

AIRPORT COMMISSION

MINUTES

**Wednesday October 4, 2023
Lindbergh Conference Room
In Person and via Teleconference**

Members Present: Mr. Bales, Judge Clarke (Ret), Mr. Fitzgerald, Mr. King, Mr. Lents, Dr. Moore, Dr. Nemanick, Chairperson Hamm-Niebruegge

Via Teleconference: Mr. Cantwell, Aldermen Cohn, Ms. Fowler, Comptroller Green, President Green, Mr. Kling, and Ms. Osborn

Absent: Mr. Bowman and Mr. Jacobs

Airport Staff: Beckmann, Daniels, Jones, Jungk, Kulinsky, Lotz, Reed, Ruth, Salarano, Strong

Legal Staff: Birkicht, Chavarria, and Henderson

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

1. MINUTES

Approval is requested for the Minutes of the September 6, 2023 Regular Airport Commission Meeting.

A motion for approval was made by Dr. Nemanick and seconded by Mr. Bales. A vote was taken motion carried.

2. PRE-APPROVAL REVIEW ITEMS

Mr. Lotz provided information on the First Amendment to the Professional Service Agreement for Public Engagement and Creative Services with Dovetail, Inc. There were no questions asked of Mr. Lotz. A vote on whether or not to approve the contract will be held at the next commission meeting on November 1, 2023.

3. PRESENTATION

Mr. Strong and Mr. Stinfil made a presentation regarding the issuance of Special Facilities Revenue Bonds, Series 2023. Mr. Fitzgerald asked for an explanation of why the bonds were being issued without the ability to be called early. Mr. Stinfil explained that bonds

are generally issued for thirty (30) years with the option to call them early after ten (10) years. This bond series is being issued for ten (10) years. It would have been possible to create an earlier call date, but it would have been very strange. In addition, as structured the current bond deal allows Southwest and the Airport to get out of the agreement. Director Hamm-Niebruegge explained that the bonds can be defused if needed. There is an MOA between the airport and Southwest Airlines regarding Southwest Airlines paying the airport back for the bonds being issued. Mr. Fitzgerald asked if there were any circumstances where the airport would have financial exposure due to these bonds instead of Southwest. The answer was No. No vote or action was required.

4. ORDINANCE

- A. An Ordinance authorizing the issuance by the City of St Louis of its Special Facilities Revenue Bonds Series 2023 (St Louis Lambert International Airport-Southwest Airlines Co. Project) in an aggregate principal amount not to exceed Eighty Million Dollars (\$80,000,000.00). The Project Bonds will be secured and payable solely from revenue consisting of payments to be made by Southwest Airlines Co, pursuant to a Special Facilities Agreement and Guaranty, as defined in the Indenture of Trust.

A motion for approval was made by Mr. Lents and seconded by Mr. King. Mr. Strong provided details about the Bonds. Dr. Nemanick asked if there would be project updates going forward and if there was a timeline. Mr. Beckman said the project about ninety (90) percent designed and that the airport is aiming for the summer of 2026 for construction. Mr. Fitzgerald asked if there would be lane closures associated with this project. Mr. Beckman answered yes. No more questions. A vote was taken and it carried unanimously.

5. OPERATIONS

- A. Approval is requested for a Professional Service Agreement for Emergency Medical and Ambulance Services with Abbott ambulance, Inc. dba Abbott EMS. The term will begin on November 1, 2023 and will end on October 31, 2026. The total Not-To-Exceed Contract amount is \$2,411,663.00.

A motion for approval was made by Mr. Bales and seconded by Dr. Moore. Mr. Kulinsky provided details about the Professional Service Agreement. There were no questions. A vote was taken and the motion carried unanimously.

- B. Approval is requested for a Service Agreement for AC Chiller Repair and Maintenance Services with Johnson Controls, Inc. the term will begin on November 1, 2023 and will end on October 31, 2026. The total Not-To-Exceed Contract amount \$1,066,000.00.

A motion for approval was made by Dr. Nemanick and seconded by Mr. Fitzgerald. Mr. Kulinsky provided details about the Service Agreement. Hamm-Niebruegge acknowledged that the DBE participation is below the ordinance requirement, but noted that the contractor had made a good faith effort to meet the requirements, Mr. Lents asked if Johnson Control was the incumbent. Mr. Kulinsky explained that they

were not the incumbent, but that they had the contract prior to the incumbent. There being no more questions, a vote was taken and the motion carried unanimously.

- C. Approval is requested for the First Amendment to the Professional Service Agreement for Operation and Maintenance of airport Baggage Handling Systems Services with Vanderlande Industries, Inc. the term which began on January 1, 2021, will be extended by 12 months and will now end on December 31, 2024. The Contract Not-To-Exceed amount will be increased by \$4,054,574.00 from \$9,142,314 to \$13,196,888.00.

A motion for approval was made by Mr. Fitzgerald and seconded by Dr. Nemanick. Mr. Kulinsky provided details about the Professional Service Agreement. Mr. Lents asked about what happens after the one year extension. Mr. Kulinsky explained that the airport will then put the contract out for bid. Dr. Nemanick observed that Vanderlande has met the MBE and WBE participation. There being no more questions, a vote was taken. The motion carried unanimously.

6. PLANNING

- A. Approval is requested of a Resolution to enable the Airport Director to execute, on behalf of the Airport, certain applications for parcel consolidations and other ancillary agreements, permits, applications, or memoranda necessary to facilitate the Projects and improvements contemplated by the Ground Lease and Development Agreement, (AL-318). Boeing and its agents or assigns shall furnish all material, labor, equipment, costs, and personnel to perform parcel consolidation and any other necessary actions.

A motion for approval was made by Dr. Moore and seconded by Dr. Nemanick. Mr. Beckmann provided details. Commissioner Osborn asked if the commission would receive updates on the parcel consolidations. Mr. Beckman assured the commission that there will be updates provided. A vote was then taken and the motion carried unanimously.

7. PROPERTIES

- A. Approval is requested for Airport Insurance Proposals marketed by Arthur J. Gallagher and Company, the Airport insurance broker. The term for the All Risk Property policy is from October 1, 2023 to October 1, 2024, and the annual premium is \$5,510,609.00.

A motion for approval was made by Mr. Fitzgerald and seconded by Mr. King. Ms. Ruth gave details about the insurance policy. There being no questions, the motion carried, with Judge Clarke (Ret), and Mr. Cantwell abstaining.

- B. Approval is requested of a First Amendment to Lease Agreement with CommunityAmerica Credit Union (AL-164). This First Amendment extends the Lease Agreement two (2) years, to now end October 31, 2026. Either party may terminate this Permit upon thirty (30) days' notice.

A motion for approval was made by Dr. Nemanick and seconded by Dr. Moore. Mr. Salarano gave details about the Lease Agreement. There being no questions a vote was taken. The motion carried, with Ms. Fowler abstaining.

- C. Approval is requested of a Space Permit with St. Louis Convention and Visitors Commission (AL-123). The term of this Space Permit is three (3) years beginning November 1, 2023 and ending October 31, 2026. Either party may terminate this Permit upon thirty (30) days' notice.

A motion for approval was made by Mr. Lents and seconded by Mr. Bales. Mr. Salarano gave details about the Space Permit. There being no questions a vote was taken. The motion carried.

- D. Approval is requested of a Resolution authorizing the Director of Airports to enter into and execute Ground Transportation Use Agreement(s) with Transportation Network Companies (TNCs) ("Permit"). The term of each Permit is two years. Either party may terminate without cause by providing thirty (30) days' notice.

A motion for approval was made by Mr. Bales and seconded by Judge Clarke (Ret), Mr. Salarano gave details about the Resolution. Dr. Nemanick observed that the \$15,000.00 fee associated with the lease seems low, and asked what other airports are charging. Director Hamm-Niebruegge explained that some airports charge less, some charge more, but that the lease fee is nominal, the actual revenue driver is the per ride trip fee that the airport charges. Dr. Nemanick asked what the effect on traffic is, especially in terminal II. Mr. Salarano stated that the airport continually monitors that, and that the airport can restrict the number of drivers if the traffic impact is too large. The airport has changed the pickup points and utilizes the police department to ensure that all drivers comply with the lease terms. There being no more questions, a vote was taken and the motion carried. Mr. Fitzgerald abstained.

- E. Approval is requested of a Space Permit with Swissport SA Fuel Services, LLC, (AL-357). The term of this Space Permit is three (3) years beginning November 1, 2023 and ending on October 31, 2026. Either party may terminate this Permit upon thirty (30) days' notice.

A motion for approval was made by Dr. Nemanick and seconded by Mr. Lents. Mr. Salarano gave details of the Space Permit. There being no questions the motion carried.

8. EXECUTIVE SESSION

The Chairperson requested a motion to move into an Executive Session pursuant to the Revised Statutes of Missouri Section 610.021, Subsections (12), (18), and (21) to discuss certain bids and related documents, security matters and computer network systems.

A motion to close the meeting was made by Dr. Nemanick and seconded by Dr. Moore. A roll call vote was taken on the motion, and it carried with fifteen votes in favor, zero votes against, and no abstains. A true and accurate record of the roll call vote is attached

hereto as Attachment 1.

The Chairperson asked that all present in person or via teleconference exit the meeting, with the exception of Commission members, authorized Airport staff, and invited guests. She stated that the regular Commission meeting would reconvene immediately following the conclusion of the Executive Session. After the general public departed, the Airport Commission met in Executive Session beginning at 2:46p.m.

The Executive Session concluded, the public was invited to return, and the regular Airport Commission meeting reconvened at 3:14p.m.

9. OTHER BUSINESS

Airport Improvement Magazine has a nice article with an interview given by Mr. Beckmann about the runway reconstruction project happening here at Lambert. The Terminal II curbside project is complete. The east and west garage entrance will be open in the next 10 days. These projects were undertaken to try to ease congestion around Terminal II.

In the worldwide airport traffic ranking Lambert is number 122 out of the thousands of airports worldwide. The U.S. has 33 large airports and 35 medium airports. We are number three (3) in the medium category, just behind Portland and Dallas. The new Montreal flight will start on May first (1st). San Francisco is coming back as destination from St. Louis Lambert. The airport has a new environmental manager. The lifting of the residency rule has helped the airport receive more applications for vacant positions. Mr. Bales asked about the Art of Travel gala. The Art of Travel event is next Thursday, 10/12/23 with a silent auction, live music and food. Mr. Kling and David Frey are the chair for the event. The theme is "Art is Love". Judge Clarke (Ret) asked about the event and Ms. Hamm-Niebruegge gave a history of the Art of Travel and the airport art program.

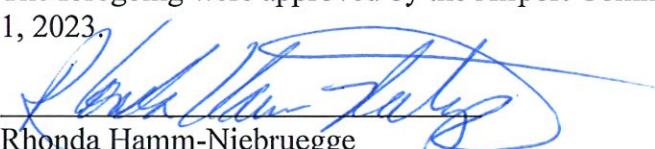
10. NEXT MEETING

Wednesday November 1, 2023 at 2:00p.m. Lindbergh Conference Room

11. ADJOURNMENT

A motion to adjourn was made by Mr. Bales and seconded by Mr. Fitzgerald. A vote was taken and the motion carried. The meeting adjourned at 3:40p.m.

The foregoing were approved by the Airport Commission at its Regular Meeting held on November 1, 2023.


Rhonda Hamm-Niebruegge
Chairperson