

**Peninsula Airport Commission Regular Meeting Minutes  
December 3, 2020**

**Presided: Chairman James “Jay” Joseph**

**In light of the continuing state of emergency declared by Governor Northam, the Peninsula Airport Commission met in person and used Zoom for streaming to the public on December 3, 2020. All board members were present. Members of the public were able to witness the meeting online via live-streaming and were provided with the opportunity to provide public comment using zoom or to come in-person. The online internet public notice for the meeting noted that this meeting would be conducted in-person and using an electronic process due to the COVID-19 state of emergency and as a precaution to reduce the risk and spread of the novel coronavirus in accordance with Item 4-0.01.g. of Chapter 1289 and Section 2.2- 3708.2 of the Code of Virginia.**

**Commissioner's present:**

Mr. Joseph, Mr. Kelly, Ms. Scott, Mr. Coleman, Mr. Herbert, Ms. Smith

**Executive Director**

Michael Giardino

**Director of Marketing & Public Relations**

Jenifer Spratley

**Finance Manager**

Jessica Minor

**Legal Counsel**

Mr. Eric Ballou, Esq.

**Call to Order**

Chair Joseph called the meeting to order at 8:02am.

**Read Instructions for Comments from the Public**

Chair Joseph asked Counsel to read instructions for Public Comment. Eric Ballou read law for digital meetings and instructions for public comment.

**Approval of Minutes from October 22, 2020**

Chair Joseph asked for a motion. Mr. Kelly made the motion. Mr. Coleman seconded the motion.

Motion carried by voice vote. 6-0

**Resolved Minutes approved from October 22, 2020.**

## **Comments from the Public**

None

## **Committee Reports:**

**Governance Committee.** Ms. Smith stated that the Committee did not meet however there was a discussion regarding the Executive Director's evaluation. Ms. Smith stated that the Committee will follow the same procedure as last year. The Executive Director will be taking a self-evaluation and a report will be sent out.

**Finance & Audit Committee** Mr. Herbert stated that we continue to improve our net cash position and that we still have 1.5 million in Cares Act funds available for reimbursement. Mr. Herbert asked for any questions. There were none. Mr. Herbert asked Mr. Giardino to provide a Capital update. Mr. Giardino stated that everything is on time and on budget. One update on the report is that the percentage completed represents the percentage paid to date. Mr. Herbert stated that we do have some items for action:

**Resolution 21-09** which addresses a situation that has been going on for years. The FBO's have responsibilities and obligations and this resolution authorizes the Executive Director to award a contract to the best proposal. Mr. Giardino stated that we need to verify that the FBO's are fulfilling their obligations to us. Mr. Joseph asked for any questions. Ms. Scott asked the amount of the contract. Ms. Minor answered not to exceed \$30K. Ms. Scott has concerns about having no awardee in the Resolution. Mr. Herbert asked Mr. Ballou his thoughts. Mr. Ballou replied that it is normal to agree to award a contract to a specific vendor. He also added that we could edit the Resolution. Ms. Smith added that if the Resolution were amended to amend the budget instead of delegate the authority to award, she would have no issue. Mr. Coleman agreed. Mr. Giardino added that he has the authority to award Professional Service sup to \$30K but we did not place this in the budget so we can amend the resolution to amend the budget. Mr. Ballou made the changes to the resolution and read them aloud. Coleman made a motion and Mr. Kelly seconded the motion to approve the revised Resolution. Voice vote by roll call. **Approved 6-0.**

**Resolution 21-11.** Mr. Herbert provided information about abating airline fees and charges to provide information to the Commission regarding the resolution. Mr. Herbert added stated that we expect to create loyalty with our airline partners and to entice others to come to PHF. Mr. Giardino, Mr. Ballou, and Mr. Herbert previously reviewed FAA regulations and there are no rules against rent abatement. Mr. Herbert added that there is no impact on other tenants and that Ms. Spratley went to an Air Service Conference and learned that airlines are looking for incentives. The current situation is about relationships and creating

loyalty. Ms. Smith asked if this would be retro-active. Mr. Giardino replied no. Ms. Smith also asked about rescinding this abatement and if it would have to come back to the Commission to do so. Mr. Herbert replied that any change would take Commission action. Ms. Scott asked how we would alert the airlines. Mr. Herbert replied that we would alert them immediately once agreed. Mr. Giardino added that we have multiple lines of communication. He added that we are modifying the rate schedule. Mr. Giardino stated that the Pac took an action of freezing the rates and charges. He added if this resolution is passed, it will go a long way. Ms. Smith asked if Delta were to return, would this also be extended to them. Mr. Giardino replied yes. Mr. Coleman asked if the State of Emergency were to end, how would that be handled. Mr. Giardino replied that the PAC would then have to act for any changes to be made. Mr. Kelly made a motion; Mr. Herbert seconded the motion. Voice vote by roll call **6-0. Approved.**

Mr. Herbert stated there is one more action which is to approve the **Audit Report.** There were no findings except one finding which is regarding separation of duties on bank reconciliations. The staff met with the Auditors and made necessary changes. Mr. Herbert added that staff is setting up procedures to change duties and to have a better separation of duties. The Audit seems clean. Mr. Herbert asked if there were any other comments from staff. There were no further comments. Mr. Joseph asked if there were any questions or comments. There were none. Motion came from Committee so there was a voice vote by roll call. **6-0 Approved.**

**Planning & Development Committee.** Mr. Joseph stated that the Committee met on Monday. He added that Kentucky Drive closes tomorrow and there are no new GA updates except we are continuing to sign leases. The current number is 28 out of 30 and our goal is to have all be able to take part in the tiered rate increase.

**Resolution 21-08.** Memorandum of Understanding with City of Newport News for the Waterworks Conservation Area. Mr. Joseph asked for comments from the staff. Ms. Spratley announced that the FAA has the full package, and we are hopeful that signatures will come shortly. Mr. Giardino added that the Buyer and Seller are in agreement and we recommend the MOU. Mr. Joseph thanked the staff for their work as this has been a challenge. Mr. Giardino added that Mr. Joseph and Counsel have been instrumental in getting this moving forward. Mr. Joseph stated that this was a motion by Committee. Voice votes by roll call. **6-0. Approved.**

Mr. Ballou read law for entering into closed session. Be it resolved that the Commission enter into a Closed meeting pursuant to the Virginia Freedom of Information Act; Section 2.2-3711.A.

Subsection A3. 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.

Vote by Roll Call. 6-0.

**The PAC entered in closed session at 8:50am.**

Mr. Ballou read law to resume open session. Be it resolved, that to the best of the Commission's knowledge, only public business matters lawfully exempt from open meeting requirements, and only such public business matters as were identified in the motion by which the Closed Meeting was convened, were heard, discussed, or considered in Closed Meeting.

Vote by Roll Call. 6-0.

**Open Session resumed at 9:41am.**

Mr. Joseph asked for a motion to approve **Resolution 21-10**. Mr. Coleman made the motion; Ms. Smith seconded the motion. Mr. Joseph asked for any discussion. There was none. Voice vote by roll call. Ms. Smith abstained from the vote. **Approved 5-1-0**. Mr. Joseph wants the actions taken be communicated to the Community.

**Staff Reports.** Ms. Spratley stated that the Commission requested we have a Growth and Marketing Strategy Plan. The company is Dynamic Insights, and they came in to present an overview of the process. Mr. Kelly asked if we will look at bringing more routes. Mr. Romme replied the best way is to increase load factors to get airlines asking for space. Ms. Spratley spoke about her trip to Denver and her meeting with 7 airlines. She added that there was some interest and almost every airline is looking for incentives. Ms. Spratley added that there will be follow-up with the airlines. Mr. Joseph asked about the SCASD grant. Ms. Spratley added that the SCASD grant is open again and our package last year was strong. The routes previously chosen were already at ORF and RIC. Mr. Giardino added that we were encouraged to apply and get a waiver. Ms. Spratley added that we need to beef up our community partnerships. Mr. Giardino stated that everyone has worked hard with a "skinny staff" and making it work. Mr. Giardino thanked Mr. Ballou and the Commissioners support and work. Mr. Joseph asked if there were any questions. There were none.

**Old Business.** Mr. Joseph stated that we need to follow-up with Mary and Cindy when the MOU is signed.

**New Business.** Mr. Ballou added that the Hertz space is currently unoccupied and mentioned that that space could be reallocated to existing rental, car companies. He will provide a report at the next meeting.

Mr. Joseph stated that it is a great time to be at the airport. Happy Holidays.  
Mr. Joseph adjourned the meeting at 10:11am.

Next meeting January 28, 2021 at 8am.