Peninsula Airport Commission

Board of Commissioners Meeting Minutes

May 21, 2026 – Regular Meeting

Commissioners in Attendance:
Chair, Lindsey Carney Smith
Assistant Secretary, John Lawson
Treasurer, Jay Joseph
Assistant Treasurer, McKinley Price, DDS

Staff Members in Attendance:
Executive Director, Chris Morello
Director of Operations, Rob Gay
Executive Assistant, Jenna Coyle
Director of Finance, Mark Adams

Public Officials Present:
Rob Coleman, Newport News City Council
Ralph "Bo" Clayton, Deputy City Manager, City of Newport News
Florence Kingston, Director of Development, City of Newport News

Counsel for the Commission:
L. Scott Seymour

Public Attendees:
David Hause, Kiln Creek HOA
Mark Lee, Atlantic Aviation
Dave Dober, ATAC
Dan Wolfe, USI
Chuck Wittges, USI
Julie Young, eAviation & Drone Academy
Kent Lewis, Hampton University
Christopher Walton, Hampton University

Chair Smith called the meeting to order at 8:00 a.m. She began by thanking everyone in attendance.

Approval of Minutes from April 16, 2026: 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. Lawson seconded the motion. The motion was approved by voice vote, **4-0.**

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

Special Reports: Mr. Morello stated that the Phase One due diligence work for the Virginia Business Ready Sites Program (VBRSP) has been completed, including the studies required to support certification applications for AirCommerce Park East and West to achieve Tier 4 status, and that the Economic Development Authority (EDA) staff are finalizing the certification application materials. He reported that the project is now moving into a Phase Two VBRSP application stage, with proposed grant-funded opportunities for physical site improvements rather than Phase One's site characterization focus. Proposed activities include improving the site's appearance, developing building plans, completing permitting activities in advance as well as other improvements to increase the site's marketability. Mr. Morello reported that VEDP in Phase Two, if awarded, will continue the state's 75% reimbursement match to 25% local expenditures and that a pre-application has been submitted to the Virginia Economic Development Partnership (VEDP). He stated that the full application is due on June 5th, and we anticipate working with VEDP on refinements to strengthen the submission. Mr. Morello reported that as with Phase One, the Economic Development Authority will serve as the applicant and administrator for the grant. Ms. Kingston stated that the City is partnering with the Economic Development Authority (EDA) by committing a local match of $500,000 to support a $1.5 million grant application, representing a significant investment in the project totaling $2 million.

Ms. Kingston stated that the proposed improvements are intended to better position the site for business recruitment by enabling projects to move from concept to construction more quickly. She reported that planned activities include advancing from preliminary jurisdictional wetlands determinations to obtaining actual mitigation and impact permits, as well as completing the design, site preparation, and preliminary approvals for a 250,000-square-foot building at ACP East, and that these efforts will demonstrate to prospective businesses that key site development requirements such as stormwater management and permitting have already been addressed. She stated that the project also includes developing traffic signalization plans to support future growth and improve readiness as development occurs. Ms. Kingston stated that the EDA staff and EDA partners will continue to advance the project and emphasized that these investments will generate new economic opportunities and revenue for the community.
Chair Smith stated that, as a point of clarification regarding the Phase One, the only remaining submission requirement is the final narrative wrap-up. She reported that all other grant deliverables have been fully completed and submitted and that the remaining task is for Kimley-Horn is to finalize and polish the executive summary to accompany the extensive reports that have already been submitted. Chair Smith stated that feedback from numerous prospective businesses serve as the primary impetus for pursuing the second round of grant funding.

Master Plan Update:

Mr. Morello reported that the team is currently reviewing revised sections of the Airport Master Plan related to Runway 2/20 alternatives, incorporating new input and guidance from the Federal Aviation Administration (FAA) and the Virginia Department of Aviation (DOAV). He stated that additional information, including updates related to the MIC, is also being incorporated into the Advanced Air Mobility section, as well as several other facility-related revisions. He stated that Passero is completing the draft fiscal analysis associated with the various alternatives previously presented to the Commission. He expressed continued gratitude for the FAA's and the DOAV's participation on the technical committee which remains a vital part of the planning process. Chair Smith stated that the team reconfirmed during its most recent meeting that the master plan is progressing according to schedule and that the FAA has expressed no concerns regarding the project's ability to meet the established grant deadlines.

Partnership Reports:

Mobile Innovation Center (MIC). (Exhibit A) Ms. Kingston began her report to the Commission by stating that the Go Virginia Board approved the Mobility Innovation Center (MIC) project on March 24th, followed by the Governor's announcement on April 17th and the EDA's authorization of the subgrant agreement on May 1st. She reported that the project team is coordinating with the Department of Housing and Community Development (DHCH) and the Hampton Roads Executive Roundtable to finalize the grant agreement, after which full implementation activities can begin. She reminded the Commission that the MIC initiative originated from a Go Virginia planning grant that funded the development and evaluation of the MIC project concept through a regional partnership led by the Hampton Roads Alliance. Ms. Kingston stated that for this new implementation grant, the EDA was designated as the subgrantee, under the Executive Roundtable as the grantee, and is responsible for administering the implementation grant. Ms. Kingston stated that the vision of the MIC is to establish Hampton Roads as a national hub for crewed and uncrewed advanced air mobility systems and the future of traditional aviation operations. She reported that although the region has a strong aerospace and aviation workforce, growing military aviation activity, expanding unmanned aircraft system (UAS) applications, and a robust educational pipeline, it currently lacks critical infrastructure for beyond-visual-line-of-sight (BVLOS) operations, counter-UAS testing, and shared-use operational assets needed for training, validation, and regulatory readiness. She explained that the MIC is designed to address these infrastructure gaps by developing scalable workforce training programs and operational capabilities. Ms. Kingston stated that the project supports the airport's revenue diversification strategy, will align with the Airport Master Plan and AirCommerce Park strategy, strengthens workforce development and STEM initiatives, and advances regional economic development objectives over the three-year grant period. She also reported that the DOAV fully supports the project because MIC is aligned with its AAM strategy. Ms. Kingston explained that the implementation grant is supported by a broad coalition of public, private, educational, and university partners, along with strong letters of support from federal, military, state, regional, local, and private organizations. Measurable workforce development and economic impact goals are built into the project, focusing on preparing a skilled workforce to support future advanced air mobility industries while establishing long-term sustainability.

Next, Mr. Dan Wolfe of Universal Solutions International (USI), introduced himself, Mr. Wittges, and Ms. Young, and began his report by pointing out that the MIC is intended to fill a critical infrastructure gap by providing a shared-use environment for workforce training, testing, demonstrations, and industry collaboration. Mr. Wolfe stated that regulatory developments by the Federal Aviation Administration (FAA), including Remote ID requirements and the anticipated Part 108 regulations governing beyond visual line of sight (BVLOS) operations, are expected to significantly accelerate industry growth and demand for trained personnel and operational infrastructure, positioning the region to capitalize on future opportunities. He explained that the MIC will leverage the current radio-controlled aircraft field and the airport's runways to support

operations ranging from small uncrewed aircraft to larger advanced air mobility vehicles, both crewed and uncrewed. He stated that the initiative is intended to attract new aviation industries and diversify airport revenue through advanced aviation activities while complementing, rather than replacing, existing commercial and general aviation operations.
Mr. Wolfe explained that the proposed operational area will include a managed airspace corridor extending from the airport through a portion of Newport News Park and to the radio-control field, supported by surveillance technology to safely conduct long-distance uncrewed aircraft operations. He stated that the location also provides access to military and research facilities, enhancing opportunities for collaboration with federal and defense partners. The first phase establishes the necessary infrastructure, FAA validation, and begins operational demonstrations involving educational institutions, industry partners, public safety agencies, and advanced air mobility companies. Mr. Wolfe emphasized that the grant-funded, three-year implementation period represents only the first phase of a long-term initiative designed to establish a sustainable regional asset.

Ms. Julie Young reported that she is the co-founder of eAviation and Drone Academy, which was established in January 2024 to support aviation education, workforce development, and sustainability by preparing students of all ages and professionals for careers in the rapidly growing advanced aviation industry. Ms. Young described workforce development programs she has helped create and will serve the MIC through existing partnerships including New Horizons Regional Education Center, which offers certificate programs for 11th and 12th grade students and current professionals. She also described certificate programs offered through Virginia Peninsula Community College to students before graduating from high school and who may immediately enter the workforce or continue their education through transferable college credits. She stated that Hampton University and Old Dominion University and Christopher Newport University each offer complementary uncrewed systems programs that provide multiple educational pathways. Ms. Young stated that the MIC will provide a critical resource for advanced workforce training by offering capabilities that currently do not exist in the region, including beyond-visual-line-of-sight (BVLOS) flight operations and counter-unmanned aircraft systems (counter-UAS) training.

Chair Smith thanked all presenters for their information and efforts in helping establish the MIC.

<u>eVTOL Integration Pilot Program (eIPP).</u> Mr. Morello reported that he recently received communication from DOAV indicating that the FAA's eIPP coordinator for the multi-state effort led by the Pennsylvannia Department of Transportation would be organizing a meeting with him and the Airport Traffic Control Tower for the following week. He said this represents the first step in understanding what participation in the eIPP will mean for the airport and the Hampton Roads region and reflects continued progress in advancing the airport's role in helping with R&D and policy development for the nation. Mr. Morello reported that he will provide the Commission with additional updates at a future meeting as discussions with the FAA continue and the program evolves.

Committee Reports:

Finance & Audit Committee. Commissioner Joseph stated that the Finance and Audit Committee did not meet; therefore, there was no committee report to present. He reported that the financial reports were included in the Commissioners' meeting packets for their review. Mr. Joseph stated that Commissioners with questions regarding the financial reports may follow up with the Finance Committee.

Facilities Committee.

Terminal Roof Replacement. Mr. Morello reported that rehabilitation work continues on the airport's three roof segments, and that the main roof rehabilitation is approximately 98% complete with only minor finishing and touch-up work remaining. He stated that the center circulation roof section is also approximately 98% complete. Mr. Morello also reported that visible progress has been made on the front entrance canopy rehabilitation, including refurbishment and painting of the structural metal components supporting the canopy and a start on demolition work. He stated that the upcoming project meetings will provide an updated schedule for substantial completion associated with each rehabilitation component.

Taxiway Delta. Mr. Morello reported that the final layer of base course is currently being placed and compacted at Taxiway Delta with initial concrete pouring scheduled to begin on May 28th. He stated that the runway has been closed since May 4th to complete work directly connected to its north end and that the project remains on schedule, so barring any unforeseen issues the maximum anticipated runway closure period is expected to be approximately 60 days.

Bathroom. Mr. Morello stated that the restroom project permitting process is currently under review, including comments received from the City related primarily to water fountain placement and ADA compliance requirements.

Jetbridge. Mr. Morello reported that the jet bridge project has experienced manufacturing delays and that this the primary reason the project start date being pushed to approximately January 2027.

Executive Director Report: Mr. Morello reported and expressed his appreciation for City Council's adoption of its Fiscal Year 2027 operating budget on May 12th which allocates $3.1 million in operating support. Mr. Morello also informed the Commission that the DOAV has delayed release of the technical report component of its statewide economic impact study, which will include details about the airport's contribution to the regional economy. Mr. Morello reminded the Commissioners of executive summary data he has previously provided indicating the airport's economic impact is approximately $268 million annually based on 2024 data. He stated that the technical report is still expected to be released this spring, and that he will distribute a link to the Commissioners and staff for review when it becomes available.

Mr. Morello reported that due to the closure of Runway 7/25, American Airlines has been required to cap outgoing flights at 42 passengers due to Runway 2/20's shorter length. He stated that he has been monitoring ticket sales and observed that load factors have generally remained strong, with the first two daily departures often reaching full capacity and the third flight also performing well. Mr. Morello reported that the fourth daily flight, which typically departs around 8:00 p.m., has historically been the weakest but is now showing stronger performance during the runway closure period. He also said that inbound flights from Charlotte are continuing to operate at full capacity of 50 passengers because fuel burn inbound reduces landing weight on arrival. He stated that staff will monitor and try to assess impact in terms of actual revenues versus budgeted.

Mr. Morello expressed appreciation that City of Newport News Waterworks provided significant assistance in addressing concrete repairs after burst pipe damage. He stated that Waterworks directed its concrete contractor to complete expensive reinforced concrete work involving two 400-foot sections at the fire station apron, and that these new sections are stronger than the originals. He stated that this restores safe operating conditions for maneuvering heavy ARFF rescue units weighing approximately 90,000 pounds.

Mr. Morello stated that the airport is currently interviewing strong university candidates for two summer internship positions lasting approximately 12 weeks. He stated that the positions have been advertised through aviation program partners, including universities and community colleges. He stated that the internships are paid positions partially funded by Virginia Space Grant Consortium grants of $5,000 for each position. He stated that the airport is grateful for this assistance and considers the partnership an important resource for strengthening its internship program.

Mr. Morello reported that the monthly Air Service Report Summary is included in the Commissioners' agenda packets as usual. Mr. Morello explained that overall operations in April, including general aviation, charter activity, and non-commercial air service, increased by approximately 12% compared to the previous year. He stated that this growth continues a trend observed throughout the fiscal year.

Old Business: Chair Smith Chair Smith reported that the Taxiway Delta Phase One reconstruction grant agreement (Exhibit B) is included in the Board packet for Commission review and consideration. She stated that the resolution before the Commission authorizes acceptance and approval of the final portion of federal grant funding for the Phase One Taxiway Delta rehabilitation program, which is currently underway and nearing completion. She stated that the project was structured in three phases due to the use of different FAA funding sources, with the overall program totaling just over $10 million. She said that the Virginia Aviation Board has provided support covering the local matching share of approximately $502,000, thereby eliminating the need for a local 5 percent match, and that the FAA funding associated with this action totals $233,257 as the final allocation for Phase One of the rehabilitation program. She asked that the Commission approve the resolution authorizing acceptance of Airport Infrastructure Grant funds for Taxiway Delta reconstruction (Grant No. 3-51-0064-2026) and affirming compliance with all FAA grant assurances and applicable federal requirements. Dr. Price made a motion to approve the grant agreement and Mr. Lawson seconded the motion. The motion was approved by roll call vote, **4-0.**

New Business: Mr. Morello reported that a hosting agreement and a resolution (Exhibit C) are before the Commission for consideration regarding a proposed community event at the airport in

September. He stated that the airport has been approached by Lux Events, LLC to host the Ninth Annual Great Food Truck Festival on September 19th from 11:00 a.m. to 6:00 p.m. on airport property. Mr. Morello explained that the event is proposed to be located on the gravel and grassy area along H.V. Kelly Drive, with primary parking in the adjacent economy lot, a portion of the Patrick Henry Drive cell phone lot, and potential overflow parking supported by nearby partner facilities to be arranged by Lux Events. He said that the agreement calls for shuttle operations and parking management to be handled solely by the event organizer. Approximately 30 food trucks, additional vendors, and entertainment are planned, and that this represents a good community engagement opportunity for the airport. Mr. Morello reported that airport staff will participate on-site with informational outreach and that he would be present to engage with attendees regarding economic development initiatives. Mr. Morello reported that the promoter will provide event staffing, including private security, waste management services, and all post-event cleanup responsibilities and the airport would receive a $2,500 flat hosting fee. Importantly, the agreement includes standard insurance coverage and indemnification provisions reviewed and strengthened by PAC legal counsel. He stated that the promoter anticipates attendance of approximately 2,000 to 3,000 attendees cycling through the event over the course of the day. Dr. Price made a motion to approve the event agreement and Mr. Lawson seconded the motion. The motion was approved by roll call vote, **4-0.**

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.

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 9:15am.**

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

Mr. Joseph made a motion to return to Open Session and Dr. Price seconded the motion. The motion was approved by roll call vote, **3-0, and the PAC returned to Open Session at 9:42 a.m.**

Chair Smith adjourned the meeting at 9:42 a.m.

Next Regular Meeting Date: July 16, 2026, at 8:00 a.m.