



PENINSULA AIRPORT COMMISSION

MINUTES

May 20, 2020

PRESIDED: Sharon Scott

A special meeting of The Peninsula Airport Commission was held on Wednesday, May 20th, 2020 at 9:00 a.m. via Zoom pursuant to due notice.

Commissioners present were:

Sharon Scott, George Wallace, Jay Joseph, and Tom Herbert

Executive Director

Michael Giardino

Director Marketing & Public Relations

Jenifer Spratley

Manager Finance & Administration

Jessica Minor

Administrative Assistant

Barbara Rumsey

Public in Attendance

GA Hangar Tenants: Tom Inman, J. Gleason, James Van Laak, Gary Maschke, John Sheehan, Scott James, Mike Ware

The meeting was called to order at 1:00 p.m.

Following brief introductory remarks, to include the Chair will need to leave at 1:30 to attend another Board and would turn the meeting over to the Vice Chair at that time.

Mr. Giardino read FOIA guidance for electronic meetings:



The FOIA Budget Amendment provides that any public body may meet by electronic communication, without a physical quorum at one location, when the Governor has declared a state of emergency under § 44-146.17, provided that

(i) the nature of the declared emergency makes it impracticable or unsafe for the public body to assemble in one location;

(ii) the purpose of meeting is to discuss or transact business statutorily required or necessary to continue operations of the public body and the discharge of its lawful purposes, duties, and responsibilities; and

(iii) a recording or transcript of the meeting is available on its website in accordance w/ the timeframes in §§ 2.2-3707 and 2.2-3707.1.

REQUIREMENTS: A public body convening such a meeting shall:

1. Give notice to the public using the best available method, given the emergency contemporaneously with notice to members of the public body conducting the meeting;

2. Arrange for public access through electronic means including, to the extent practicable, videoconferencing technology. If possible, provide the public an opportunity to comment;

3. Otherwise comply with § 2.2-3708.2, and

4. Include in the meeting minutes the nature of the emergency, and the fact that the meeting was held by electronic communication.



NOTE: as stated in (2), the FOIA Budget Amendment appears to require public comment at each meeting, whether or not there is a public hearing, if the means of communication allows.

Mr. Giardino also provided the protocol for public comment which is they will be taken by email at mgiardino@flyphf.com or by the Peninsula Airport Commission Website at Contact Us link.

The Chair asked Barbara Rumsey to do a roll call for attendance.

Mr. Giardino announced that the next meeting will be a Regular and Annual Meeting on May 28, 2020 at 8:00 a.m. He then asked if another Special Session would be needed to cover the Budget. The Chair responded that they would let Mike know if one was needed after this session.

FY21 Budget Workshop

Mr. Giardino did an overview of the presentation that was presented at the Regular April Meeting and noted updates.

- PHF Recovery Continued
 - 50% changed to 30% of 2018 is probable within one year
- COVID Impact FY2020
 - Updated actual enplanements for April where they were previously
 - Updated actual revenue and expenses for April where they were previously estimated

Q&A

The Vice Chair called for questions from the commissioners by roll call.

- 1) Mr. Herbert
 - a. The PAC budget does not have any locality funding.
 - b. The Daily Press provided information that National and Dulles are also down 99% so it is not just PHF.
 - c. Asked if the budget is based on 35% capacity for revenue
 - i. Mr. Giardino answered yes.
 - d. Asked if the Expense side is also 35%.
 - i. Mr. Giardino answered that expenses are an aggregate number based on enplanement ratio but yes at 35%.
 - e. Summary Sheet of Budget previously provided shows a flatline in utilities.
 - i. Mr. Giardino responded that the team made decisions to adjust temperatures in areas not being used as a cost saving measure.



- ii. Ms. Minor added that the line items have been updated and will be provided on Tuesday to the Finance & Audit Committee.
- 2) Mr. Wallace
 - a. What are our next steps?
 - i. Mr. Giardino will present the Budget to the Finance & Audit Committee next Tuesday.
- 3) Mr. Joseph asked for protocols for Commissioners attending the in-person meetings next week.
 - a. Mr. Giardino replied that the Airport will supply necessary PPE
 - i. Masks
 - ii. Gloves
 - iii. Hand sanitizer
 - iv. Social distanced seating
 - b. Anyone is welcome to bring their own.
- 4) No other Commissioners were left on the call.

The Vice Chair deferred the Nominating Committee appointments to the next regular meeting.

ADJOURNED

There being no further business, the meeting was adjourned at 1:45 p.m.

[The next regularly scheduled meeting of the Peninsula Airport Commission is May 28, 2020.](#)

[Public Comment submitted by email:](#)

[From: Hunter Old <hold@hovplc.com>](#)

[Sent: Wednesday, May 20, 2020 1:42 PM](#)

[To: Michael Giardino <MGiardino@flyphf.com>](#)

[Subject: Public Comment for May 20th Special Meeting](#)

[I am submitting this public comment for the Special Budget Meeting, as it pertains to the Hangar Leases, which are part of the airport's financial outlook. I represent about 23 of the airport's General Aviation tenants, and have been asked to speak on their behalf.](#)



The Director indicated today that the Hangar Lease program was “a broken program that is now fixed.” I am sure this comes as news to most of the airport’s General Aviation tenants, who have received no additional information since speaking to the PAC in February. In February, I spoke briefly to the Commission about significant concerns a majority of the G.A. tenants had about the implementation of the new lease structure proposed by the airport. Those rate increases, in many instances, are proposed to require a 100% increase. As one example, a tenant who presently pays \$650 per month is now scheduled to pay \$1,350 per month for the same facility. While the G.A. tenants understand that a rent increase is coming, there has been no information provided to the tenants as to how the “market rate” rents were determined. Additionally, the first time many of the G.A. tenants heard of a rate increase was when they were provided with a new lease and told the new rate would take effect immediately. The lack of information, and the lack of negotiation with the G.A. community both are in violation of the FAA’s Airport Compliance Manual, which informs sponsors of the expectation that affected users be counseled well in advance of anticipated changes and be provided justification, so that they can assess the reasonableness of the proposed changes. This has not been done.

In February, the Commission asked the staff to engage with the G.A. community to provide information and answer questions about the airport’s proposed rent increases. A hastily scheduled and poorly noticed “town hall” was set up for less than a week after the February PAC meeting. That town hall was postponed indefinitely, and the pandemic almost immediately turned everyone’s worlds upside down. There was no further communication from the airport until this past Friday evening, when an e-mail was transmitted over an antiquated e-mail chain setting a “Virtual Town Hall” for today, Wednesday, May 20th at 7 p.m. No physical notice was posted in the General Aviation area (such as the weather-proof bulletin board at Gate 3), nor provided to the FBOs to be circulated to the G.A. pilots. Tenants were further told that if they had comments or questions, they should submit them by Monday. We respectfully suggest that there is no need for such a draconian schedule to either set up the town hall meeting or restrict public input. Furthermore, the Virtual Town Hall is supposedly a “listening session” for the airport staff. It is difficult to know what questions to ask, when so little information has been provided as to how the rate levels were determined, why the proposed lease went from 3 pages to 18 pages, and why it is being imposed month over month, as opposed to a feathered approach that would allow tenants to assess and adjust their budgets to accommodate the increase.



We respectfully ask the Commission to require the staff to schedule meaningful meetings to provide information to the General Aviation tenants as to how fair market value was determined for the rent increases, why the lease has been significantly increased and what alternatives, if any, have been considered by the airport. We suggest that this can be done through a meeting with representatives of the G.A. community, as well as a town hall meeting set far enough advance (with multiple notices) to allow the G.A. community to meaningfully participate.

With many thanks for the opportunity to participate,

Hunter Old