

Peninsula Airport Commission

Meeting Minutes

March 25, 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 February 25, 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 minutes 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

Assistant Secretary: Brian Kelly

Commissioners absent:

Secretary: Lindsey Smith

Staff members in attendance:

Executive Director, Michael Giardino

Director Marketing & Public Relations, Jenifer Spratley

Director Finance, Jessica Minor

Business Manager, Christopher Walton

Recorder, Barbara Rumsey

Other Attendees:

Counsel, Eric Ballou

Mr. Joseph called the meeting to order at 8:01am.

Mr. Joseph announced that Commissioner Smith was re-appointed to the PAC for another term.

Approve minutes: Mr. Joseph provided a few edits. Mr. Coleman made a motion to approve with edits. Mr. Herbert seconded the motion. Voice vote by Roll Call. 5-0. Minutes Approved.

Mr. Joseph asked if there were any Public Comment registrations. Ms. Rumsey replied that there were no registrations.

Committee reports:

- Finance & Audit Committee report from Mr. Herbert
 - Mr. Herbert provided a financial update for February
 - Expenditures continue to be under budget
 - Benefits due to Rental Car vendors
 - Mr. Herbert provided CARES Act Funding Update
 - Reimbursement received for 1.2 million
 - balance 366K
 - 2nd round is CRRSSAA
 - adds relief for concessionaires.
 - 3rd Round will be Airport Relief Program (ARP) and the Committee is recommending the Resolution to authorize the Executive Director to execute and deliver application for these funds.

Mr. Herbert and the Finance & Audit Committee recommend Resolution 21-015. Mr. Joseph asked for questions or comments on the motion from Committee.

Mr. Joseph asked if there is a difference in how funds can be used. Mr. Giardino replied not much, only the addition for concessionaire relief.

Voice vote by Roll Call. 5-0 **Resolution 21-015 approved.**

Be it Resolved, that the Board of Commissioners of the Peninsula Airport Commission that:

- 1) The Executive Director is authorized to execute and deliver an application for the ARG.
- 2) The Commission hereby authorizes the Executive Director to accept the ARG and affirms to the FAA the Commission's intent to comply with assurances, conditions and requirements set forth in the ARG agreement and related laws and regulations with respect thereto. The Executive Director is authorized and directed to execute and deliver the ARG and associated grant agreement to the FAA, and to take all actions necessary in order to accept and apply the ARG to fulfill its purposes of this Resolution.
- 3) This Resolution shall take effect immediately.

Mr. Herbert provided an update for the 3rd party audit we solicited. There was no award. He asked Mr. Giardino to elaborate on the issue. Mr. Giardino stated that during the interview process, we found that they vendors were not clear on the scope of work or how much the scope should cost. We plan to re-evaluate the process, scope of work and may handle internally.

Mr. Herbert asked Mr. Giardino to provide a CIP update. Mr. Giardino stated that the AIP program is funded at 100%.

- Taxiway A is adding shoulders to the taxiway for safety and lighting upgrades, also adding, or deleting throats to avoid direct access to the runway to comply with FAA regulations. Project expected to begin in early April.
 - PFC projects were shared with the Commissioners. See Exhibit C.
 - Budget will be presented at next month's meeting. The process was included in the Agenda Packet for this meeting.
- **Planning & Development Committee report from Mr. Joseph:**
 - General Aviation Update
 - All leases have been signed
 - 1 tenant is moving out
 - New policy has been fully implemented successfully
 - Mobile Home Park Update
 - Working with a few tenants on delinquency of payments
 - Slowly losing inventory due to deterioration
 - Currently at 93 homes down from 97
 - Huntington Pointe Sale is on track
 - Waterworks MOU has been signed
 - NEPA process has begun for land release
 - Habersham will be signed in April
 - Corporate Hangar negotiations continue
 - Waiting on final environmental
 - TSA lease renewal
 - Negotiated 5-year renewal
 - Ms. Spratley provided a financial analysis
 - Increase revenue by more than \$50K per year
 -
 - **Governance Committee report from Mr. Joseph:**
 - Annual meeting in May
 - Election of Officers
 - Nominations will be requested next month
 - Ms. Smith will be meeting with Newport News City Manager next week
 - **Marketing & Public Relations Committee report from Ms. Scott**
 - 5k discussion on possible virtual event
 - Ms. Spratley will discuss with Newport News coordinator to see if it is feasible for September
 - Mr. Kelly added that the Strategic Planning work will start to be seen soon
 - Strategic Growth Plan will be presented next month
 - Ms. Spratley added that the Strategic Marketing and Growth Plan is essential to our success

Staff Reports:

Mr. Giardino sent out an update to the Commissioners requesting that it be included I minutes: *“Activity and significant events since the last Regular PAC Meeting (some (but not all) items were briefed and discussed during Monday’s Committee meetings):*

1) *SCASD Program Grant Submitted. Every application can be found*

at: <https://www.regulations.gov/docket/DOT-OST-2020-0231/document> – ORF and RIC submitted applications.

2) *Design of a targeted commercial air service program is underway. Key metrics will be used to evaluate post-pandemic opportunities, best-matched with community demand, to create our target list. Regional buy-in is essential to leverage existing and future community minimum revenue guarantee (MRG) funding. This effort will be blended with our Marketing Strategy.*

3) *Passenger Facility Charge (PFC) Program 6 has been "acknowledged" by the FAA (meaning we can notify the air carriers to begin collecting PFCs for this program). I have scheduled time with our term engineers to begin scoping work which will include the writing bid specifications for a jet bridge, RFQs for architectural services for terminal improvements, and design work for cargo and general aviation ramps.*

4) *On short notice (six days), the FAA conducted our first on-site Part 139 (commercial air service airport certification) Inspection in two years. It was a rigorous inspection. The team was ready. PHF easily retained certification.*

5) *Taxiway "A" (alpha) project meeting was held. Contractor laydown area is filling up. "Construction season" has begun. Project is a hold-over from 2020 and 100% (usually 90%) funded by the FAA due to the April 2020 CARES Act.*

6) *The PAC Chair and executive staff met with members of the Louisville, KY airport, airport authority and Louisville air incentive organization to discuss their experience with commercial air service incentive program use and management.*

7) *A Parking Access and Revenue Control System (PARCS) Request for Proposal (RFP) is posted, and a pre-proposal informational meeting was held.*

8) *An 80-ft section of collapsed/dilapidated 30-inch corrugated metal drainage pipe between Peebles Drive and McManus Blvd has been replaced with 30-inch PVC.*

9) *The third round of Federal COVID-relief funding for airports will mean approximately \$3.1M for PHF. I recommended, and the Finance Committee agreed, that the PAC should pass a resolution (similar to the CARES Act and CRRSAA) authorizing me to: 1) apply for and 2) execute, the grant. I will have that resolution ready for Thursday's meeting. Information on the Airport Rescue Grant program: https://www.faa.gov/airports/airport_rescue_grants/"*

[Airport Rescue Grants – Airports](#) The American Rescue Plan Act of 2021 (H.R. 1319, Public Law 117-2), signed into law by the President on March 11, 2021, includes \$8 billion in funds to be awarded as economic assistance to eligible U.S. airports to prevent, prepare for, and respond to the coronavirus disease 2019 (COVID-19) pandemic. To distribute these funds, the FAA has established the Airport Rescue Grants. www.faa.gov

Mr. Giardino added that there is an Air Service Update that was included in the Agenda Packet, Mr. Joseph state that the PAC had challenged the staff to tell us how others go about Air Service and there was a call last week with Louisville Airport Executives. He added that there was no real difference except that they invite Corporate supporters to put in 20% and that they are big on marketing and announcements. Their success included a direct flight being added just before COVID. The group encouraged us to re-invent the RAISE program.

Mr. Giardino stated that this will be Ms. Minor's last meeting. He added that we are grateful for her service of 8 years and particularly the last year where she made great strides to keep up going.

Mr. Joseph asked for a motion to move to Closed Session. Mr., Herbert made a motion and Mr. Coleman seconded the motion.

Mr. Ballou read the Closed Session Resolution:

Be it resolved, that the Commission enter into a Closed Meeting pursuant to the Virginia Freedom of Information Act, Section 2.23711.A5. Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business or industry's interest in locating or expanding its facilities in the community. Specifically, the closed meeting will discuss prospective Air Service specifics.

Roll call by voice vote. 5-0. Open session closed at 8:47am.

Motion to reconvene in Open Session.

The Commission entered into a Closed Meeting at 8:50am and reconvened in an Open Meeting at 9:08am. 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 discussed, or considered in Closed Meeting.

Roll call by voice vote. 5-0 Open Session convened at 9:08am.

Mr. Joseph asked if there were any other business matters that needed to be addressed. There was none. He went around the room for final comments.

- Mr. Coleman appreciates the holistic approach regarding Air Service by including the community. Thank you to the staff.
- Mr. Herbert is disappointed that Ms. Minor will be leaving the PAC but wishes her well and challenged the staff to find someone as good as her for Finance.
- Ms. Scott thanked the staff for the information being provided in advance to keep the Board informed. She thanked Jenifer and Jessica for their efforts.

Mr. Joseph adjourned the meeting at 9:12am. **Approved April 22, 2021 by roll all voice vote.**

6-0.

BUDGET CYCLE

Event	Days Before / After FY	FY 22	Notes
Budget to participating political subdivisions (per Acts of Assembly 1946)	-135	Feb 15, 2021	N/A
Performance modeling	-120	Feb 1, 2021	Projected Enplanements/ Revenue per Enplanement
Meet with Departments	-90	Mar 1, 2021	Line-item Budgeting
Present to PAC	-60	April 19 & 22, 2021	Finance & Audit Committee and Regular PAC
Adopt Budget	-30	May 27, 2021	Annual Meeting
FY Begins	0	July 1, 2021	
Previous FY Audit Complete	+120	October 21, 2021	