



AIRPORT COMMISSION

MINUTES

**Wednesday, June 7, 2017 - 2:00 P.M.
Lindbergh Conference Room**

Members Present: Mr. Aboussie, Mr. Bales, Mr. Cantwell, Ms. Davis, Mr. Fitzgerald, Ms. Fowler, Mr. Jenkins, Mr. Lipman, Dr. Nemanick, Ms. Osborn, Mr. Sauget, Mr. Stelzer and Chairperson Hamm-Niebruegge

Present by Phone: Ms. Green; Ms. Teitelbaum

Members Absent: Mr. Reed

Vacancy: One

Airport Staff: Ahmed, Beckmann, Burnett, Collins, Conner, Gooding, Hollenberg, Kanee, Klein, Kulinsky, Lea, Linton, McFarland, Pruitt, Ramos, Ruth, Spencer, Stella, Stoffel, Strong, Tiemann

Legal Department: Pandolfo, Emmel, Diekhoff

Guests: Eyasu Asfaw, Airport Best Taxi Service; Maurice Falls, Board of Aldermen; Jeff Fernhoff, Huntleigh McGehee; Jim Garavaglia, Comptroller's Office; James Jones, SEIU Local 1; Jennifer Kuchinski, WSP; Rebecca Lohmann, Catalyst; Tom Malechek, St. Louis County; Joshua Osho, Airport Taxi Co.; Barry Stolz, Hanson Professional Services

Media: Mark Schlinkmann, St. Louis Post-Dispatch

The Meeting was called to order at 2:02 P.M.

Kevin Cantwell, the new Commissioner from St. Charles, was introduced and welcomed to the Commission. Mr. Cantwell replaces Dick Hrabko, who passed away last month.

1. **MINUTES**

Approval is requested for the Minutes of the Wednesday, May 3, 2017 Airport Commission Meeting.

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

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

OVER

2. **ORDINANCE**

Draft Ordinance authorizing a public works and improvement program at the Airport consisting of capital improvement projects to and for the terminal complexes, concourses, parking facilities, taxiways, runways, and environs including the acquisition of certain vehicles including shuttle buses (the “Airfield, Building & Environs Projects”), as more fully described in Section One of the Draft Ordinance and **Exhibit A** thereto entitled “Fiscal Year 2017 Project/Equipment List (Part 2)”, at a total estimated cost of \$9 Million Dollars. This Draft Ordinance also authorizes an initial appropriation of \$2,364,396 from the Airport Development Fund to be expended on the Airfield, Building & Environs Projects.

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

Mr. Strong 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 Ordinance provides for the transfer of funds from the Airport Development Fund to be used for seven (7) projects and/or equipment purchases at the Airport, including:

- a) Multiple electrical projects on the airfield and Terminal 1 parking garage;
- b) Replacement of five parking shuttles (outdated and gasoline-powered) with five new parking shuttles (operated by compressed natural gas);
- c) One Rapid Intervention Firefighting vehicle.

These projects/purchases were reviewed and approved by the airlines.

The total estimated cost of these projects is \$9 million. The appropriation from the Airport Development Fund is \$2,364,396, with the remainder of the funds obtained through the FAA with Airport Improvement Program (AIP) and Voluntary Airport Low Emission (VALE) grants.

After further discussion, a vote was taken and the motion carried unanimously.

3. **PROPERTIES**

- A. Space Permit with Swissport Fueling Services, LLC. (AL-060)

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

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

This Space Permit covers 172 sq. ft. of office space located on the apron level of Terminal 2 to be used as a breakroom. Annual revenue to the Airport is \$11,415.64. The Permit contains a 30-day no-fault cancellation clause.

After further discussion, a vote was taken and the motion carried unanimously.

B. Ground Transportation Use Agreement for Transportation Network Companies.

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

Mr. Strong provided the details of the Ground Transportation Use Agreement with Transportation Network Companies (“TNC”) as set out in the Executive Summary and the attached resolution that was included with the agenda items. Mr. Strong then recommended approval of the resolution which authorizes the Director of Airports to enter into and execute Ground Transportation Use Agreements (“Permit”) with TNCs substantially in the form as Attachment 1 to the attached resolution.

This Permit will grant TNCs (i.e., Uber, Lyft, etc.) access to designated areas on the Airport drives for the pickup and drop-off of passengers. It also requires each TNC to establish and maintain a Geo-Fence at the Airport. The term of the Permit will be two years with each TNC paying an annual permit fee of \$1,500.00, plus a \$6.00 trip fee per pickup. Either party may cancel the Permit without cause by giving 30 days' notice.

Commissioner Davis entered the meeting at this time.

The fees charged by airports throughout the country vary greatly. While some airports charge for both the pickup and drop-off of passengers, the Airport will charge for the pickup of passengers only and will allow TNC drivers to pick up curbside.

Each TNC will activate a separate Geo-Fence around the Airport's perimeter, which will track the vehicles entering its respective Geo-Fence. Each month the TNC will provide a report to the Airport showing the total number of TNC pickups for the reporting period and the Airport will bill accordingly. The Geo-Fence prohibits TNC drivers from using the online platform to engage new business while on Airport Property. Revenue to the Airport is difficult to ascertain at this point due to the effect that TNCs have on other forms of revenue, i.e. parking garages, taxi cabs, rental cars, public transportation, etc. Some airports have seen an overall increase, while others have seen an increase in TNCs but a decrease in revenue from other forms of transportation.

Immediately prior to today's meeting the Chairperson received a letter from Missouri State Representative Kirk Mathews questioning the Airport's proposed pickup fees, its refusal to negotiate the terms of the TNC Permit and several of the requirements in the Airport's TNC Permit, as well as stating that it was his belief that the Permit was in violation of Missouri House Bill 130. The Chairperson advised that several of the points raised by Representative Mathews were the result of miscommunication or misunderstanding and that she would contact the Representative at the conclusion of today's meeting to discuss the points he raised.

In response to a question as to whether the Permit was inconsistent with House Bill 130, Mr. Pandolfo stated that he did not believe that it was. The Permit requires some type of company identification on the TNC vehicles while operating within the Geo-Fence, which arguably does not conflict with the legislation and does not attempt to regulate trade dress. The Permit also includes the Airport's right to audit TNC's records for the purpose of verifying the pick-up fees owed the Airport, which he also believes does not violate House Bill 130. The Permit also includes a severability clause should there be an issue.

A request was made for clarification of the licensing of TNCs and taxicab companies. It was explained that the Metropolitan Taxicab Commission ("MTC") regulates and issues licenses to the taxi drivers operating at the Airport, whereas the TNCs will be regulated by the State of Missouri. The Airport enters into a Ground Transportation Agreement with taxi drivers once they have been approved by the MTC.

Approved taxi drivers operating at the Airport pay a monthly fee of \$284.00, plus a trip fee of \$4.00 per pickup (\$3.00 to Airport, \$1.00 to MTC). TNCs will pay a \$1,500.00 annual fee, plus a trip fee of \$6.00 per pickup. The higher trip fee for the TNCs is due to the convenience of being allowed to offer curbside pickup.

Due to numerous questions regarding this matter still to be answered, and in order to respectfully address Representative Mathews' concerns, Commissioner Osborn made a motion to table the vote until a later meeting. Several Commissioners suggested that further questions be forwarded to the Chairperson prior to the next meeting so that they can be addressed and the Commissioners can make a fully-informed decision on their vote.

The motion was seconded by Mr. Aboussie. A vote was taken and the motion carried unanimously. The Ground Transportation Use Agreement for Transportation Network Companies will be presented to the Commission at the next scheduled meeting.

4. **OTHER BUSINESS**

Employee of the Quarter: Joyce McFarland of the Airport's Finance & Accounting Department was nominated for her compassion and willingness to assist others. For the past 12 years, Ms. McFarland has voluntarily offered to work with students from the Special School District, teaching them both life and job skills. Several of her students have obtained full-time employment due to her training.

Supervisor of the Quarter: Tanvir Ahmed of the Airport's Operations Center was nominated for his professionalism, patience and dedication. Although only recently promoted to his position, Mr. Ahmed understood that proper training was critical for safety reasons and to ensure that FAA regulations are being followed. Mr. Ahmed revamped the employee training program, making it more informative and easily understood, thereby ensuring that his employees were appropriately trained.

The numbers for April 2017 were 7.1% higher than April 2016, with approximately 20.1% of the flights being connecting flights.

Prior to the anticipated airport revenue refunding and a new bond sale, St. Louis Lambert International Airport (STL) received positive outlooks from two ratings agencies. S&P Global Ratings issued an "A-" with a positive outlook (up from stable). Moody's assigned St. Louis a rating of "A3" with positive outlook (also up from stable).

Spectroplexus, an art exhibit designed by graduate students from Washington University's Sam Fox School of Visual and Performing Arts, is being installed in the ticketing lobby of Terminal 2. The hand-made exhibit is an aerial sculpture, 100 feet long, consisting of more than 1,000 conjoined 3D carbon fiber Rhomboid modules and covered with polycarbonate film.

The Airport has received a \$12,000 grant from the Regional Arts Commission for the Lambert Art and Culture program.

Southwest Airlines announced a flight to Cancun, Mexico beginning on November 11, 2017, bringing to 14 the number of international flights landing at or departing from St. Louis.

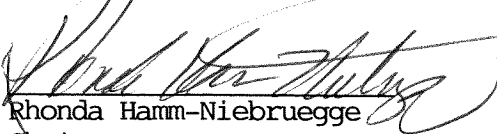
5. **NEXT MEETING**

Wednesday, July 5, 2017 at 2:00 P.M.

6. **ADJOURNMENT**

The meeting adjourned at 3:07 P.M.

The foregoing were approved by the Airport Commission at the meeting held on Wednesday, July 5, 2017.


Rhonda Hamm-Niebruegge
Chairperson

7/8/17
Dated