

# Peninsula Airport Commission

## Board of Commissioners Meeting Minutes

December 9, 2021

### Commissioners in Attendance:

Chair, James “Jay” Joseph  
Vice Chair, Rob Coleman  
Treasurer, Thomas Herbert  
Secretary, Lindsey Smith  
Assistant Treasurer, Sharon Scott  
Counsel, L. Scott Seymour  
Assistant Secretary, Brian Kelly

### Staff members in Attendance:

Executive Director, Michael Giardino  
Deputy Director, John Borden  
Recorder, Barbara Rumsey  
Operations Manager, Shaun Kelly  
Business Development Manager, Chris Walton  
Administrative / Finance Assistant Cindy Triplett  
Chief Finance Officer, Mark Adams  
Airport One Marketing Consultant, Steve Romey  
Crawford, Murphy & Tilly Air Service Consultant, Nicholas Haan  
Architect, Fabio Bandana

### Public Officials Present:

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### Public Attendees:

None

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

**Minutes.** Mr. Herbert made a motion to approve the Board of Commissioners October 28, 2021 Meeting Minutes with edits and Ms. Scott seconded the motion. **Roll call by voice vote 5-0. Approved.**

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

### Mr. Herbert provided the Finance Committee Report:

- Revenues:
  - Revenue budgeted was similar to actual figures.
  - Increased revenue from property rental and food concessions.
- Expenditures:
  - Expenses are over budget due to:
    - An increase in the cost of fuel and food.
    - Terminal building utilities have increased.

- Landside repair and maintenance costs have increased due to escalator repairs.
  - Legal fees have increased due to evictions at the Trailer Park. Utilities have also increased at the Trailer Park and investigating if there is a water leak.
  - Crash and rescue expenses were over budget due to training exercises.
- The Annual Audit:
  - A draft copy of the annual audit was provided to the Board of Commissioners on December 8, 2021.
  - A draft copy of the annual audit was provided to the City of Newport News.
  - The auditors will provide a verbal report during the January 2022 Board of Commissioners Meeting.
- The Capital Budget:
  - The Finance and Audit Committee recommends adding 3.8 million dollars to the Capital Budget to cover the cost of capital improvement expenses and to approve Resolution 22-008.
    - **Resolution 22-008 Approving Amendment to the Fiscal Year 2022 Capital Budget. Roll call by voice vote 5-0. Approved.**
- Mr. Adams and Ms. Triplett are implementing improvements to the account-to-account reimbursement processes and are identifying and tracking overdue transfers.
- Mr. Giardino provided an update on grants awarded to the Peninsula Airport:
  - Awaiting the Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA) reimbursement in the amount of \$1,300,000.
  - Awaiting the American Rescue Plan / FAA grant in the amount of \$3,100,000.

**Mr. Romey provided an update on the Marketing Plan:**

- Marketing Objectives:
  - Promoting the brand message that it is, “faster, easier, and more enjoyable” to fly out of Peninsula Airport.
  - To fill seats greater than 85% occupancy.
  - To add new routes and new flights with a larger aircraft.
  - Mr. Romey discussed five marketing strategies that will be performed to achieve marketing objectives.
- The website has been improved by adding autofill fields to make it faster and easier for customers booking a flight on the website.

**Mr. Romey provided a Presentation on Parking Improvements:**

- Starting spring of 2022, a new parking plan will be implemented that will make it easier and faster for customers to park at the Peninsula Airport:
  - Customers will be able to park in any parking space that is available for two dollars an hour or ten dollars a day.
  - Valet parking will be ten dollars a day and a “fly through” Valet program will be implemented making it easier and faster for customers to park Valet.
  - A loyalty parking program will be implemented for returning customers.
  - Parking lots at the airport will be named:
    - Short term parking
    - Long term parking
    - Garage parking
  - The cell phone lot will be located before the terminal building, and the signage will be improved.
- **Resolution 22-010 Parking Rate Amendments. Roll call by voice vote 5-0. Approved.**

### **Mr. Giardino and Mr. Bendana provided an Update on Capital Improvements:**

- Airport Master Plan Document:
  - Mr. Giardino met with the FAA and the Virginia Department of Aviation to discuss the Airport Master Plan Document on December 2, 2021.
  - Mr. Giardino reported that amendments to Airport Master Plan Document were approved by the FAA and the Virginia Department of Aviation.
  - Updating the Airport Master Plan document will cost approximately \$1,000,000. The FAA will cover 90% of the expenses and the Virginia Department of Aviation will cover the remaining 10%.
  - A breakdown of how \$600,000 will be used for testing and design costs will be circulated to the Board of Commissioners.
- The Infrastructure Investment and Jobs Act (IIJA) Bill:
  - Through the IIJA, ten million dollars in grants will be awarded to the Peninsula Airport for capital improvements.
    - Two million dollars will be disbursed every year for five years.
  - In addition, the Peninsula Airport is eligible to apply for an IIJA Terminal Building grant. Through the IIJE Terminal Building grant program, a billion dollars will be awarded every year for 5 years:
    - The Peninsula Airport will be applying for an IIJE Terminal Building grant.
    - Mr. Bandana provided a presentation to the Board of Commissioners on the Peninsula Airport's vision and strategy for the IIJE Terminal grant application.
  - Mr. Giardino and Mr. Joseph are meeting with Senator Warner and Senator Kaine on December 13, 2021, and Mr. Giardino will be scheduling a meeting with Senator Warner and his staff to further discuss the IIJA Terminal Building grant.

### **Mr. Joseph provided the Planning & Development Committee Report:**

- Aery Hangar Update:
  - City permits were obtained, and the Aery Hangar is under construction.
- Waterworks Land Release Update:
  - Waterworks land release is at the regional FAA office.
  - Continuing to monitor the land release request that is pending.
- Commercial Lease Enforcement:
  - All policies and procedures indicated in the Corporate Hangar Lease will continue to be fully enforced monthly.

### **Ms. Smith provided the Governance Committee Report:**

- Civil Air Patrol:
  - Peninsula Airport Commission commends the Civil Air Patrol for its "80 years of Missions for America" and its outstanding cadet and aerospace programs, which annually touch the lives and ensure the safety of thousands of American citizens; and proclaim December as Civil Air Patrol Month at the Peninsula Airport and encourage all citizens to join in the observance.
    - **Resolution 22-009 Proclamation in Commemoration of the 80th Anniversary of Civil Air Patrol. Roll call by voice vote 5-0. Approved.**
    - Mr. Joseph will present the proclamation during the Civil Air Patrol's Christmas party that will occur during the week of December 13<sup>th</sup>.
- Legal Services RFP Update:

- Four Legal Services Proposals were received and reviewed.
  - Obtaining clarification from an applicant.
- The Governance Committee will provide its recommendation to the Board of Commissioners before the January 2022 Board of Commissioners Meeting.
- Expansion of PAC Update:
  - A memo explaining the benefits of an expansion and a legal memo about how the enabling act could allow the expansion were presented to the Executive Director for Development, Florence Kingston, the City Manager, Cindy Ralph, and will be circulated to the Board of Commissioners.
  - The business community sent a letter of support to the City of Newport News, the City Manager, and the Mayor.

**Staff Reports:**

- Commercial Air Service Development:
  - Commercial Air Service development is a top priority and part of the Peninsula Airport's Strategic Plan.
  - The Board of Commissioners appreciates Mr. Giardino's efforts in promoting the Peninsula Airport by attending and participating in conferences and networking and lobby activities.
  - Mr. Giardino presented his travel schedule and requests to Mr. Herbert and Mr. Joseph and will be attending three annual Air Service conferences, and networking and lobby activities at the American Association of Airport Executives (AAAE) and Airports Council International-North America (ACI-NA).

**Old Business:**

- None.

**New Business:**

- None.

Mr. Seymour read Virginia law regarding a single closed meeting from Code Section 2.23711 A1. Mr. Herbert made amotion motion for closed session and Mr. Kelly seconded the motion. **Roll call by voice vote 5-0. Approved.**

The Board of Commissioners went into closed session at 9:50 a.m.

Mr. Seymour read Virginia law regarding an open session reconvening. Mr. Herbert made the motion and Mr. Kelly seconded the motion. **Roll call by voice vote 4-0. Approved.** The Board of Commissioners reconvened in an open session at 11:00 a.m.

Mr. Seymour recommended a motion to authorize a one-time bonus to the Executive Director that is 5% of his current base salary and a salary increase that is 5% of his current base salary that will go into effect as of January 1, 2022. **Roll call by voice vote 4-0. Approved.**

Mr. Joseph adjourned the meeting at 11:08 a.m.