

Peninsula Airport Commission

Board of Commissioners Meeting Minutes

July 16, 2026 – Regular Meeting

Commissioners in Attendance:

Chair, Lindsey Carney Smith
Vice Chair, Tommy Garner
Assistant Secretary, John Lawson
Treasurer, Jay Joseph
Assistant Treasurer, McKinley Price, DDS
Commissioner, Clayton Turner

Staff Members in Attendance:

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

Public Officials Present:

Phillip Jones, Mayor, City of Newport News
James Bringham, Chief of Staff, Mayor's Office
Eoghan Miller, Deputy City Manager
Jody Saunders, Director of Communications, 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
Jacquelin Wade, Kiwanis/Hero's Lounge

Chair Smith called the meeting to order at 8:00 a.m. She began by thanking everyone in attendance and welcomed Commissioner Clayton Turner as the City of Hampton's newly-appointed representative to the Commission. She reported that Commissioner Turner is the former Center Director of NASA Langley Research Center, and that the Commission is pleased to have Hampton's formerly vacant second seat filled by Mr. Turner, who brings extensive expertise that will benefit the Commission and the airport.

Approval of Minutes from May 21, 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 Dr. Price seconded the motion. The motion was approved by voice vote, **6-0**.

Public Comment: Chair Smith asked if any speakers had signed in for Public Comment. Mr. Orestes Gooden, Chair of the Aviation Department at Hampton University introduced himself and stated that Hampton University is an active part of the local aviation community and has aviation students on campus and who attend flight school at the airport. He expressed the University's commitment to continuing its support of the Peninsula Airport Commission and looks forward to maintaining a strong partnership. Chair Smith thanked Mr. Gooden for introducing himself and said that the Commission also looks forward to continued partnership.

Special Reports: Mr. Morello reported that the Site Readiness/AirCommerce Park report focuses on pursuit of a Phase II Virginia Business Ready Sites Program (VBRSP) grant, which previously helped fund more than \$500,000 in site readiness activities for the AirCommerce Park East and West properties in Phase I. He stated that the Phase II grant application was submitted on June 5th by Economic Development Authority (EDA) and is currently under review by the Virginia Economic Development Partnership (VEDP). He stated that the proposed Phase II activities emphasize on-the-ground improvements, site beautification, planning, permitting, and other development-ready initiatives that will enhance the marketability of the properties. Mr. Morello reported that Phase II, like Phase I, requires a 25 percent local match but provides greater grant amount potential by allowing the Airport to use the value of recent select capital improvements as matching funds. He stated that the City's prior commitment of funds toward eligible capital improvements has been proposed as a component of a local match valued at \$1.2 million. Mr. Morello reported that the proposed program includes approximately 14 project components over an estimated two-year period. He stated that VEDP staff are expected to conduct a site visit in August following their review of the application, at which time he and EDA staff representatives will present the proposed use of combined local matching funds and requested state funding. Mr. Morello reported that he remains optimistic about the Airport's chances of receiving the requested funding because of the Commonwealth's focus on the Airport's economic development potential and encouraging pre-application discussions with VEDP. He stated that a grant award is not expected until September at the earliest and that he will provide an update to the Commission following the August site visit and as additional information becomes available.

Master Plan Update:

Mr. Morello reported that work on the Airport Master Plan update work continues at a high pace, with Passero and staff collaborating closely with the FAA, DOAV and financial analysis subcontractor, Frasca, to finalize the capital improvement timelines and their relationship to the proposed development alternatives. He reported that he expects to receive a draft of the financial sections for review during the second week of August. He stated that coordination with the FAA and DOAV has been critical to ensure the near-term implementation schedule is consistent with their expectations while maintaining flexibility for projects in the mid- and long-term planning horizons. Mr. Morello reported that, following completion of the financial analysis, the project will advance to development of the Airport Layout Plan (ALP), which will illustrate proposed

physical improvements identified in the Master Plan. He stated that the Airport remains on schedule to meet all required deadlines and preserve eligibility for available grant funding tied to completion of the Master Plan.

Partnership Reports:

Mobile Innovation Center (MIC). Mr. Morello reported that post-award activities for the MIC grant are progressing through frequent coordination meetings involving Airport staff, the Economic Development Authority (EDA), and USI, the private partner for the three-year grant program. He stated that current efforts are focused on developing a Memorandum of Agreement (MOA) between the EDA and USI to define project responsibilities, reporting requirements, and implementation procedures. Mr. Morello reported that USI will create and manage the mobile command unit which will support research and development, training, and workforce development activities at the Newport News Park Radio Control Field, with an anticipated build time of approximately 10 months. He stated that the EDA will oversee reporting to Go Virginia/DHCD on project progress, funding, and workforce development outcomes. Mr. Morello reported that additional MOAs are expected between the EDA and educational partners, as well as with in-kind match partners, including the Airport and the City of Hampton. He reminded the Commission that the in-kind contributions consist mainly of labor and services rather than tax dollars and are intended to satisfy grant matching requirements. Mr. Morello reported that regular coordination meetings have been scheduled to support implementation of the project and that the first quarterly report has already been submitted. He stated that work has begun to establish the project's governance structure through a steering committee and supporting subcommittees to assist with overall project management, workforce development, academic partnerships, and technical program implementation. He stated that he will continue to provide updates to the Commission as the project progresses.

eVTOL Integration Pilot Program (eIPP). Mr. Morello reported that the Airport continues to maintain strong and positive working relationships with both the DOAV and FAA representatives connected with the nation's eIPP initiative. He stated that both agencies remain interested in ensuring the Airport is well-positioned to participate in future aviation operations and initiatives under the multi-state program led by PennDOT.

Committee Reports:

Finance & Audit Committee. Commissioner Joseph reported that Airport staff completed the fiscal year with a deficit that was lower than budgeted despite disappointing airline-related revenues that were beyond the Airport's control. He stated that Mr. Morello and the Airport staff should be commended for managing expenses effectively, maintaining the Airport within budget, and fulfilling the Airport's commitment regarding the City of Newport News' deficit funding. Chair Smith added her appreciation for Airport staff's hard work during the 2026 fiscal year. She stated that the Airport received the final draw of the City of Newport News' funding contribution during the last week of June, resulting in the full FY2026 allocation being received before the close of the fiscal year, and that she looks forward to improved financial results during the current fiscal year.

Facilities Committee.

Terminal Roof Replacement. Mr. Borden reported that all sections of the roof replacement project have been completed. He stated that the Airport is awaiting the final project deliverables before formally closing out the project.

Taxiway Delta. Mr. Borden reported that construction on the current phase of the Taxiway Delta project is approximately 80 percent complete. He stated that the remaining work consists of installing airfield lighting and pavement markings, which is scheduled to be completed in August. Mr. Borden reported that the project is expected to be substantially complete and ready for closeout in early September.

Taxiway Delta Phase II. Mr. Borden reported that all bid documents and the initial grant application for the Taxiway Delta Phase II rehabilitation project were submitted to the FAA by the June 30th deadline. He stated that the full project bid exceeded \$12 million, while the alternate bid for a reduced project scope was approximately \$6.8 to \$6.9 million. Mr. Borden reported that the Airport has approximately \$5.7 million in available funding for the project, including approximately \$3 million in discretionary funding. He stated that the current funding shortfall is estimated to be approximately \$1.3 million. Mr. Borden reported that the FAA is expected to apply the Airport's FY2027 Airport Improvement Program (AIP) entitlement funding toward the remaining project costs when those funds become available in October to remove the shortfall. He stated that additional discretionary funding may also be pursued because the project is considered a strong candidate for federal funding. Mr. Borden reported that the Airport is awaiting the FAA's determination on the final funding plan.

Restroom Renovation. Mr. Borden reported that all permitting has been obtained for the restroom renovation project. He stated that the project plans required minor revisions to address Americans with Disabilities Act (ADA) requirements, including accessible drinking fountains, before the project can be advertised for bids. Mr. Borden reported that the project is expected to be ready for bidding by September. Mr. Borden reported that the anticipated use of FY2027 Airport Improvement Program (AIP) funding for ongoing projects was included in the Airport's previously discussed capital improvement and budget planning. He stated that advancing a portion of the FY2027 AIP entitlement funding is consistent with the Airport's financial plan and is intended to ensure that current projects remain fully funded without delaying construction in the upcoming fiscal year.

Executive Director Report: Mr. Morello introduced Director of Operations Rob Gay to provide information on the Airport's upcoming annual FAA Part 139 Airport Certification Inspection. Mr. Gay reported that the inspection is scheduled for July 21st through July 24th and will evaluate the Airport's compliance with Part 139 regulations, including airfield operations, emergency response capabilities, training programs, and fueling operations. Mr. Gay reported that, unlike previous years when the inspection occurred in September, the Airport this year received only two weeks' notice to prepare for this year's inspection start on July 21st. He stated that staff have been preparing for the inspection and do not anticipate any significant findings or compliance issues.

Mr. Morello reported that several upcoming events will be held at or will involve the Airport staff during July and August. He stated that the annual Newport News Boards and Commissions Appreciation Reception will be held this year in Concourse A on July 22nd and noted that electronic invitations and RSVP information had recently been distributed by the City according to the City Clerk's Office. Mr. Morello reported that a Virginia Aerospace Business Association (VASBA) luncheon will be held at the Airport on July 29th and that he has been invited to speak about the vision and future development potential of the AirCommerce Park, a great opportunity to promote the Airport's ongoing initiatives. Mr. Morello reported that the Virginia Aviation Board's Conference will be held this year in Williamsburg August 19th through August 21st. He stated that he has been invited to deliver welcome remarks and participate on a panel, and that Airport staff is assisting with organizing traditional opening ceremony items.

Mr. Morello reported that Hangar 3 has been leased to Aery Aviation following the company's immediate need for additional aircraft storage space related to a recently awarded contract. He stated that the lease began on June 4th and provides Aery approximately 12,000 square feet of hangar space under a six-month agreement at a monthly rental rate of \$9,500, with an option to continue on a month-to-month basis thereafter. Mr. Morello reported that Aery Aviation is leasing only the hangar space and not the attached office areas, and that Aery has provided a \$4,500 security deposit. He stated that the lease represents a welcome source of additional revenue for the Airport while staff continues refurbishing the remaining office, classroom, and shop spaces in Hangar 3 for marketing and leasing opportunities.

Mr. Morello reported that the Airport's FY2027 Commonwealth Aviation Fund (CAF) entitlement allotment has been communicated to the Airport. He stated that, although staff had previously estimated the Airport would receive approximately \$1.1 million based on anticipated funding formula changes, the final allocation is actually approximately \$1.237 million. He stated that these restricted-use funds may be used for qualifying airfield maintenance, emergency repairs, certain capital improvements, and other airfield-related expenditures. Mr. Morello reported that Mr. Borden will provide the Commission with his annual report on the FY2026 use of these funds during the August meeting. He stated that the increased allocation represents positive news by providing the Airport with additional resources for future eligible projects.

Mr. Morello reported that Norfolk International Airport recently increased its maximum daily garage parking rate from \$25 to \$30 while maintaining its hourly parking rate of \$5. Mr. Morello reminded the Commission that increasing the Airport's hourly parking rate from \$2 to \$3 and the maximum daily parking rate from \$10 to \$12 in January has been an effective counterbalance to a decline in parking activity, offsetting use reduction impacts while allowing the Airport to remain competitively priced compared with other regional airports.

Mr. Morello reported that two interns from Hampton University's Aviation Program began paid internships with the Airport this week. He stated that the interns are eager to learn and have started their assignments in the Operations Department under the guidance of the Director of Operations, operations staff, and the Airport's Safety Officer. Mr. Morello reported that the approximately 12-week internship program is designed to provide the students with experience in multiple areas of Airport operations, and will rotate through various departments, including

Administration, Public Safety, and the Aircraft Rescue and Fire Fighting (ARFF) station to gain a broad understanding of Airport functions. Mr. Morello reported that Airport staff is pleased to provide these learning opportunities and appreciates the work assistance they will provide, too.

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

New Business: Chair Smith reported that the Commission had one item of new business regarding the annual renewal of its Electronic Participation Policy (Exhibit A) for situations other than a declared state of emergency. She stated that the policy, which was originally adopted during the COVID-19 pandemic, must be renewed each fiscal year. Chair Smith reported that legal counsel confirmed there have been no changes to the applicable state statute or to the policy since its previous adoption. She stated that a resolution approving the Electronic Participation Policy for non-emergency situations for the current fiscal year, was included in the meeting materials for the Commission's consideration. Mr. Garner made a motion to approve the Electronic Participation Policy and Dr. Price seconded the motion. The motion was approved by voice vote, **6-0**.

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 Dr. Price seconded the motion. The motion was approved by roll call vote, **6-0, and the PAC entered Closed Session at 8:30am.**

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 Dr. Price seconded the motion. The motion was approved by roll call vote, **6-0, and the PAC returned to Open Session at 9:40 a.m.**

Chair Smith adjourned the meeting at 9:41 a.m.

Next Regular Meeting Date: August 20, 2026, at 8:00 a.m.