

AIRPORT COMMISSION

MINUTES

Wednesday, March 6, 2019 - 2:00 P.M.
Lindbergh Conference Room

Members Present: Mr. Bales, Mr. Cantwell, Ms. Davis, Mr. Fitzgerald, Ms. Fowler, Dr. Gaal, Mr. Jenkins, Mr. Kling, Dr. Nemanick, Mr. Stelzer, Ms. Teitelbaum and Chairperson Hamm-Niebruegge

Members Absent: Ms. Green, Ms. Osborn, Mr. Reed, Mr. Sauget

Vacancy: One

Airport Staff: Beckmann, Conner, Glasener, Gooding, Hollenberg, Klein, Kulinsky, Ramos, Ruth, Ryan, Salarano, Spencer, Stella, Stoffel, Strobel, Strong, Tiemann

Legal Department: Pandolfo

Guests: Maurice Falls, Board of Aldermen; Jeff Fernhoff, Huntleigh McGehee; James Garavaglia, Comptroller's Office; Brandon Geier, First Rule; Duane Huelsmann, TSA; Thomas Malechek, St. Louis County Executive's Office; Douglass Petty, Airport Working Group; Mark Schrader, PDC Laboratory, Inc.; Jim Spriggs, TSA; Kathleen Strout, Civic Progress

Media: None

The Meeting was called to order at 2:00 P.M.

1. MINUTES

Approval is requested for the Minutes of the February 6, 2019 Airport Commission meeting.

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

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

Commissioner Davis entered the proceedings at this time.

2. **OPERATIONS**

Approval of a Second Amendment to the Service Agreement with Cintas Corporation No. 2 to provide Laundry Cleaning Services for the Airport. The Agreement began on May 1, 2016 and will be extended by 12 months to end on April 30, 2020. The total Contract-Not-To-Exceed amount will increase by \$26,670 from \$80,000 to \$106,670.

A motion for approval was made by Ms. Teitelbaum and seconded by Dr. Nemanick.

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

This Agreement is for the cleaning of rugs and mats in both Terminal 1 and Terminal 2, including the Customs area in Terminal 2, along with the Airport's outer buildings. This Second Amendment extends the current Agreement by 12 months. There are no changes to the terms of the Agreement and the rates for this extension remain the same as the 3rd year of the current Agreement.

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

3. **PLANNING & DEVELOPMENT**

Approval of a Service Agreement with PDC Laboratories, Inc. to provide Analytical Services for the Airport. The Agreement will commence April 1, 2019 and will end March 31, 2022. The total Contract-Not-To-Exceed amount will be \$150,000.

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

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

The Agreement provides for analytical testing of water, soil and air for compliance with various environmental permits issued by the Missouri Department of Natural Resources and other local regulatory authorities. The rates charged in this Agreement average 5% lower on most required testing.

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

4. **FINANCE AND ADMINISTRATION**

Memorandum of Agreement with Southwest Airlines

A motion for approval was made by Mr. Fitzgerald and seconded by Dr. Gaal.

Mr. Strong provided the details of the Memorandum of Agreement (“MOA”) as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

The MOA memorializes the agreement with Southwest Airline whereby the City agrees to use Airport funds up to \$200,000 in FY19 and up to \$800,000 in FY20 to pay certain fees of the Airline Consultants to study the feasibility of privatizing the Airport. As part of the privatization process, the signatory airlines will retain AvAirPros, and possibility other consultants, to perform, on their behalf, certain due diligence and to study the feasibility of privatizing the Airport.

Under the MOA, Southwest and other participating signatory airlines, agree that the City will assess the participating signatory airlines, including Southwest Airlines, a special assessment or surcharge for which the participating signatory airlines would repay the City as part of the true-up or settlement process at the end of FY19 and FY20. If no other airlines join with Southwest in this endeavor and agree to pay the special assessment or surcharge, Southwest Airlines will bear the sole cost of the repayments. The use of special assessments or surcharges is common practice within the airline industry and is allowed under the Airport Use & Lease Agreement with the signatory airlines.

After further discussion, a vote was taken and the motion carried with Commissioner Fowler voting nay.

5. **PROPERTIES**

A. First Amendment to Access Permit with Enterprise Leasing of STL (AL-009)

A motion for approval was made by Dr. Nemanick and seconded by Mr. Kling.

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

This First Amendment extends the current Access Permit until March 31, 2020. The Access Permit will grant Enterprise the use of the Super Park CNG Fueling Station, located on Parking Lot C, as a backup if the Spire Compressed Natural Gas Station is not available. The permittee will pay the cost of any fuel pumped, plus a compression charge of 70¢ per gasoline gallon equivalent. This First Amendment contains a 30-day cancellation clause.

There being no discussion, a vote was taken and the motion carried with Commissioner Fitzgerald abstaining.

B. Air Cargo Facility Lease Agreement with United Parcel Service Co. (AL-096)

This Air Cargo Facility Lease Agreement was removed from today's agenda and will be presented at a later meeting.

C. Cyber Liability and Crime Insurance Policies

A motion for approval was made by Dr. Nemanick and seconded by Ms. Teitelbaum.

Ms. Ruth provided the details of the Airline Operating Agreement and Terminal Building Space Permit as set out in the Executive Summary included with the agenda items and recommended approval of the motion.

Cyber Liability Insurance: a one-year renewal of the current policy, which protects the Airport in the event of the release of personally identifiable information, as well as from revenue losses in the event of a breach from a third-party operator. All coverages and the cost of the policy will remain the same as last year.

Crime Insurance: a renewal of the current policy, which protects the Airport in the event of theft by employees (computer fraud, forgery, credit card fraud, etc.). All coverages and the cost of the policy remains the same as last year.

There being no discussion, a vote was taken and the motion carried with Commissioner Cantwell abstaining.

6. **OTHER BUSINESS**

Supervisor and Employees of the Quarter

The presentation of these awards was removed from today's agenda and they will be presented at the April 3, 2019 meeting.

California Pizza Kitchen awarded its "Franchise Director of the Year" award to Matt Kruszinski of HMSHost.

In an online contest for Best Airport Bar, sponsored by USA Today, the Three Kings Restaurant located in Terminal 2 received 2nd Place honors.

The passenger numbers for January 2019 showed a 2.6% increase over January 2018.

Mr. Douglass Petty, Communications Manager for the Airport Advisory Team, was present and introduced. Mr. Petty will be assisting the Airport Advisory team in the dissemination of information regarding Privatization. Mr. Petty is not an employee of the Airport.

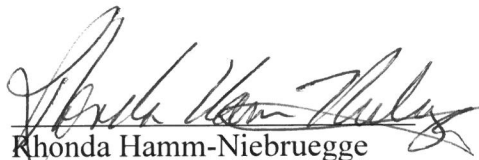
7. **NEXT MEETING**

Wednesday, April 3, 2019 at 2:00 P.M.

8. **ADJOURNMENT**

The meeting adjourned at 2:25 P.M.

The foregoing were approved by the Airport Commission at the meeting held on Wednesday, April 3, 2019.


Rhonda Hamm-Niebruegge
Chairperson


Dated