

# Peninsula Airport Commission

## Board of Commissioners Meeting Minutes

December 18, 2025 – Regular Meeting

### **Commissioners in Attendance:**

Chair, Lindsey Carney Smith  
Assistant Secretary, John Lawson  
Treasurer, James “Jay” Joseph  
Assistant Treasurer, McKinley Price, DDS

### **Staff Members in Attendance:**

Interim Executive Director, Chris Morello  
Deputy Executive Director, John Borden  
Office Manager, Barbara Harris  
Executive Assistant, Jenna Coyle  
Chief Financial Officer, Mark Adams  
Director of Operations, Rob Gay

### **Public Officials Present:**

Ralph “Bo” Clayton, Deputy City Manager, City of Newport News  
Kim Bracy, Communications Manager, City of Newport News

### **Counsel:**

L. Scott Seymour

### **Public Attendees:**

David Hause, Kiln Creek HOA  
Dave Dober, ATAC  
Mark Lee, Atlantic Aviation

**Chair Smith called the meeting to order at 8:00 a.m.** She began by thanking everyone in attendance and wished everyone a happy holiday. Chair Smith reported that Mr. Garner is absent due to a business conflict.

**Approval of Minutes from November 20, 2025:** Chair Smith asked if there were any comments or edits to the Minutes. Dr. Price made a motion to approve the Minutes as presented and Mr. Joseph seconded the motion. The motion was approved by voice vote, **4-0**.

**Public Comment:** Chair Smith asked if there was anyone who signed up for Public Comment and Mrs. Harris stated that there were none.

### **Committee Reports:**

**Finance & Audit Committee.** Mr. Joseph reported that the committee met and that financial information was included in the meeting packet. He stated that Mr. Morello would address certain fiscal matters in the Executive Director Report. He reported the committee had a brief discussion regarding how to account for City fiscal contributions in the financial statements, and further discussion on this topic is anticipated.

**Facilities Committee.** Mr. Morello stated that there is no committee report, but that Mr. Borden will provide updates on current projects.

**Terminal Roof Replacement.** Mr. Borden stated that terminal roof replacement work began the week after Thanksgiving. He stated that safety barriers have been installed on the lower roof area, and preparation is underway on both the upper roof near the skylights and the lower roof. Mr. Borden stated that the project experienced several start delays due to weather, including rain and a snow and ice event. It is now moving forward nicely.

**Taxiway Delta.** Mr. Borden stated the FAA 7460 obstruction process for Taxiway Delta is ongoing and has delayed the start of the Runway 7/25 closure until at least the first week of February. He reported material submittals and badging activities are continuing and that a batch plant and construction materials may arrive on site around January 20<sup>th</sup>.

**General Aviation Ramp.** Mr. Borden reported that the GA Ramp rehabilitation project is on schedule, with the first update meeting held on December 16<sup>th</sup> and that concrete pouring has begun in selected areas in front of the Fire Station and Rick Aviation. He stated that joint cutting and resealing activities are ongoing.

**Terminal Bathrooms.** Mr. Borden stated that the 60% design review was completed on December 8<sup>th</sup>, and revisions are currently being addressed in preparation for the 90% review. He reported that the full bid package remains on track for release between late January and mid-February.

**Jetbridge Replacement.** Mr. Borden reported that the Jetbridge replacement project is undergoing the FAA 7460 obstruction review process, and a safety plan is being developed in response to the 7460 requirements. He stated that geotechnical and seismic studies are ongoing, and project submittals have begun. He reported that the manufacturer, Oshkosh, has informed Talbert & Bright that the earliest possible delivery date is now November 2026. Chair Smith asked that since the jet bridge delivery date of November 2026 is still a long way off, whether adequate arrangements will be in place to manage operations in the interim. Mr. Borden stated that B2 and B3 are being utilized in the meantime.

**Executive Director Report:** Mr. Morello stated that the audit was finalized and delivered to both the Airport and the City on November 26<sup>th</sup>, along with the legal letter and management representation letter, thereby closing out all audit activities. He reported that the final audit contains no changes from the draft version that was previously reviewed and approved by the Commission. Mr. Morello stated that he appreciated the Commission's consideration and approval of the FY 2025 draft audit at the prior meeting, as well as the City's Finance Director and City Manager's Office for their coordination. This approval allowed the Airport's audit to be

incorporated into the City's final audit presentation to City Council on December 9<sup>th</sup>. Chair Smith stated that it's prudent to approve the previously approved draft audit as the final airport FY 2025 audit entitled "Financial Statements and Supplementary Information As of the Year Ended June 30, 2025". Mr. Joseph made a motion to approve, and Dr. Price seconded the motion. The motion was approved by voice vote, **4-0**.

Mr. Morello stated that the Airport experienced a significant snow event on December 8<sup>th</sup> and 9<sup>th</sup>, and that the airport's maintenance and operations crew successfully kept the main runway clear. He reported that a photograph taken from the air by pilot Bill Winger of the Tidewater Flying Club was shared with staff, documenting the conditions and expressing appreciation for the airport's efforts. Mr. Morello stated that Mr. Winger provided permission for the photo to be used in social media to recognize and commend the operations and maintenance team for their work.

Mr. Morello reported that Operations Director, Rob Gay conducted an Airport Emergency Planning review. Mr. Gay stated that on December 11<sup>th</sup>, the annual airport emergency plan review was attended by representatives from PAC staff, airport tenants, and mutual aid partners, including the York County Sheriff's Office, Riverside Hospital, Newport News Fire Department, and TSA. He reported that the FAA-mandated review ensured that the emergency plan is accurate and up to date, clarified policies, confirmed assigned responsibilities, and aligned all mutual aid agencies in their roles for managing airport emergencies. Mr. Gay stated that the feedback from the mutual aid partners was very positive, emphasizing the importance of collaboration in maintaining a safe and prepared airport environment.

Mr. Morello stated that staff collaboration is ongoing to prepare the FY27 proposed budget for review at the January meeting. He reported that during the recent Finance and Audit Committee meeting, it was emphasized that one of the most important priorities is to carefully evaluate material, non-recurring capital needs, including unforeseen maintenance and emergency repairs. Mr. Morello stated that a core budget team, working with maintenance and management staff, is focused on addressing these critical maintenance items first, using a collaborative approach to ensure thorough consideration.

Mr. Morello reported on the Airport's business development efforts using the Placer AI platform, which was engaged a few months ago to help analyze aggregate people movements, independent of transportation mode (see Exhibit A). He stated that the platform allows tracking of movements to and from zip codes within the airport's catchment area, with the ability to narrow or expand the geographic scope. Mr. Morello reported that two staff members are licensed and trained to use the platform, which offers robust capabilities and potential for on-demand reporting. He stated that today's presentation provided a broad overview, as the data represents aggregated cell phone movements. He stated that further exploration and deeper analysis of the platform's capabilities are ongoing with training. Mr. Morello reported that the Department of Aviation has also received the maps and data presented at its request upon learning the airport has this capability and are being incorporated into Virginia's application into the FAA for the eIPP program we hope will be awarded.

Mr. Morello stated that staff has initiated a measured increase in the airport's social media presence, highlighting community engagement and service-oriented activities, such as the

November food drive for Thrive, which featured short video clips of staff loading and unloading donations. Mr. Morello also reported the former Hudson News space has been refurbished and re-purposed by adding tables, furniture, and electrical outlets on tabletops, creating a comfortable area for passengers to sit and use the Internet at the newly created “PHFirst Stop Lounge”, which had previously been closed and used for storage. Informal feedback has been gathered from visitors using the lounge to ensure it meets their needs and enhances the airport experience. He reported that preparations are underway to implement a QR code ordering system allowing customers in the Terminal and Atrium to order from the Grill for delivery at PHFirst Stop, similar to a restaurant pick-up model..

Mr. Morello reported that earlier this summer, the general contractor for the Mary Immaculate Hospital Surgical Center Expansion Project requested access to approximately 240 parking spaces within the Airport’s cell lot on McManus Boulevard adjacent to the car wash beginning in early January. Staff has negotiated terms of a parking lease agreement consistent with previous similar arrangements and a monthly fee of \$3,500. He stated that the contractor has verbally agreed to the terms and anticipates needing the lot for approximately 24 months, totaling about \$84,000 over the two-year period. Mr. Morello asked whether the parking license agreement should be brought before the PAC at the January meeting. Mr. Seymour responded, and Chair Smith confirmed, that the Executive Director has previously been delegated the authority to execute licenses and agreements with terms of five years or less.

Mr. Morello stated that in January, the eAviation Drone Academy, part of the New Horizons Regional Education Center – Newport News, has requested to hold a job fair and expo related to advanced air mobility. He reported that after meeting to understand logistics and feasibility, the staff is coordinating with them to host the event in Concourse A on January 21<sup>st</sup> from 3-6pm. Mr. Morello stated that approximately 30 exhibitors are expected to attend the event, as well as over 100 visitors.

Mr. Morello reported parking rate increases and fuel flow rate increases previously authorized by the Commission, will go into effect January 1<sup>st</sup>. He stated that notifications regarding the parking rate increase are being posted in the parking areas, and signage will be installed to inform the public. He stated tenants who had previously been notified in tenant meetings will also receive written notice regarding the fuel flowage rate increase.

Mr. Morello stated the meeting packet includes an adjustment from prior months and years in how air service passenger load factors are reported. He reported a new chart is provided to show current passenger levels in comparison to the same period in the previous fiscal year, offering a clearer view of performance trends.

**Master Plan Update:** Mr. Morello stated Passero and Talbert & Bright is continuing to work collaboratively on elements of the Master Plan Update, including design alternatives, an environmental overview, and the identification of triggering events that determine specific development paths for airfield and adjacent property buildout. He also reported that he has written the sub-section addressing Advanced Air Mobility (AAM) in consultation with DOAV and the consultants. Chair Smith asked for clarification for the Commission regarding the meaning of a “triggering event”. Mr. Morello stated that a triggering event could occur when a

potential development prospect requires access to the airfield, prompting the need for more detailed engineering and land-use planning and as a project advances to the point where preliminary land planning can be defined. He stated the goal for the Master Plan is to allow flexibility and that identifying triggering events helps to articulate possible development paths in the Plan, and which distinguish it from previous Master Plans' relative inflexibility. Chair Smith added that significant time was devoted to developing alternatives because the FAA will not approve a specific concept or funding unless there is a triggering event, defined as a legitimate development prospect that is ready to move forward, and that by identifying and documenting alternatives in advance, the Master Plan allows FAA approval to be pursued once such a triggering event occurs.

**Special Reports:** Mr. Morello reminded the Commission that at the November meeting, eight of the nine required studies and reports needed to obtain Tier 4 status for Air Commerce Park (ACP) East and Air Commerce Park West had been completed, leaving the traffic impact analysis (TIA) pending completion. He stated that in the interim, the TIA has been completed and formally accepted by the City which included comments by VDOT. Mr. Morello stated that with the TIA finalized, staff is now working with the consultant to complete a preliminary engineering report, which packages all studies together in an overview and is the final piece of the application for Tier 4 certification for both ACP East and West. He reported the preliminary engineering report is expected to be submitted to the state before the end of the month, with the goal of receiving certification promptly. He reminded the Commission this work was made possible through a Virginia Business Ready Sites Program grant, administered by the Economic Development Authority, with total study costs exceeding \$500,000, of which \$328,000 is being funded through the grant. Chair Smith asked if once all approvals are received, will the VEDP use this designation as a major marketing tool for promoting aviation-related assets across the Commonwealth. Mr. Morello confirmed and stated the state is highly motivated to have the ACP achieve Tier 4 status for this reason.

### **Partnership Reports:**

**Mobile Innovation Center (MIC).** Mr. Morello stated that there is continued enthusiasm by the aviation industry for participation in the proposed Mobile Innovation Center (MIC) which will move forward if a GOVA grant award is received this spring. Mr. Morello stated that the initiative is a comprehensive effort to help position the region at the forefront of advanced air mobility. He reported that the initiative is largely private sector driven, with USI serving as the primary private partner alongside other private entities, regional universities and colleges, and that the EDA is the grant applicant. He stated that workforce development, skills training, certification programs, and apprenticeship efforts, as well as building regional technical capabilities for beyond-visual-line-of-sight training and research and development, are all heavily emphasized. He stated these capabilities would support both private-sector needs and governmental partners, including the military and the FAA, particularly as it advances new regulatory frameworks. Mr. Morello also stated that this initiative presents an opportunity to help define and develop new certifications that do not currently exist. Mr. Joseph asked for clarification on the project's status, noting that it had previously reporting that it been moved off site and what role the Airport's staff or property would have in the project if the GO Virginia grant were ultimately awarded. Mr. Morello reported that the majority of the project will be

mobile, with the potential for future beyond-visual-line-of-sight operations at the airfield when regulatory guidance has been established. Mr. Morello said that he is hopeful the initiative attracts connected interest in airport property for hangar and office space.

EVTOL Integration Pilot Program (EIPP). As part of his explanation of the airport's participation Mr. Morello presented background information from U.S. Department of Transportation materials stemming from an executive order directed to the DOT and the FAA regarding the establishment of eIPP corridors (see Exhibit A). Mr. Morello reported that Virginia is pursuing designation as one of up to seven eIPP corridors nationwide, with six additional airfields across the Commonwealth participating. He stated he, Chair Smith, and Newport News Director of Development Florence Kingston are participating in frequent coordination calls with a large team led by Virginia Tech's Mid-Atlantic Aviation Partnership and the Virginia Department of Aviation. He stated the Department of Aviation is the lead applicant and will submit the application to the FAA, with involvement from numerous private-sector partners, including aircraft manufacturers. Mr. Morello reported that PHF was identified as a key component of the effort which builds on Virginia Tech's existing research corridors, along with West Virginia, Pennsylvania, Maryland, Ohio, Massachusetts, California, Utah, Oklahoma, and Washington State. This initiative focuses on broader national policy guidance and that there is no conflict between the Virginia application and the multi-state effort.

Mr. Morello reported that a letter of attestation related to the larger multi-state collaboration was submitted through the Department of Aviation following consultation with Chair Smith and legal counsel (see Exhibit B). He stated that the letter does not commit funding but affirms the Airport's intent to collaborate and coordinate as part of the Virginia group participating in the broader multi-state effort, expressing support for its goals and for multi-state cooperation on policy directives. Mr. Morello also noted that a connected letter of transmittal and a memorandum of understanding (MOU) are also provided for review for the Commission prior to submittal to the state. Mr. Morello reported that the documents include general language indicating that the airfield and operational capabilities would be made available as needed, consistent with standard operating procedures. Chair Smith emphasized recognition that there are two separate initiatives underway: a multi-state effort supported by a letter of attestation, and a Commonwealth effort governed by a memorandum of understanding (MOU). Chair Smith reported that she and legal counsel independently reviewed the MOU and reached the conclusion that it is a non-binding, collaborative partnership document with no financial obligations and no requirement for staff time or in-kind contributions. She stated that the MOU primarily affirms that the airport would be available for eVTOL operations as required, consistent with existing FAA assurances and participation was noted as beneficial due to partnerships with private-sector leaders in eVTOL technology, which may create future development opportunities for Air Commerce Park East and West to be discussed in closed session. Dr. Price made a motion to grant Mr. Morello the authority to sign the MOU and Mr. Lawson seconded the motion. The motion was approved by roll call vote, **4-0**.

**Old Business:** Chair Smith asked if there was any old business. There was none.

**New Business:** Chair Smith asked if there was any new business. There was none.

**Closed Session:** Chair Smith asked Mr. Seymour to read closed session statements for §2.2-3711(A)(1): Personnel, §2.2-3711(A)(3) Acquisition & disposition of real property, and §2.2-3711(A)(5): Prospective Business.

Dr. Price made a motion to enter into Closed Session and Mr. Lawson seconded the motion. The motion was approved by roll call vote, **4-0, and the PAC entered Closed Session at 9:00am.**

Chair Smith asked Mr. Seymour to read the required certification statement to return to Open Session. Dr. Price made a motion to return to Open Session and Mr. Lawson seconded the motion. The motion was approved by roll call vote, **4-0, and the PAC returned to Open Session at 9:23 a.m.**

**Chair Smith adjourned the meeting at 9:24 a.m.**

**Next Regular Meeting Date:** January 15, 2025, at 8:00 a.m.