

**METROPOLITAN AIRPORTS COMMISSION
OPERATIONS, FINANCE AND ADMINISTRATION COMMITTEE
REGULAR MEETING MINUTES**

Monday, October 7, 2024, 1:00 p.m.
Room LT-3048A, Terminal 1
Minneapolis-St. Paul International Airport

"CONSENT ITEMS"

Call to Order

A regular meeting of the Operations, Finance and Administration Committee, having been duly called, was held on Monday, October 7, 2024. Chair Monaco called the meeting to order at 1:00 p.m. The following were in attendance:

Commissioners: Chair Monaco, Agrawal, Gartland, Ginsberg, Hoard, Skoog and Commission Chair King. Commissioner Crimmins and Commissioner Deal participated by phone.

Staff: B. Anderson, A. Backer-Hines, M. Bents, J. Chatelle, L. Deneen, R. Dockry, J. Felger, K.C. Fisher, K.L. Fisher, R. Fuhrmann, K. Gerads, A. Hanson, J. Harken, J. Harris, N. Hinchley, S. Hoerd, B. Johnson, L. Jones, P. Joppa, J. Kedrowski, M. Kilian, M. Krogh, S. Kuehn, C. Leqve, J. Malone, A. Oster, N. Pesky, N. Peterson, T. Rader, I. Rhawie, B. Rief, B. Ryks, A. Saxton, M. Schommer, S. Seafeldt, T. Simon, S. Skramstad, R. Slapnicher, J. Sticht, P. Tiedeman, E. Valencia, E. Wilson, J. Wollenzien, S. Zaczkowski

Others: M. Sargent, ACTS; T. Anderson, S. Fuentes, N. Keesecker, K. McMillen, B. Owen, D. Rivard, J. Webster, Airport Foundation MSP; H. Moody, Delta Air Lines; J. Shepard, Hamline University, K. Warren, MSBCA; C. Breer, Sun Country Airlines; W. Luneburg, UNITE HERE; K. Sherman, University of St. Thomas

Chair Monaco welcomed everyone to the meeting and noted Commissioner Crimmins and Commissioner Deal were participating by phone.

1. Open Forum

1.1. Introductions

No items.

1.2. Public Comment

No public comments were received.

1.3. Public Hearings

No items.

1.4. Public Presentations

No items.

2. Consent

Chair Monaco briefly reviewed the items listed on the Consent Agenda.

2.1. Reports

2.1.1. Accounts Receivable Summary

This report was informational only.

2.1.2. Budget Variance Report – August 2024

Commissioner Agrawal moved and Commissioner Ginsberg seconded to:

- 1. Recommend that the full Commission accept the Budget Variance Report and authorize expenditures in these categories up to the budgeted or forecasted budget amounts.**

The motion carried by unanimous vote.

2.2. 2025 Employee Medical and Dental Benefit Insurance Renewals

Commissioner Agrawal moved and Commissioner Ginsberg seconded to:

- 1. Recommend that the full Commission approve the 2025 medical, dental, and vision plans and employee paid premiums, including stop loss coverage, and administrative fees as described in the Committee Memorandum;**
- 2. Authorize a new gym benefit be offered to all employees, sponsored by the MAC at the introductory level; and**
- 3. Authorize the Executive Director/CEO or his designee to execute the necessary documents.**

The motion carried by unanimous vote.

2.3. Request for Authority to Issue Request for Qualifications – Airport Wildlife Hazard Management Services

Commissioner Agrawal moved and Commissioner Ginsberg seconded to:

- 1. Recommend that the full Commission authorize staff to issue a Request for Qualifications for Airport Wildlife Hazard Management continuing consultant services;**
- 2. Approve the timeline, Review Team and evaluation criteria consistent with the terms of the Committee Memorandum;**

- 3. Direct the Review Team to conduct interviews and forward its recommendation(s) to the Operations, Finance and Administration Committee; and**
- 4. Authorize the Executive Director/CEO or his designee to execute the necessary documents.**

The motion carried by unanimous vote.

3. Business

3.1. Recommendation to Adopt Reliever Airports Rates and Charges Ordinance

Kelly Gerads, Assistant Director – Reliever Airports, began the presentation by highlighting the purpose, the desired result and the fiscal impact of adopting this action as well as providing a background regarding the applicable ordinances, identifying the goals when setting the rates, outlining the timeline and process and summarizing the public hearing held on July 15, 2024.

Andrew Hanson, Attorney II, continued by detailing the proposed changes to the ordinance and the planned next steps.

Chair Monaco expressed his appreciation for the extensive amount of work involved regarding this matter and thanked Commissioner Agrawal and Commissioner Crimmins for serving as Hearing Officers. Additionally, Commission Chair King shared his gratitude for the strong engagement effort made during this process which alleviated any possible contention which had been experienced in past efforts.

Mr. Hanson answered questions from Commissioners regarding the relationship between the two ordinances applicable to this action as well as the exemption from landing fees for operators who volunteer their time and expenses to transport medical equipment and patients in need of medical services.

Commission Chair King moved and Commissioner Hoard seconded to:

- 1. Recommend that the full Commission approve the Findings, Conclusions, and Order in the Committee Memorandum related to the adoption of the Reliever Airports Rates and Charges Ordinance;**
- 2. Recommend that the full Commission adopt the proposed Reliever Airports Rates and Charges Ordinance; and**
- 3. Recommend that the full Commission authorize the Executive Director/CEO or his designee to execute the necessary documents.**

The motion carried by unanimous vote.

3.2. Request to Award – Common Use Passenger Boarding Bridge and Baggage Handling System Maintenance and Operations Support at Minneapolis-St. Paul International Airport

Chair Monaco reminded Commissioners there is a Not Public Memorandum regarding this action.

Alex Oster, Assistant Director – MSP Terminal Operations and Facilities, provided a presentation wherein he discussed the background, project goals, timeline, minimum requirements, key business terms, evaluation criteria and Review Team members relating to the award of the Common Use Passenger Boarding Bridge and Baggage Handling System Maintenance and Operations Support contract at Minneapolis-St. Paul International Airport (MSP) to Daifuku Services America Corporation (Daifuku).

Commissioner Ginsberg moved and Commissioner Agrawal seconded to:

- 1. Recommend that the full Commission award the Common Use Passenger Boarding Bridge and Baggage Handling System Maintenance and Operations Support contract at MSP to Daifuku with an initial three-year term from December 1, 2024, through November 30, 2027, at prices consistent with Daifuku’s proposal, with an option for MAC to renew for one, three-year renewal period (maximum six years) exercised via future Commission action;**
- 2. Authorize staff to procure parts and to execute change orders to increase or decrease the maintenance services and repair tasks up to the annual budgeted amount; and**
- 3. Authorize the Executive Director/CEO or his designee to execute the necessary documents.**

The motion carried by unanimous vote.

3.3. Request to Award – Entertainment Concession Agreement

Chair Monaco reminded Commissioners there is a Not Public Memorandum regarding this action.

Anne Saxton, Interim Director – Concessions & Business Development, discussed the background and timeline of the Request for Proposals process as well as the location of the entertainment space, key business terms and Review Team members relating to the award of the Entertainment Concession Lease Agreement to Gameway, Inc.

Commissioner Skoog thanked the entire team for their efforts in this matter.

Ms. Saxton answered Commissioner Ginsberg’s question regarding the term of the lease.

Commissioner Skoog moved and Commissioner Ginsberg seconded to:

- 1. Recommend that the full Commission award the Entertainment Concession Lease agreement, with terms consistent with the Request for Proposals, to Gameway Inc.; and**
- 2. Authorize the Executive Director/CEO or his designee to execute the necessary documents.**

The motion carried by unanimous vote.

3.4. Request to Award – Security Guard Services

Chair Monaco reminded Commissioners there is a Not Public Memorandum regarding this action.

Justin Malone, Lieutenant, and Brad Johnson, Manager – Purchasing, provided a presentation wherein they discussed the background, project goals, timeline, key business terms, minimum requirements, evaluation criteria and Review Team members relating to the award of the Security Guard Services contract to ACTS-Aviation Security, Inc.

Commissioner Agrawal moved and Commissioner Skoog seconded to:

- 1. Award the security services contract at MSP for a period of three years to ACTS-Aviation Security, Inc. at the terms consistent with the Committee Memorandum;**
- 2. Authorize staff to utilize ACTS-Aviation Security, Inc. at the bill rates proposed up to the annual budgeted amount; and**
- 3. Authorize the Executive Director/CEO or his designee to execute the necessary documents.**

The motion carried by unanimous vote.

3.5. MSP Percent for Arts and Culture Program Annual Report and Five-Year Plan

Tom Anderson, Chair – Arts and Culture Steering Committee, began the presentation by congratulating and thanking the Commission for its support in creating exceptional airport experiences for passengers at the Minneapolis-St. Paul International Airport (MSP) as well as stressing the importance of first impressions of passengers traveling through MSP.

Mr. Anderson continued by summarizing the partnership between the Metropolitan Airports Commission (MAC) and the Airport Foundation MSP (Foundation), identifying the Arts@MSP staff and expressing his gratitude for the volunteers in the Arts@MSP program.

Ben Owen, Arts@MSP Director – Airport Foundation MSP, followed by stating the Foundation is excited to elevate the experiences of the passengers at MSP by creating an environment which enriches the travelers' journeys and deepens their connection to MSP as a unique destination. Mr. Owen continued by highlighting the many

projects and performers introduced during the last year as well as introducing Pet Duets, a collaboration between the Arts@MSP and the Animal Ambassador programs. Additionally, Mr. Owen discussed the deepened engagement with the local arts community and some of the projects planned for 2025.

Chair Monaco said the Foundation is an exceptionally strong program and the work they do is an important characteristic of MSP.

Mr. Owen and Mr. Anderson answered Chair Monaco's questions regarding art programs at other airports and the collaboration and information sharing between them.

Chair Monaco thanked Commissioner Crimmins for his involvement with the Foundation, and Commissioner Crimmins expressed his approval of the action being requested.

Commissioner Ginsberg indicated he receives numerous compliments regarding the art and the performances at MSP and further stated he appreciates the foresight of the Commission to provide a steady source of funding for this program.

Commissioner Hoard said she also receives many compliments regarding the Foundation's projects and expressed her gratitude to the whole team.

Commissioner Ginsberg moved and Commissioner Hoard seconded to:

- 1. Recommend that the full Commission approve the MSP Percent for Arts and Culture Program Five-Year Project Plan, as generally described in the Committee Memorandum; and**
- 2. Authorize the Executive Director/CEO or his designee to execute the necessary documents.**

The motion carried by unanimous vote.

4. Information

4.1. Draft 2025 Operating Budget

Nick Hinchley, Director – Finance, provided a presentation discussing the 2025 budget preparation process, the adopted budget targets, the 2025 draft operating budget versus the 2024 budget estimate, operating revenues, airline rates and charges, concession product price inflation, the parking rate increase and operating expenses as well as highlighting personnel, professional services, utilities, operating services and maintenance information. Mr. Hinchley concluded the presentation by summarizing capital equipment and technology projects and the 2025 budget calendar.

Chair Monaco stated he is grateful to the entire organization and understands the challenges involved with this process.

Mr. Hinchley and Tim Simon, Chief Financial Officer, answered Commissioner Ginsberg's questions regarding the cost of benefits and wage increases.

4.2. Legal Affairs Division Overview

Evan Wilson, General Counsel, began the presentation by discussing the role, professional responsibilities and mission of the Legal Affairs Division within the Metropolitan Airports Commission. Mr. Wilson continued by identifying several scopes of activity within the division, its partnership with Airports Council International – North America, the members of the Legal Affairs Division staff as well as outside counsel utilized as continuing consultants and staff consultants. Mr. Wilson expressed his gratitude to each member of the Legal Affairs team and to the firms which support this team. Mr. Wilson concluded the presentation by highlighting the ongoing priorities of the division.

Chair Monaco thanked the Legal Affairs Division and stated he recognizes the exceptional work they do in supporting the organization.

Mr. Wilson answered Commissioners questions regarding the balance of in-house counsel and outside counsel, data retention and information sharing and staffing suggestions in the future.

Commission Chair King expressed his appreciation for the guidance received from Mr. Wilson and the Legal Affairs team.

5. Announcements

Commission Chair King congratulated Brian Ryks, Executive Director/Chief Executive Officer, on being named as a Most Admired CEO by the Minneapolis/St. Paul Business Journal.

6. Closed Session

No items.

7. Tours

Chair Monaco reminded Commissioners and staff of the tour of the Metropolitan Airports Commission's Energy Management Center immediately following the conclusion of this meeting.

The meeting was adjourned at 2:42 p.m.