Tri-Cities Airport Authority Board Meeting
June 12, 2026, at 10:00 a.m.
Held in the TCAA Boardroom

Board Members	Staff	Others
Mr. Parker Smith	Gene Cossey	Stephen Darden - HS&D Attorney
Mr. Mark Ireson	Mark Canty	Clay Walker - NETWORKS
Mr. Chris McCartt	Trevor Rice	Leisa Hackney - UNIFI
Mr. Ken Huffine	Chris Stipo	Rick Wagner – Six Rivers Media
Mr. Todd Hensley	Rachel Squibb	Pam Pillips – Tri-City Aviation
Mr. Lewis Wexler	Rebecca O'Quinn	Mike Lloyd – Tri-City Aviation
Mr. Zane Vanover	Jennifer Solorio	
Ms. Cathy Ball	Dan Martin	
Mr. Jeff Bedard	Jason Arnold	
Mr. Todd Hensley	Kylie Toler	
	Travis Meade	
	Erick Lanier	

With a quorum present, the meeting was called to order at 10:02 a.m., by TCAA Chair Parker Smith.

The board members not in attendance were Mr. John Hunter and Ms. Tamrya Spradlin.

CONSIDER: Minutes from April 23, 2026, TCAA Board Meeting

TCAA 06/12/2026 – 1 Upon a motion made by Mr. Todd Hensley and seconded by Mr. Jeff Bedard, the following was adopted: BE IT RESOLVED the Minutes from April 23, 2026, TCAA Board Meeting was approved as presented.

The motion passed unanimously.

REPORT: Committee Updates

Mr. Parker Smith stated that both the Administration and Operations and Airfield Development Committee meetings went very well. Tall items presented at the meetings are being presented in this Board meeting. He also stated that the Executive Committee Meeting met as well and the items they were over will be presented as well.

CONSIDER: President/CEO Contract Renewal and Performance Evaluation

The Executive Committee met on June 6, 2026, to conduct the annual performance evaluation of the President and CEO and to consider for recommendation to the full board an amended and restated renewal of the employment contract between TCAA and the President and CEO. The Board Chair, in cooperation with the President and CEO, worked with TCAA Legal Counsel to develop amended and restated contract. Mr. Parker Smith stated that during the Executive Committee that was held, they had a great discussion and evaluation. Mr. Stephen Darden then explained to the Board the changes that were made in the contract making it a less one sided agreement than it was before.

TCAA 06/12/2026 – 2 Upon the motion made by Mr. Mark Ireson, seconded by Mr. Todd Hensley, the following was adopted: BE IT RESOLVED the TCAA approved the President/CEO Contract Renewal and Performance Evaluation.

The motion passed unanimously.

CONSIDER: By-Laws Update

To remain compliant and ensure our operations align with the updated legal framework, we are amending our by-laws to reflect new statutory requirements for board composition, officer roles, and term limits. These amendments will ensure the TCAA Board operates within the current legal framework, maintains good standing and continues to serve our mission effectively. The first notice of the By-Laws update was during the last Board meeting on April 23, 2026. Mr. Stephen Darden discussed the updates to the By-Laws and explained that these changes are just to keep everything in line with the new State Legislation that may be passed. Mr. Parker Smith made an amendment that we need to begin these changes when and if the new legislation goes into effect instead of July 1st, 2026.

TCAA 06/12/2026 – 3 Upon the motion made by Mr. Kenneth Huffien, seconded by Mr. Jeff Bedard, the following was adopted: BE IT RESOLVED the TCAA approved the By-Laws Update beginning with the implantation of the new state legislation.

The motion passed unanimously.

CONSIDER: FY2027 Personnel Compensation Program

The FY2027 Personnel Compensation Program includes a general wage adjustment of 5% to the annual base salary for all employees. A one-time award of 5% of employees base salary for FY2026 which would be payable in June 2026. We have two employees that are scheduled to receive a longevity award in FY2026 based on length of service. Finally, the annual holiday pay has been budgeted at 1% of annual salary for all full-time employees and $200 for part-time employees. The pay will be dispersed to employees in November 2026.

TCAA 06/12/2026 – 4 Upon the motion made by Mr. Chris McCartt, seconded by Mr. Jeff Bedard, the following was adopted: BE IT RESOLVED the TCAA approved the FY2027 Personnel Compensation Program.

The motion passed unanimously.

CONSIDER: Travel Policy

Ms. Rebecca O'Quinn presented some key changes that have been made to the proposed Travel Policy which are updated language, added travel outside of the continental US, Mexico, and Canada, flights must originate from Tri-Cities Airport, Extended flights are eligible for upgrades with approval, per diem adjustments for extended travel days, and long-distance calling has been removed.

TCAA 06/12/2026 – 5 Upon the motion made by Ms. Cathy Ball, seconded by Mr. Lewis Wexler, the following was adopted: BE IT RESOLVED the TCAA approved the Travel Policy.

The motion passed unanimously.

CONSIDER: FY2027 Rates and Charges – Airlines

The Tri-Cities Airport Authority has completed an update to the Airline Rates and Charges model for FY 2027, incorporating data and statistics available through April 2026. Analysis of the updated model indicates that key allocable cost centers, specifically the airfield, apron and terminal areas, are currently underfunded based on the most recent financial and operational data. As a result, adjustments to the existing Rates and Charges are recommended. These revised rates will be implemented for the period July 1, 2026, through June 30, 2027, and will apply to all scheduled passenger airlines, as well as non-scheduled charter and air cargo operations serving Tri-Cities Airport.

TCAA 06/12/2026 – 6 Upon the motion made by Mr. Lewis Wexler, and seconded by Ms. Cathy Ball, the following was adopted: BE IT RESOLVED the TCAA approved the FY2027 Rates and Charges – Airlines.

The motion passed unanimously.

After the vote Ms. Cathy Ball had to leave and was not present for any following votes.

CONSIDER: FY2026 Operating Results
FY2027 Operating Budget

The Projected FY2026 operating results have been developed using the most current actual financial data available. The forecast begins with actual operating results for the six months ending December 31, 2025, and projects the remaining six months using a proportionate allocation of the approved FY2026 budget, adjusted to reflect current trends, operational statistics and economic conditions observed during the fiscal year. Passenger Traffic trends remain strong, with enplanements increasing 10.8% compared to the same period in the prior fiscal year. Rental car activity has also demonstrated favorable performance, with on-airport car rentals increasing 9.5% over the prior fiscal year. Parking trends show modest growth of 1.1% in the number of cars from July through February as compared to the previous year, during this time of construction and rehab of the parking system. Projected expenditures for FY2026 are estimated to exceed the approved budget by $136,507 or 1.4%. The proposed FY2027 operating budget has been developed using the most current financial data and reflects a conservative approach based on current operational trends. Total revenues for FY2027 are budgeted to increase approximately 10% compared to the FY2026 budget. Total operating expenses are projected to increase 12.5%, primarily due to the addition of new positions required to support expanded airline service and cost / pricing increases in the goods and services. There are several factors which the staff is monitoring closely that will have an impact on the proposed FY2027 operating budget.

TCAA 06/12/2026 – 7 Upon a motion made by Mr. Kenneth Huffine and seconded by Mr. Mark Ireson, the following was adopted: BE IT RESOLVED the TCAA approved the FY2026 Operating Results and FY2027 Operating Budget.

The motion passed unanimously.

CONSIDER: Primary Server End-of-Life Replacement

The primary server that hosts the airport's virtual servers is now 7 years old. It has reached the end-of-life point in its life cycle. Continuing operation of this server presents increasing risks to system reliability, cybersecurity vulnerabilities, vendor support limitations, and potential service disruptions that could negatively impact daily airport operations. To help ensure operational stability, it is recommended that the existing primary server be replaced. This replacement will provide improved performance, enhanced security features, and compatibility with current software and operating system requirements. The total cost will be $35, 903.91.

TCAA 06/12/2026– 8 Upon a motion made by Mr. Jeff Bedard, and seconded by Mr. Todd Hensley, the following was adopted: BE IT RESOLVED the TCAA approved the Primary Server End-of-Life Replacement.

The motion passed unanimously.

CONSIDER: Meade & Hunt Air Service Consulting Services Agreement Renewal

Since 2021, Mead & Hunt has provided strategic air service development support that has contributed to significant air service growth, including increased airline capacity, the addition of three new destinations, and the recruitment of two new airline partners. The current agreement for Air Service Consulting Services between the Tri-Cities Airport Authority and Mead & Hunt is set to expire on August 31, 2026.

TCAA 06/12/2026– 9 Upon a motion made by Mr. Jeff Bedard and seconded by Mr. Todd Hensley, the following as adopted: BE IT RESOLVED the TCAA authorized the President/CEO to execute the agreement renewal for Air Service Consulting Services with Meade & Hunt for the period of September 1, 2026, through August 31, 2031, at an average annual cost of $102,000, billed monthly at $8,500, plus reimbursable expenses.

The motion passed unanimously.

CONSIDER: Public Safety Axon Body Camera and Taser Program

The Department of Public Safety is requesting approval to implement an Axon Body-Worn Camera and Taser Program for Public Safety Officers. The proposed program includes Axon Body cameras, Taser 10 conducted energy weapons, Evidence.com digital evidence management software, training, warranties, and ongoing support services. This program will enhance officer and public safety, improve transparency and accountability, provide secure digital evidence management, and reduce organizational liability through documented officer interactions and incidents. The Taser 10 system provides officers with an additional less-lethal force option designed to reduce injuries to officers and subjects while supporting de-escalation efforts.

TCAA 02/26/2026 – 10 Upon a motion made by Mr. Mark Ireson and seconded by Mr. Lewis Wexler, the following as adopted: BE IT RESOLVED the TCAA authorized the Chair to execute an agreement with Axon Enterprise for body-worn cameras, Taser 10 devices, evidence management software, training, and support services in the amount of $159,070.40 over a five-year period.

The motion passed unanimously.

CONSIDER: Airport Operations Management Software- Award Aerosimple

Federal Aviation Administration 14 CFR 139 requires the airport to conduct various airfield related inspections and track all related work orders. As the airport has recently grown, the airport's current software is limited in its ability to keep up. A Request for Proposals (RFP) was created for airport operations management software that accomplished areas of work such as operations, maintenance, permit management, incident management, lease management, and training. A selection committee of various airport staff was created to evaluate the two proposals that were received with Aerosimple having the highest rated proposal. The initial term is for a two-year contract with the option of a three-year renewal.

TCAA 06/12/2026–11 Upon a motion made by Mr. Todd Hensley and seconded by Mr. Kenneth Huffine, the following as adopted: BE IT RESOLVED TCAA approved the Airport Operations Management Software agreement with Aerosimple for a two-year contract with the option for a three year renewal in the amount of $390,000 to go to the board for approval.

The motion passed unanimously.

CONSIDER: FBO and Maintenance Equipment Acquisitions – Award Multiple

The TCAA's Fixed Based Operator (FBO) and Maintenance Departments maintain a wide variety of equipment and vehicles. New equipment was procured in anticipation of the airport run FBO and to enhance Maintenance's capabilities. Seventeen pieces of equipment were advertised for bid with fifteen receiving bids. The equipment will be funded using a combination of state aeronautics grant funds and miscellaneous capital expenditures. The funding plan.

TCAA 06/12/2026 – 12 Upon a motion made by Mr. Mark Ireson and seconded by Mr. Lewis Wexler, the following as adopted: BE IT RESOLVED the TCAA authorized the Authorize the Director of Operations to issue purchase orders for the equipment listed in the amount of $1,135,612.06 pending state aeronautics grant funding approval.

The motion passed unanimously.

CONSIDER: Capital Improvement Program

Each year the airport develops a CIP that includes the financial allocations for each federal, state, and local funded capital improvement project over the next five fiscal years. The first two fiscal years of the program are firm in their forecasting but could change in the event of unanticipated additional grant opportunities or additional airport growth, such as additional air service. Any project listed on the CIP will be bought to the board for approval before commencement of the project. The last three years of the program are shown for planning purposes only and are likely to change.

TCAA 06/12/2026 – 13 Upon a motion made by Mr. Jeff Bedard and seconded by Mr. Chris McCartt, the following as adopted: BE IT RESOLVED the TCAA approved the CIP as shown with changes to the CIP being brought to the board for additional approval as needed.

The motion passed unanimously.

CONSIDER: Consent Agenda Items

a. PARCS Change Order #3
b. ARFF Truck Change Order #1
c. Administrative Hallway Renovations Change Order #1
d. Record management System (RMS) Change Order # 1

TCAA 06/12/2026 – 14 Upon the motion made by Mr. Todd Hensley, and seconded by Mr. mark Ireson, the following was adopted: BE IT RESOLVED the TCAA approved consent item ratifications.

The motion passed unanimously.

STAFF REPORTS:

Legal Counsel, Stephen Darden – He stated he had no updates to give to the Board.

Director of Finance, Rachel Squibb – She went over the FY2026 Financial Snapshot for the period ending on April 30, 2026, showing that the Authority achieved an approximate Net Operating Income of $1, 405, 862. Some revenue highlights are that we are 16% over budget, increase seen in ground handling services due to adding Breeze, 3.1 year over year increase in number of rental cars, and an increase in parking revenue and car count. A few expense highlights were that certain variances are above budget, however they are directly related to new air service growth and will generate corresponding revenue in the future. Some exceeding budget trends were in ground handling services due to equipment and cost associated with servicing the new breeze flights and in the airfield area due to markings on the terminal apron and Runway 5/23 centerline markings. Revenue performance, particularly within key non-aeronautical categories, has strengthened the Authority's financial position and provided flexibility as we enter a period of expansion. At the same time, disciplined expense management remains a priority. Each department continues to focus on operational efficiency while strategically investing in equipment needs and readiness efforts necessary to support new routes and airline growth in 2026.

Director of Marketing and Air Service, Trevor Rice – Trevor gave some traffic and capacity updates showing that the passengers are up 16/6% year over year and seats are 20.8% year over year. He then presented the airline schedules for June-November 2026. Ms. Kylie Toler then presented that social media performance showed strong year-over-year growth across key metrics. Audience size continues to grow, along with reach and total engagements reflecting continued and increasing interest in airport content. Engagement rate declined slightly as reach expanded; however, overall interaction volume increased, demonstrating the overall success of our social strategy while indicating a potential need to focus on more engaging content. Email marketing continued to show significant growth year over year. Earned media results strengthened considerably compared to FY25, driven by major air service announcements, inaugural flights, community initiatives, and ongoing operational communications. Some community engagement events included inaugural flight celebration, holiday and seasonal activations, sponsorships supporting regional events and organizations, and ongoing opportunities to connect directly with passengers and community members.

Director of Business Development, Mark Canty – Mr. Mark Canty reported that Eastman's FTZ expansion application was approved with conditions. The Foreign-Trade Zones Board limited the quantity of highly dissolvable wood pulp that may be admitted into the zone through 2027; however, the approval remains a positive development for the company and the region. He then reported that Turtleson's FTZ activation is nearly complete with only a few minor items remaining. Port Director Thomas Cook is working with them to complete the process. He also received a proposal from J.A. Street and Associates to construct a speculative hangar adjacent to the ramp in Aerospace Park. The proposal is under review, and a feasibility analysis is underway to determine whether the lease rate aligns with our market. Finally, he reported that construction has begun on the Aviation New Generation Hangar, with completion currently estimated for mid-November.

Director of Operations, Chris Stipo– He discussed the following with the Board:

<u>CAPITAL PROJECTS</u>

1. **Airport Master Plan Update Project (FAA Review)**
   a. Project Amount $ 1,432,847.00
   b. Estimated Project Percent Completion 90%

2. **Sound System Improvements (Design/Bid)**
   a. Project Amount $ 141,070.00
   b. Estimated Project Percent Completion 80%

3. **Airport - Public Parking Lot Expansion (Construction)**
   a. Project Amount $ 2,684,006.50
   b. Estimated Project Percent Completion 90%

4. **Airport - TWY A Extension, TWY C Removal West of RWY 23 and RWY 5 RSA Improvements (Construction)**
   a. Project Amount $ 7,375,279.00
   b. Estimated Project Percent Completion 90%
5. **Airport – Parking and Revenue Control System (PARCS) (Construction)**
   a. Project Amount $ 806,792.00
   b. Estimated Project Percent Completion 60%

6. **Airport – LT Parking Rehab/Exit Plaza Replacement/Cell Phone Lot Expansion (Construction)**
   a. Project Amount $ 3,047,200.00
   b. Estimated Project Percent Completion 10%

7. **Airport – Terminal/Concourse – Passenger Check Point Expansion (Construction)**
   a. Project Amount $ 9,434,527.51.00
   b. Estimated Project Percent Completion 5%

8. **Airport – TWY A Bank Slide Rehabilitation (Closeout)**
   a. Project Amount $ 268,496.90
   b. Estimated Project Percent Completion 95%

9. Airport – TWY R1 Corporate Hangar Expansion Project (Construction)

a.	Project Amount	$ 4,229,200.00
b.	Estimated Project Percent Completion	5%

10. Airport – Terminal Ramp Markings (Design/Bid)

a.	Project Amount	$ 24,862.00
b.	Estimated Project Percent Completion	50%

11. Airport – Fuel Farm Expansion (Design/Bid)

a.	Project Amount	$ 376,136.00
b.	Estimated Project Percent Completion	20%

President/CEO, Gene Cossey – Mr. Gene Cossey thanked everyone for attending the board meeting and reminded everyone to take the plaques that was made for each Board member to commemorate their service on the TCAA Board. Mr. Cossey and Mr. Parker Smith thanked all the Board members for their service and dedication over the past few years of being on the Board.

The meeting was adjourned at 12:20 p.m.

Respectfully submitted,

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Parker Smith, TCAA Chair

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Chris McCartt, TCAA Secretary/Treasurer

Minutes taken by: Gracie Beach
NOTE: The Minutes are intended to reflect the general account of the events of the meeting and are not a verbatim transcription.