

# Peninsula Airport Commission

Board of Commissioners Meeting Minutes

May 18, 2023, 8:00 a.m.

## **Commissioners in Attendance:**

Chair, Lindsey Carney Smith  
Vice Chair, Thomas "Tommy" Garner  
Treasurer, James "Jay" Joseph

## **Staff Members in Attendance:**

Interim Executive Director, John Borden  
Office Manager, Barbara Rumsey  
Director of Finance, Mark Adams  
Business Development Manager, Chris Walton  
Commission Clerk, Patricia Speno

## **Public Officials Present:**

### **Counsel:**

Counsel, Eric Ballou

### **Public Attendees:**

Kiln Creek HOA representative, David Hause  
PHF Hero's Lounge Volunteer Manager, Jacqueline Wade  
Counsel for Conway (Turnberry Property), Rick Donaldson

Chair Carney Smith called the meeting to order at 8:00 a.m. Chair Smith thanked the airport staff for hosting the Newport News Travel and Tourism event held on May 10.

**Minutes:** Commissioner Garner questioned if the recently dormant account was specifically ear-marked for use for the former mobile home park. Mr. Mark Adams stated it currently is not. Commissioner Garner requested the minutes from the April 27, 2023 reflect that the account was not ear-marked for the former mobile home park since the park closed. Commissioner Garner moved to accept the April 27, 2023, meeting minutes with the aforementioned change. Commissioner Joseph seconded and the minutes were approved unanimously.

**Public Comment:** No public comment

**Finance and Audit Committee Report:** The Finance and Audit Committee met and had a quorum. The budget deficit has declined due to efforts of staff. There was some discussion about billboards, such as which ones to keep, when the contracts reach the end of their terms, the costs, etc. Accounts receivable was also reviewed. Some corrections will be made to accounts receivable reports. Rates and charges were reviewed. There were two minor changes made to the rates and charges. One

change is the fee for lost badges, the other is for the hourly rate for additional on-field labor. There were no other changes and the Finance and Audit Committee recommend the changes be adopted.

Staff was asked to present a cost comparison of PHF to other area airports to compare the cost of doing business. The comparison should include commercial service, GA service, and corporate service. Chair Smith stated that she, Commissioner Garner, Chris Walton, met with the GA community two months ago. A lengthy discussion occurred about badge charges. She asked where the new badge costs fall in line with the GA tenant concerns about badge pricing. Mr. Borden said lost badges are the majority of the badge issue. If 6% of badges are unaccounted for or declared lost, all badges for everyone must be reissued which is a substantial cost. Mr. Borden said the new badge pricing structure won't affect the GA tenants until next year. Commissioner Garner asked if the new badge rates had been communicated to the GA tenants yet. Mr. Borden said no; the new prices will not be announced until the new pricing structure is approved by the Board of Commissioners and then the Operations team would inform the tenants. Chair Smith said the Planning and Development Committee should review the communication from Operations to the GA tenants before it is disseminated.

Commissioner Joseph motioned to approve the rates and charges as presented in the Board Packet. Commissioner Garner gave the second. A roll call vote was taken. Chair Smith – Yes, Commissioner Joseph – Yes, Commissioner Garner – Yes. Motion passed unanimously.

**Planning and Development Committee Report:** The committee did not meet, however Chair Smith and Commissioner Garner have communicated several times. With regard to the Virginia Natural Gas easement on the corner of Jefferson and Brick Kiln, the contract was amended to provide for signage stating that the property was not being commercially developed and therefore construction was temporary; and that Virginia Natural Gas perform restoration including re-seeding the land when they complete their easement project. It was reported that the signage has not yet been posted and Chris Walton was asked to follow up on making sure it gets posted.

The Go Virginia grant did go before the regional board during the first week in May and all indications are positive. It is now slated to go before the State Board Council for review in the middle of June. If the State approves it, the grant should be awarded. The trajectory remains positive. Another meeting is slated for Friday, May 19 to discuss the timeline that if the grant is awarded, we will have the consultants ready to respond to the RFQ. Attendees of the meeting on May 19 include the Hampton Road Alliance, HRTPO, Bob Krum, City Managers from Newport News and Hampton, Commissioner Garner, Chair Smith, Mark Perryman from ORF, and Mr. John Border.

**Executive Director Report:** A meeting with Florence Kingston, Executive Director of the EDA and Bo Clayton, Assistant City Manager about the messaging we will present at the Jump Start conference. The meeting went well. No response has been received yet from Hampton regarding meeting with them regarding messaging. Mr. Borden asked Commissioner Joseph if he could recommend someone in Hampton. Commissioner Joseph suggested Scott Seymour. Fifteen airlines will be at the Jump Start conference and PHF is confirmed for five meetings so far. We are hopeful for at least two more. Chair Smith recommends that when we meet with the airlines, that we communicate about the regional study as it may impact the airlines' thinking when considering bringing business to PHF and Hampton Roads.

Mr. Borden has a meeting with HRTPO on May 18, 2023.

The Master Plan is moving forward. PHF's request was approved and funds have been released by the FAA. The total cost of the Master Plan will be \$1.58 million. The FAA funding is for close to \$1.44 million. Jeff Breeden of the FAA said the entire application should be completed within four weeks.

Virginia Aviation Board (VAB) will be meeting May 25, 2023. Mr. Borden will attend.

We are hopeful to get the loan payoff approved. The request was submitted on the last EURP request.

There has been some serious discussion about eliminating PFAS chemical from fire suppressant AFFF foam. The new chemical is expensive, less effective, and the firetrucks would have to be flushed and re-fitted. Training will also be required. More discussion will be upcoming.

UAS drone is also expected to be discussed in depth at the VAB meeting.

The Daily Press interviewed Mr. Borden regarding the Master Plan. Channel 13 has also requested a Zoom interview with Mr. Borden to discuss the Master Plan. Chair Smith said Channel 13 wants to do a story regarding the regional airport study but she suggested they wait until June when it will be announced if we receive the Go Virginia grant.

Chair Smith asked Chris Walton to update the PAC Board on land releases. Mr. Walton gave the following update:

- Habersham – We have the official letter from the FAA authorizing the transaction. We have reached out to the City of Newport News to advise them and set up a meeting. The City has a new attorney so they are working to get their new attorney up to speed. They will pay approximately \$97,000 for the parcel.
- Virginia Natural Gas – We sent a letter to John Robinson at the FAA for review.
- HRSD – Mr. Robinson has the request and is reviewing.

Mr. Borden has a meeting scheduled for Monday, May 22 with Jeff Breeden (FAA) regarding the PFCs to close. A PFC 7 may need to be drafted and submitted.

No word regarding the rehabilitation and design of taxiway Delta. Mr. Breeden offered to speak with Mr. Robinson and determine the status.

Commissioner Joseph asked when Virginia would set the criteria for capital grant funding. Mr. Borden said he would ask at the VAB meeting. Commissioner Joseph asked that Mr. Borden advise the PAC Board if there is any indication that funding will be cut for PHF.

Chair Smith asked Mr. Borden if there has been any communication with American Airlines potentially adding more flights for PHF. Mr. Borden said he has spoken with the station manager Aaron Weisner. Our load factors are over 90%. Mr. Weisner said American/Piedmont are slowly gearing up for more service. PHF currently has five flights from June through August.

Commissioner Joseph asked what our response will be at the Jump Start conference if we are asked about Avelo. Mr. Borden said our air service consultant will be having a conversation with Avelo and show them PHF's load factors for March and April and try to get a better understanding about why they pulled out of PHF so quickly. Apparently Avelo was losing money on the return flights to Newport News

from Florida because apparently passengers didn't like the Thursday/Sunday schedule so they would book the return flights on different airlines. Chair Smith said she would like the message to other airlines inquiring about why Avelo pulled out so fast, be that Avelo's schedule was not conducive to our market, Avelo started service at a poor time of year when travel is historically slower, and the competition from Breeze and Spirit was stiff. Commissioner Joseph suggested we rehearse the answer so the message is clear and PHF was not the challenge.

**Old Business:** Chair Smith welcomed Mr. Rick Donaldson, legal counsel representing the seller of the Turnberry Shopping Center. Mr. Donaldson is present should there be any questions regarding the Right of First Refusal for the Turnberry Shopping Center.

Counselor Ballou presented the resolution waiving the Right of First Refusal for the Turnberry Shopping Center. At the April Board of Commissioners meeting, the concept of the waiver was approved but the resolution required some wordsmithing between the counselors. Counselor Ballou presented the final draft of resolution. Commissioner Garner motioned to reaffirm acceptance of the resolution for the waiver of the Right of First Refusal. Commissioner Joseph gave the second. A roll call vote was taken. Chair Smith – Yes, Commissioner Joseph – Yes, Commissioner Garner – Yes. Motion passed unanimously.

**New Business:** Mr. Borden stated he just received communication regarding the sign for the work being done by Virginia Natural Gas. Mr. Borden was assured the sign would be posted today.

Ms. Jacqueline Wade reported that the Hero's Lounge is doing very well.

There being no further business to come before the commission, the meeting adjourned at 9:34 a.m.