

Peninsula Airport Commission

Board of Commissioners Meeting Minutes

April 16, 2026 – Regular Meeting

Commissioners in Attendance:

Chair, Lindsey Carney Smith
Vice Chair, Tommy Garner
Treasurer, Jay Joseph

Staff Members in Attendance:

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

Public Officials Present:

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

Counsel for the Commission:

L. Scott Seymour

Public Attendees:

David Hause, Kiln Creek HOA
Mark Lee, Atlantic Aviation
Lisa Cheung, Passero
Jeff Wellman, Talbert, Bright & Ellington
Scott Denny, Department of Aviation
Jeff Breeden, Department of Aviation
Tom O’Grady, Economic Development Manager, City of Newport News
Katy Bourke, Kimley-Horn

Chair Smith called the meeting to order at 8:00 a.m. She began by thanking everyone in attendance. Chair Smith reported that Mr. Lawson and Dr. Price are absent due to professional duty.

Approval of Minutes from March 19, 2026: Chair Smith asked if there were any comments or edits to the Minutes. Mr. Garner made a motion to approve the Minutes as presented and Mr. Joseph seconded the motion. The motion was approved by voice vote, **3-0**.

Public Comment: Chair Smith asked if any speakers had signed in for Public Comment and Mrs. Harris stated that there were none.

Special Reports: Mr. Morello stated the Economic Development Authority (EDA) is nearing completion of Phase I of the Virginia Business Ready Sites Grant Program for ACP East and West, with EDA staff and consultant partners finalizing application materials for submission to VEDP in pursuit of Tier 4 certification for both sites. He reported that the ACP East preliminary engineering report and application are complete, while ACP West has been more complex and is still being finalized. He said that he has been working with the EDA to develop a list of Phase II VBRSP grant-supported activities for which VEDP is requesting preliminary pre-applications in May. Mr. Morello stated that these Phase II activities would move beyond studies and reports to include tangible, on-the-ground improvements. He said may include pre-permitting and site engineering for a proposed building at ACP East, advanced wetlands mitigation strategies at ACP West, and various enhancements aimed at improving the sites' overall appeal to developers and businesses. He reported that the Phase II program will follow a similar funding structure, with 75% state support and a 25% local match through the EDA, and that the project list is being developed collaboratively with EDP partners who administer the program, Chair Smith added that at the State of the City event, Doug Smith of the Hampton Roads Alliance expressed support for the Phase II application, offered resources to help secure approval and said that the Alliance should be included as a partner in the submitted application package.

Master Plan Update:

Chair Smith introduced the Airport's Master Plan consultant representatives, Ms. Lisa Cheung (Passero Associates) and Mr. Jeff Wellman (Talbert, Bright & Ellington), to present an update on Master Plan and Airport Layout Plan progress. Ms. Cheung stated that the effort has included regular coordination through biweekly Technical Advisory Committee meetings, with participation from the FAA, Virginia Department of Aviation (DOAV), airport staff, and the consultant team. She explained that community engagement was conducted early in the process and continues later after Master Plan draft refinements. Ms. Cheung further explained that the Master Plan is being completed in three phases consistent with written chapters that are drafted and under ongoing review by the committee. Phase 1, which was completed and approved by the FAA in July 2025, consisted of existing conditions and aviation-related forecasts. She stated that the current focus is Phase 2 & Phase 3, with Phase 2 evaluating facility requirements and development alternatives based on forecast demand and operational needs, among many other factors. She emphasized that this Master Plan is distinctly different from other airport master plans because of its emphasis on multiple development path alternatives being evaluated and represented in the Master Plan Update. She said that Phase 3 addresses financial planning and capital improvement programming with this approach to flexibility in mind as much as possible, including identification of necessary projects and various improvements over a 20-year planning horizon.

The presentation from Ms. Cheung and Mr. Wellman then focused on identified facility needs and economic development opportunities. These include remediation of FAA-designated airfield hotspots, evaluation of runway configurations, potential redevelopment of the former terminal site, landside and ground access improvements, and additional support facilities such as snow removal equipment storage. Consideration is also being given to emerging technologies, including electric vertical takeoff and landing (eVTOL) aircraft, with conceptual accommodation areas identified on the terminal apron.

Ms. Cheung again emphasized that the Master Plan incorporates multiple development alternatives evaluated against FAA design standards, safety considerations, operational efficiency, environmental impacts, and Commission priorities. A key theme of the plan is maintaining flexibility to allow development sequencing to respond to future market conditions, particularly with respect to AirCommerce Park West and AirCommerce Park East. Ms. Cheung also presented conceptual redevelopment options for the former terminal area, including potential cargo and maintenance, repair, and overhaul (MRO) uses, as well as associated truck access and roadway improvements. Ground access planning includes coordination with future Interstate 64 improvements and potential transit connections to support airport and AirCommerce Park development. The Commission engaged in discussion regarding development opportunities in AirCommerce Park West and East, including the impact of wetlands, potential relocation of general aviation facilities, and the importance of preserving flexibility depending on tenant needs and development timing.

Mr. Scott Denny of the Virginia Department of Aviation then addressed the Commission and outlined the Department's role in reviewing the Airport Layout Plan and providing funding support. He emphasized that all projects must be included on an approved ALP to be eligible for state and federal funding, and noted DOAV's ongoing coordination and support throughout the Master Plan development process. Mr. John Borden then provided an update on the Airport Improvement Program (AIP), reporting on recent adjustments to project scheduling and funding assumptions. This included the addition of discretionary funding for potential upcoming Taxiway Delta rehabilitation phasing that will be based on bid results and funding availability. In response to Commissioner questions, staff and the consultants addressed topics including runway alternatives, development sequencing, wetlands mitigation considerations, and potential uses of midfield areas. Chair Smith thanked Ms. Cheung and Mr. Wellman, as well as Mr. Denny and Mr. Borden, for their informative presentations to the Commission.

Partnership Reports:

Mobile Innovation Center (MIC). Mr. Morello reported that all applicants for the current round of GO Virginia Grant funding are awaiting an official announcement from the governor's office. Mr. Morello reminded the Commissioners that the MIC program is designed to span three years

and focus heavily on workforce development, as well as research and development related to beyond-visual-line-of-sight (BVLOS) operations and advanced air mobility technologies. He stated that in anticipation of a positive outcome, preliminary planning is already underway to organize a presentation for the Commission that would outline timelines and immediate next steps associated with the proposed initiative.

EVTOL Integration Pilot Program (eIPP). Mr. Morello reported that the FAA's eVTOL Integration Pilot Program (eIPP) competition has involved the airport as part of a successful multi-state proposal led by Pennsylvania's Department of Transportation. Mr. Morello reported that the Commonwealth is eager to play an active role in research, development, and policy guidance efforts associated with the program and that he is grateful that DOAV has ensured the airport's participation. He stated that key representatives would continue to engage as more details about roles and responsibilities became available. Mr. Morello reported that the program would involve collaboration among multiple public and private aviation stakeholders in Virginia and across participating states. Mr. Scott Denny added that the Commonwealth of Virginia was involved with two eIPP applications, one standalone and one multistate, and that the eIPP Multistate Collaborative has grown to 37 states and aims to harmonize national and state policy for advanced air mobility systems. Mr. Denny reported that the Collaborative focuses on integrating both small, drone-type and large, cargo and passenger aircraft, with the eIPP specifically emphasizing larger vehicles. He stated that the standalone application, developed in partnership with Virginia Tech's Smart Airspace Project, focused on creating instrument approach procedures to enable advanced aircraft to operate in all weather conditions. Mr. Denny reported that although the standalone application was not selected, the FAA expressed strong interest in the data and the project continuing with state funding. He said that the multistate effort was selected, and that Newport News/Williamsburg Airport will play a key role. In addition, planned test flights expected to begin within the next six to eight months, in coordination with FAA and industry partners such as Electra Aircraft, will include flights directly from PHF to points in Northern Virginia.

Committee Reports:

Finance & Audit Committee. Commissioner Joseph reported that the Finance and Audit Committee meeting was routine in nature. He stated that the committee discussed various revenue and expense opportunities, as well as potential financial risks. Commissioner Joseph reported that the group also considered strategies for continuing to move forward effectively.

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 the terminal roof replacement is still underway and going well.

Canopy. Mr. Borden stated that canopy work began with sanding and painting of the columns in April.

Taxiway Delta. Mr. Borden reported that the Taxiway Delta project was progressing, with demolition work and proof rolling already completed. He stated that crews were currently placing subgrade as construction continued. Mr. Borden reported that the project remains on schedule which will require shutdown of Runway 7/25 beginning May 4th and is expected to last approximately 30 to 45 days, with a maximum duration of 60 days if necessary due to unforeseen circumstances. He stated that the construction activities would occur within the safety area, requiring the closure of Runway 7/25 during that period.

General Aviation Ramp. Mr. Borden reported that the GA Ramp rehabilitation project construction is near completion and that punch list items are currently being addressed.

Capital Projects. Mr. Borden provided an update on the Airport Improvement Program (AIP) following a March 24th meeting held with the FAA, DOAV, and Talbert, Bright, & Ellington. He reported one adjustment since his presentation to PAC at its March meeting was the addition of a discretionary funding column to reflect a \$3 million allocation for the Taxiway Delta project and to anticipate potential future funding gaps. Mr. Borden stated that most projects in the first three years remain consistent with prior plans, while some were slightly shifted in terms of timing. He reported that the plan also incorporates approximately \$1 million in remaining AIG funds allocated for Taxiway Delta Phase 2 to strengthen the overall funding position and potentially allow more work to be completed if additional funds are secured. Mr. Borden stated that the project will be bid in full, but an alternative approach to split the work into phases is being considered depending on funding availability.

Executive Director Report: Mr. Morello reported that there were ongoing congressional and state legislative developments potentially affecting the airport. He stated that as of the previous day, the House of Representatives had not scheduled a vote to continue DHS funding, although TSA personnel are continuing working and recently received pay, resulting in no noticeable operational impact at the airport. Mr. Morello reported that DHS funding remains uncertain beyond the immediate term and was being monitored closely on a day-by-day basis. He reported that at the state level, the governor signed House Bill 1231, which formalizes funding formulas for airport entitlements and discretionary funding, providing greater predictability and stability for planning purposes. Mr. Morello reported that at the congressional level, the ALERT Act legislation could restrict the use of ADS-B data for collecting airport fees, which could negatively impact airport revenue streams. He stated that an alternative bill, the ROTOR Act, does not include those restrictions, and that the airport's advocacy group, ACI-NA, is pressing for reconciliation of the bills resulting in removal of that restriction.

Mr. Morello reviewed various waterline break locations and said that there is continued coordination with Newport News Waterworks on a solution for addressing concrete restoration at the most significant break that affected the airport's fire station apron. Mr. Morello reported that multiple on-site meetings were held with Waterworks representatives helping to foster a cooperative solution. He stated that Waterworks plans to remove and replace large sections of thick concrete, restore the underlayment, and complete reinforced concrete restoration. Mr. Morello reported that this valuable assistance and support by the City and Waterworks saved the airport from needing to seek state emergency funding for the restoration.

Mr. Morello reported that he and John Borden attended the Virginia Airport Operators Council Spring Conference in Staunton. He stated that the conference included panel discussions on key airport topics such as insurance, leasing strategies, and capital planning for improvements. He stated that Mr. Denny participated on a panel focused on advanced air mobility planning and the importance of staying ahead of emerging aviation trends, and that the conference also featured a presentation on an economic impact study of Virginia's airports DOAV has conducted and plans to published in full by the end of April. He said that he plans to share a link to the study with commission members once it is published.

Mr. Morello reported that Captain Tammy Morissette of the airport police force would be retiring after serving at the airport since 1993. He stated that she is the only current employee who has served at both the old terminal and the new terminal. Mr. Morello reported that her long tenure is recognized with great appreciation by staff. He said that a letter of appreciation has been prepared for signature by the Airport Commission Chair on behalf of the Commission, and would be presented to her at her retirement ceremony scheduled for May 1st.

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. Mr. Morello reminded the Commission of a requirement to fund certain upgrades to I.T. facilities under the GSA lease agreement related to U.S. Customs and Border Protection's use of approximately 10,000 square feet of terminal space. He noted that this is the first upgrade-related reimbursement request since the initial IT installation in 2018. He stated that the airport was at first approached with a very high-cost proposal, but the request was reduced significantly thanks to Mrs. Barbara Harris' efforts. Mr. Morello reported that the meeting package includes a resolution prepared by counsel authorizing execution of a Memorandum of Agreement (MOA) which outlines the work to be completed and includes a not-to-exceed cost of \$32,407.00. He further stated that there would be no recurring costs associated with the project and that the airport's financial responsibility would therefore be limited to the approved amount under the MOA. Mr. Seymour added that the airport is operating under a 20-year lease with Customs and Border Protection that extends through 2038. He stated that, under the terms of the lease, the airport is required to pay for the agency's

I.T. connection to its systems. He stated that the initial acquisition, cabling, and equipment costs totaled approximately \$187,000 in 2018, and that the airport currently pays approximately \$5,400 annually for network connection fees, subject to adjustment. He further stated that the airport is contractually obligated under the lease to complete the current I.T. upgrade as requested and outlined in the MOA. He stated that the airport has reviewed the applicable lease provisions and determined that there is nothing in the lease allowing the airport to terminate the agreement, nor is there any provision that places a cap on these costs. He explained that each request therefore requires negotiation with the agency and noted that the airport could receive another request in three to five years. Mr. Joseph made a motion to approve Resolution No. 27 authorizing the execution of a Memorandum of Understanding with U.S. Customs and Border Protection regarding reimbursing information technology upgrades, and Mr. Garner seconded the motion. The motion was approved by roll call vote, **3-0**.

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.

Mr. Garner made a motion to enter into Closed Session and Chair Smith seconded the motion. The motion was approved by roll call vote, **3-0, and the PAC entered Closed Session at 9:20am.**

Open Session: Chair Smith asked Mr. Seymour to read the required certification statement to return to Open Session.

Mr. Garner made a motion to return to Open Session and Mr. Joseph seconded the motion. The motion was approved by roll call vote, **3-0, and the PAC returned to Open Session at 9:36 a.m.**

Mr. Seymour reported that there were two motions coming out of closed session for the Commission's consideration. He stated that the first motion was to ratify and approve the execution of the First Lease Amendment with Mercury Air Center Newport News, doing business as Atlantic Aviation, extending the term through July 31, 2027, and to authorize Chair Smith to execute and deliver the amendment. Mr. Garner made a motion to approve the First Lease Amendment and Mr. Joseph seconded the motion. The motion was approved by roll call vote, **3-0**.

Mr. Seymour further stated that the second motion was to approve consent for an Atlantic Aviation sublease with Impress Consulting Group, doing business as Impress Technologies, which had been reviewed by staff and discussed with the Commission. Mr. Garner made a motion to approve the sublease with Impress Consulting Group and Mr. Joseph seconded the motion. The motion was approved by roll call vote, **3-0**.

Chair Smith adjourned the meeting at 9:37 a.m.

Next Regular Meeting Date: May 21, 2026, at 8:00 a.m.