

Peninsula Airport Commission

Board of Commissioners Meeting Minutes

October 19, 2022, 8:00 a.m.

Commissioners in Attendance:

Chair, Lindsey Carney Smith

Vice Chair, Brian Kelly

Secretary, Sharon Scott (arrived 8:08 a.m.)

Assistant Secretary, Thomas "Tommy" Garner

Treasurer, James "Jay" Joseph

Assistant Treasurer, Jennifer Smith

Staff Members in Attendance:

Police Chief Todd Rittenhouse

Finance Director, Mark Adams

Executive Assistant, Jamie O'Brien

Counsel, L. Scott Seymour

Ground Maintenance Supervisor, Howard "Skeeter" Lavelle

Public Officials Present:

Ralph "Bo" Clayton, Assistant City Manager

Public Attendees:

David Hause, Kiln Creek HOA

Chair Carney Smith called the meeting to order at 8:01 a.m.

Minutes. Commissioner Joseph moved to accept the September 22, 2022 meeting minutes as presented. Commissioner Kelly seconded and the minutes were approved unanimously.

Public Comment. Mr. David Hause indicated he would like to address the Commission. Jamie O'Brien read the Rules for Public Comment into the record. Mr. Hause stated his purpose for speaking was to introduce himself to the new PAC Board members.

Committee Reports: Chair Carney Smith announced that due to scheduling issues, the committees did not meet as they normally would. Commissioner Joseph stated that even though the Finance and Audit Committee did not meet, he did meet individually with Mark Adams, Director of Finance. Mr. Adams reported that September financials are in. Briefly, the results are as follows:

- Labor is below budget year-to-date but is expected to change now that we are staffed up for Avelo
- Repairs and office expenses are above budget due to preparing for the Avelo launch and having to make some repairs sooner than originally planned in order to accommodate the new air service

- Parking and rental cars are providing revenue near budget
- Restaurant revenue and expenses are both above budget due to inflation
- Utilities are above budget due to inflation and costs going up

Commissioner Kelly asked if the revenues from Parking and Rental Cars are closing the gap for the overall budget? Mr. Adams replied that the revenues are closing the gap compared to the prior year.

Chair Carney Smith said Planning and Development Committee did not meet however, there are two items that will be briefed in closed session.

Customer Experience Committee did not meet.

There will be an Executive Committee meeting prior to the next full Board of Commissioners meeting. Discussion will center around the format for the Executive Director's annual evaluation, and organizational structure.

Air Service Development Brief: Nicholas Haan of Crawford, Murphy, and Tilly, presented slides outlining air service industry trends and post-Covid recovery. In short, the industry continues to struggle with a regional jet pilot shortage and slow financial recovery to pre-Covid numbers. Mr. Haan provided evidence that PHF is in line with all other airports nationally as far as recovery and the pilot shortage problem. Mr. Haan further elucidated that plane capacities are smaller, jet fuel prices are increasing forcing air fares to increase, and changing requirements for pilots have all played a part in the slow recovery of the airline industry post-Covid. Avelo and other Ultra Low-Cost Carriers (ULCCs) are PHF's best opportunities for the near future as they continue to grow quickly and provide services that larger carriers don't. There was some discussion with commissioners to clarify and understand some of the points raised by Mr. Haan. Mr. Haan stressed that the success of Avelo is critical to the success of PHF.

COIA/FOIA Discussion: Attorney Seymour reminded commissioners that as a public body, they are subject to the transparency laws of Freedom of Information Act and Conflict of Interest Act. Each commissioner should have received training. Generally, training is provided by the City Clerks. Jamie O'Brien (Commission Clerk) was instructed to contact Newport News and Hampton City Clerks to verify all commissioners are up to date on their training. Certification is required every two years.

Old Business: none

New Business: Chair Carney Smith requested all commissioners read their email from Mr. Giardino with his Executive Director report summary.

Chair Carney Smith asked to go into closed session. Attorney Scott Seymour read the following, "The Chair will now entertain a motion to move the Commissioners of the Peninsula Airport Commission convene in closed session meaning pursuant to Virginia code section 2.2.3711.A.5 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 (regarding expansion of [aviation services] where no previous announcement has been made);

A.7 consultation with legal counsel and briefing by staff members or consultants pertaining to actual or probable litigation, where such consultation or briefing in open meeting would adversely affect the negotiating or litigating posture of the Commission regarding the closure of the mobile home park; A.8 consultation with legal counsel employed or retained by the Commission regarding specific legal matters requiring the provision of legal advice by such counsel.

Commissioner J. Smith made the motion to go into closed session; Commissioner Kelly seconded the motion. Voice vote by roll call: Chair Carney Smith - yes, Mr. Kelly – yes, Mr. Joseph – yes, Mr. Garner – yes, Ms. J. Smith – yes, Ms. Scott – yes. Motion passed unanimously.

Closed session began at 8:48 a.m.

Attorney Seymour read the following: “To conclude the closed session meeting and return to the open meeting and that prior to a roll call vote, the Commissioners of the Peninsula Airport Commission shall certify that to the best of their knowledge (i) only such public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened, were heard, discussed or considered in the meeting by the members of the Commission.

Any member of the Commission who believes that there was a departure from the requirements just stated must so state prior to the roll call vote and indicate the substance of the departure that, in such Commissioner’s judgment has taken place.

If there are no such statements of departure, if we could please have a motion and second to end and certify the closed session and return to open meeting.” The Commission certified that no departures were raised.

A motion to reconvene was made by Mr. Kelly and seconded by Ms. Scott. Voice vote by roll call: Chair Carney Smith - yes, Mr. Kelly – yes, Mr. Joseph – yes, Ms. Scott – yes, Mr. Garner – yes, Ms. J. Smith – yes. Motion passed unanimously.

Open session resumed at 8:59 a.m.

Chair Carney Smith asked if there was any other business to bring before the Commission. There being none, the meeting was adjourned at 8:59 a.m.