

Peninsula Airport Commission

Meeting Minutes

January 28, 2021

In light of the continuing state of emergency declared by Governor Northam, where it is impracticable or unsafe to assemble a quorum in a single location, and as allowed by the General Assembly during the continuing state of emergency, this meeting to take action to discuss or transact the business statutorily required or necessary to continue operation, the Peninsula Airport Commission held an electronic meeting on January 28, 2021. All board members participated remotely using a Microsoft Teams platform. Members of the public were able to witness the meeting online via live-streaming and were provided with the opportunity to provide public comment at the outset of the meeting and were asked to register the day before the meeting in the online meeting public notice. The online internet public notice for the meeting noted that this meeting would be conducted 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. The Agenda and Board materials as well as information regarding the availability of online live streaming of the meeting at the noted link. Online viewers were afforded the link to join the meeting in accordance with Item 4-0.01. g. of Chapter 1289 and Section 2.2- 3708.2 of the Code of Virginia.

The Board Packet and recording are available on the peninsula airport commission's website at www.peninsulaairportcommission.org.

Commissioners in attendance:

Chair: Jay Joseph

Vice Chair: Rob Coleman

Treasurer: Thomas Herbert

Assistant Treasurer: Sharon Scott

Secretary: Lindsey Smith

Assistant Secretary: Brian Kelly

Staff members in attendance:

Executive Director, Michael Giardino

Director Marketing & Public Relations, Jenifer Spratley

Director Finance, Jessica Minor

Recorder, Barbara Rumsey

Mr. Joseph called the meeting to order at 8am.

Jared Alexander Employee Recognition Awards Ceremony. The employees recognized were Tamara Brown, Barbara Rumsey, Christopher Walton, Rowena Byrd, and Mark Sutton.

Approve Minutes. Mr. Joseph asked if there were any edits to the minutes from December 3, 2020. There were none. Mr. Joseph asked for a motion to approve. Mr. Coleman moved a motion; Mr. Kelly seconded the motion. Voice vote by Roll Call. 6-0 Approved.

Mr. Ballou read legal guidance on electronic meetings.
Mr. Ballou read instructions for Public Comment.

Public Comment. Mr. Joseph asked if anyone signed up for Public Comment. Ms. Rumsey replied there were no registrations for public comment.

Committee Reports

Planning & Development did not meet but we did have a conversation regarding Real Estate projects. The Corporate Hangar lease is in the works but slow moving. Doghead parcel is going to Newport News City Council February 9th. The Mobile Home Park has 1 empty but may need to be demolished. We are continuing to collect rents although it is a difficult time for our tenants.

Finance & Audit

Airline waivers equal \$25K in December and it will continue at this rate. Rental Car revenues continue to exceed budget. Staff is commended for keeping expenses down. Ms. Minor is working on the #6 reimbursement for CARES Act for almost \$1 million dollars. We should receive this in February.

Capital Repair report was sent out to everyone yesterday. Mr. Giardino added that construction season is not happening, so we are in a hold for weather conditions to be favorable for construction.

Audit Findings- Separation of Duties for Journal Entries. This separation of duties became an issue due to the COVID staff reductions required to maintain operations. We have added a new position that will lighten the load of one Finance person who can now relieve this issue.

Check Signing- We are in the process of moving to ACH payments instead of check signing.

There are no actions that the Commission need to take this month.

Mr. Giardino thanked the Commission for commending the staff and noted that we will be looking forward to the next quarter.

On April 1st, I believe that we will be looking at a very different industry.

Governance Committee did not meet Mr. Joseph added that the Executive Director evaluation will be done in closed session.

Marketing & Public Relations Committee.

Mr. Kelly stated that we will discuss the particulars of the SCASD grant in closed session. He asked Mr. Giardino to provide a community overview of the status. Mr. Giardino stated that we are working with the community to gather letters of support and that the program changed mid-session. Mr. Giardino stated that we are grateful for the support from the Community, Municipalities and Businesses. Ms. Scott thanked Ms.

Spratley and Mr. Giardino for having meetings with stakeholders. She also added that the Committee feels that this is important to keep going with the communication and to engage with the Community regularly. She also added that the Committee feels that the PAC staff should also invite the public to stakeholder meetings in the future.

Mr. Kelly spoke about Dynamic Insights and the growth platform product they are working on for the airport. He added that there are two more stages to go in the process and that we received an overall growth plan and brand name recognition.

Growth Plan includes our mission, Core Values, Core Competencies, and Key Capabilities.

Brand Name recognition- we will not use PHF in our logo and align with Newport News and Williamsburg, as well as not use International in marketing materials.

Ms. Spratley thanked the Commissioners for their support and engagement. She added that the staff has been working hand in hand with the Dynamic Insights Team and they are guiding us through the Growth Plan however the mission and vision is from the heartbeat of the airport.

Staff Reports

Executive Director memo sent to Commissioners: *“My activity report since our last meeting:*

A. Small Community Air Service Development Grant Application Process

- 1. This has consumed at least 50% of the senior staff's time including throughout the holiday. Literally hundreds of email exchanges and conversations.*
- 2. The rules changed on January 19 and so did our emphasis.*
- 3. I believe we can successfully recruit all airlines while pursuing this project.*
- 4. The Community is supportive but still requires assurance.*
- 5. March 1, 2021 is the new deadline.*

B. Capital Planning

- 1. Passenger Facility Charge (PFC) work has been ongoing since January 2020 (PFC Account Balance is: \$2,630,534)*
- 2. Descoped the PFC program due to COVID (collections down due to COVID-19)*
 - a) Terminal Improvements*
 - b) Cargo Ramp*
 - c) Incoming Baggage Belts*
 - d) General Aviation Ramp (Old Terminal Building through Atlantic Aviation)*
 - e) Jet Bridge Replacement (B2)*
 - f) Runway Protection Zone (RPZ) land acquisition*
- 3. Conducted Airline (American Airlines) PFC Consult in person December 14, 2020.*
- 4. PFC Application is in final stages (submit to FAA by COB February 5, 2021)*
- 5. January 5, 2021 ACIP and PFC meeting with ADO and DOAV*
- 6. Airport Capital Improvement Plan (ACIP) is on track. 5-year plan due to FAA by April 1, 2021*

7. *Ongoing work on land releases and new development project*

C. Strategic Planning

1. *Work continues with Dynamic Insights.*
 - a. *Briefed to Marketing and PR on Monday*

D. Legislative Action

1. *Working with Virginia Colleagues commenting on proposed legislation with impact on airports*
2. *Working with National Colleagues on latest round of CARES and possible Infrastructure Bill*

E. COVID-19

1. *Working with Virginia Colleagues to reinstate ALL airport essential workers as 1b.*
2. *Working with City of Newport News on using airport as a local vaccination center*
3. *U. S. Presidential Order with respect to Mask Mandate being evaluated for enforcement ability.*

Mr. Giardino added that the Virginia Department of Health moved airport employees from group 1B to group 1C for COVID-19 vaccine and we are pushing back.

Mr. Joseph stated that there are opportunities in this emergency. He asked Mr. Giardino to remind people of legalities for money flow of incentives and revenue guarantees. Mr. Giardino stated that most Commissioners sat in on the Stakeholder briefings.

SCASD is aside from Federal Grant Assurances. Federal Grant Assurances state that we cannot provide money to airlines, however, we can waive fees.

- Currently waiving fees
- Okay for up to 2 years by FAA

When adding new service, we can waive up to 12 months.

SCASD is from the US DOT and separate funds which can be used in different ways.

The SCASD process:

- Submit Application.
- Plan project with community stakeholders to pool money.
- USDOT provides matching funds for minimum revenue guarantee and marketing.
- PAC executes a grant agreement with USDOT.
- Similar to Cares Act funds, we spend and get reimbursed.
- Community executes agreement with airline.
- Airline reports profit or loss
- Funds do not get co-mingled.
- After 2 years, become self-sustaining.

Mr. Joseph added that there are many guidelines that go into this type of project and we will adhere to them,

Mr. Joseph asked if there was any Old or New Business. There was none.

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 A1. – for the following purposes: (i) the assignment, appointment, promotion, performance, demotion, salaries, disciplining, or resignation of specific public officers, appointees, or employees of the Commission. Consultation with legal counsel employed or retained by a public body regarding specific legal matter requiring the provision of legal advice by such Counsel. Specifically, the closed meeting shall be held to discuss the performance of the Commission's Executive Director.

Roll call by voice vote 6-0. Open session closed at 9:05am.

Motion to reconvene in open session.

The Commission entered into a Closed Meeting at 9:05 a.m. and reconvened in an Open Meeting at 9:46 a.m. Upon reconvening, it was:

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.

Roll call by voice vote. 6-0. Open session convened at 9:46am.

Mr. Joseph stated that he and Ms. Smith will make an appointment with Mr. Giardino regarding his evaluation debrief.

Mr. Joseph adjourned the meeting at 9:47am.