



## AGENDA

August 17th, 2021, 2:00 p.m.

### Remote Access:

Dial-In Voice Only  
1.415.655.0001  
Meeting # 126 946 8839  
Passcode: 52279852

Webex Video and Voice  
Meeting # 126 946 8839  
Passcode: JaArxVkb893

- I. Call to Order
- II. Roll Call
- III. Pledge of Allegiance
- IV. Introduction of Attendees
- V. Secretary's Report
  - a. Minutes of July, 2021
- VI. Treasurer's Report
- VII. Marketing Committee
  - a. Data Update
  - b. Social Media Influencer Program
- VIII. Commercial Development and Planning Committee
  - a. Non-Aeronautical Commercial Property Development
  - b. Terminal Expansion Planning Update
  - c. Airport Roadway and Parking Lot Improvements
- IX. Director's Update
- X. Old Business
- XI. New Business
  - a. Full Committee Appointments
  - b. Additional FY21 Line Item Transfers Required by County Finance
- XII. Open Discussion
- XIII. Executive Session
- XIV. Airport Industry Familiarization Brief
- XV. Adjournment

## Minutes

### Coastal Carolina Regional Airport Authority

July 20, 2021

Charles Cushman called the meeting to order at 2:00 p.m.

Cushman advised that pursuant to Article 5 of the Airport By-laws, the attorney's legal counsel serves as parliamentarian of the Board. He said that since the Board currently does not have a chairperson he would proceed with the election after the roll call of the current Board members.

The roll was taken, and the following Board members were present in person: Bender, Harris, Hawkins, Jones, Liner, Murray, and Pope

The following Board members attended via WebEx: Frazer

Burns was excused.

All stood and recited the Pledge of Allegiance.

Also present in person: Andy Shorter, Airport Director; Charles Cushman and Ray Dunn, Dunn, Pittman, Skinner and Cushman; April Hill, Airport Security Coordinator/Board Recorder; Eric Litchfield, Business Manager; Ed Martin, Operations and Facilities Manager; Amy Ritchie, Terminal and Ramp Manager; Theron McCabe, Craven County Commissioner; Jeff Wood, Craven County Economic Development; Terry Morris and Jay Talbert, Talbert & Bright.

The public was notified of the meeting along with details for joining via WebEx. The meeting was held at the normal time and place (for those attending in-person).

#### Oath of Office-New Members

The following were sworn in as new members of the Board: Commissioner Theron McCabe, Terry Morris, and Jeff Wood.

#### Nomination and Election of the Chair

Cushman advised that the rules of procedure for the Airport Authority have always considered the month of July to be an organizational meeting. He explained that July historically has been the month where the Board institutes a new slate of officers. Cushman advised that the first order of business with the

newly formed Authority is to nominate and elect a chair of the Authority. Cushman also advised that Rule 25 of the Rules and Procedures governs the procedure of nominating. He said that typically there would be a nominating committee to nominate the Chair position but due to the circumstances this year he will fall back to the secondary method of procedure and open the floor to any member of the Authority to submit a name for nomination to the Chair. Jones nominated Tyler Harris as Chair to the Board. With no other nominations a roll call vote was taken to nominate Tyler Harris as the Chair to the Coastal Carolina Regional Airport Authority. In favor, 8 opposed 0.

#### Introduction of Attendees

Shorter introduced the attendees present for the meeting.

#### Adoption of the Agenda

On motion by Liner, seconded by Jones the adoption of the agenda was approved as presented. In favor 8, opposed 0. A roll call vote was taken 8 yes, 0 no.

#### Officer Nominations and Election of Officers

The following members were nominated for the respective offices: Commissioner Liner as the Vice-Chairman, Bill Pope as the Treasurer and Kellie Hawkins as the Secretary. A roll call vote was taken for each nomination. All in favor, 8 opposed 0.

#### Secretary's Report

On motion by Liner, seconded by Jones the minutes of June 15, 2021, were approved with minor grammatical corrections. In favor 8, opposed 0.

#### Treasurer's Report

Pope advised that Hertz has again reported earnings a month ahead of the other agencies. Their earnings reported are for 12 months verses 11 months as reported by the other agencies. The year-to-date budget goal for rental car revenue was budgeted at \$123,500. The airport received \$284,125 for a positive variance to the goal of \$160,625. Pope commented that before today's meeting he took the time to reflect back to the July minutes of 2019. He

commented that the variance of revenue received in 2019 verses 2021 is \$81,450. He said that the numbers reflect the downturn from last year. Even though the numbers are improving, Pope said that the airport will be looking at trying to increase overall revenue moving forward. Landing fees were budgeted at \$45,221 and the Airport has invoiced \$0.00 as per the approved abatement period through September. Compared to 2019, Pope reported that the fees collected in 2021 are down \$100,900. Parking revenue is budgeted at \$400,000. The Airport has collected \$377,800 for a negative variance to goal of \$22,200. Compared to 2019, the fees collected are down \$601,403. Pope commented that between the three categories, the parking lot revenue experiencing the largest shortage, the total variance is \$783,750. Pope commented that through the CARES Act funding, the airport has been able to continue operations. The Cares Act Funding is budgeted year to date at \$2,410,741. The Airport has invoiced \$3,023,062 through July 2nd for a positive variance to goal of \$612,321. Pope commented that the goal is to get above the burn line on the funding now so that by the end of the four-year period of performance, the CARES appropriation for the airport is at a net zero balance.

Shorter commented that while this year the car rental agencies have been the biggest revenue generator, they are historically also the most unpredictable. He said where passenger air traffic has been down an average of 50% over the year, the rental car numbers were only down 20% from 2019 figures. Because of the continued uncertainty of passenger air traffic in the coming year, Shorter said that the car rental revenue has been conservatively programmed for the new fiscal year as well.

On motion by Hawkins, seconded by McCabe the Treasurer's report was approved. In favor 8, opposed 0.

## Director's Report

Marketing Update: Shorter asked Litchfield to give a marketing update. Litchfield reported that the inbound strategy is to bring people into EWN to explore a wide range of open spaces. He said that the committee launched a new digital campaign in January and reported updates through the first of July. There were 7.5 million impressions with a very good click through rate. Litchfield said that they are starting to see associated bookings since the campaign started. The outbound campaign is focused on our main catchment area including the outer banks. Litchfield commented that the campaign has been working extremely well with a lot of great feedback. He said that 128 people who viewed the ads and showed up at the airport and they have seen great social premium responses. The inbound campaign focused on five major cities that were chosen from the visitation study that was completed last year; Pittsburgh who had 1.392 million impressions, Philadelphia/Harrisburg who had 1.363 million impressions, Cleveland with 1.328 million impressions and then Newark/New York with 1.338 impressions. He said that he will be meeting with several stakeholders from New Bern, Pamlico and Carteret Counties tomorrow. He said that they will be working on a fly and ferry strategy with the NCDOT partners. Litchfield commented that there is a positive outlook on combining the two modes of transportation. Litchfield also reported that the committee is ready to move forward with the social media influencer trip. He said that they have two social media influencers to choose from; Ashley Mary is from Cleveland who has 303,000 followers. Ana Linares is from New York and has 190,000 followers. Litchfield commented that they will probably end up working with Ashley Mary. American Airlines will provide first class seating and free lounge passes. The local TDAs and business partners have also stepped up to help with accommodations and transportation. The traditional media engagement is going well. The committee continues to work on traditional ads by launching tv ads for the upcoming Olympics as well as new radio ads.

Earned Media: Shorter reported that Litchfield recently conducted an interview with WITN and that both he and Litchfield conducted an interview with the New Bern Sun Journal.

Terminal and Ramp Manager: Shorter introduced Amy Ritchie to the Board. Ritchie came on staff two years ago as the Business Coordinator. She has recently been promoted as the new Terminal and Ramp Manager. Shorter commented that Ritchie is extremely qualified and brings a lot of knowledge to the team from her previous roles in management before joining the airport.

State Leadership Classes: Shorter advised that the State provides airport leadership management program classes. He said that the training is a series of twelve courses that airport administrators around the state can take. If you take at least nine of the twelve then you will receive a certification from the State as a certified airport manager. Shorter commented that he was asked to moderate a class last week. He said that the topic was on COVID and Post COVID airport activities. The panel members were the COO from Charlotte, a general manager of a small airport and a large FBO Manager from RDU. Shorter said that the program has been great and that he feels very honored that the State has selected him to help teach the course on two occasions.

Air Service: Shorter reported that American's June load factors were at 83% and exceeding their 2019 passenger numbers. July started out at 95% load factor but with a few soft days the average so far this month is 92%. Shorter advised that he has not heard any updates from Delta. Hawkins asked why Delta is not providing service for the military. She commented that she is hopeful that EWN can enter a military contract with American. Jones commented that one of his greatest concerns since he has been on the Board is that EWN is not utilized for all of the Cherry Point military service. He commented that the Authority is pro military, and that the airlines must become aware of that. Jones said that military service must be a top priority over the next year. Shorter

commented that he and the air service consultant have specifically been trying to make sure that the airline "city pairs" are correct for the Cherry Point traffic and Rhonda Murray has helped make sure we gained access to some of that data for review. Once we understand the required city pairings then we can ask the airlines to specifically bid on those routes for EWN's military traffic.

Traffic Circle: Shorter reported that the circle is complete and that the NCDOT will be installing 22 new streetlights along the new portion of Terminal Drive.

ARFF: The new ARFF facility is on schedule and on budget. Shorter commented that the building has power, and that the HVAC system has been installed and is working nicely. The back drive has been completed with the front drive expected to be completed in the coming weeks. Shorter commented that TA Loving is doing a great job on the project.

Terminal Design: Shorter advised that he and the airlines met on a conference call to discuss the proposed terminal design. He said that the planning solution is at 60% and that the airlines were impressed with the design and didn't have any additional requirements.

CARES Addendum Development Grant Application: Shorter advised that the application work is ongoing. He said that the pre-application for the hangar project has been submitted. The categorical exclusion (CATEX) is complete and has been signed by the FAA. Shorter commented that the FAA specifically said that if it wasn't for the high level of work that Talbert and Bright did in completing the CATEX for the environmental that they would not have been as comfortable approving it and they specifically commended John Massey for his actions.

AIP44 Grant: Shorter advised that the grant plus-up has been approved. Instead of doing a full grant this year the FAA recommended that the airport

plus-up two past grants as they related to the design work for the terminal, which is what the plus-ups covered.

Aeronautical Property Development Information: Shorter commented that Cushman has done a great job investigating some questions that were proposed related to taxes. He said that they had a good meeting with the County Attorney and the County Manager. Shorter commented that when the Commercial Development and Planning (CDP) Committee is able to meet again he would like to present them with the updates.

Terminal Tenant: Shorter reported that the operations vehicle bay has been converted and leased to JetStar Aviation who provides ground support for American Airlines here at EWN. Shorter advised that the lease term is a short-term contract until the airport starts terminal modifications where that space will be converted to additional TSA space.

Mobile Aircraft Detail Services: Shorter advised that he is working on a permit for a Mobile Aircraft Detail Service. He said that it would be the airport's first commercial operating permit for a specialized air service operator (SASO). The other commercial operators on the airfield all have lease agreements with the airport. Shorter explained that aviation is full of other potential commercial clients that need access but may not need a lease. He said that they cannot be denied access to the airport and that the airport must have a way to monitor and regulate all types of SASO's. He said that this will be the airport's first permit for professional aircraft detailing. The annual permit fee is \$200.

Black Box Fly-In: Shorter announced that Black Box Flight Training will host a Fly-In on July 31<sup>st</sup> in the general aviation area. Black Box Flight Training provides flight training using a full motion simulator. Shorter commented that the FAA now allows pilots to use a certain number of hours in the simulator for their annual requirements.

D2-Government Solutions: Shorter announced that D2-Government Solutions will hold a graduation service for the Air Force Junior ROTC program on August 8<sup>th</sup> at 12:30pm. There are 20 students graduating the program. Shorter commented that D2 has already started planning for next year's program with approximately 40 students.

NCAA Conference: Shorter reported that over 400 attendees have registered for this year's conference. He said that the conference provides great educational opportunities for attendees. Staff and Board members who are registered this year are Shorter, Litchfield, Harris, Dunn, and Cushman.

Airports Council International-North America (ACI-NA) 2022 Nationwide Compensation and Benefits Study Proposal

Shorter advised that ACI-NA has offered any airport to participate in their 2022 survey. He said that last year, 120 airports participated in the annual survey. The cost to participate is \$1,100. Shorter advised that funds are already in a budget line item.

On motion by Morris, seconded by Liner the Board approved the participation in the 2022 Airports Council International-North America (ACI-NA) Nationwide Compensation and Benefits survey. In favor 8, opposed 0. A roll call vote was taken 8 yes, 0 no.

2-Unit Corporate Hangar Development Construction Contract

Shorter reported that the bid opening for the two-unit corporate hangar was held on June 24<sup>th</sup> with seven bids received. It was determined that the lowest bidder would be disqualified for not having a current NCDOT prequalification. The lowest qualified bidder, AR Chesson, came in at \$1,983,766.24. Shorter commented that AR Chesson constructed the recently built 10-unit t-hangar project at EWN last year, adding that they did a great job on that project. Shorter advised that a work authorization for Talbert and Bright

and the Wilson Group will be required for the project management and construction administration phase services in the amount of \$153,582. An independent fee estimate was completed on that scope of work and it was determined that the fee requested is of good value. The airport has allocated State funding in the amount of \$1,432,773 for this project. The remainder of the cost will be requested through the CARES Act development grant in the amount of \$808,475. The total cost for the 2-unit corporate hangar will be \$2,241,248.

On motion by Jones, seconded by McCabe the Board approved to enter into contract with AR Chesson for the bid amount of \$1,983,766.24 approved. In favor 8, opposed 0.

On motion by Morris seconded by McCabe the Board approved the construction administration Work Authorization for Talbert and Bright in the amount of \$153,582.00. In favor 8, opposed 0.

#### Airport Business Solutions-Airport Rates and Charges Analysis Proposal

Shorter presented a proposal from Airport Business Solutions to conduct a rates and charges analysis for all existing and any future facilities as well as any aeronautical and non-aeronautical land at the airport. The analysis will review current rates and charges and related leasing policies to determine if they are consistent and competitive with established aviation property principles and FAA guidelines. Shorter advised that funds for the analysis have been allocated in the current budget. All Board members were in favor of the proposal as submitted by Airport Business Solutions to conduct an airport rental rates and charges analysis.

#### Parking Lot Power and IT System Enhancements

Shorter advised that the airport has had two power outages within the last four or five weeks, both over an hour duration. He said that all the parking lot

systems are not covered by the airport's emergency generator when there is a power outage. It has been determined that the airport needs a propane power generation system similar to a system that someone may use at their home. He said that the FAA has several pieces of equipment on the field that use similar systems. Shorter also advised the Board that the parking lot booth is no longer manned since the parking system is now an automated system. The personnel that were in the booth have been moved inside the terminal as part of the airport's customer service team. Future plans include the demolition of the booth but at this time all of the power and information network nodes are located in the booth. In order to finally remove the structure, Shorter advised that the airport would need to install a stand-alone waterproof cabinet to relocate and protect all of the parking lot related power and security systems. He said that the funds to cover the cost of the project are already in the FY22 budget. The estimated cost for both of the parking lot system upgrades is \$40,000. This cost does not include the actual demolition of the existing parking lot booth, which will be completed once a new exit lane canopy cover is proposed and approved.

#### Open Discussion

Harris commented that he appreciated the agenda with explanation of topics that was sent out this month in the Board packet. He said that he hopes to see the same format continue moving forward.

Harris asked Pope to continue to chair the Commercial Development and Planning Committee to which Pope agreed. Harris also appointed Jeff Wood as Chairman of the Marketing Committee. He advised that he would like to meet with staff before nominating members to each sub-committee.

Harris commented that the Authority Board is an extremely important Board to this County as is the airport. He said that that the airport has been

operated as a commercial airport for at least 75 years and was used by the USMC before and during WWII. Harris said that the airport has gone through a lot of changes adding that the Authority format began in 1979 with enabling legislation from the State of North Carolina, which the airport has been operating under ever since. The airport was also owned and operated jointly by Craven County and the City of New Bern but changed several decades ago and is now owned solely by the County and is financially self-sufficient and owned by the taxpayers of Craven County and represented by the County Commissioners. Harris commented that he feels that it is important for each Board member to become as knowledgeable as possible about the airport and that each member needs to be an advocate in the community. Harris asked Director Shorter to develop an extensive orientation program for the Board that would consist of the terminal and airfield. Harris also asked Liner to form a committee for review of the airport By-laws with the staff and the airport attorney to determine if there are any amendments or changes that need to occur. He commented that the Board should also become familiar with the By-laws and requested that the review process become part of the orientation program. The last update to the airport by-laws was in 2010.

Carolina Ground Support Equipment (GSE): Harris mentioned he noticed a grand opening of the Carolina Ground Support Equipment (GSE) in a Chamber publication. Litchfield commented that it was a notice of a new location for the company. Wood commented that they are a company that provides maintenance for aircraft ground services equipment and that they work all over the world. Carolina GSE purchased the Craven 100 Alliance building and unfortunately did not have a grand opening at that time due to the COVID 19 pandemic. Shorter added that the company was started by former Piedmont pilots who started rebuilding ground support equipment in their spare time but now sell brand new equipment all over the world. Wood added

that the company has invested over a million dollars in the industrial park and continue to grow their business.

Airport Master Plan: Harris displayed an airport master plan update executive summary brochure created from the original plan that Talbert and Bright produced. He commented that the document is important for the airport moving forward, with projects detailed for the next twenty years. Harris said that there is a lot of information in the document and a copy will be provided for each Board member. Litchfield commented that the master plan is also available on the airport's website.

Jones asked for a Harrier Update: Shorter advised that they continue to operate at the airport and that Ed Martin receives updates routinely. The last noise inquiry came in two weeks ago. Murray commented that the inquiry was forwarded to the Commanding Officer of the base, who then forwarded the inquiry to the MAG-14 Commanding Officer for situational awareness. Shorter added that MAG-14 did ask to use the Airport's Air Cargo ramp for additional parking. He advised that he denied the access noting that the area is reserved for large aircraft and that the tarmac is old and not completely FOD free. Harris suggested that other communities put these types of operations on their website for the public to view so that they would know what to expect when these activities take place. He said that it has worked for other communities and may be something to discuss further moving forward.

Shorter mentioned that Senator Sanderson recently visited the D2-GS facility and that he mentioned his support for the military being able to use the airport.

#### Executive Session

On motion by Liner, seconded by Wood, the Board went into executive session at 3:35 PM in accordance with North Carolina General Statute 143-318.11

(a) (3) to discuss with the attorney employed or retained by a public body regarding the handling or settlement of a potential claim or judicial action. In favor 8, opposed 0.

On motion by Bender, seconded by Liner, the Board came out of executive session at 4:24 PM. In favor 8, opposed 0.

There was no action taken in executive session.

On motion by Wood, seconded by Liner, the Board adjourned at 4:25 PM. In favor 8, opposed 0.



Kellie Hawkins, Secretary