



**Peninsula Airport Commission Meeting Minutes
May 28, 2020**

Presided: Hon. Sharon Scott

Commissioners present were:

Hon. Scott, Mr. Joseph, Mr. Herbert, Mr. Coleman, Ms. Smith, Mr. Wallace

Executive Director

Michael Giardino

Director of Marketing and Public Relations

Jenifer Spratley

Finance Manager

Jessica Minor

Executive Assistant

Barbara Rumsey

Legal Counsel

Mr. Eric Ballou, Esq., Mr. L. Scott Seymour, Esq.

Others in Attendance:

Charles Southall

John Alexson

Tom Inman

Don Ligon

Peter Coen

Ralph Clayton

Call to Order

Chair Scott called the meeting to order at 8:01 a.m.

Comments from The Public

Chair Scott reminded the public that they will have 3 minutes to speak.

Tom Inman issued a special thanks to Commissioners Scott and Coleman for coming to the Hangars on a Saturday and on a Holiday weekend to meet with the GA community. “Speaking for the GA tenants, we now feel that we have finally been heard. As a result of the meeting on Saturday the GA tenants requested their counsel not attend this meeting in hopes that the PAC responds positively with the information provided to them on Saturday. He stated that they have just two requests: the first is related to COVID-19 realizes the rates were froze in the February PAC meeting but has since learned that the PAC agreed to waive any increases to commercial, aeronautical and non-commercial tenants during COVI-19. As non-commercial aeronautical users we would request the same consideration until such time as the virus is over and we have negotiated new rates and leases for the hangars.

Secondly, due to your Executive Director’s rigid and closed approach to us, as customers, we formally request a member of the PAC be appointed to chair a committee to work with GA Tenants to cooperatively resolve the issues of lease structure and rates just like what was done 8 years ago. We believe that this will result in a timely resolve of the issues.”

GA Requests:

- Rate freeze until COVID is over and negotiation of rates and leases
- Appoint Commissioner to Chair a Committee regarding GA Issues

Approval of Minutes February 27, 2020

Chair Scott asked for a motion to Approve Meeting Minutes from February 27, 2020.

Rob Coleman made the motion; Lindsey Smith seconded the motion.

Roll Call: R. Coleman- for, J. Joseph – for, S. Scott- for, G. Wallace-for, T. Herbert-for, L. Smith-for.

Motion passed 6-0. February 27, 2020 Commission Meeting Minutes approved.

Mr. Joseph commented that it is not customary for the verbatim in the minutes and that it is not required. He wanted to let the public know that their comments were heard and written in verbatim.

Approval of Minutes April 23, 2020

Chair Scott asked for a motion to Approve Meeting Minutes from April 23, 2020.

Jay Joseph made a motion; Rob Coleman seconded the motion.

Roll Call: R. Coleman-for, J. Joseph-for, S. Scott-for, G. Wallace-for, T. Herbert- for, L. Smith – for.

Motion passed 6-0. April 23, 2020 Commission Meeting Minutes approved.

Approval of Minutes May 20, 2020

Chair Scott asked for a motion to Approve Special Meeting Minutes from May 20, 2020.

Tom Herbert made the motion; Lindsey Smith seconded the motion.

Roll Call: R. Coleman- abstain, J. Joseph-for, S. Scott-for, G Wallace-for, T. Herbert-for, L. Smith-abstain.

Motion passed 4-0. May 20, 2020 Commission Special Meeting Minutes approved.

Governance Committee

The Governance Committee did not meet however Eric Ballou provided FOIA updates for electronic meetings and made note that the PAC should have an Electronic Meetings Policy so electronic meetings can happen when needed outside of an Emergency.

J. Joseph asked if there is a directive regarding closed session. Eric replied there is nothing specific to closed sessions in the legislation.

Finance & Audit Committee Report

T. Herbert

April Financials

- Financial Statements reflect the impact of COVID
- Revenue reflects the loss of enplanements down 95%
- Expenses are favorable due to PAC Staff diligence in staying in front of the loss by reducing expenses
- We have a net surplus year-to-date but that will not be at the end of the year
- Unrestricted cash balance will be useful in the coming months

Capital Projects Update

- Moving forward with all scheduled projects that are funded
- 7 projects will be PAC funded in part for \$631K through 2022
- AIP is a 5-year program
- EURP is a 3-year program
- Capital are restricted funds with a balance of \$9 mil
- Unrestricted fund balance is \$1.382 mil
- CARES Act funds not being used for Capital Projects
- Cares Act funds - we request reimbursement for expenses through Delphi (the same system used for all FAA grants)

Mr. Herbert recommended adoption of:

RESOLUTION REGARDING TAXIWAY A SHOULDERS AND TAXIWAY LIGHTING
REHABILITATION (CONSTRUCTION) PROJECT.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF
THE PENINSULA AIRPORT COMMISSION THAT:**

- 1) The undertaking, construction and equipping of the Project is hereby approved, subject to 100% federal funding therefore as provided below, and all actions taken in connection therewith are hereby ratified, authorized and approved.
- 2) The Commission authorizes the Executive Director to receive, accept, and approve construction bids for the Project pursuant to the IFB, and to the lowest responsive and responsible bidder for the project, provided that notice to proceed for construction of the Project shall be contingent upon FAA approval for 100% federal funding of the Project.
- 3) Following the receipt of bids pursuant to the IFB, the Commission authorizes the Executive Director to submit all necessary and appropriate documentation for the Federal Grant and to receive, accept and approve same. The amount of the Federal Grant, together with other available federal, shall provide 100% funding of the Project.
- 4) In connection with the foregoing, the Commission affirms to the FAA the Commission's intent to comply with all of the assurances set forth in the grant agreement and all laws, regulations, and circulars with respect thereto.
- 5) The Executive Director of the Commission is hereby designated as the Commission's authorized representative with respect to the Federal Grant and associated grant agreement, which is hereby approved, and the Executive Director is hereby authorized and directed to execute and deliver the Federal Grant and related grant agreement to the FAA, and to take all actions necessary in order to accept and apply the Federal Grant to fulfill its purposes and the purposes of this Resolution.
- 6) This resolution shall take effect immediately.

The Chair asked for a motion to adopt.

R. Coleman made the motion, G. Wallace seconded the motion

Roll Call: R. Coleman-for, J. Joseph-for, S. Scott-for, G. Wallace-for, T. Herbert-for, L. Smith-for.

Motion passed 6-0.

FY21 Budget

Mr. Herbert proposed adoption of the budget with a clause; if load factors increase to 50% of 2019 load factors for 15 consecutive days, the Executive Director will be authorized to increase staffing as needed to meet the service demand.

Budget Questions:

- What type of staff will be returned if there is an increase in flights?
 - Restaurant, maintenance
 - At 50%, we would propose 4 FT and 6 PT
- How many positions are included in the proposed budget?
 - 42FT, 14PT
- Are there any reductions?
 - There are no further reductions.
- Is there a headcount associated with the budget?
 - 71,000 enplanements versus 203,000 in FY2020

- Why are the utilities budgeted for the same as last year?
 - The airport has a field and parking lot requirement however, the actual expense is expected to be less as we are reducing costs across the board
- What % of CARES ACT is the budget based?
 - CARES ACT will augment shortfall as needed
- How would the Budget be affected if American were to leave?
 - We would no longer be running a commercial service airport
- Are the increased rates for the GA Community reflected in the budget?
 - No, the budget reflects FY20 rates
- What is the status of Delta at PHF?
 - Their equipment and Station Manager are still on location.

Chair Scott requested that we defer the FY21 Budget Approval to the June meeting. No action on the budget was taken.

Real Estate Committee Report by Jay Joseph

Land Release for 3 parcels

- **Isolated West**
 - Considering sale to McMurrin
 - Legal conflict of interest resolved
 - Appraisal completed
 - Sale is moving forward
- **Isolated North**
 - Undeveloped
 - Virginia Department of Conservation and Recreation made the offer in 2017 and revised it in 2018
 - Ms. Spratley found that property was purchased with Commonwealth grant funds and those funds would have to be refunded to the Commonwealth
 - The committee recommends suspending this transaction
- **Doghead**
 - Appraisal completed
 - Revised MOU with FAA since there will be no development or enhancement
 - There are issues with finding an Easement Holder
 - Waterworks found Isaac Walton League
 - Soliciting update letters from key agencies for historic / archeological artifacts or resources

GA Hangar Lease and Rates

- New Rates and Leases were adopted by the PAC in December
- The field permit has been removed from the lease

- No landing fees for the GA Community
- Propose freezing rates until January 2021 with a phased in approach at 25% each quarter in response to GA Community
- Rates can be negotiated based on hangar condition
- Propose a public notice of any adjusted rates due to condition
- Chair Scott does not see the value of a standard lease for the GA community
- Mr. Giardino proposed turning Hangars over to an FBO.
- Ms. Smith feels the lease needs simplification
- Mr. Ballou stated the FAA does not distinguish between commercial and private for their requirements

Ms. Scott requests further discussion on the matter of rates and leases.

Ms. Scott motioned an Executive Session for personnel issues and land use.

The Commissioners of the Peninsula Airport Commission convened in a closed session pursuant to § 2.2-3711. Closed meetings authorized for certain limited purposes. A.

1, 3, and 8 for the following purposes: 1. Discussion, consideration, or interviews of prospective candidates for employment; assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of any public body, 3. Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body., 8. Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter.

Mr. Herbert made the motion; Mr. Wallace seconded the motion.

Roll Call: R. Coleman-for, J. Joseph-for, S. Scott-for, G. Wallace-for, T. Herbert-for, L. Smith-for.

Motion passed 6-0. All parties not participating in closed session will leave the area. Legal counsel and the Executive Director were asked to leave.

The Commission entered into such closed session at 9:30 a.m., and reconvened in Open meeting at 10:30 a.m., and thereupon considered a motion pursuant to Virginia Code §2.2 3712(D) that, to the best knowledge of each Commissioner then present, (i) only such public business matters lawfully exempted from open meeting requirements, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Board and that a statement to such effect would appear in the minutes of the meeting.

Mr. Coleman made the motion; Mr. Wallace seconded the motion.

Roll Call: R. Coleman-for, J. Joseph-for, S. Scott-for, G. Wallace-for, T. Herbert-for, L. Smith-for.

Motion passed 6-0. Open Session reconvenes

New Business

Ms. Scott asked that Mr. Coleman and Mr. Wallace be on the nominating committee for FY21. Eric Ballou reminded the commission that the Bylaws state that the Commission will nominate the nominating committee.

Motion made by Mr. Joseph and seconded by Mr. Coleman.

Roll Call: R. Coleman-for, J. Joseph-for, S. Scott-for, G. Wallace-for, T. Herbert- for, L. Smith-for.

Motion passed 6-0. Mr. Coleman And Mr. Wallace will be on the Nominating Committee.

Ms. Scott asked Mr. Herbert if the lawyers could have someone look at debt service. Mr. Giardino reminded the Commissioners about Frasca & Associates and the tasks they were charged with to include debt service.

Chair Scott adjourned the meeting by encouraging the group to follow government procedures. Adjourned at 9:21 a.m.

The next regularly scheduled meeting of the Peninsula Airport Commission is June 25, 2020.