

**Notice of Public Meeting
of the
DES MOINES AIRPORT AUTHORITY
BOARD**

DATE: January 14, 2025
TIME: 9:00 a.m.
PLACE: The Airport Board Room, 2nd Floor, Airport Terminal, will be open to the public.

The public may also monitor, but not participate, in the meeting electronically at: <https://zoom.us/j/9843166544>, or call in at: +1 312 626 6799 US (Chicago), Meeting ID: 984 316 6544#

Agenda

Call to Order and Roll Call

1. Consider Minutes for
 - a. December 10, 2024, Regular Board Meeting
 - b. December 10, 2024, Closed Session
2. Consider Rules and Regulations Amendment (Director of Operations)
3. Consider Approval of the Second Loan (Bond Issuance) with Polk County up to \$237,830,000 (Director of Finance)
4. Consider Amendment No. 9, Exhibit A-2, to AIA Document A133-2019 between the Des Moines Airport Authority and Weitz/Turner, a Joint Venture (Executive Director)
5. Consider Change Order 1BW004 in the amount of \$26,728,056.90 for the New Terminal Construction Project between the Des Moines Airport Authority and Weitz/Turner, a Joint Venture (Executive Director)
6. Consider Resolution setting baseline budget for New Terminal Construction in the amount of \$576,835,000 (Executive Director)
7. Consider an Eleventh Amendment to the Airline Operating and Use Agreement for 2025 (Director of Finance)
8. Financial Report (Director of Finance)
9. Briefing (Executive Director)
10. Next Meeting
 - a. February 11, 2025
11. Adjourn

Agenda Notes:

Call to Order and Roll Call

- 1. Consider Minutes for**
 - a. December 10, 2024, Regular Board Meeting**
 - b. December 10, 2024, Closed Session**

- 2. Consider Airport Authority Rules and Regulations Amendments (Director of Operations)**

Safety of operations is the primary responsibility of the Airport Authority. The implementation of safety periodicals has been delegated to the Authority Operations Department. With the construction of the New Terminal and enabling projects, daily operations of the Airport have changed considerably. The Operations Department has worked with tenants and contractors to communicate and assist with necessary operational changes. Despite the Operations Department's best efforts, Vehicle and Pedestrian Deviations (VPD) have increased. VPDs create a safety risk that must be mitigated and retraining of everyone certified to operate on the airfield has ensued.

The Rules and Regulations detail punitive enforcement that the Executive Director may impose for failure to comply. Punitive enforcement is supported by the FAA. Current penalties for failure to comply with Airport Authority Rules and Regulations appear to be insufficient to enforce compliance with our new operational necessities. Following our retraining efforts, increasing the penalties for noncompliance is the next step in our efforts to mitigate VPDs.

A red-lined and clean copy of the Rules and Regulation have previously been provided to the Board for review.

Staff Recommendation: Approve Amendments to the Airport Authority Rules and Regulations

- 3. Consider approval of the Second Loan (Bond Issuance) with Polk County up to \$237,830,000 (Director of Finance)**

On November 7, 2023, more than 60% of the voters in Polk County, Iowa, passed the referendum and authorized the County to issue up to \$350,000,000 of general obligation (GO) bonds on behalf of the Des Moines Airport Authority, and loaned the proceeds to the Authority to fund its new terminal projects. Polk County and the Authority signed the loan agreement on April 23, 2024, and thereafter issued the first tranche of the GO bonds on May 8, 2024, for \$112,170,000. Per the loan agreement, the Authority is required to give written notice to the County 120 days prior to the next borrowing. Authority staff propose that the Board request the second bond issuance from the County, ranging between \$150,000,000 and \$237,830,000, by June 16, 2025, while Authority staff continue to work on the cash flow modeling for the capital needs.

Staff Recommendation: Approve the second loan with Polk County for up to \$237,830,000 and direct the Director of Finance to bring the final second loan amount to the Authority Board when it becomes available.

4. Consider Amendment No. 9, Exhibit A-2, to AIA Document A133-2019 between the Des Moines Airport Authority and Weitz/Turner, a Joint Venture (Executive Director)

Amendment No. 9 sets the date of November 9th, 2026, for Substantial Completion of New Terminal Project Phase 1B West construction and is aligned with the Substantial Completion date for Phase 1A construction, which is defined as beneficial occupancy of the Terminal, Concourse, Sky Walk, Bridge, assigned Apron, and Cowles Drive Dropoff. Terminal Phase 1B West Substantial Completion is defined as beneficial occupancy of Concourse and assigned Apron, including (2) gates.

Amendment No. 9 also outlines Liquidated Damages in line with, but not additive to those for Phase 1A. Liquidated damages will be assessed for each day that the work remains uncompleted after 31 days of delay beyond the Substantial Completion date for Phase 1A & 1B West per the following schedule:

- \$3.25k/calendar day (31-62 days of delay after Substantial Completion);
- \$6.5k/calendar day (63-92 days of delay after Substantial Completion); and
- \$13k/calendar day (day 93 onward of delay after Substantial Completion).

Amendment No 9 does not change contract values or any other terms as defined in the original contract, prior GMP amendments, or Change Orders.

Project Management Committee Recommendation: Approve Amendment No. 9, Exhibit A-2, to AIA Document A133-2019 between the Des Moines Airport Authority and Weitz/Turner, a Joint Venture

5. Consider Change Order 1BW004 in the amount of \$26,728,056.90 for the New Terminal Construction Project between the Des Moines Airport Authority and Weitz/Turner, a Joint Venture (Executive Director)

At the August 13, 2024, Airport Authority Board meeting, the Board approved proceeding with construction of New Terminal Project Phase 1B West with a baseline budget of \$54.4M. Phase 1B West is being procured through change orders to the Weitz/Turner Joint Venture Guaranteed Maximum Price contract for Phase 1A to capture efficiencies of continuous construction from Phase 1A. Change order 1BW004 is based on 100% design and has been prepared to add additional scope to include all remaining construction for Phase 1B West and the additional General Conditions/General Requirements (JV staffing and logistics) for Phase 1B West. The Change Order is based on negotiated pricing based on the bidding process for Terminal Construction Phase 1A. The amount of the Change Order is \$26,728,056.90.

Project Management Committee Recommendation: Approve Change Order 1BW004 in the amount of \$26,728,056.90 for the New Terminal Construction Project with Weitz/Turner, A Joint Venture.

6. Consider Resolution setting baseline budget for New Terminal Construction in the amount of \$576,835,000 (Executive Director)

On January 8, 2025, the Project Management Committee (PMC) reviewed the detailed budget for the New Terminal Project Phase 1A. The budget has been brought up to date following previously approved Board adjustments to the project. With Phase 1A completely bid out, and an approximate \$7M savings from the estimated cost, PMC is recommending a reduction in the baseline budget of Phase 1A from \$425.7M to \$418.7M.

On December 10, 2024, the Airport Authority Board reviewed a preliminary budget for New Terminal Project 1B East & Extension. On January 8, 2025, the Project Management Committee (PMC) reviewed the detailed estimated budget for New Terminal Project 1B East & Extension based on 90% design. 100% design is due May 2, 2025. The estimated baseline budget for 1B East and Extension is \$103,735,000. If approved, the total Baseline Budget for the New Terminal Construction Project will be:

Phase 1A Budget:	\$418,700,000
Phase 1B West Budget:	\$54,400,000
Phase 1B East & Extension:	\$103,735,000
Total Baseline Budget:	\$576,835,000

Project Management Committee Recommendation: Approve a resolution setting the total Baseline Budget for New Terminal Construction in the amount of \$576,835,000 and repeal any prior Resolutions establishing a Baseline Budget for the New Terminal Construction Project.

7. Consider an Eleventh Amendment to the Airline Operating and Use Agreement for 2025 (Director of Finance)

The Board approved the 2025 Budget, including the Airline Rates and Charges, at the November 12, 2024, Board meeting. The Airline Rates and Charges for 2025 were included in the Eleventh Amendment to the Airline Operating and Use Agreement which extends the term of the agreement through December 31, 2025. United Parcel Service Co. has returned signed copies of the Eleventh Amendment. Authority staff request that the Board Chair be authorized to execute the remaining amendments as they are received from the Airlines.

Staff Recommendation: Approve the Eleventh Amendment to the Airline Operating and Use Agreement for 2025 and authorize the Airport Authority Board Chair to execute remaining amendments as they are received from the Airlines.

8. Financial Report (Director of Finance)

9. Briefing (Executive Director)

10. Next Meeting

a. February 11, 2025

11. Adjourn