

Peninsula Airport Commission Agenda Packet

Date: July 1, 2021

Time: 8am

Agendas

PENINSULA AIRPORT COMMISSION
REGULAR JUNE MEETING AGENDA

Date: July 1, 2021
Time: 8am
Location: Virginia Peninsula
Chamber of Commerce

- 1) Call to Order
- 2) Approval of Minutes from May 27, 2021
- 4) Read Instructions for Public Comment
- 5) Public Comment
- 6) Committee Reports
 - a. Finance & Audit Committee
 - b. Planning & Development Committee
 - c. Governance Committee
 - d. Marketing & Public Relations Committee
- 7) Staff Reports
- 8) Old Business
- 9) New Business
- 10) Adjournment

PENINSULA AIRPORT COMMISSION

AGENDA

FINANCE & AUDIT COMMITTEE

Date: June 21, 2021

3:00 p.m.

- 1) Call to Order
- 2) New Business
 - a) May Financials
 - b) PARCS
- 3) Old Business
- 4) Adjourn

PENINSULA AIRPORT COMMISSION

AGENDA

PLANNING & DEVELOPMENT COMMITTEE

Date: June 29, 2021

Time: 3pm

Location: Microsoft Teams

- 1) Call to Order
- 2) New Business
- 3) Old Business
- 4) Adjourn

PENINSULA AIRPORT COMMISSION

AGENDA

GOVERNANCE COMMITTEE

Date: June 29, 2021

Directly following Planning and Development Committee

- 1) Call to Order
- 2) New Business
- 3) Old Business
 - a) PAC Expansion Update
- 4) Adjourn

PENINSULA AIRPORT COMMISSION

AGENDA

MARKETING & PUBLIC RELATIONS COMMITTEE

Date: June 21, 2021

4:00 p.m.

- 1) Call to Order
- 2) New Business
- 3) Old Business
- 4) Adjourn

MINUTES

Peninsula Airport Commission

Meeting Minutes

May 27, 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 May 27, 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

Secretary: Lindsey Smith

Staff members in attendance:

Executive Director, Michael Giardino

Director Marketing & Public Relations, Jenifer Spratley

Business Manager, Christopher Walton

Director Facilities, John Borden

Recorder, Barbara Rumsey

Other Attendees:

Counsel, Eric Ballou

Assistant City Manager Newport News, Ralph Clayton

Public Attendees:

John Sheehan

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

Mr. Joseph asked Counsel to read the law for electronic meetings. Mr. Ballou read the law for electronic meetings.

Approve minutes: Mr. Joseph had an edit to the Minutes. Mr. Joseph then asked for any others. There were none. Mr. Coleman made a motion to approve with edits. Ms. Scott seconded the motion. Voice vote by Roll Call. 6-0. **Minutes Approved.**

Public Comment. 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 March
 - Continue ahead of budget
 - Relief for airlines covered with CARES funding
 - Rental Car vendors provide a good boost
 - Mr. Herbert asked for questions
 - Ms. Smith asked what would happen of the Rental Cars slow down
 - Mr. Giardino stated that we are putting an RFP on the street to negotiate terms and add more vendors
 - Mr. Herbert began with a Budget Introduction
 - Salary Increases to support increased flights
 - Mr. Giardino presented the Final Budget Memo included in Board Packet
 - Mr. Joseph asked for clarity that the increased budget will only take effect with more passengers, correct?
 - Mr. Giardino replied that is correct.
 - Mr. Joseph added that this budget will allow us to go back to pre-COVID model.
 - Approve Resolution 21-018 FY 22 Budget.
 - Mr. Coleman made the motion; Mr. Kelly seconded the motion. Voice vote by Roll call 6-0. Approved
- Planning & Development Committee Report by Mr. Joseph
 - Waterworks Update by Eric Ballou
 - Boundary line adjustment for plats
 - Send City Attorney with forms, waiting on documents
 - Habersham Street Improvements Update from Chris Walton
 - 4 parcels being sold to City of Newport News for improvements
 - Resolution 21-017 Habersham Drive Purchase and Sale Agreement
 - Mr. Coleman made a motion; Mr. Herbert seconded the motion. Voice vote by Roll Call 6-0. Approved.
 - Resolution 21-010A Corporate Hangar Lease Revisions
 - A lease comparison was presented in the board packet
 - Mr. Ballou provided an update

- Ms. Smith stated that it would be helpful to show the collateral for financing
 - Mr. Ballou stated there will be a leasehold mortgage with interest in the building and not the land.
 - Ms. Smith made a motion; Mr. Kelly seconded the motion. Voice vote by roll call. 6-0. Approved.
- Governance Committee Report from Ms. Smith
 - Update on PAC expansion
 - Team will meet with the Newport News city attorney in June
 - Annual Meeting items
 - Slate of officers
 - Same officers and committee structure to maintain consistency
 - Mr. Coleman made a motion to approve the slate of officers. Ms. Scott seconded the motion. Voice vote by roll call. 6-0 Approved.
- Marketing & Public Relations Committee Report by Mr. Kelly
 - Presentation to introduce the new look and identity of the airport
 - Ms. .Scott added that the Committee would like the team to reach out to Tourism companies
 - Ms. Spratley provided an update on the Growth Strategy session
 - She played a video that can be viewed on the website

Mr. Joseph asked for a motion to go into closed session to discuss prospective business opportunities. Ms. Scott made the motion; Mr. Herbert seconded the motion. Voice vote by roll call. 6-0 Approved. Open session closed at 9am.

Mr. Coleman had to leave the meeting at 9:55am.

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 introduced Shaun Kelly, Operations Manager to provide an update on the Taxiway A Lighting and Rehab project. Mr. Kelly provided a presentation that will be included as an Exhibit.

- Phase 1 is complete
- Phase 2 is 25% completed
- Estimated completion date is October 14th
- Questions
 - Mr. Joseph asked if soil is being removed
 - Mr. Kelly responded yes

Mr. Giardino announced that Jenifer Spratley will be leaving the team to explore new adventures.

Mr. Joseph stated that we may need to move next month's meeting to July 1st as the Executive Director will be attending an air service conference to meet with airlines. Everyone was in agreement.

Mr. Joseph adjourned the meeting at 10:13am.

Exhibits



*** FINAL ***

To the

PENINSULA AIRPORT COMMISSION

Fiscal Year 2022

BUDGET MEMORANDUM

from

THE EXECUTIVE DIRECTOR



May 26, 2021

Mr. Thomas Herbert, PAC Treasurer and Chair of PAC Finance Audit Committee
Mr. Rob Coleman, PAC Vice-Chair, and member of PAC Finance Audit Committee

Re: **(FINAL)** Peninsula Airport Commission Preliminary Budget for Fiscal Year 2022
(FY22) (revised information and data in **highlighted front**)

Dear Treasurer Herbert and Vice-Chairman Coleman,

I am pleased present to you the enclosed Preliminary Budget for Fiscal Year 2022 (July 1, 2021, through June 30, 2022). Since March 11, 2020, we have experienced severe reductions in passenger activity due to the Coronavirus pandemic, with a corresponding reduction in revenue. We expect some recovery in FY22, but the extent of the recovery is difficult to calculate. This Preliminary Budget has been developed with the assumptions of a partial recovery of passenger activity and revenue from the low points of Fiscal Years 2020 and 2021. Budget performance measures in this document are between **"Fiscal Year 2022 Budget" and "Fiscal Year 2021 Projected."**

Exhibit "A", Summary by Cost Center: projects an increase in FY22 Total Revenue of 1,392,609 (+30%).

The individual FY22 Revenue projections are as follows:

1. **Landing fees:** projected to increase \$223,481 (+383%) increase over FY21 based upon 111,832 enplaned passengers on American Airlines non-stop service to Philadelphia (PHL) and Charlotte (CLT).
2. **Remain Overnight Fees:** projected to increase \$57,272 (+378%) based upon three (3) overnight commercial service aircraft each night.
3. **Airline Rent:** projected to increase \$199,820 (+115%) increase over FY21 based upon increased enplanements yet American Airlines occupancy only.
4. **Non-Airline Airfield Revenue:** projected to increase \$210,910 (+18%) due to contractual increases in rent for Atlantic Aviation and Rick Aviation, a new operating fee for Aery Aviation, as well as programmed phased increases to General Aviation (GA) hangars and properties.
5. **Vending:** projected to increase \$7,550 (+84%) due to increased enplanements.
6. **Parking:** projected to increase \$377,756 (+102%) due to increased enplanements.
7. **Rental Car Commissions and fees:** projected to increase \$78,904 (+5%) due to increased enplanements.
8. **Ground Transportation Services:** projected to increase \$29,959 (+114%) due to increased enplanements and a \$1.00 increase in pick up and drop off fees.
9. **Land Rent:** projected to decrease \$19,791 (-5%) due to loss of Hertz and shipyard parking

rent and decrease of \$12,032 (-2%) due to fewer rental units in the Patrick Henry Mobile Home Park.

10. **Take PHFlight Restaurant:** projected to increase \$151,495 (+ 109 %) due to increased enplanements.
11. **Operating Revenue:** projected to increase \$1,392,609 (+30%) due to increased enplanements.
12. **Non-Operating Revenue:** projected to decrease \$6,087,456 (-66%) due to decrease in Federal CARES/CRRSAA/ARP grant funds.

Exhibit "B", Summary by Expenditure item: projects an increase in FY22 Total Expenses of \$1,708,763 (+27.2%). After conclusion of Phase 1 of our Strategic Marketing Analysis and Planning, I have increased salaries, wages and benefits in operations for the potential of increased commercial air service. I also made minor adjustments for staffing changes in custodial and administration. Additionally, I added \$175,000 to Marketing and Advertising to implement the Strategic Marketing Plan. The salaries, wages and benefits increase in operations will remain dormant until the advent of commercial air service above 7x daily to Charlotte (CLT) and 3x daily to Philadelphia (PHL) American Airlines. The true net increase over the April 2021 Budget Presentation, without additional commercial air service is: 1) Salaries, Wages and Benefits, \$42,804; 2) Marketing and Advertising, \$175,000 totaling, \$217,804.

The revised budget below reflects the additional air service (i.e., greater than 10 daily scheduled commercial non-stop departures) and marketing requirements totaling, \$557,500.

The individual FY22 Expense projections are as follows:

1. **Salaries and Wages:** projected to increase \$658,607 (+23.6%) as staffing returns to pre-pandemic levels for critical operational positions and proper levels for airport-operated concessions (parking and restaurant) to serve growing demand. Also included is, up to, a 5% merit wage increase.
2. **Benefits:** projected to increase \$296,230 (+35.5%) as staffing returns to pre-pandemic levels for critical operational positions and proper levels for airport-operated concessions (parking and restaurant) to serve growing demand. We predict increases to PAC-funded part of medical coverage. Also included is, up to, a 5% merit wage increase. FY21 projected is low due to two employees' transition from temporary to permanent.
3. **Advertising, Marketing and Development:** projected to increase \$420,805 (+165.5%) as we roll out our new strategic marketing program and it becomes increasingly more important to communicate that air travel is safe and convenient, especially from PHF.
4. **Professional Services (excluding Legal and Audit):** projected to increase \$69,628 (+230%) due to continuation of deferred work on Rental Car Agreement, Airline Rates and Charges, and expansion of projects to include funding provided in the proposed federal infrastructure legislation.
5. **Auditing Services:** projected to increase \$21,762 due to continuation of deferred work on concession audits and requirement to audit pandemic-related federal disbursements (CARES, CRRSAA, ARP).
6. **Bank Service Charges:** projected to increase \$31,542 (+154%) credit card fees, wire fees, & account activity analysis fees. Calculated at 15% of expected Parking Lot & Restaurant revenue.
7. **Consultant Fees:** projected to increase \$65,000 (+81%). \$50,000 programmed for federal and state lobbying efforts related to President Biden's Transportation Infrastructure Plan and \$15,000 for a Small Community Air Service Program (SCADP) grant application.
8. **Education and Tuition:** projected to increase \$6,680 (+2,080%). (Program was

- previously unfunded due to pandemic.)
9. **Utilities:** projected to increase projected to increase \$24,935 (+4%) due to increased enplanements (normal operations) and anticipated rate increases.
 10. **Fuel and Lubricants:** projected to increase \$11,123 (+29%) due to rising prices.
 11. **Insurance:** projected to increase projected to increase \$5,285 (+2.4%) due to inflation.
 12. **Laundry and Uniform Cleaning:** projected to decrease \$717 (-7%) due to reduction in service.
 13. **Legal Fees:** projected to increase \$13,915 (+13%) due to normalization of projects and transactions.
 14. **General Office:** projected to increase \$3,707 (+17.4%).
 15. **Miscellaneous:** projected to decrease \$2,152 (+100%) due to proper allocation of resources.
 16. **Legal Postings and Notices:** projected to increase \$61 (+9.5%).
 17. **Postage:** projected to increase \$122 (+4.2%).
 18. **Subscriptions and Dues:** projected to decrease \$1,275 (-7.8%) due to reduction in requirement.
 19. **Communications:** projected to increase \$869 (+4%)
 20. **Information Technology:** projected to decrease \$5,556 (-8.5%) is on par with FY21 budget.
 21. **Supplies, Tools and Equipment:** projected to increase \$51,258 (+15%) due to increased enplanements.
 22. **Training and Travel:** projected to increase \$35,127 (+182%) due to resumption of pre-pandemic activity.
 23. **Uniforms:** projected to decrease \$1,453 (-12%).
 24. **Maintenance and Repair:** projected to increase \$140,761 (+42%) due to increased enplanements.
 25. **Capital Expenditures:** projected to increase \$1,000,000 (100%) due to procurement of airport parking access revenue control systems (PARCS).
 26. **Total Operating Expenditures:** projected to increase **\$1,832,131 (29.1%)** due increased enplanements and normalization of activity.

Exhibit C, Rates Fees and Charges: Only change is the Transportation Network fee will be \$3.00 per trip versus \$2.00 per trip as was charged in FY 21.

Exhibit D, Capital Budget: **Six-Year Department of Aviation Plan and 2022 Supplemental (locally funded) Plan.**

A meeting of the Finance Audit Committee to discuss this preliminary budget is scheduled for 3:00 p.m. on April 19, 2021. **This proposal is final, and I wish your committee to forward it to the full Commission for adoption.** I will place this matter on the agenda for Commission action at our meeting scheduled for May 28, 2021.

Sincerely,



Michael A. Giardino, C.M.
Executive Director

Copy w/encl: Commissioners

EXHIBIT A

**PENINSULA AIRPORT COMMISSION BUDGET COMPARISON
SUMMARY BY COST CENTER**

	FY 2022 PROPOSED BUDGET	FY 2021 PROJECTED	FY 2022 BUDGET VS. PROJ	FY 2021 BUDGET	FY 2022 BUDGET VS. FY 2021
REVENUE					
AIRFIELD	\$1,751,809	\$1,259,785	39.1%	\$1,373,355	27.6%
TERMINAL	\$937,044	\$516,887	81.3%	\$715,710	30.9%
LANDSIDE	\$2,370,393	\$1,890,835	25.4%	\$1,518,624	56.1%
OTHER RENTS	\$337,040	\$356,831	-5.5%	\$334,241	0.8%
TRAILER PARK	\$520,860	\$532,892	-2.3%	\$517,476	0.7%
ADMINISTRATIVE	\$73,800	\$40,757	81.1%	\$73,000	1.1%
MAINTENANCE	\$0	\$350	-100.0%	\$0	0.0%
TOTAL REVENUE	\$5,990,946	\$4,598,337	30.3%	\$4,532,406	32.2%
EXPENDITURES					
AIRFIELD	\$843,872	\$753,895	11.9%	\$791,553	6.6%
TERMINAL	\$1,765,977	\$1,565,406	12.8%	\$1,645,811	7.3%
LANDSIDE	\$562,909	\$471,640	19.4%	\$519,842	8.3%
OTHER RENTS	\$369,386	\$310,647	18.9%	\$358,104	3.2%
TRAILER PARK	\$399,132	\$377,138	5.8%	\$374,744	6.5%
ADMINISTRATIVE	\$3,273,306	\$2,019,748	62.1%	\$2,084,481	57.0%
MAINTENANCE	\$346,827	\$271,512	27.7%	\$299,904	15.6%
PHFLIGHT CONSESSIONS	\$314,059	\$265,514	18.3%	\$303,447	3.5%
BOND DEBT	\$237,027	\$244,862	-3.2%	\$254,400	-6.8%
TOTAL EXPENDITURES	\$8,112,494	\$6,280,363	29.2%	\$6,632,286	22.3%
TOTAL NET REVENUE	(\$2,121,548)	(\$1,682,027)	26.1%	(\$2,099,880)	1.0%

EXHIBIT B

PENINSULA AIRPORT COMMISSION BUDGET COMPARISON SUMMARY BY EXPENDITURE ITEM

	FY 2022 PROPOSED BUDGET	FY 2021 PROJECTED	PROJ VS. FY22 BUDGET	% CHANGE	FY 2021 BUDGET	FY 22 BUDGET VS. FY 21
REVENUE						
AIRFIELD	\$1,751,809	\$1,259,785	\$492,024	39.1%	\$1,373,355	27.6%
TERMINAL	\$937,044	\$516,887	\$420,157	81.3%	\$715,710	30.9%
LANDSIDE	\$2,370,393	\$1,890,835	\$479,558	25.4%	\$1,518,624	56.1%
OTHER RENTS	\$337,040	\$356,831	(\$19,791)	-5.5%	\$334,241	0.8%
TRAILER PARK	\$520,860	\$532,892	(\$12,032)	-2.3%	\$517,476	0.7%
ADMINISTRATIVE	\$73,800	\$40,757	\$33,043	81.1%	\$73,000	1.1%
MAINTENANCE	\$0	\$350	(\$350)	-100.0%	\$0	0.0%
TOTAL REVENUE	\$5,990,946	\$4,598,337	\$1,392,609	30.3%	\$4,532,406	32.2%
EXPENDITURES						
LABOR	\$3,437,489	\$2,778,882	\$658,607	23.7%	\$2,793,324	23.1%
BENEFITS	\$1,152,577	\$856,344	\$296,233	34.6%	\$1,039,599	10.9%
REPAIRS & MAINTENANCE	\$473,468	\$332,707	\$140,761	42.3%	\$360,968	31.2%
UTILITIES	\$648,734	\$623,799	\$24,935	4.0%	\$753,800	-13.9%
SUPPLIES	\$393,579	\$342,321	\$51,258	15.0%	\$301,975	30.3%
SERVICES	\$674,977	\$522,946	\$152,031	29.1%	\$523,704	28.9%
TRAVEL & TRAINING	\$54,476	\$19,349	\$35,127	181.5%	\$22,976	137.1%
ADVERTISING	\$675,000	\$254,195	\$420,805	165.5%	\$255,000	164.7%
INSURANCE	\$222,500	\$217,215	\$5,285	2.4%	\$228,401	-2.6%
RETIREE BENEFITS	\$90,000	\$83,744	\$6,256	7.5%	\$96,648	-6.9%
MISC/OTHER	\$2,670	\$3,871	(\$1,201)	-31.0%	\$1,490	79.2%
BOND DEBT	\$237,027	\$244,862	(\$7,836)	-3.2%	\$254,400	-6.8%
TOTAL EXPENDITURES	\$8,112,494	\$6,280,363	\$1,832,131	29.2%	\$6,632,286	22.3%
TOTAL NET REVENUE	(\$2,121,548)	(1,682,026)	(\$439,522)	-26.1%	(-\$2,099,880)	1.0%

PENINSULA AIRPORT COMMISSION RATES, FEES & CHARGES
FY 2022 (July 1st 2021 - June 30th 2022)

This document sets forth the policy under which the Peninsula Airport Commission ("PAC") will establish annual rates, fees and charges at the Newport News/Williamsburg International Airport ("Airport"). The rates, fees and charges provided by this policy shall be charged in addition to any other rates, charges and fees the PAC authorizes or assesses or in any other individual permits, agreements, permits or leases entered into by the PAC and its tenants.

The PAC retains the right to adjust the rates, charges and fees described herein.

Definitions

"Airlines" are each Airline providing regularly scheduled passenger service to and from the Airport and using the Airport Terminal Building to enplane and deplane passengers.

"Signatory" An airline that has entered into a signed agreement to operate commercial air service (passenger/cargo) and or lease space inside the terminal building.

"Non-Signatory" An airline that chooses not to sign an agreement to operate commercial air service (passenger/cargo) and or lease space inside the terminal building. Non-signatory rates will be 150% of the rates, fees and charges.

"Scheduled Airline Type A" An airline offering regular scheduled service operating multiple daily flights to with a minimum of 6 flights per week.

"Scheduled Airline Type B" An airline offering scheduled service operating less than daily flights to a single destination with a minimum of 2 flights per week and no more than 5 flights per week throughout a calendar year.

"Airline Operating and Space Use Agreement" or **"Agreement"** is the agreement that all airlines must execute to operate at the Newport News-Williamsburg International Airport.

"Certified Maximum Gross Landed Weight" or **"CMGLW"** is, for any aircraft operated by any of the Airlines, the certified maximum gross landing weight in one thousand pound units of such aircraft as certified by the FAA and as listed in the airline's FAA approved Flight Operations Manual.

"Customer Facility Charge (CFC)" is a charge imposed by the PAC on each rental day of a rental car.

"Enplaned Passengers" are the originating and on-line or off-line transfer passengers of each of the Airlines serving the Airport enplaning at the Terminal Building.

"Exclusive Space" is space assigned to an airline for specific and exclusive use.

"Fiscal Year" is July 1st of any calendar year through June 30th of the next succeeding calendar year.

"Landing Fees" are the Landing Fees calculated by multiplying the Landing Fee Rate determined by the applicable Certified Maximum Gross Landed Weight of Revenue Aircraft Arrivals.

"Non-Exclusive Space" common circulation and operating space that is used by airline personnel and airline passengers.

"Passenger Facility Charge (PFC)" is the charge imposed by the PAC pursuant to 14 CFR Part 158, as amended or supplemented from time to time, or any other substantially similar charge lawfully levied by or on behalf of the PAC pursuant to or permitted by federal law.

"Rates, Fees and Charges" are the rates, fees and charges for any Fiscal Year calculated under this Policy.

"Federal Inspection Service (FIS)" is a facility at PHF used by Customs Border Protection (CBP) to clear international passengers into the United States.

Description

Exclusive Finished Space Upper and Lower Levels	<u>Rate</u> \$34.00 /sf
Exclusive Unfinished Space Upper and Lower Levels	\$24.00/sf
Non-Exclusive (Shared) Space (Signatory)	\$2.40/enplaned passenger
Non-Exclusive (Shared) Space (Non-signatory)	\$3.60/enplaned passenger
Federal Inspection Station (FIS)	\$3.00/deplaned passenger

Exhibit C page 2

Jetbridge Use (Signatory)	\$2,000/mo
Jetbridge Use (Non-signatory)	\$30/use
Landing Fee (Signatory)	\$1.98/1,000 lbs
Landing Fee (Non-signatory)	\$2.97/1,000 lbs
Overnight Aircraft Parking Fee (RON)	50% of the landing fee
Law Enforcement (TSA Required) (Signatory)	\$0.20/enplaned passenger
Law Enforcement (TSA Required) (Non-signatory)	\$1.00/enplaned passenger
Communications	\$25.00/phone
Trash Disposal	\$50.00
Utilities	\$50.00
Employee Parking Permit	\$35/employee/yr
SIDA Access Control ID	\$50/ID (other fees vary – see DPS)
Passenger Facility Charge (PFC)	\$4.50/enplaned passenger
Customer Facility Charge (CFC)	\$4.25/rental day
Janitorial Services	Negotiated based on service need
Scheduled Airline Type “A” & “B” Per Flight Charge	Varies based on aircraft use, passengers handled and space occupied
Food and Beverage	Rate varies based on gross sales
Rental Car	10% of Gross Revenue
Off Airport RAC	10% of Gross Revenue
Rental Car Overflow Parking Space	\$465/mo.
Rental Car Exclusive Space Upper Level	\$40.00/sf
Retail	Rate varies based on gross sales
Vending	35% of gross sales
Off Airport Parking	10% of gross revenue
FBO Concession	2% of gross sales or flat fee (negotiated)
Fuel Flowage Fee (GA)	\$.05/gallon
Fuel Flowage Fee (Charter Airline)	\$.05/gallon
Fuel Flowage Fee (Commercial)	\$.015/gallon
Ground Lease Rate	Varies based on location and size
Aeronautical Facility Use Fee	\$5,000/mo
Aeronautical Commercial Operator (not an FBO)	5% of Gross Revenue
GA Hangar Lease Rates	PAC Hangar Leasing Policy / Condition
Traffic Violations	City of Newport News Code
Security Violations	Transportation Security Administration
Baggage Delivery Service Fee	\$550/yr
Commercial Ground Transportation	\$3/pick up
Transportation Network Companies	\$3/pick up & drop off
Copy Charges (For Information Requests)	\$.25/copy – B&W
	\$.50/copy – Color
Freedom of Information Request Charge	Cost of Administration/Reproduction
Financing Charge	1.5%
Conference Room Rental	\$50 (flat fee)
Banquet Room Rental	\$75 (less than 4 hours)
	\$150 (more than 4 hours)
Aircraft Recovery	Cost Plus 20%
Fire Suppressant	Cost Plus 20%
Airfield/Lighting/Signage Damage	Cost Plus 20%
Terminal Building Damage	Cost Plus 20%
Landside/Parking Facilities Damage	Cost Plus 20%
PAC Maintenance Labor	\$50/hour

Exhibit D (Supplemental)

PENINSULA AIRPORT COMMISSION

FY 2022 CAPITAL IMPROVEMENT PROGRAM

Items NOT funded or ineligible for State and/or Federal funding:

<u>PROJECT</u>	<u>BUDGET</u>
1. Parking Access and Revenue Control System (PARCS)	\$1,000,000.00
2. Digital Upgrades	\$ 150,000.00
2.1. FIDS	
2.2. Mass Notification	
2.3. Part 139 (Operations) Digital dashboard	
2.4. Access Control/CCTV	
Total	<u>\$1,150,000.00</u>

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"Airlines" are each Airline providing regularly scheduled passenger service to and from the Airport and using the Airport Terminal Building to enplane and deplane passengers.

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"Non-Signatory" An airline that chooses not to sign an agreement to operate commercial air service (passenger/cargo) and or lease space inside the terminal building. Non-signatory rates will be 150% of the rates, fees and charges.

"Scheduled Airline Type A" An airline offering regular scheduled service operating multiple daily flights to with a minimum of 6 flights per week.

"Scheduled Airline Type B" An airline offering scheduled service operating less than daily flights to a single destination with a minimum of 2 flights per week and no more than 5 flights per week throughout a calendar year.

"Airline Operating and Space Use Agreement" or "Agreement" is the agreement that all airlines must execute to operate at the Newport News-Williamsburg International Airport.

"Certified Maximum Gross Landed Weight" or "CMGLW" is, for any aircraft operated by any of the Airlines, the certified maximum gross landing weight in one thousand pound units of such aircraft as certified by the FAA and as listed in the airline's FAA approved Flight Operations Manual.

"Customer Facility Charge (CFC)" is a charge imposed by the PAC on each rental day of a rental car.

"Enplaned Passengers" are the originating and on-line or off-line transfer passengers of each of the Airlines serving the Airport enplaning at the Terminal Building.

"Exclusive Space" is space assigned to an airline for specific and exclusive use.

"Fiscal Year" is July 1st of any calendar year through June 30th of the next succeeding calendar year.

"Landing Fees" are the Landing Fees calculated by multiplying the Landing Fee Rate determined by the applicable Certified Maximum Gross Landed Weight of Revenue Aircraft Arrivals.

"Non-Exclusive Space" common circulation and operating space that is used by airline personnel and airline passengers.

"Passenger Facility Charge (PFC)" is the charge imposed by the PAC pursuant to 14 CFR Part 158, as amended or supplemented from time to time, or any other substantially similar charge lawfully levied by or on behalf of the PAC pursuant to or permitted by federal law.

"Rates, Fees and Charges" are the rates, fees and charges for any Fiscal Year calculated under this Policy.

"Federal Inspection Service (FIS)" is a facility at PHF used by Customs Border Protection (CBP) to clear international passengers into the United States.

<u>Description</u>	<u>Rate</u>
Exclusive Finished Space Upper and Lower Levels	\$34.00 /sf
Exclusive Unfinished Space Upper and Lower Levels	\$24.00/sf
Non-Exclusive (Shared) Space (Signatory)	\$2.40/enplaned passenger
Non-Exclusive (Shared) Space (Non-signatory)	\$3.60/enplaned passenger
FIS	\$3.00/deplaned passenger
Jetbridge Use (Signatory)	\$2,000/mo
Jetbridge Use (Non-signatory)	\$30/use
Landing Fee (Signatory)	\$1.98/1,000 lbs
Landing Fee (Non-signatory)	\$2.97/1,000 lbs
Overnight Aircraft Parking Fee (RON)	50% of the landing fee
Law Enforcement (TSA Required) (Signatory)	\$0.20/enplaned passenger
Law Enforcement (TSA Required) (Non-signatory)	\$1.00/enplaned passenger
Communications	\$25.00/phone
Trash Disposal	\$50.00
Utilities	\$50.00
Employee Parking Permit	\$35/employee/yr
SIDA Access Control ID	\$50/ID (other fees vary – see DPS)
Passenger Facility Charge (PFC)	\$4.50/enplaned passenger
Customer Facility Charge (CFC)	\$4.25/rental day
Janitorial Services	Negotiated based on service needs
Scheduled Airline Type "A" & "B" Per Flight Charge	Varies based on aircraft use, passengers handled and space occupied
Food and Beverage	Rate varies based on gross sales
Rental Car	10% of Gross Revenue
Off Airport RAC	10% of Gross Revenue
Rental Car Overflow Parking Space	\$465/mo.
Rental Car Exclusive Space Upper Level	\$40.00/sf
Retail	Rate varies based on gross sales
Vending	35% of gross sales

Off Airport Parking	10% of gross revenue
FBO Concession	2% of gross sales or flat fee (negotiated)
Fuel Flowage Fee (GA)	\$.05/gallon
Fuel Flowage Fee (Charter Airline)	\$.05/gallon
Fuel Flowage Fee (Commercial)	\$.015/gallon
Ground Lease Rate	Varies based on location and size
Aeronautical Facility Use Fee	\$5,000/mo
Aeronautical Commercial Operator (not an FBO)	5% of Gross Revenue
GA Hangar Lease Rates	Per PAC Hangar Leasing Policy and Condition
Traffic Violations	City of Newport News Code
Security Violations	Transportation Security Administration
Baggage Delivery Service Fee	\$550/yr
Commercial Ground Transportation	\$3/pick up
Transportation Network Companies	\$3/pick up & drop off
Copy Charges (For Information Requests)	\$.25/copy – B&W \$.50/copy – Color
Freedom of Information Request Charge	Cost of Administration/Reproduction
Financing Charge	1.5%
Conference Room Rental	\$50 (flat fee)
Banquet Room Rental	\$75 (less than 4 hours) \$150 (more than 4 hours)
Aircraft Recovery	Cost Plus 20%
Fire Suppressant	Cost Plus 20%
Airfield/Lighting/Signage Damage	Cost Plus 20%
Terminal Building Damage	Cost Plus 20%
Landside/Parking Facilities Damage	Cost Plus 20%
PAC Maintenance Labor	\$50/hour



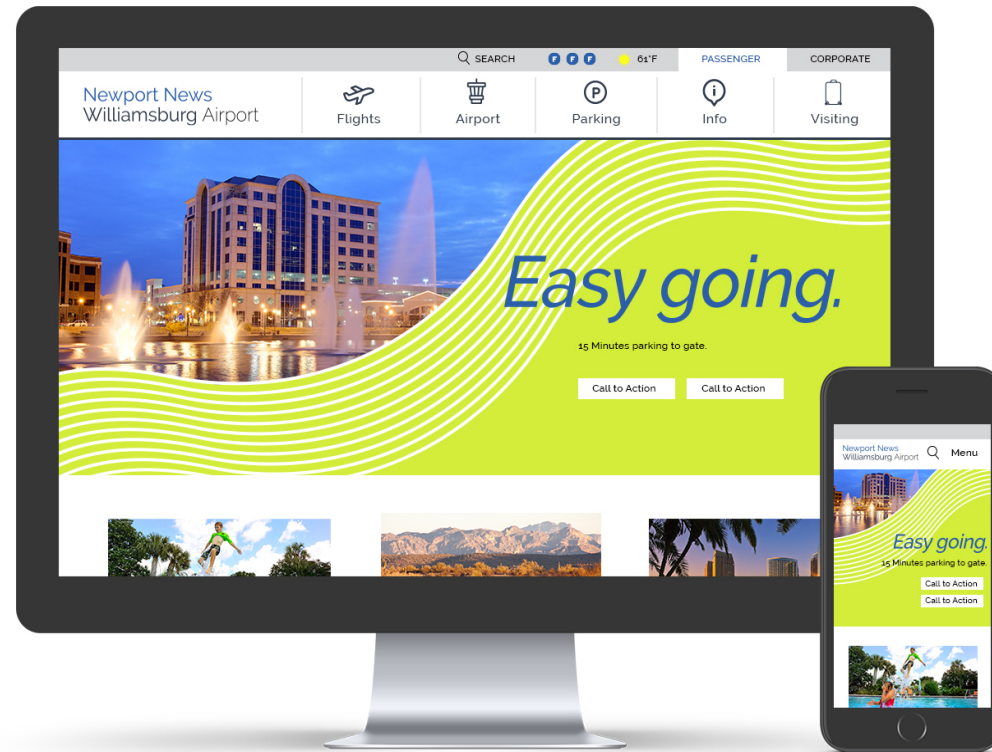
Just a peek at **The New Look**

Newport News Williamsburg Airport



Newport News-Williamsburg Airport

The Website & Mobile View



The New Look



Avoid the tunnel.

FLY LOCAL

Newport News
Williamsburg Airport
Easy going.



Faster to
the gate.

FLY NOW

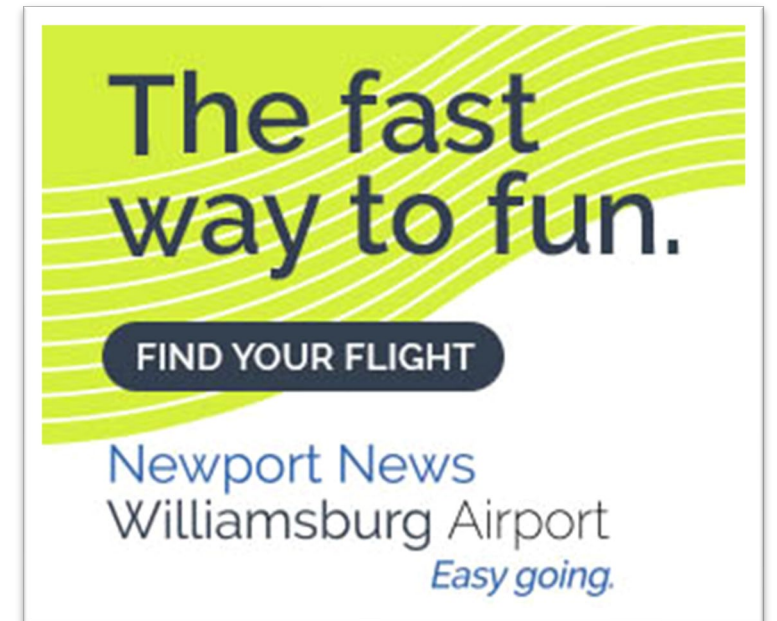
Newport News
Williamsburg Airport
Easy going.



Skip
the
long
drive.

Newport News
Williamsburg Airport
Easy going.

LEARN MORE



The fast
way to fun.

FIND YOUR FLIGHT

Newport News
Williamsburg Airport
Easy going.



A billboard advertisement for Newport News Williamsburg Airport. The billboard is mounted on a metal structure against a clear blue sky. The top half of the billboard has a lime green background with white wavy lines and the text 'It's about time.' in black. The bottom half has a white background with the text 'Newport News Williamsburg Airport' on the left and '15 MIN CURB TO GATE.' on the right in blue. The billboard is supported by a dark metal pole and cross-arms.

It's about time.

Newport News
Williamsburg Airport

15 MIN CURB TO GATE.

Vision

- **Our community's first choice for air travel**
 - First choice – they prefer us versus other airports they could use: Norfolk, Richmond, DC

Mission

- **Fast, easy, enjoyable travel to and from our community**
 - Fast – faster from home to destination
 - Easy– seamless, effortless, and simple
 - Enjoyable – passengers like their experience

Lose wait.

15 MIN CURB TO GATE.

Newport News
Williamsburg Airport



PENINSULA AIRPORT COMMISSION

MAY 2021 BRIEFING

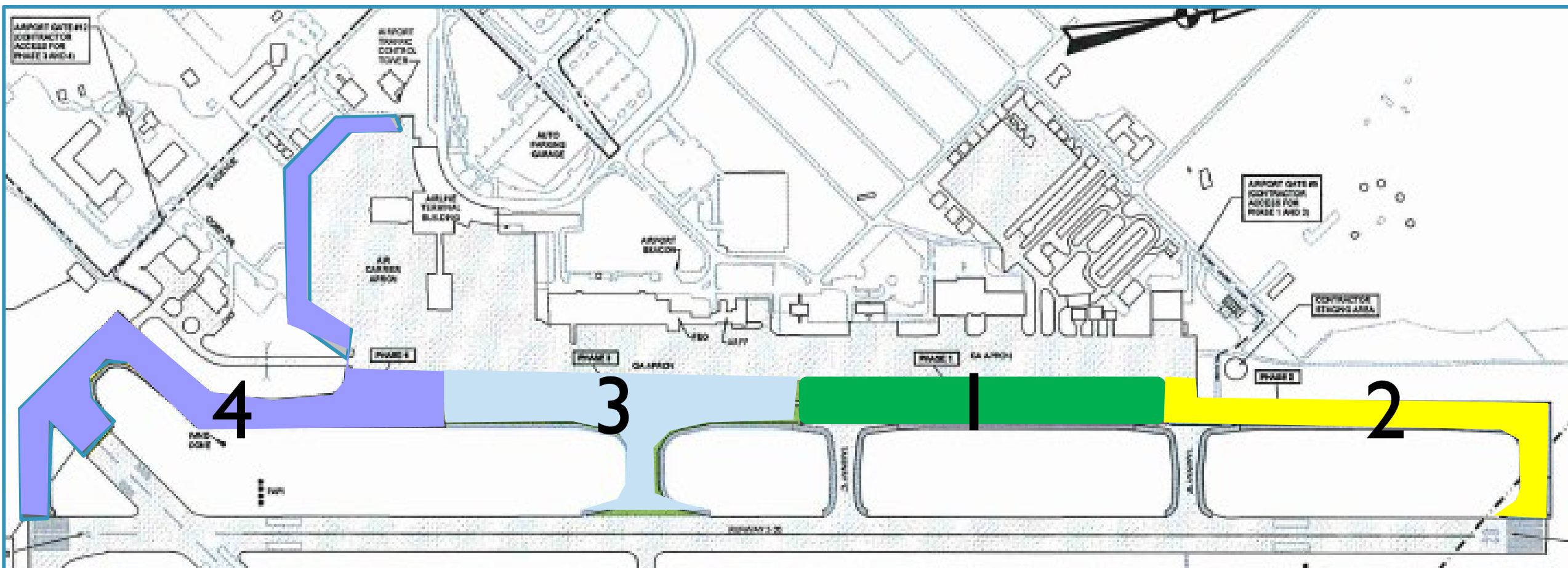


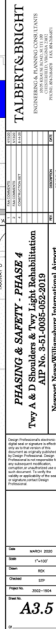
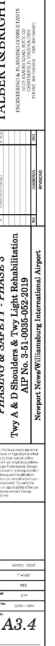
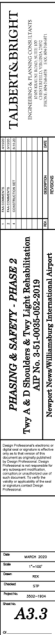
NEWPORT NEWS • WILLIAMSBURG
INTERNATIONAL AIRPORT

AIP 53 PROJECT



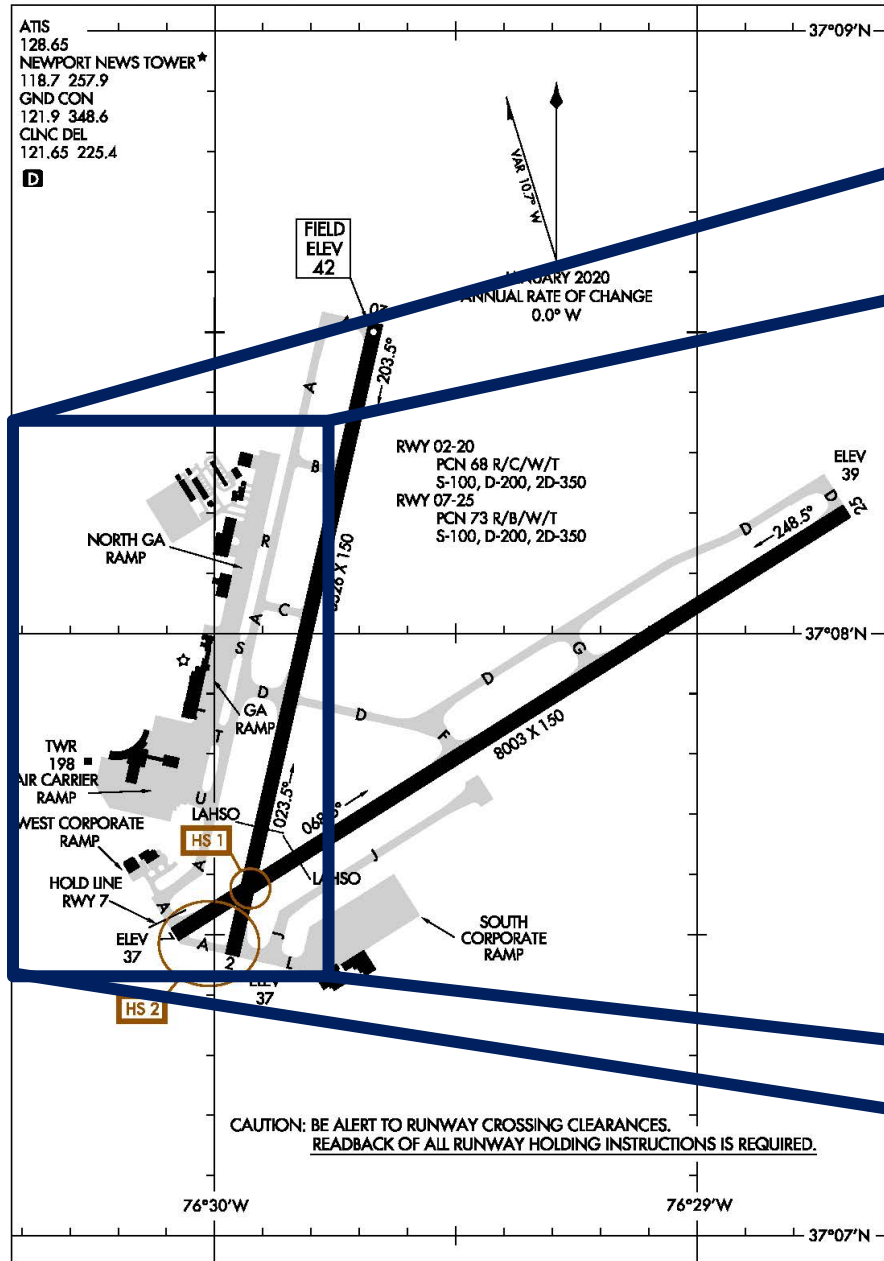
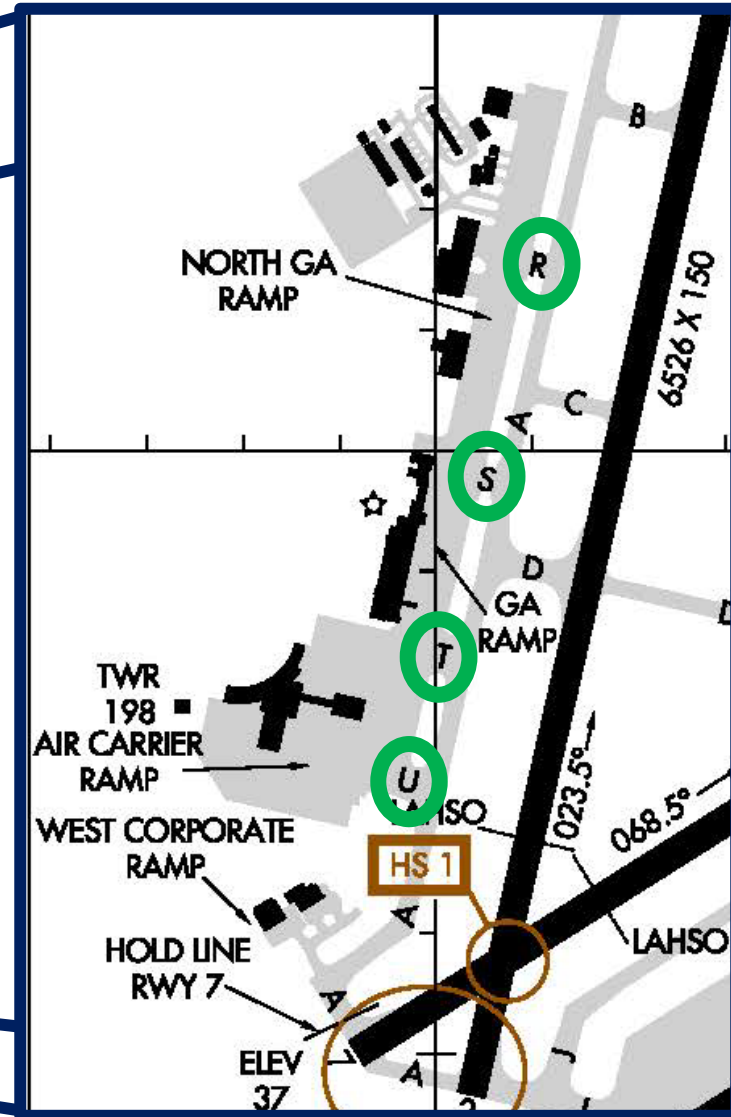
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INTERNATIONAL AIRPORT





21168

AIRPORT DIAGRAM

NEWPORT NEWS/WILLIAMSBURG INTL (PHF)
AL-957 (FAA)
NEWPORT NEWS, VIRGINIAAIRPORT DIAGRAM
21168NEWPORT NEWS, VIRGINIA
NEWPORT NEWS/WILLIAMSBURG INTL (PHF)

AERODROME/AERY HANGAR LEASE COMPARISON



NEWPORT NEWS • WILLIAMSBURG
INTERNATIONAL AIRPORT

Item	December 2020 Lease	April 2021 Lease
Term	20 years with two additional 5-year terms	30 years with two additional 5-year terms
Land	67,857 square feet	113,310 square feet
Building Size	54,000 square feet	93,250 square feet
Ground Rent	\$20,357.10 annually (\$1,696.43/mo.)	\$33,993.00 annually (\$2,832.75/mo.)
Operating Fee and Concession Fee	\$100,000.00 annual facility rent or 0.15% of all gross receipts	<p>\$25,000.00 annual operating fee</p> <p>Annual operating fee adjustment every 5-year based on Consumer Price Index for all Urban Consumers</p> <p>Addition of Concession Fee equal to the greater of \$75,000.00 minimum annual concession fee or 0.15% of all gross receipts</p>
Tenant's Capital Improvement Obligations	None previously listed	<p>Minimum of \$50,000.00 capital improvements must be made between the 10th and 20th year of the term</p> <p>Minimum of \$400,000.00 capital investment must be made between the 20th and 30th year of the term</p>

QUESTIONS

SHAUN JOSEPH A. KELLY, C.M., ACE, IACE, NREMT OPERATIONS MANAGER

SKELLY@FLYPHF.COM (757) 877-0221 X231 (757) 880-2746



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INTERNATIONAL AIRPORT

THANKS FOR YOUR TIME

AND BE SAFE!!!



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INTERNATIONAL AIRPORT

FINANCIALS

	FY 2021 ANNUAL													
DESCRIPTION	BUDGET	JUL-20	AUG-20	SEP-20	OCT-20	NOV-20	DEC-20	JAN-21	FEB-21	MAR-21	APR-21	MAY-21	JUN-21	Total
TOTAL REVENUE	\$ 4,532,405.73	\$ 530,820.91	\$ 422,011.44	\$ 439,765.78	\$ 1,253,382.13	\$ 422,389.37	\$ 374,863.54	\$ 314,163.92	\$ 352,363.44	\$ 433,360.91	\$ 433,312.40	\$ 424,554.32	\$ -	\$ 5,408,208.16
TOTAL EXPENDITURES	\$ 6,027,283.50	\$ 462,197.41	\$ 515,934.72	\$ 532,168.77	\$ 571,793.78	\$ 513,993.24	\$ 537,212.31	\$ 547,459.87	\$ 519,266.84	\$ 549,037.95	\$ 436,295.46	\$ 471,495.60	\$ -	\$ 5,420,495.26
NET REVENUE-OPERATIONS	\$ (1,494,877.77)	\$ 68,623.50	\$ (93,923.28)	\$ (92,382.99)	\$ 681,588.35	\$ (91,603.87)	\$ (162,348.77)	\$ (233,295.95)	\$ (166,903.40)	\$ (115,677.04)	\$ (2,983.06)	\$ (46,941.28)	\$ -	\$ (12,287.10)
TOTAL NET REVENUE	\$ (1,494,877.77)	\$ 68,623.50	\$ (93,923.28)	\$ (92,382.99)	\$ 681,588.35	\$ (91,603.87)	\$ (162,348.77)	\$ (233,295.95)	\$ (166,903.40)	\$ (115,677.04)	\$ (2,983.06)	\$ (46,941.28)	\$ -	\$ (12,287.10)

NEWPORT NEWS / WILLIAMSBURG INTERNATIONAL AIRPORT
MONTHLY ACTIVITY REPORT

May 2021								
TOTAL PAX						Total	Total	
(enpl. + depl.)	May-21	May-20	% CHG	MKT SHR 2021	MKT SHR 2020	Seats Avail.	Enpl & Depl	Load Factor
Delta	0	223	-100.0%	0.0%	3.4%	0	0	
American	11,531	6,023	91.4%	98.2%	92.0%	13,172	11,531	87.5%
Charter	213	301		1.8%	4.6%			
TOTAL	11,744	6,547	79.4%	100.0%	100.0%			
YOY PAX	6/20-5/21	6/19-5/20	% CHG	MKT SHR 2021	MKT SHR 2020			
Delta	0	127,899	-100.0%	0.0%	36.7%			
American	115,949	218,915	-47.0%	98.7%	62.8%			
Charter	1,518	1,987	-23.6%	1.3%	0.6%			
TOTAL	117,467	348,801	-66.3%	100.0%	100.0%			
YTD PAX	2021 YTD	2020 YTD	% CHG	MKT SHR 2021	MKT SHR 2010	Total Seat Available YTD		
Delta	0	29,195	-100.0%	0.0%	36.3%	0		
American	46,629	50,827	-8.3%	98.4%	63.2%	62,816		
Charter	775	408	100.0%	1.6%	0.5%			
TOTAL	47,404	80,430	-41.1%	100.0%	100.0%	62,816		
FLIGHT		12 Months		12 Months				
OPS	May-21	May-20	To-Date	To-Date	YOY			
			2021	2020	% CHANGE			
GA	3,322	1,104	22,051	30,150	-26.9%			
Air Carrier	584	425	5,625	9,947	-43.5%			
Itinerant Mil	897	468	6,941	7,094	-2.2%			
Local Mil	750	272	5,756	9,871	-41.7%			
TOTAL	5,553	2,269	40,373	57,062	-29.2%			

RESOLUTIONS

RESOLUTION 22-001 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.

RESOLUTION 22-002 AWARDING 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:

4. 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.
5. This resolution shall take effect immediately.