



REGULAR COMMISSION MEETING
AGENDA
September 24, 2020
8:00 a.m.

- | | |
|---|---------------------|
| 1) Call to Order | Chair |
| 2) Read Instructions for Comments from the Public | Chair |
| 3) Approval of Minutes from Commission Meeting held August 27, 2020 | Chair |
| 4) Committee Reports | |
| a. Governance Committee | Chair |
| b. Finance & Audit Committee | Treasurer |
| c. Planning & Development Committee | Chair |
| d. Marketing & Public Relations Committee | Assistant Secretary |
| 5) Staff Reports | Executive Director |
| 6) Old Business | Chair |
| 7) New Business | Chair |
| 8) Adjournment | Chair |



**Peninsula Airport Commission Regular Meeting Minutes
August 27, 2020**

Presided: Chairman James “Jay” Joseph

Commissioners present:

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

Commissioners present via electronic means (Zoom):

Hon. Scott joined approximately at 8:45a.m.

Executive Director

Michael Giardino

Director of Marketing and Public Relations

Jenifer Spratley

Finance Manager

Jessica Minor

Legal Counsel

Mr. L. Scott Seymour, Esq.

Call to Order

Chair Joseph called the meeting to order at 8:03 a.m.

Approval of Minutes from July 23, 2020

Chair Joseph asked for a motion to approve minutes. Mr. Coleman moved a motion. Ms. Smith seconded the motion.

By voice vote, motion carried 5-0.

Resolved Minutes from July 23, 2020 approved.

Comments from the Public

Mr. Joseph read instructions for public comment. L Scott Seymour read virtual public comment instructions.

Jack Sheehan: *AOPA Volunteer. AOPA is a national organization. Previously communicated to the Commission regarding lease and rates being proposed. The lease*

and rates were approved based on inaccurate information. The Airport Compliance Manual deals with how to set rates and it was not followed. 3 violations: Benchmark study after rates established, no indication of discussion in PAC minutes regarding rates and how they were set. May 2019 minutes discuss lease based on WM Jordan lease which is commercial. The commercial lease is not appropriate, and the next speaker will present the lease we agree with. We ask you to consider a good faith offer.

Edward Fiscella: *provided handouts for the group. (Exhibit 1) I am a resident of NN and I rent a hangar here. Will speak about the analysis we conducted versus Explorer Solutions (ES). ES contacted 8 and received 4 responses. We expounded upon this with 11. It was a myth that the GA Community was paying under market. We are proposing that the rates be brought up again. We agree with ES and we quantified the data and looked at the four types of hangars. Concluding comment; the percent of rates approved in December are over market average.*

Paul Krassa: *I am with the back-ramp group. Passed out 8-page lease found at another airport (Exhibit B). (Mr. Giardino asked if it was Rocky Mount. Mr. Krassa replied, yes. Mr. Giardino added that it was presented to Planning & Development Committee and will be reflected in the minutes.) We thank you for the leases through FOIA. There are 4 hangars empty, so is there a waitlist?*

Tom Inman: *I am with the back-ramp pilots' group. Thank you for allowing us to speak in person today. PHF has been my home airport for more than 30 years. Several of us spent weeks formalizing the data being provided today. The rates have been an issue. We have made a compelling case and would like you to consider taking a step back. If the rates we proposed and the lease we proposed or something close our issues will go away. However, if not, we will go to the FAA. In conversations with executive Director, he said go ahead, we work with the FAA every day.*

John R Gleason: *I am a back-ramp tenant. I own my hangars: 10A and 11A are on ground leases. They cannot be taken over by the airport like the rest of them. I would like to apologize; I sent a personal email by mistake. The email does cover the issues and I can provide copies if needed. We haven't seen any public comments since we went to zoom. In looking at the minutes, there we 4 bullets of his Accomplishments they do not appear in the minutes. No-body has contacted anyone regarding the flooding. The NN tenant did not know until I reached out to him. Lack of communication created a toxic environment. We did have a couple of you come out and we appreciate it.*

Opened to Zoom for public comment: None

Governance Committee Report by Ms. Smith

Committee met just before this meeting. We are continuing to move forward with PAC expansion and revision of Bylaws.

Finance & Audit Committee Report by Mr. Herbert

Committee met Monday August 24, 2020

July Financials:

- We had a very strong outcome in July.
- Car rental traffic is coming from non-airline passengers.
- All revenue sectors performed better than budget as well as the expenses.
- Thanks to the ED and staff.
- We have 2.4 mil in unrestricted cash.
- We also have CARES act funds.

Mr. Herbert asked for questions. There were none.

Capital Repair and Projects:

Mr. Giardino:

- everything is moving along, painting airfield markings will begin at the end of the month
- Taxiway A Lighting Project is moving on time and on budget.

Questions. None.

Resolution 21-02 Increasing the Fiscal Year 2021 Budget. Our budget was very conservative and we have exceeded the budget projections so we would ask to amend the budget to allow for us to run the airport as needed to prepare for the future. Committee recommends to adopt.

Motion passed by voice vote 5-0.

Resolved: Now Therefore be it resolved by the Board of Commissioners of the Peninsula Airport Commission that:

1. The Budget, consisting of the fiscal year 2021 annual operating and capital budgets of the Peninsula Airport Commission for the funds and divisions described therein, be hereby amended to increase the personnel line item by an amount not to exceed \$450,000 to provide funding for full-time equivalent (FTE) positions previously unfunded due to the Emergency and to add the following two positions: Business Development Manager and Human Resource Manager.
2. Staff of the Commission is hereby directed and authorized to do all things necessary or desirable to implement the Budget and the undertakings, projects and matters therein authorized.
3. This resolution shall be in effect on and after its adoption.

Resolution 21-03 Regarding Strategic Marketing Consultant. Ms. Smith asked about the scope.

Ms. Spratley:

- marketing strategy will move us forward to overcome our past negative events.
- We need help positioning ourselves in the market with respect to new air service.

Motion from Committee.

Motion passed by Voice vote. 5-0.

Resolved. Now, therefore be it resolved the Board of Commissioners of the Peninsula Airport Commission that:

1. The Commission endorses and approves the procurement of a strategic marketing and brand strategy consultant to assist the Commission in developing its Strategic growth Plan.
2. The Executive Director is authorized to solicit proposals for the engagement of such strategic marketing and brand strategy consultant. Provided the aggregate amount payable under such engagement does not exceed \$125,000, the Executive Director is authorized to award such a contract to the proposer that makes the best proposal of those proposers deemed fully qualified and best suited, and to enter into an engagement agreement with the successful proposer for a term not to exceed 24 months.
3. Funding for this contract engagement shall be provided from the Marketing Budget and the Commonwealth's Department of Aviation Marketing Grant Program.
4. This resolution shall take effect immediately.

Resolution 21-04 Authorize Consolidation of Financial Consulting Engagements.

Motion came from Committee.

Motion passed by Voice vote. 6-0.

Now therefor be it resolved the Board of Commissioners of the Peninsula Airport Commission that:

1. The Executive Director of the Commission is hereby authorized to enter into appropriate amendment and modification documents and any necessary task orders or supplemental task orders with Frasca & Associates LLC, with respect to the consolidation of the Commissions' on-call financial consulting service agreement. In connection therewith, the Executive Director is authorized to conclude the contract with Newton & Associates, provided there are no ongoing performance items or services that are outstanding thereunder and same can be affected without adverse effect on the Commission. Such consolidation shall not result in any increase in the Commission's professional services budget.
2. This resolution shall take effect immediately.

Planning & Development Committee Report by Chair Joseph.

Planning & Development Committee this morning.

- Land release update.
 - We have 3 transactions and 1 is scheduled to close by November.
 - Waterworks and the FAA is proceeding
- Resolution 21-05 addressing 3 actions,
 - leasing policy
 - modified shorter form lease
 - authorizing lower rate negotiations
 - formalized Phase in of previously adopted rates.

- Resolution does not address the rental rates.
- The policy was updated and presented to tenants via letter on January 23rd
 - we asked for comment and we received none.
- Another letter was sent on Feb 24th.
 - We received comments on February 27th.
 - we have received no comment on the policy.
- Lease was revised to a 22-page document; committee recommends the adoption. A lease is a living document, subject to revision.
- Request was made to review the "Rocky Mount" lease document.
- Recommend approving the PAC lease shortened by Counsel and that if anyone has comments on this form, we can revise.

Mr. Kelly asked if we have had any comments on the form lease. Mr. Giardino replied we have had the lease on the website at lease since July 15th. Mr. Joseph stated there were maintenance issues in the lease and we addressed the issues. Mr. Joseph added that we do recognize that there are some issues with drainage. Rates should be negotiated one on one as the leasing policy states.

Mr. Joseph stated the Committee recommends moving on the resolution.

Questions: Mr. Coleman asked if there is a way an independent person can come and inspect the hangars. Mr. Giardino replied yes.

Ms. Scott asked if there would be an adjustment for different types and uses of hangars (mentioning W. M. Jordan as an example). Mr. Giardino replied WM Jordan is similar, that it is a GA lease and not commercial lease but it is dissimilar to the leases we are attempting to correct in that it is a land lease and not a hangar lease. Commercial lease examples include Atlantic and Rick Aviation, and we receive profits from those commercial leases. Ms. Scott asked if there is a different rate for a commercial rate per sq. ft. Mr. Giardino stated the Leasing Policy does not address rates except that GA rates may be adjusted based upon "condition" which includes "proximity" on the airfield. He noted that the Airport Compliance Manual states the differences in commercial and non-commercial leases, including rate setting methodologies. Mr. Kelly asked if the flooding issue is reflected in the condition index. Mr. Giardino replied: it is. Mr. Giardino strongly recommended poor drainage areas not be used for future development.

Ms. Scott asked if we considered the rental rates of the other areas in proximity to us. Mr. Joseph added that the rates approved in December were based on other similar airports in the area. There were also two other analysis completed.

Motion from Committee to approve **Resolution 21-05 General Aviation Program management.**

Motion passed by voice vote. 5-0-1. Ms. Scott abstained from the vote.

Now therefore, be it resolved the Board of Commissioners of the Peninsula Airport Commission that:

1. The General Aviation Leasing Policy is hereby adopted as presented.
2. Approves the form of the revised general aviation hangar Leases as presented, and each of the Chairman, Vice Chairman, as well as the Executive Director, are authorized to enter into such Leases and amendments with qualifying tenants.
3. Gives authority to the Executive Director to adjust hangar lease rates downward using guidance provided in the Policy.
4. Authorizes; for holdover and month to month tenants in good standing executing a new lease on the exact same hangar before December 31, 2020, the Executive Director to phase-in rental increases of 30% or more using methodology presented to the PAC on August 27, 2020. An example is attached hereto as Exhibit A (Phase-in Rental Increase Example).
5. Orders the annual increase in rent for calendar year 2021 to exceed 37.5% of the annual rent of the calendar year 2020.
6. This resolution shall take effect immediately.

Open discussion on rates adopted in December. Mr. Kelly asked about the comment regarding rates not being reflected in the minutes. Mr. Giardino stated that General Aviation Rates and Policy has been discussed at multiple open meetings and meeting minutes are not verbatim.

Action Items for staff: Mr. Kelly wants information regarding the public comment regarding 4 empty hangars. Mr. Giardino replied that there is one that needs to be removed and we do not recommend further occupancy and another is in a poor location. Mr. Giardino added that we provided all leases signed this year as well as the waiting list as per FOIA. Mr. Joseph added there are 2 vacancies. Mr. Joseph asked if the leases signed are at the new rates. Mr. Giardino replied yes. Mr. Joseph wants to know about communication with GA Tenants. Mr. Giardino stated that he has sat down with lease holders, GA tenants receive correspondence via rent manager and by US mail, he added that his door is always open. He meets and talks to them individually. He has made every accommodation to communicate. Mr. Kelly stated that in the strategic Marketing discussion, communication should be addressed. Mr. Coleman would like to have another discussion regarding rates. Mr. Giardino would accelerate that due to the month to month leases. Ms. Smith agrees that we need another discussion next meeting.

Additional Action Item for staff: Mr. Joseph asked the staff to come back with a comparison of the GA rate analysis presented by Mr. Fiscella.

Staff reports:

Mr. Giardino reported that American Airlines announced they are leaving 15 airports and they intent to leave 15 more. We are still waiting to hear about further reductions.

Jenifer Spratley –

- July Air Service report
 - Up from June (increased 4,600 passengers)
 - Still holding strong with 1 airline
 - Positioning ourselves to be in the top of the market once recovery begins.

Mr. Giardino announced that we are in a very good financial position and we do not have much debt. He added that a video was created that we will share via social media. Video was shown to the group. Mr. Kelly asked if there is a plan if American Airlines leaves. Mr. Giardino replied that we have been planning for that since March.

Chair motioned for a Closed session for disposition of real property as per § 2.2-3711. Closed meetings authorized for certain limited purposes. Section A.3. Seconded by Mr. Coleman.

Carried by voice vote. 6-0.

Entered Closed Executive Session: 9:30a.m.

Motion to go to open session, seconded by Ms. Smith.

Motion carried by voice vote 6-0.

Open Session at 9:43a.m.

Chair Joseph adjourned the meeting at 9:45a.m.

Next meeting will be held September 24, 2020 at 8am.

Exhibits

1. Rocky Mount Lease Agreement
2. Resolutions
 - a. 21-02
 - b. 21-03
 - c. 21-04
 - d. 21-05

**ROCKY MOUNT – WILSON REGIONAL AIRPORT
MONTHLY T-HANGAR LEASE AGREEMENT**

Lessee Name: _____ Mailing Address: _____
Telephone Number: _____ City: _____ State: _____
Zip: _____, Email address: _____
Year, Make & Model of Aircraft: _____ No. of Seats: _____
N# _____ Space Rented: _____ Starting Date: _____ Rental Rate: _____

This Airport T-Hangar Lease (this "Lease") is entered into this _____ day of _____, 20____, by and between the Rocky Mount – Wilson Airport Authority (the "Authority"), and _____ ("Lessee") for the leasing of an aircraft hangar upon the following terms and conditions:

1. LEASE OF HANGAR: The Authority hereby leases to Lessee, and Lessee hereby leases from the Authority, hangar number _____ (the "Hanger", as shown in Exhibit "A") located at Rocky Mount – Wilson Regional Airport (the "Airport"). The aircraft stored pursuant to this Lease shall be considered to be based at the Airport.
2. TERM OF LEASE: This Lease shall be for a period of one (1) month, commencing on _____, 20____, upon the terms and conditions set forth herein. This Lease shall automatically renew on the first day of each month, for one (1) month upon the payment of rent for the next succeeding month. Partial months shall be prorated. If Lessee remains in possession without express written agreement as to such holding over the Lessee shall be considered a tenant at will at the current rental rate as established by the Authority, and all other provisions of this Lease shall continue to apply.
3. RENT: The rent for the Hangar shall be \$_____, per month. Lessee shall pay a security deposit equal to one (1) month's rent and such security deposit shall be returned to Lessee within thirty (30) days after the termination of this Lease less any sums due for unpaid rent or for damage to the Hangar, excepting normal wear and tear. Rent shall be paid in advance for each month the Hangar is assigned to Lessee. The rent shall be due on the first day of each month, without demand, and shall be considered delinquent if not paid by the fifteenth (15th) day of each month. Lessee shall pay a late charge of \$16.00 on annual installment of rent not paid by the fifteenth (15th) day of each month. The non-payment of rent shall be grounds for cancellation of this Lease. Utilities shall be paid by the Authority.

**ROCKY MOUNT – WILSON REGIONAL AIRPORT
MONTHLY T-HANGAR LEASE AGREEMENT**

J. Limited electrical appliances are allowed in a Hangar with the prior written approval of the Airport Director and the payment of any applicable fees. Portable fans, small power tools, televisions, refrigerators, coffee makers, powered tow bars, battery trickle chargers, vacuum cleaners, and small air compressors are examples of acceptable appliances. Any appliance not having an explosion-proof motor must be elevated at least eighteen (18) inches above the floor. Prohibited appliances include, but are not limited to, air conditioners, electric heaters, open flame heaters, hot plates, heat lamps and stoves. No extension cords or appliances, except for refrigerators, shall remain connected to any electrical receptacle when the Hangar is not occupied by Lessee. Lessee shall not allow the use of electrical power by any other person.

K. The Airport Director reserves the right to assign a Hangar most appropriate to the size of the aircraft.

L. Lessee shall be allowed to park its motor vehicle in its Hangar while the aircraft is out and in use. Permanent or long-term storage of motor vehicles is prohibited. Motor vehicles may access Hangars only on the approved Hangar ramp and motor vehicles are not allowed to drive on any other Airport ramps. The Lessee shall maintain insurance on its vehicle as required by law. Except as noted above, the Lessee shall not park motor vehicles anywhere on the airport except in the airport parking lot.

M. When the Hangar is not in use by the Lessee, the doors and hatches of all stored aircraft are to be closed and secure and engine plugs shall be installed on each aircraft engine to prevent damage in the event of a discharge of the foam fire suppression system or other event. Keys shall not be left in the aircraft when unattended.

N. No billboards, posters or signs shall be permitted upon the exterior of the Hangar, except as have been approved, in writing, by the Authority.

O. The Hangar shall not in any manner be used as a permanent or temporary commercial office or residence.

P. Aircraft construction shall not be allowed in the Hangar. Final assembly of an aircraft, leading to the point where the aircraft can be taxied, is allowed within the Hangar.

5. **ASSIGNMENTS, TRANSFERS AND SUBLEASES:** Lessee agrees not to assign, sublet or otherwise lease occupancy or use of the Hangar by parties other than the Lessee. Transfer of this lease to third parties is expressly prohibited.

6. **LIABILITY:** It is understood and agreed that the use of the Hangar shall be at the sole risk of the Lessee and that the Authority and Airport will not be held responsible for the aircraft or personal property located in, within or about the Airport or the Hangar, or within or about the Lessee's aircraft, belonging to the Lessee its agents, employees, invitees, or guests, and the Authority shall not be liable for damage to or theft or misappropriation of any such property, or for damage to the aircraft caused by weather

**ROCKY MOUNT – WILSON REGIONAL AIRPORT
MONTHLY T-HANGAR LEASE AGREEMENT**

acts of Lessee's agents, and Lessee shall give the Authority prompt notice of any such claims filed against Lessee or the Authority or the Airport.

11. **DEFAULT:** An Event of Default shall have occurred if: (A) The annual rental has not been received by the Authority by the fifteenth (15th) day following the renewal date of this Lease, (B) Lessee shall default in the performance of its obligations under this Lease or any applicable rules and regulations incorporated within this Lease. Upon the occurrence of an Event of Default, the Authority, at its sole option, may terminate this Lease and all of Lessee's rights hereunder, and may then at any time thereafter bring an action for possession of the Hangar without prejudice to any other remedy or right of action which the Authority may have for rent or for damages sustained by reason of the default. The Authority is hereby granted an express lien upon and security interest in any aircraft and personal property within the Hangar to secure payment of all sums due to the Authority by the Lessee. Personal property, including aircraft, stored within the Hangar may be sold to satisfy any amounts due to the Authority. Lessee, at the time of storage, shall disclose to the Authority any lien holder or secured parties who have an interest in personal property that is stored or will be stored in the Hangar.

12. **TERMINATION:** This Lease may be cancelled by the Authority or the Lessee, with or without cause, upon thirty (30) days written notice to the other party. The Authority expressly reserves the right, as owner of the Airport, to cancel for any reason and not solely for breach of the conditions of this Lease.

13. **SURRENDER OF STORAGE SPACE:** Upon the termination of this Lease by either party, Lessee agrees to return the Hangar to the Authority and to remove all of Lessee's goods and effects from the Hangar. Lessee shall leave the Hangar in a neat, clean and orderly condition, allowing for ordinary and normal usage during occupancy. Lessee shall reimburse the Authority for the repair of any damage to the Hangar. The Authority is hereby authorized, without liability to Lessee for loss or damage, and at the sole risk of the Lessee, to remove and store any property, including aircraft, left by Lessee in the Hangar at Lessee's expense, or to retain such property, or to sell such property at a public or private sale and apply the net proceeds of such sale to the payment of any sum due to the Authority by Lessee, or to destroy such property.

14. **REGISTRATION:** Lessee shall provide to the Airport Director a copy of the current FAA Registration and/or proof of ownership, suitable to the Airport Director, for the aircraft to be stored pursuant to this Lease. If Lessee has a temporary registration or if there is any change of aircraft ownership, Lessee shall notify the Airport Director within ten (10) days and shall have ninety (90) days in which to acquire a permanent registration or another aircraft before this Lease is cancelled. If the registration is not in the name of the Lessee, then Lessee must provide the Airport Director with a copy of a valid exclusive lease or other documentation establishing an adequate possessory interest in the aircraft.

ROCKY MOUNT – WILSON REGIONAL AIRPORT
MONTHLY T-HANGAR LEASE AGREEMENT

I. Lessee acknowledges and agrees that it has received or reviewed the Authority's Airport Rules and Regulations and acknowledges that failure to comply with the Airport Rules and Regulations constitutes an Event of Default hereunder and grounds for termination of this Lease.

J. If a provision of this Agreement shall be finally declared void or illegal by any court or agency having jurisdiction over the parties to this Agreement, the entire Agreement shall not be void, but the remaining provisions shall continue in effect as nearly as possible in accordance with the original intent of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

This the _____ day of _____, 20____

ROCKY MOUNT -
WILSON
AIRPORT AUTHORITY;

LESSEE

By: _____
Authority Director

By: _____
Name: _____
Title: _____

ATTEST BY:

ATTEST BY:

Witness

Witness

SEAL

SEAL

PENINSULA AIRPORT COMMISSION

RESOLUTION 21-02 INCREASING THE FISCAL YEAR 2021 BUDGET

AUGUST 27, 2020

WHEREAS, Staff has submitted to the Commission (the "Commission") proposed annual operating and capital budgets (together, the "Budget") for the Peninsula Airport Commission for the fiscal year beginning July 1, 2020 and ending June 30, 2021, which Budget has been approved by the Commission;

WHEREAS, such approval was given under multiple Declarations of Emergency ("the Emergency") by the Chief Executive Officer ("Governor") of the Commonwealth of Virginia pertaining to controlling the spread of the Novel Coronavirus COVID-19 ("the Pandemic"); and

WHEREAS, the nature of the Emergency had an adverse effect on the revenues of the airport; and

WHEREAS, the Staff recommended and the Commission approved an austere budget meeting minimum staffing requirement based upon budget forecasting analysis given the uncertainty of the course of the Pandemic and its future effects on the airport industry; and

WHEREAS, while airport staffing was adequate for sustainment, that approved FY21 staffing levels were insufficient to meet the total demand for airport workforce and the issue would be addressed after further analysis; and

WHEREAS, in the Staff's judgment, the time to address inadequate staffing is now; and

WHEREAS, it is necessary to amend the Budget from time to time and approve the expenditure of funds to cover the various elements included therein; and

WHEREAS, budget performance for FY21 is better than forecast; and

WHEREAS, the Commission, in exercising its independent judgment, has considered the Budget and the availability of funds and contemplated expenses as set forth therein, and now desires to amend the Budget for fiscal year 2021.

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

1. The Budget, consisting of the fiscal year 2021 annual operating and capital budgets of the Peninsula Airport Commission for the funds and divisions described therein, be hereby amended to increase the personnel line item by an amount not to exceed \$450,000 to provide funding for full time equivalent (FTE) positions previously unfunded due to the Emergency and to add the following two positions - Business Development Manager and Human Resource Manager.
2. Staff of the Commission is hereby directed and authorized to do all things necessary or desirable to implement the Budget and the undertakings, projects and matters therein authorized.
3. This resolution shall be in effect on and after its adoption.

PENINSULA AIRPORT COMMISSION
RESOLUTION 21-04 AUTHORIZING CONSOLIDATION
OF FINANCIAL CONSULTING ENGAGEMENTS

August 27, 2020

WHEREAS, the Peninsula Airport Commission (the “Commission”) is a political subdivision of the Commonwealth of Virginia, created pursuant to Chapter 22 of the Acts of the General Assembly of the Commonwealth of Virginia of 1946, as amended, and owns and operates Newport News – Williamsburg International Airport (the “Airport”);

WHEREAS, in 2019, the Commission entered into on-call financial consulting service agreements with Frasca & Associates, LLC and Newton & Associates, Inc. and authorized certain task orders under each engagement; and

WHEREAS, due to the ongoing effects of the COVID-19 pandemic, available staff resources, and de-scoping of ongoing and anticipated projects, Staff recommends that it is in the best interests of the Commission to consolidate its on-call financial consulting services under one contract, in this instance with Frasca & Associates, LLC;

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

1. The Executive Director of the Commission is hereby authorized to enter into appropriate amendment and modification documents and any necessary task orders or supplemental task orders with Frasca & Associates, LLC, with respect to the consolidation of the Commission’s on-call financial consulting services under the existing on-call financial consulting service agreement. In connection therewith, the Executive Director is authorized to conclude the contract with Newton & Associates, provided there are no ongoing performance items or services that are outstanding thereunder and same can be effected without adverse effect on the Commission. Such consolidation shall not result in any increase in the Commission’s professional services budget.
2. This resolution shall take effect immediately.

PENINSULA AIRPORT COMMISSION

RESOLUTION 21-03 REGARDING STRATEGIC MARKETING CONSULTANT

August 27, 2020

WHEREAS, the Peninsula Airport Commission (the "Commission") is a political subdivision of the Commonwealth of Virginia, created pursuant to Chapter 22 of the Acts of the General Assembly of the Commonwealth of Virginia of 1946, as amended, and owns and operates Newport News – Williamsburg International Airport (the "Airport");

WHEREAS, the Commission is vested with the authority to provide for the needs of aviation, commerce, shipping, and travel in, to and around the Airport and to promote and develop the Airport;

WHEREAS, at its 2019 Strategic Retreat, the Commission discussed the implementation of its marketing/growth strategies, and the critical nature of such undertakings;

WHEREAS, current staffing levels preclude the timely completion of such implementation, which requires significant resources in the areas of research, analysis, interviews, and data compilation;

WHEREAS, Staff has proposed that the Commission procure a strategic marketing and brand strategy consultant to assist the Commission in developing its Strategic Growth Plan, with funding for such consultant to be provided by increasing the FY21 Marketing Budget by \$125,000, 50 percent of which is eligible for reimbursement by the Department of Aviation Marketing Grant Program.

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

3. The Commission endorses and approves the procurement of a strategic marketing and brand strategy consultant to assist the Commission in developing its Strategic Growth Plan.
4. The Executive Director is authorized to solicit proposals for the engagement of such strategic marketing and brand strategy consultant. Provided the aggregate amount payable under such engagement does not exceed \$125,000, the Executive Director is authorized to award such a contract to the proposer that makes the best proposal of those proposers deemed fully qualified and best suited, and to enter into an engagement agreement with the successful proposer for a term not to exceed 24 months.
5. Funding for this contract engagement shall be provided from the Marketing Budget and the Commonwealth's Department of Aviation Marketing Grant Program.
6. This resolution shall take effect immediately.

PENINSULA AIRPORT COMMISSION

RESOLUTION 21-05 REGARDING GENERAL AVIATION PROGRAM MANAGEMENT

August 27, 2020

WHEREAS, the Peninsula Airport Commission (the "Commission") is a political subdivision of the Commonwealth of Virginia, created pursuant to Chapter 22 of the Acts of the General Assembly of the Commonwealth of Virginia of 1946, as amended, and owns and operates Newport News – Williamsburg International Airport (the "Airport");

WHEREAS, the Commission is vested with the authority to make provisions for the needs of aviation, commerce, shipping, and travel in, to and around the Airport to promote and develop the Airport, and in the exercise of such power, to enter into leases of Airport property;

WHEREAS, the Commission owns and operates general aviation leases and Commission Staff has prepared a General Aviation Leasing Policy ("Policy") and the form of leases for use with general aviation hangar leases ("Leases") at the Airport, and such leases have been reviewed by the Real Estate Committee or Planning and Development Committee; and

WHEREAS, the Commissioners of the Peninsula Airport Commission, after mature deliberation and upon the recommendation of the Real Estate and/or Planning and Development Committee(s), desire to approve Policy and the Leases for use and execution from time to time by the Executive Director in connection with leases of general aviation hangars at the Airport.

NOW, BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF THE PENINSULA AIRPORT COMMISSION HEREBY:

7. Adopts the Policy as presented.
8. Approves the form of the revised general aviation hangar Leases as presented, and each of the Chairman and the Vice-Chairman, as well as the Executive Director, are authorized to enter into such Leases and amendments with qualifying tenants.
9. Gives authority to the Executive Director to adjust hangar lease rates using guidance provided in the Policy.
10. Authorizes; for holdover and month to month tenants in good standing executing a new lease on the exact same hangar before December 31, 2020, the Executive Director to phase-in rental increases of 30% or more using methodology presented to the PAC on August 27, 2020. An example is attached hereto as Exhibit A (Phase-in Rental Increase Example).
11. Orders the annual increase in rent for calendar year 2021 not exceed 37.5% of the annual rent of the calendar year 2020.
12. This resolution shall take effect immediately.

EXHIBIT A

Phase-in Rental Increase Example

Current rate: \$500.00 per month

New Rate: \$1000.00 per month

If lease executed before December 31, 2020:

Rent: January 1 - March 31, 2021 \$500.00 per month

Step 1: April 1, 2021 - \$625.00 per month

Step 2: July 1, 2021: \$750 - per month

Step 3: October 1, 2021 - \$875.00 per month

Step 4: January 1, 2022 - \$1000.00 per month

Monthly Report Summary

Aug 2020

- We served 9,717 passengers in Aug 2020
 - down by 2,692 from July 2020
- Load factors:
 - 0.0% for Delta
 - 44.5% for American
- Flight Ops (landings & take offs)
 - 2,913

Total Passengers:

Jan: 28,750

Feb: 26,023

Mar: 17,178

Apr: 1,932

May: 6,547

June: 7,776

July: 12,409

Aug: 9,717

Sep:

Oct:

Nov:

Dec:

Total: 110,332 PAX

NEWPORT NEWS / WILLIAMSBURG INTERNATIONAL AIRPORT
MONTHLY ACTIVITY REPORT

AUG 2020									Total Seats
TOTAL PAX									
(enpl. + depl.)	Aug-20	Aug-19	% CHG	MKT SHR 2019	MKT SHR 2018	Seats Avail.	Total Enpl & Depl	Load Factor	TYD2020
Delta	0	15,819	-100.0%	0.0%	37.5%	0	0		44,847
American	9,589	26,401	-63.7%	98.7%	62.5%	21,552	9,589	44.5%	136,734
Charter	128	0		1.3%	0.0%				181,581
TOTAL	9,717	42,220	-77.0%	100.0%	100.0%				
YOY PAX	8/19-7/20	8/18-7/20	% CHG	MKT SHR 2019	MKT SHR 2018				
Delta	80,613	161,561	-50.1%	31.7%	38.9%				
American	171,452	251,795	-31.9%	67.5%	60.6%				
Charter	2,079	1,985	4.7%	0.8%	0.5%				
TOTAL	254,144	415,341	-38.8%	100.0%	100.0%				
YTD PAX	2020 YTD	2019 YTD	% CHG	MKT SHR 2019	MKT SHR 2018	Total Seat Available YTD			
Delta	29,195	112,715	-74.1%	26.5%	39.3%	44,847			
American	80,471	173,766	-53.7%	72.9%	60.6%	136,734			
Charter	666	468	42.3%	0.6%	0.2%				
TOTAL	110,332	286,949	-61.5%	100.0%	100.0%	181,581			
FLIGHT OPS	Aug-20	Aug-19	12 Months To-Date 2020	12 Months To-Date 2019	YOY % CHANGE				
GA	1,675	3,347	25,925	32,669	-20.6%				
Air Carrier	499	962	8,365	11,064	-24.4%				
Itinerant Mil	475	575	6,857	7,973	-14.0%				
Local Mil	264	474	8,680	11,302	-23.2%				
TOTAL	2,913	5,358	49,827	63,008	-20.9%				



PENINSULA AIRPORT COMMISSION

AGENDA

FINANCE & AUDIT COMMITTEE

September 21, 2020

3:00 p.m.

- 1) Call to Order
- 2) Approval of the Minutes from August 24, 2020
- 3) New Business
 - a) August Financials
 - b) Resolution 21-06 Accepting State DOAV Grant
- 4) Old Business
- 5) Adjourn



**Planning & Development Committee
MEETING AGENDA
September 21, 2020**

1. Call to order
2. Approval of the minutes from August 24, 2020
3. New Business
4. Old Business:
 - Land Acquisition Kentucky Drive
 - Land Release Update
 - General Aviation Hangar Tenant Update

CLOSED SESSION

The Chair will now entertain a motion that the Committee for Real estate of the PAC convene in a closed meeting pursuant to Virginia code sections 2.2-3711 (A) 3 AND 8 regarding discussion, considerations regarding acquisition, leasing and use of Commission property for public purposes or the disposition of same where discussion in an open meeting would adversely affect the negotiating or litigating posture of the Commission and consultation with legal counsel employed or retained by the Commission regarding collections and other matters.

RESOLVED *that to the best of the Commissions knowledge, only public business matters lawfully exempt from open meeting and only such public business matters were identified in the motion by which the Closed Meeting was convened were heard, discussed or considered in Closed Meeting.*

5. Adjourn



**GOVERNANCE COMMITTEE
MEETING AGENDA
September 21, 2020**

1. Call to Order
2. Old Business:
 - A) Bylaws review
 - B) Expansion
 - C) Annual PAC calendar
3. New Business
4. Adjourn



MARKETING AND PUBLIC RELATIONS COMMITTEE

MEETING AGENDA

September 21, 2020

1) Call to Order

2) New Business

a. Strategic Marketing Plan

3) Old Business

4) Adjourn