

# Peninsula Airport Commission

## Special Meeting Minutes

September 2, 2021

**Commissioners in attendance:**

**Chair: Jay Joseph**

**Vice Chair: Rob Coleman**

**Treasurer: Thomas Herbert**

**Secretary: Lindsey Smith**

**Assistant Secretary: Brian Kelly**

**Assistant Treasurer: Sharon Scott**

**Commissioners absent: none**

**Staff members in attendance:**

**Executive Director, Michael Giardino**

**Recorder, Barbara Rumsey**

**Public Attendees:**

**none**

Mr. Joseph called the meeting to order at 4:00pm.

**Resolution 22-002.** Mr. Giardino introduced Resolution 22-002 to accept a state marketing grant which requires authorization to execute the agreement with the Department of Aviation. He recommends approval. Mr. Joseph asked if there were any questions. Mr. Kelly asked if the items were specified. Ms. Rumsey stated that the items were identified in the application. Mr. Giardino added that the items can also be modified with DOAV approval. Mr. Herbert made a motion; Mr. Coleman seconded the motion. Voice vote by roll call. 6-0. **Approved.**

**Resolution 22-003.** Mr. Giardino stated that the US Department of Transportation wants this agreement back by September 10 which is why this meeting was needed. The application and is in the packet for today's meeting and the agreement is based on the application which is also in the packet. Exhibit A. Mr. Coleman asked about the in-kind and how many flights were used. Mr. Giardino replied 2 flights per day. Ms. Smith asked about the minimum in-kind and Mr. Giardino clarified 2 flights per day with an in-kind contribution of \$404K. Mr. Giardino shared the grant process with the group:

- Review Grant Language
- Special Meeting

- Accept/Approve
- Print 2 copies, execute by Sept. 10.
- Review Airline Operating, Space Permit and Air Service Agreements
  - Air Incentive Agreements
- Forward drafts to United
- Draft SCASD/MRG Agreement with NNEDA
  - Draft Resolutions to be presented at September Meeting of the PAC
- Pass Resolutions at October Meeting

Mr. Joseph asked for questions. Mr. Herbert asked if this is exclusive to Dulles. Mr. Giardino replied yes, but United can make changes. Mr. Joseph asked what happens if we do not spend the full amount of the grant. Mr. Giardino replied that the funds will be exhausted if the grant will expire. Mr. Joseph asked if we could add routes on January 8, 2027. Mr. Giardino stated that we would have to re-apply for new routes. Ms. Smith stated that there is specific language in the agreement. Mr. Joseph added that there is liberal language as well. Mr. Coleman asked if we do not get an agreement with United to Dulles, what happens. Mr. Giardino replied that he would find out. Ms. Scott asked if there is no other airline, could American be expanded. Ms. Smith replied that the grant states that it is possible with DOT approval. Mr. Kelly added that this grant is for seed money and after a couple of years, they will see the potential. Mr. Giardino added that United believes in us. Mr. Coleman stated that he would be more concerned if it were an ultra-low-cost carrier. Ms. Smith asked Mr. Giardino to speak about the staff that will be handling the grant requirements. Mr. Giardino replied that our consultants are here to help, Ms. Rumsey is already doing Federal grant reimbursements and Mr. Adams is here in Finance as well and we have other staff members that are ready to engage if needed. Ms. Smith asked for an updated organizational chart. Ms. Smith asked about the agreement that was shared at the last meeting. Mr. Giardino replied that was the United agreement. Mr. Joseph asked if we currently have all of the needed agreements. Mr. Giardino replied all except the MRG agreement which he is working on. Mr. Joseph asked if Mr. Giardino will be working with the NNEDA on this. Mr. Giardino replied yes, we are working with them. Mr. Joseph stated that this is different than other grants because the Airport takes the lead and seeks reimbursement. Mr. Coleman asked if there is already a pending order for reimbursement. Mr. Giardino replied, no it is a direct proportion to overall waive fees and rent where ½ goes to the Feds and the EDA. Mr. Herbert made a motion; Mr. Coleman seconded the motion. Voice vote by roll call. 6-0. **Approved.**

Mr. Joseph adjourned the meeting at 4:30pm.