Salarano, Spencer, Taylor, Ware and Zell

Legal Department: Niemann & Pandolfo

Guests: Marvin Anderson, Stern Brothers; Laura Belten, AON Risk Services of Missouri; Lorenzo Boyd, Stifel Nicolaus; Marilyn Bush, Bank of America; Ollie Dowell, Ollie Dowell & Assoc.; Tim Embree, Mayor's Office; Candice Gordon, Comptroller's Office; Kathy Conley Jones, TCF Group; Daryl Knobbe, OR Colon; Adam Kressler, Landrum & Brown; Ivy Neyland-Pinkston, Comptroller's Office; Chuck Reitter, Unison; Dave Rickerson, Landrum & Brown; Richard Ryffel, Edward Jones; Tom Shepard, Board of Aldermen; JoEllen Thelen, AON Risk Services of Missouri; and Judie Wise, Bookmark-InMotion

News Media: Ken Leiser, St. Louis Post Dispatch

The Meeting was called to order at 2:06 p.m.

1. Approval is requested for the Minutes of the Wednesday, August 5, 2009 Airport Commission Meeting.

A motion for approval was made by Mr. Nash and seconded by Mr. Reed.

There being no discussion, a vote was taken and the motion carried unanimously.

### 2. ORDINANCES

- A. An Ordinance ratifying and accepting FAA Grant Agreement No. 3-29-0085-119-2009 whereby FAA is obligated to reimburse the City up to \$3,724,835.00 for direct costs associated with the reconstruction of Taxiway Victor from Taxiway Foxtrot to Runway 24 Project 2.

A motion for approval was made by Mr. Reed and seconded by Mr. Nash.

Ms. Kopinski provided the details of the Ordinance as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

This AIP stimulus grant will reimburse the Airport 100% of the eligible project costs; therefore, there is no local match requirement.

There being no discussion, a vote was taken and the motion carried unanimously.

- B. An Ordinance ratifying and accepting FAA Grant Agreement No. 3-29-0085-120-2009 whereby FAA is obligated to reimburse the City up to \$539,020.00 for direct costs associated with the reconstruction of Taxiway Lima from Taxiway Foxtrot to Taxiway F7.

A motion for approval was made by Mr. Reed and seconded by Mr. Bales.

Ms. Kopinski provided the details of the Ordinance as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

This AIP stimulus grant will also reimburse the Airport 100% of the eligible project cost with no local match requirement.

There being no discussion, a vote was taken and the motion carried unanimously.

Ms. Morrell-Charles entered the meeting at this time.

- C. An Ordinance authorizing a First Supplemental Appropriation in the total amount of \$1,888,992 as provided for in Section One into the Airfield Projects Public Works Ordinance 65162, as previously amended, to be expended for payment of costs for work and services authorized therein.

A motion for approval was made by Mr. Nash and seconded by Mr. Stelzer.

Ms. Kopinski provided the details of the Ordinance as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

The appropriation of funds authorized under this Ordinance cover Taxiway Foxtrot Phase 1, which is complete, the relocation of McDonnell Boulevard, which is in the final phase of completion, and the replacement of a crash box system.

There being no discussion, a vote was taken and the motion carried unanimously.

- D. An Ordinance authorizing a Third Supplemental Appropriation in the total amount of \$3,418,171 as provided for in Section One into the Building Projects Ordinance 67101 to be expended for payment of costs for work and services authorized therein.

A motion for approval was made by Mr. Esterline and seconded by Mr. Reed.

Ms. Kopinski provided the details of the Ordinance as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

The appropriation of funds authorized by this Ordinance covered the relocation of Airport staff to the Airport Office Building, which is completed, and the updating and overhauling of the HVAC system in the Airport Office Building, which is an ongoing project.

There being no discussion, a vote was taken and the motion carried unanimously.

- E. An Ordinance authorizing a Second Amendment to the Taxiway D Project Ordinance 67249, as previously amended, increasing the estimated cost of the Taxiway D Projects by \$120,000 to \$8,320,000. This Draft Ordinance also authorizes a Third Supplemental Appropriation in the amount of \$337,184, as provided for in Section Two, into the Taxiway D Projects Ordinance 67249 for the payment of costs for work and services authorized therein.

A motion for approval was made by Mr. Nash and seconded by Mr. Reed.

Ms. Kopinski provided the details of the Ordinance as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

There being no discussion, a vote was taken and the motion carried unanimously.

- F. Draft Ordinance authorizing a Fourth Supplemental Appropriation in the total amount of \$86,586,183 as provided for in Section One into the Airport Schedule F CIP Project Ordinance 67357 to be expended for payment of costs for work and services authorized therein.

A motion for approval was made by Mr. Reed and seconded by Ms. Green.

Ms. Kopinski provided the details of the Ordinance as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

The appropriation of funds under this Ordinance will provide funds for the Airport Experience program as well as certain other Airport Schedule F CIP Projects..

There being no discussion, a vote was taken and the motion carried unanimously.

Chairman Hrabko advised the Commissioners that one of the top priorities in the Airport Experience Program is the repair of the roofs on the concourses. The contract proposal for roof repair has been completed and forwarded to the Board of Public Service for review.

- G. Draft Ordinance authorizing a First Supplemental Appropriation in the total amount of \$784,014 as provided for in Section One into the Building & Environ Project Ordinance 67502 to be expended for payment of costs for work and services authorized therein.

A motion for approval was made by Mr. Reed and seconded by Ms. Green.

Ms. Kopinski provided the details of the Ordinance as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

The appropriation of funds under this Ordinance is attributable to the Memorandum of Agreement with Trans States for a project on the C-Concourse, which is in the final stages of completion.

There being no discussion, a vote was taken and the motion carried unanimously.

- H. Authorizing the City to enter into a grant agreement substantially as set out in Exhibit A offered by the Missouri Highways and Transportation Commission (the “Highways Commission”) to reimburse the City for apron design for the construction of an aircraft ramp at the Airport (the “Project’). The Grant Agreement obligates the Highways Commission to reimburse the City up to One Hundred Eighty Thousand Dollars (\$180,000) for direct costs associated with the Project.

A motion for approval was made by Mr. Nash and seconded by Mr. Stelzer.

Ms. Kopinski provided the details of the Ordinance as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

This grant would cover 90% of the total cost of the project. The remaining 10% will be funded through the 2009 bonds.

Chairman Hrabko advised the Commissioners that this is the first construction grant the Airport has received from the Missouri Department of Transportation Aviation Trust Fund. It will cover the engineering portion of the project. When the construction phase begins, a larger grant will be available.

There being no discussion, a vote was taken and the motion carried unanimously.

### 3. **PLANNING & DEVELOPMENT**

- A. Approval of a) a Memorandum of Understanding (MOU) and b) a Reimbursable Agreement with the Missouri Department of Natural Resources, providing for environmental services for the Airport. The MOU will begin upon execution of

both parties and end three (3) years thereafter. The Reimbursable Agreement will commence October 1, 2009 and will end September 30, 2012. The total Not-To-Exceed contract amount of the Reimbursable Agreement is \$75,000.

A motion for approval was made by Mr. Esterline and seconded by Mr. Reed.

Mr. Mays provided the details of the Memorandum of Understanding and the Reimbursement Agreement as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

The Memorandum of Understanding provides for on-call services by the Missouri Department of Natural Resources (“MDNR”) for environmental matters at the Airport. The Reimbursement Agreement will allow the City to reimburse MDNR for services requested by the Airport.

There being no discussion, a vote was taken and the motion carried unanimously.

4. **OPERATIONS/MAINTENANCE**

- A. Approval of a First Amendment to the Service Agreement with Ackerman & Sons Company, Incorporated, d/b/a Runway Services International, to provide Runway Rubber Removal Services for the Airport. The term of the Agreement is unchanged, beginning on July 1, 2009 and ending on October 29, 2009. This First Amendment corrects the name of the contractor. The total Not-To-Exceed Contract Amount remains unchanged at \$100,000.00.

A motion for approval was made by Mr. Esterline and seconded by Mr. Reed.

Mr. Korte provided the details of the First Amendment to the Service Agreement as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

This First Amendment to the Service Agreement corrects the name of the contractor which was incorrectly listed on the original Agreement.

There being no discussion, a vote was taken and the motion carried unanimously.

5. **PROPERTIES**

- A. Award and approval of bid for insurance policies for Public Officials and Employment Practices Liability:

Broker: AON Risk Services Central, Inc.

Insurance Agency: Zurich American Insurance Company

A motion for approval was made by Mr. Nash and seconded by Mr. Stelzer.

Mr. Salarano provided the details of the award of the Insurance Policy as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

The annual premium for this policy will be \$47,024. There was a short discussion regarding the ability of the Airport to negotiate the lower premium without reducing our coverages or increasing our deductibles. Mr. Salarano advised that the Airport, its brokers and the consultants worked together to bring the policy premiums down.

There being no further discussion, a vote was taken and the motion carried unanimously.

B. Space Permit with TMP Enterprises, d/b/a Executive Delivery AL-418

A motion for approval was made by Mr. Reed and seconded by Mr. Nash.

Mr. Salarano provided the details of the Space Permit as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

TMP Enterprises provides delivery services for the airlines to return lost or misplaced luggage to customers.

There being no discussion, a vote was taken and the motion carried unanimously.

C. First Amendment to American Airlines, Inc. Space Permit AL-449

A motion for approval was made by Mr. Reed and seconded by Mr. Nash.

Mr. Salarano provided the details of the First Amendment to the Space Permit as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

This First Amendment extends the term of the Permit to end concurrent with the Airport Use and Lease Agreements.

There being no discussion, a vote was taken and the motion carried unanimously.

D. Memorandum of Agreement with the Federal Aviation Administration (Master Site Lease)

A motion for approval was made by Mr. Reed and seconded by Ms. Green.

Mr. Salarano provided the details of the Memorandum of Agreement as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

This Agreement runs for 20 years and covers the various sites on which the FAA's navigational aid facilities are located. There is no monetary consideration contained in this Agreement.

There being no discussion, a vote was taken and the motion carried unanimously.

E. Lease Agreement with Trico Properties and Investments, LLC.

A motion for approval was made by Mr. Esterline and seconded by Mr. Stelzer.

Mr. Salarano provided the details of the Lease Agreement as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

This Lease Agreement is for three years at an annual rate of \$26,030.88 and covers parking lots and storage areas used by the lessee.

There being no discussion, a vote was taken and the motion carried unanimously.

6. **DIRECTOR'S OFFICE**

Briefing on FAR Part 150 Master Plan

Mr. Dave Rickerson of Landrum, Brown, gave a short presentation regarding the Airport's Master Plan. Baseline forecasts have been submitted and approved by the FAA. Land use options for underutilized properties belonging to the Airport will be studied. Enplanements are projected to be approximately 9.9 million by 2028. The Airport has significant airfield capacity for use in the future. Newer planes are much quieter and the Missouri National Guard is no longer flying out of the Airport. Both of these help with the noise exposure problem.

Ms. Osborn inquired whether the East Terminal would be able to accommodate Southwest Airlines as flights were added to its schedule. Chairman Hrabko assured the Commissioners that the East Terminal contains sufficient area to handle added flights.

Chairman Hrabko stated that the Airport has been meeting with the surrounding communities to discuss the future plans for the Airport keeping them apprised so they can in turn advise their residents and businesses.

7. **OTHER BUSINESS**

Chairman Hrabko welcomed Judith Helms, Risk Manager, who will be handling all insurance matters for the Airport.

Chairman Hrabko clarified two stories that ran in the local media.

Southwest Airlines opened two new cities, Minneapolis and Boston, from the Airport. While four flights were cut, they were seasonal flights and should return in the spring of 2010.

Mr. Stelzer inquired whether further cities would be added in the future. Chairman Hrabko responded that while there haven't been any announcements, the hope is that there should be more in the next few months.

Although United Airlines moved their employees out of St. Louis, United Airlines is contracting out these services locally. While United did cancel one daily flight to Chicago, it was replaced with other flights by local airlines such as GoJet and TranStates.

The Airport will be featured on an upcoming episode of MotorWeek regarding the Airport's continued use of alternative fuels. The show is expected to air this fall.

The DBE office will hold a seminar at Harris-Stowe College on Green Building Concepts on September 8, 2009.

8. **NEXT MEETING**

Wednesday, October 7, 2009 at 2:00 P.M.

9. **ADJOURNMENT**

There being no further business, the meeting adjourned at 2:53 p.m.