

Peninsula Airport Commission

June Meeting Minutes

July 01, 2021

Commissioners in attendance:

Chair: Jay Joseph

Vice Chair: Rob Coleman

Treasurer: Thomas Herbert

Assistant Secretary: Brian Kelly

Secretary: Lindsey Smith

Commissioners absent:

Assistant Treasurer: Sharon Scott

Staff members in attendance:

Executive Director, Michael Giardino

Business Manager, Christopher Walton

Director Facilities, John Borden

Recorder, Barbara Rumsey

Other Attendees:

Counsel, Ben Wills

Assistant City Manager Newport News, Ralph Clayton

Public Attendees:

David Hause

Mr. Joseph called the meeting to order at 8:00am.

Approve minutes: Mr. Joseph asked if there were any edits to the minutes presented in the packet. There were none. Mr. Coleman made a motion to approve. Ms. Smith seconded the motion. Voice vote by Roll Call. 5-0. **Minutes Approved.**

Public Comment. Mr. Joseph asked Mr. Wills if he would read the instructions for public comment. Mr. Wills read the instructions. Mr. Joseph asked if there were any registrations for public comment. Ms. Rumsey replied yes, Mr. Hause. Mr. Hause is a resident of Kiln Creek and part of the Kiln Creek homeowners association, and he is here to speak about increased helicopter noise.

Please see Exhibit A for full comment.

Committee reports:

- Finance & Audit Committee report from Mr. Herbert
 - Mr. Herbert provided a financial update for May
 - Close to break even without CARES Act funding
 - Thank you to the team
 - Mr. Giardino provided a presentation on financial performance (see Exhibit B)
 - Exceeded budget predictions
 - Main revenues are enplanements, rental cars and parking
 - We are on schedule for audit
 - Mr. Herbert asked for questions
 - Mr. Kelly asked for clarity on how the new Concessionaire Relief works
 - Mr. Giardino stated that they have to request the funds, then they have to certify that they have not used the second round of PPP funding for rents. Then the amount gets divided amongst the concessionaires who are eligible.
 - Ms. Smith asked if the enplanement dip in April and May are normal.
 - Mr. Giardino answered yes somewhat but also included reduced service.
 - Mr. Joseph asked about the current schedule.
 - Mr. Giardino replied 5 CLT and 2 PHL.
 - PARCS and LMS Presentation
 - Shaun Kelly presented an overview of the PARCS project. See Exhibit C
 - Recommend Flash Parking
 - Mr. Herbert asked about Valet Management System
 - Mr. Shaun Kelly explained that was the software to run a Valet program at the airport that would be integrated into the PARCS system.
 - Ms. Smith asked if the Valet Program will include employees or be outsourced.
 - Shaun Kelly explained that the research and cost benefit analysis showed that it would benefit us to use airport employees.
 - Mr. Joseph asked how long the Flash equipment will last.
 - Shaun Kelly explained that the cost includes all upgrades to software and equipment.
 - Mr. Joseph asked about the cost breakdown for the maintenance.
 - Shaun Kelly answered 2 years maintenance is included in the cost and that theirs is half the cost of all other bidders.
 - **Resolution 21-019.** Mr. Herbert moved to approve Resolution 21-019. Exhibit F
 - Mr. Kelly seconded the motion;
 - Voice Vote by roll call. **5-0 Approved.**

- Planning & Development Committee Report by Mr. Joseph
 - Mr. Joseph provided a real estate update saying that we are waiting on others to move and are ready for all transactions.
 - Mr. Walton provided a tenant update.
 - GA Hangars are full.
 - Trailer Park operations are healthy.
 - Remain under state mandate for no evictions
 - More people are paying
 - Working with a few tenants with COVID related issues
 - Mr. Joseph added that the staff is putting together an application package for infrastructure funding under USDOT RAISE RFP.
 - Mr. Giardino added that the RFP was put out to kick-start airport improvements and was formerly called TIGER.
 - We added some concepts such as
 - Light rail
 - We lost airport HRT service which has affected not only passengers but employees.
 - Mr. Giardino added that the PFC-6 application has been submitted and has been in the budget.
 - PFC 6 package can be found on the website.
 - Mr. Joseph asked Mr. Giardino to present **Resolution 21-018**. Exhibit E
 - Mr. Giardino provided a presentation. See Exhibit D.
 - Mr. Joseph asked for questions. There were none.
 - Mr. Joseph stated the Committee recommends approval of Resolution 21-018.
 - Voice vote by roll call. **5-0 approved.**
- Governance Committee Report from Ms. Smith
 - Discussion regarding Employee policies and procedures
 - Juneteenth added to staff calendar
 - Staff recognition day Friday July 2nd
- Marketing & Public Relations Committee Report by Mr. Kelly
 - Committee did not meet but did have a discussion regarding Growth strategy and re-branding effort.
 - Mr. Herbert would like the timeframe for the rollout of new branding
 - Mr. Walton will send out the new re-branding ideas to the Commission for awareness and unity.

Mr. Joseph made a motion to go into closed session to discuss prospective business opportunities. Mr. Coleman seconded the motion. Voice vote by roll call. 5-0 Approved. Mr. Wills read law for closed session. Open session closed at 9:02am.

Mr. Herbert made the motion to reconvene open session. Mr. Kelly seconded the motion. Mr. Wills read law for reconvening in Open session. Voice vote by roll call. 5-0. Approved. Open session reconvened at 9:26am.

Mr. Herbert read the law pertaining to returning to Open Session. Mr. Coleman made the motion, Mr. Kelly seconded the motion. Voice vote by roll call. 5-0. Approved.

Open Session began at 9:58am.

Staff Reports:

Mr. Giardino sent out an update to the Commissioners requesting that it be included in the 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) Taxiway "A" (alpha) physical work has started. Project is a hold-over from 2020 and 100% (usually 90%) funded by the FAA due to the April 2020 CARES Act.

2) Issued RFP for Architectural Services for PFC #6 project "Terminal Building Rehabilitation."

3) The PAC Chair and executive staff briefed GP Now on April 19, 2021.

4) Sweeper bids were opened. I recommend the purchase.

5) Staff briefed or updated two airlines.

6) Bomb threat occurred and was handled very well. Many of our emergency-event procedures were exercised.

7) Virtually attended the ACI-NA CEO Conference: Chaired Small Airports Committee, Member of U.S. Policy Council. Ms. Spratley attended the conference in person.

8) Engaged with Representative Luria's and Representative Scott's staff about airport capital projects.

9) Continued work on strategic marketing plan.

10) Presented FY 2022 Budget to F&A Committee.

11) Extended Parking Access and Revenue Control System (PARCS) RFP deadline.

Mr. Giardino stated that the Bomb threat was handled effectively, and the community response was amazing. He added that the media coverage was not accurate. Our load factor for the month was 71%.

Ms. Spratley provided updates on Marketing and Real Estate:

- Attended CEO Conference in Orlando
 - Attendance was good
 - Social distancing GUIDELINES WERE FOLLOWED
 - Good networking experience
 - Airlines looking to hire 6,000
 - There is a shortage on rental cars across the country due to parts shortages
 - Touchless travel was a big topic
 - The FAA says this is the time to fix terminals
 - Many connections made in the industry

Mr. Joseph asked if there was any consensus on vaccinations required to travel. Ms. Spratley replied there were no conversations on the topic.

Ms. Smith asked if we share the video we made in more places than our website. Mr. Giardino added that we have it playing in the terminal and it is on Social Media. Ms. Smith asked to have the link to send out to her contacts.

Action Item: Send Commissioners the link to video to share with contacts.

Mr. Joseph asked for a motion to move to Closed Session. Mr., Coleman made a motion and Mr. Kelly 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. 6-0. Open session closed at 9:25am.

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. 6-0 Open Session convened at 9:43am.

Mr. Joseph asked if there were any other business matters that needed to be addressed. Mr. Giardino thanked the staff for supporting a 777 along with the City of Newport News Fire Department.

Mr. Joseph talked about Committee meetings moving forward and stated that each Committee Chair will choose the location of the meetings. Finance, Planning & Development and Governance will be held at Patten, Wornom, Hatten and Diamondstein. Mr. Kelly will confer with Ms. Scott for the Marketing & Public Relations Committee.

Mr. Joseph adjourned the meeting at 9:31am.

PENINSULA AIRPORT COMMISSION

RESOLUTION 21-018 AWARDING CONTRACT FOR ON-CALL PROFESSIONAL ARCHITECTURAL CONSULTING SERVICES

July 1, 2021

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 issued its request for qualifications (“RFQ”) for on-call professional architectural consulting services pursuant to the Virginia Public Procurement Act (the “Procurement Act”), and received two proposals in response to the RFQ;

WHEREAS, pursuant to the provisions of the Procurement Act, the Commission has considered the proposals that it has received in response to the RFQ and has conducted negotiations with selected offerors deemed fully qualified and best suited among those submitting proposals; and

WHEREAS, the Commissioners of the Peninsula Airport Commission, after mature deliberation and upon the recommendations of Staff, deem it prudent and desirable to award the engagement for on-call professional architectural consulting services to Popli Design Group (PDG) which, in the opinion of the Commissioners of the Commission, has made the best proposal.

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 and directed to enter into an engagement agreement with Popli Design Group (PDG), such agreement to be upon the terms and conditions as specified in the RFQ, including a term of one year with four additional one year renewal periods at the option of the Commission, and as further negotiated in the RFQ process, and upon such further terms and conditions as the Executive Director, upon the advice of counsel to the Commission, may deem necessary and appropriate.
2. The Commission shall authorize at a later time the particular engagements to be undertaken by such consultants and the budgeted funding for any such engagements.
3. This resolution shall take effect immediately.

PENINSULA AIRPORT COMMISSION

RESOLUTION 21-019 AWARDED CONTRACT FOR PARKING ACCESS AND VALET MANAGEMENT SYSTEM

July 1, 2021

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 issued its request for PROPOSALS (“RFP”) for a new Parking Access and Revenue Control System and a Valet Management System pursuant to the Virginia Public Procurement Act (the “Procurement Act”), and received four proposals in response to the RFP;

WHEREAS, pursuant to the provisions of the Procurement Act, the Commission has considered the proposals that it has received in response to the RFP and has allowed each responsive and responsible bidder to present their proposal to the selection committee as well as consultants and our IT contractor selected offerors deemed fully qualified and best suited among those submitting proposals; and

WHEREAS, the Commissioners of the Peninsula Airport Commission, after mature deliberation and upon the recommendations of Staff, consultants and IT contractor deem it prudent and desirable to award the contract to Flash Parking which, in the opinion of the Commissioners of the Commission, has made the best proposal.

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 and directed to enter into a contract with Flash Parking, such agreement to be upon the terms and conditions as specified in the RFP, including a maintenance contract for up to 10 years at the option of the Commission, and as further negotiated in the RFP process, and upon such further terms and conditions as the Executive Director, upon the advice of counsel to the Commission, may deem necessary and appropriate.
2. This resolution shall take effect immediately.

PAC FY 2021 Financial Performance

**Results, Key Performance
Metrics,
&
Status of Funds**

Prepared for the
Finance / Audit Committee

As of May 31, 2021

Produced June 28, 2021

COVID-19 Impact

Worst to First

FY 2021 Budget vs. Actual

- Budget Gain/(Loss) (\$2,099,879.77)
- Actual (est.) Gain/(Loss) (\$1,277,619.15)
- Estimated COVID (Loss) in March 2020 was: (\$306,000) per month or (\$3,672,000) per year
- In March 2020 PAC Unrestricted cash balance was: \$1,447,094
- In May 2021 PAC Unrestricted cash balance was: \$2,821,925
- \$4.135M CARES ACT – Complete

To Come:

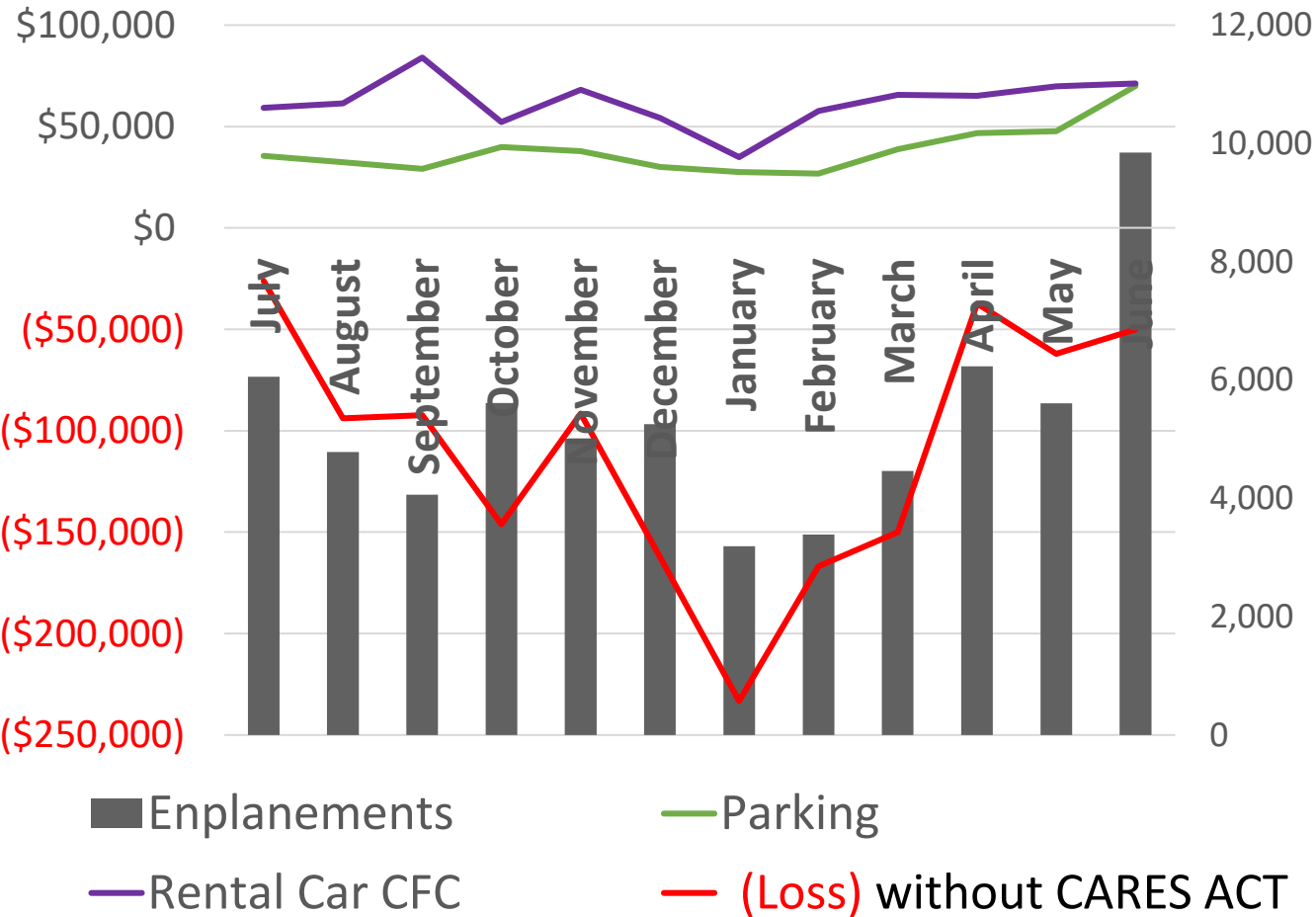
- \$1.9M CRRSSA – Granted/Executing
- \$3.1M ARP – Grant application in work
- \$4.4M Land release – in work

FY20 
Estimate 

Month	Revenue/(Loss)	Add CARES	Net Revnue
Apr-20	(\$298,223.80)	\$0.00	(\$298,223.80)
Jan-21	(\$233,295.95)	\$0.00	(\$233,295.95)
May-20	(\$188,982.14)	\$0.00	(\$188,982.14)
Feb-21	(\$166,903.40)	\$0.00	(\$166,903.40)
Dec-20	(\$162,348.77)	\$0.00	(\$162,348.77)
Oct-20	(\$146,112.35)	\$827,700.70	\$681,588.35
Jun-20	(\$133,331.21)	\$1,656,926.20	\$1,523,594.99
Mar-21	(\$115,677.04)	\$1,189,882.46	\$1,074,205.42
Aug-20	(\$93,923.28)	\$0.00	(\$93,923.28)
Sep-20	(\$92,382.99)	\$0.00	(\$92,382.99)
Nov-20	(\$91,603.87)	\$0.00	(\$91,603.87)
May-21	(\$62,000.00)	\$366,677.31	\$304,677.31
Apr-21	(\$37,303.67)	\$0.00	(\$37,303.67)
Jun-21	(\$50,000.00) ?	\$0.00	(\$50,000.00) ?
Jul-20	(\$26,067.83)	\$94,691.33	\$68,623.50
All COVID	(\$1,898,156.30)	\$4,135,878.00	\$2,237,721.70
FY 2021	(\$1,277,619.15)	\$2,478,951.80	\$1,201,332.65

Key Financial Performance Metrics

Primary, by far...Enplaned Passengers!



Key Financial Performance Metrics

The Numbers

Month	July	August	September	October	November	December	January	February	March	April	May	June
Enplanements	6,054	4,781	4,062	5,614	5,010	5,256	3,191	3,385	4,463	6,232	5,606	9,847
Parking	\$35,532	\$32,452	\$29,161	\$39,941	\$37,910	\$30,051	\$27,639	\$26,828	\$38,819	\$46,805	\$47,696	\$70,000
Rental Car CFC	\$59,279	\$61,426	\$84,089	\$52,260	\$68,179	\$54,311	\$34,973	\$57,626	\$65,607	\$65,115	\$69,868	\$71,250
Profit/(Loss) w/o CARES	(\$26,068)	(\$93,923)	(\$92,383)	(\$146,112)	(\$91,604)	(\$162,349)	(\$233,296)	(\$166,903)	(\$150,000)	(\$37,304)	(\$62,000)	(\$50,000)

Important, not shown above:

- Passenger Facility Charges
- Rental Car Commissions

June 2021 - Nearly Breakeven at 50% of 2019 Passenger Count

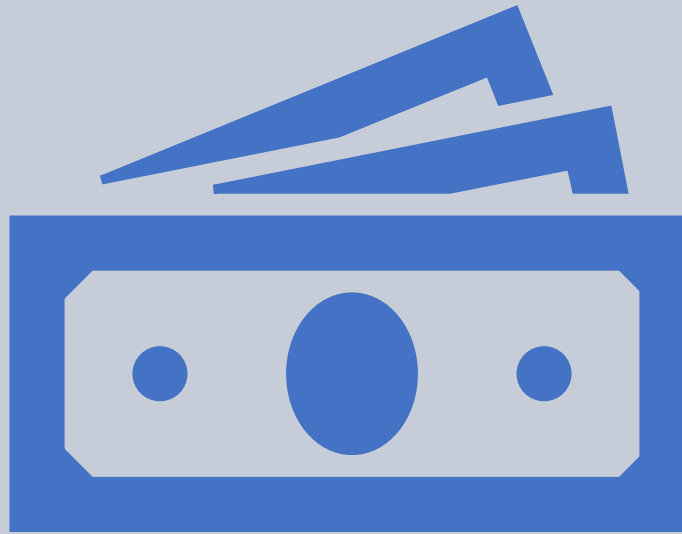
Type	Apr-21	May-21
Unrestricted	\$3,131,072.40	\$2,821,924.75
Restricted	\$11,334,262.93	\$11,480,099.40
Total	\$14,465,335.33	\$14,302,024.15
Account		
Trailer Park Deposits	\$25,001.75	\$24,651.12
Operating	\$2,059,434.85	\$1,806,626.66
Capital	\$2,565,008.90	\$2,682,329.19
PFC	\$2,694,255.38	\$2,720,325.20
Money Market	\$6,377,998.65	\$6,380,445.01
Payroll	\$83,296.92	\$1,358.63
Other	\$660,338.88	\$686,288.34

Cash on Hand

COVID Relief

- **To Come:**
- \$1.9M CRRSSA –
Granted/Executing
- \$3.1M ARP – Grant application
in work

CARES #1	\$ 818,068.48	6/30/20
CARES #2	\$ 175,657.07	6/30/20
CARES #4	\$ 375,674.27	7/29/20
CARES #3	\$ 382,217.71	7/29/20
CARES #5	\$ 827,700.70	10/21/20
CARES #6	\$1,189,882.46	3/9/21
CARES #7	\$ 366,677.31	5/27/21
	\$4,135,878.00	



PAC FY 2021 Financial Performance

As of May 31, 2021 | Produced June 28, 2021

Public Comment to PAC July 1, 2021 by David Hause.
DJH

EXHIBIT A

Good morning, my name is Dave Hause and I'm a resident of Kiln Creek and a member of our Home Owners Association Board of Directors.

I'm here today because our owners and residents have noticed, and are concerned about, a change in the use of the airport that is impacting our daily lives.

In the last couple of years, military helicopters seem to have increased the visits to your runways to perform touch and go type passes, and then quickly circle around to perform many more over the next hour. Each time, the helicopter circles around over the homes in Kiln Creek at relatively low altitudes creating loud noise making it difficult to have conversations and enjoy our lives.

I have lived in Kiln Creek adjacent to the airport since 1991 and have not had any concerns with the commercial traffic or the occasional Air Force One touch and go training. Since the decrease in the commercial traffic, this military helicopter traffic appears to have increased. Varying the flight patterns to avoid multiple low altitude passes over Kiln Creek would seem to be easily implemented by the airport and the Navy.

Since I was elected to our Board in 2020, I've become aware of previous communications some of our residents have had with the airport, other state agencies, and local elected officials. One response in particular was from Mark Flynn, the Director of the Virginia Department of Aviation in 2018.

[Read the paragraph from Mark Flynn – basically he said the airport staff is working with the FAA tower operators to limit the helicopter practice over Kiln Creek]

The issue is not only what is occurring directly over our houses, but the duration and repeated high-performance maneuvering at the airport. Additional military type aircraft noise is coming from the ATAK jet fighters that are based at PHF and train with the Langley fighter squadrons. The airport is not designed like a military base and can't contain the noise, even if they only use airspace over the airport. The fact is that this has turned into a military operations area at the expense of the community, not only ours, but the businesses that are affected by

it. They aren't happy either, and neither are folks in Colony Pines to the north and other communities.

Our Board of Directors would like to start a dialog with community leaders, the Airport Director, the Navy and other stakeholders to convey our concerns. We feel that this change in airport use is not adequately accounted for in the airport Master Plan and Noise Contour Map.

Again, my name is Dave Hause and the Kiln Creek Board of Directors can be reached through the Kiln Creek Home Owners Association. I look forward to establishing a dialog with the airport to discuss and understand the issues involved and work towards solutions.

Thank you.

PENINSULA AIRPORT COMMISSION

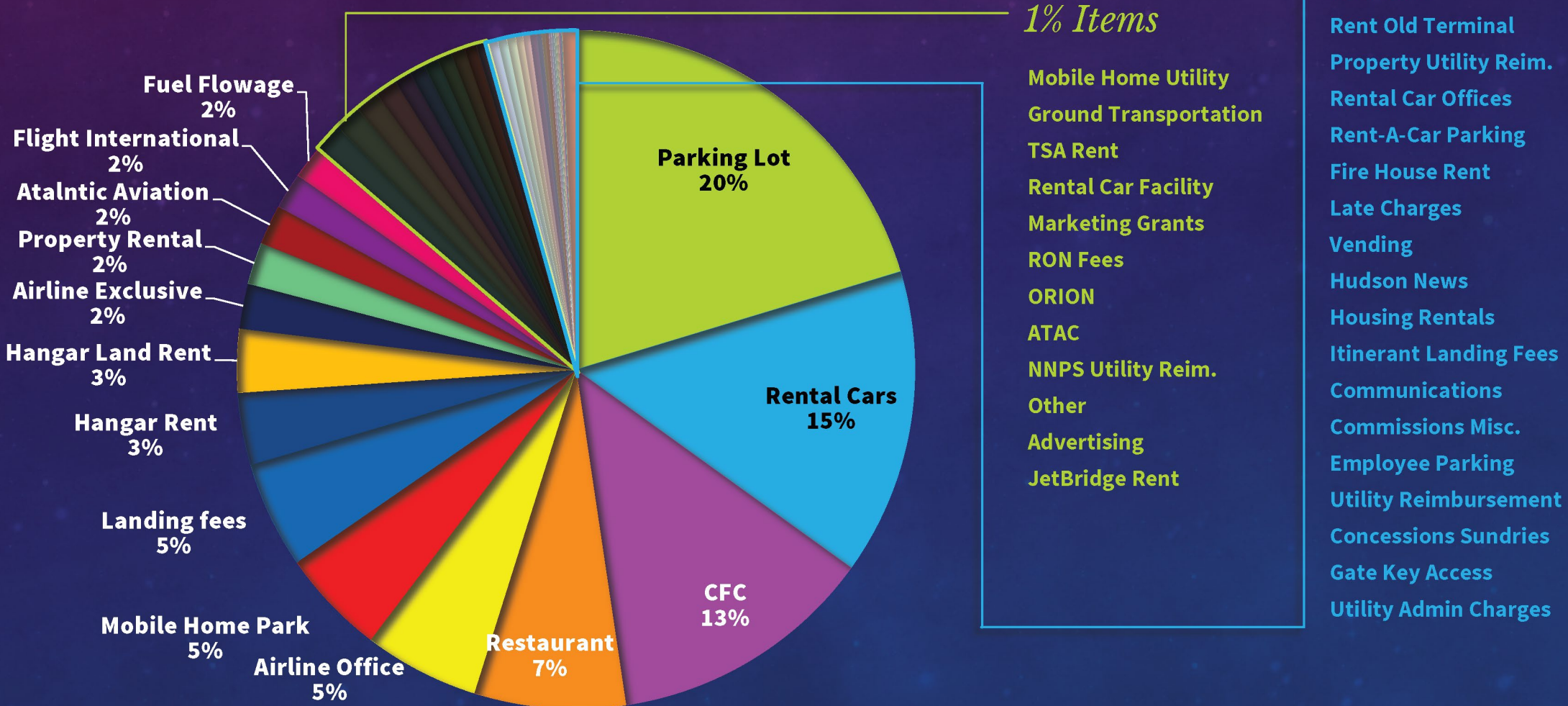
PARKING ACCESS AND REVENUE CONTROL SYSTEM (PARCS)

JULY 1, 2021

PRESENTATION

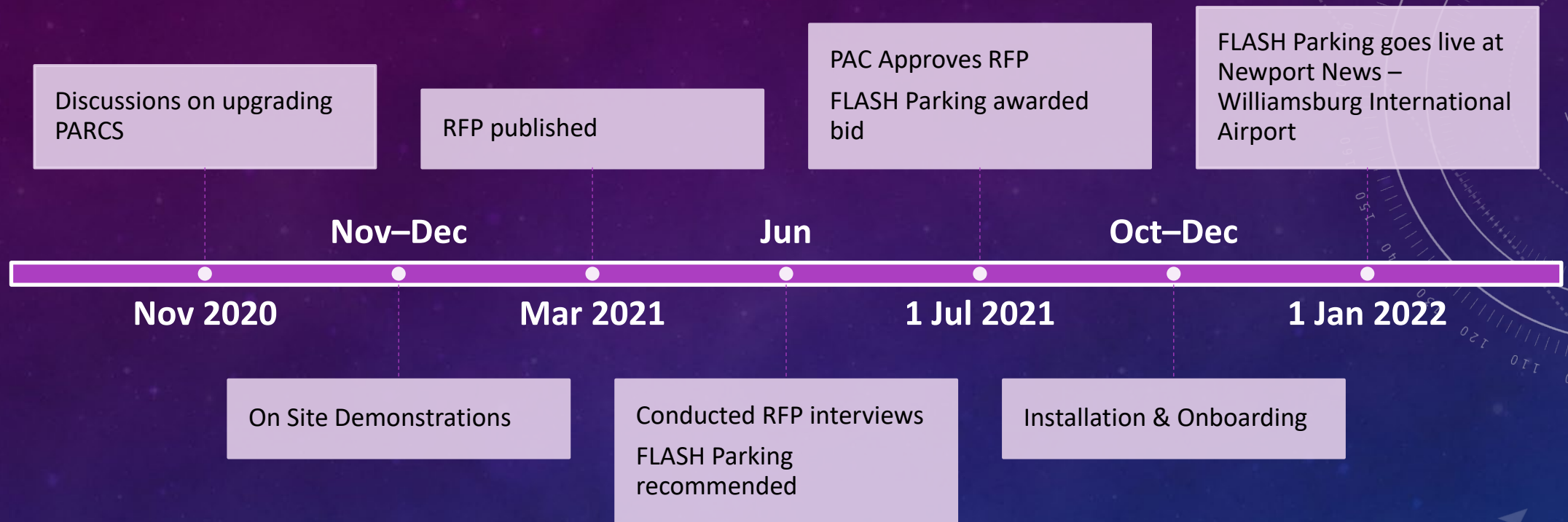
Jenifer Spratley
Jessica Minor
John Borden
Shaun Kelly
Barbara Rumsey
Brenda Serber
Brad Hauser
Paul Riley
Dynamic Insights
360iT

WHY ARE WE HERE TALKING PARCS?



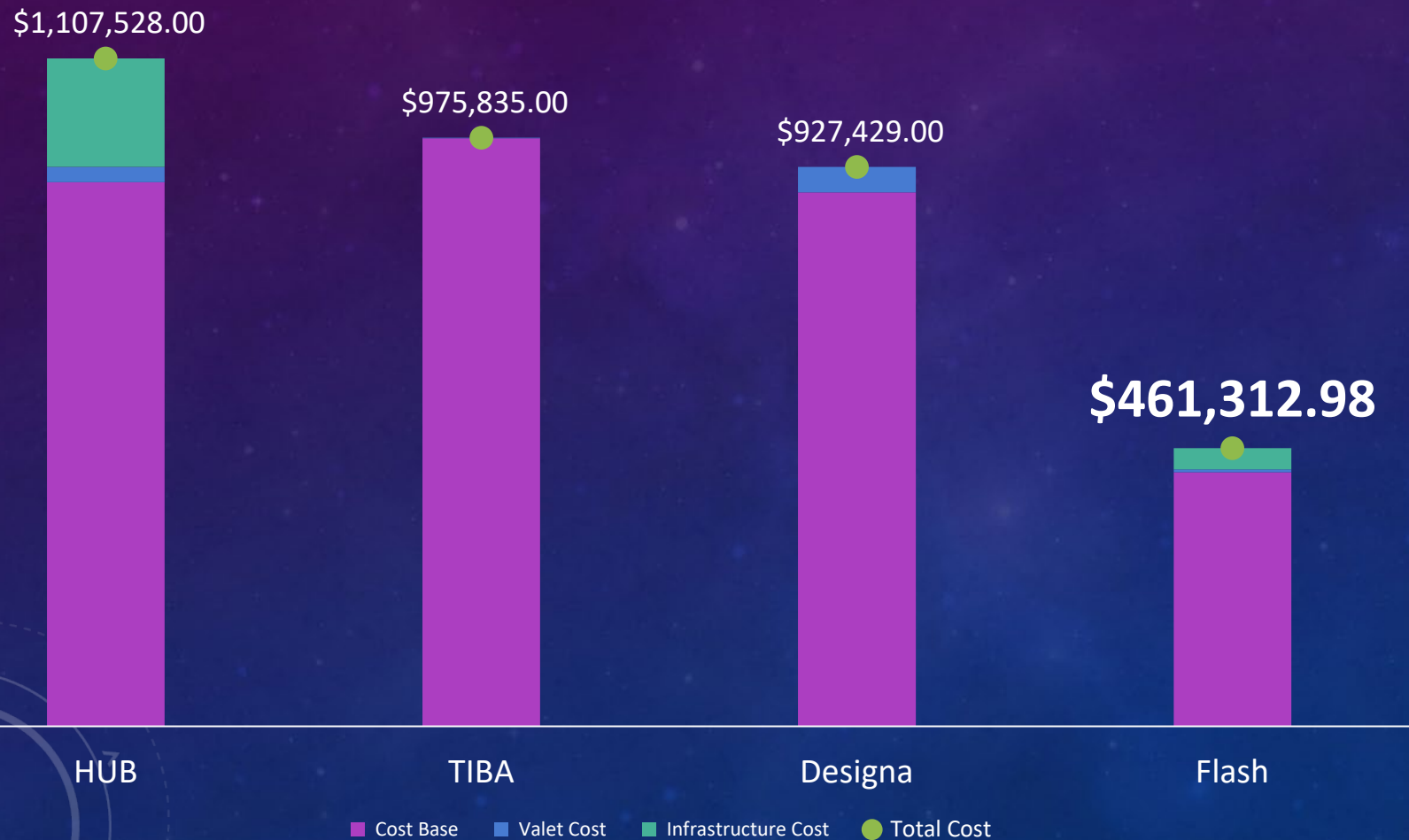


WHAT DO WE HAVE?



PROJECT MILESTONES

WHY FLASH PARKING?



- Made in America
- 24/7 Call Center
- Plug & Play
- Grows with us!

WHAT'S NEXT?

Fast
Easy
Enjoyable



QUESTIONS

