



AGENDA

November 16th, 2021, 2:00 p.m.

Remote Access:

Dial-In Voice Only
1.415.655.0001
Meeting # 255 1509 7438
Passcode: 35939601

Webex Video and Voice
Meeting # 255 1509 7438
Passcode: FlyEWN#13

- I. Call to Order
- II. Roll Call
- III. Pledge of Allegiance
- IV. Introduction of Attendees
- V. Secretary's Report
 - a. Minutes of October, 2021
- VI. Treasurer's Report
- VII. Director's Update
- VIII. New Business
 - a. Work Authorization for Terminal Parking Lot Expansion Project
- IX. Open Discussion
- X. Executive Session
- XI. Authority Member Airfield Tour
- XII. Adjournment

Minutes

Coastal Carolina Regional Airport Authority

November 16, 2021

Chairman Harris called the meeting to order at 2:00 p.m.

All stood and recited the Pledge of Allegiance.

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

The following Board members attended via WebEx: Frazer.

Kiser and Morris were excused.

Burns was not in attendance.

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; Amy Ritchie, Terminal and Ramp Manager; Ed Martin, Operations and Facilities Manager; Barbara Morton and Jo Lafond, Office Assistants, and John Massey, Talbert & Bright.

The public was notified of the meeting in the usual fashion along with details for calling in via the phone conference number. The meeting was held at the normal time and place (for those attending in-person).

Secretary's Report

Shorter advised that Kiser has reviewed the minutes of October 2021 and found no discrepancies. On motion by Bender, seconded by Wood the minutes of October 19, 2021, were approved. In favor 6, opposed 0. Chairman Harris will sign the minutes in Kiser's absence.

Treasurer's Report

Pope reported financials through October. The CARES Act funding has a budget of \$2,122,756. The airport has received \$688,036. Concessions, Advertising and Ground Transportation is budgeted at \$9,700. The airport has

received \$15,590 for a positive variance to the goal of \$5,890. Fuel Flow Royalties are budgeted at \$14,143. The airport has received \$10,716. Landing Fees are budgeted at \$10,220. The airport has received \$5,496. Other revenue is budgeted at \$1,333. The airport has received \$635,679. Pope asked Shorter to comment on the line item to the Board and Shorter explained that this line item is a temporary flow through from a project and will be taken back out of the budget. Parking revenue is budgeted at \$118,733. The Airport has collected \$218,181 for a positive variance to the goal of \$99,447. Rental car revenue was budgeted at \$83,117. The airport received \$139,557 for a positive variance to the goal of \$56,440. Rental income is budgeted at \$132,834. The airport has received \$115,981. Pope commented that the revenue received reflects the delinquency of a few of the tenants paying on time and the airline abatements. Pope also reported revenue received through a state grant at \$332,402. Shorter commented that the grant is the FY 22 allocation from the State. He explained that the total grant is \$1.32 million and that funds will be dispersed in quarterly shares. He said that the \$332,402 is the first payment installment and that the airport will hold the funds for the terminal expansion project. Shorter reminded the Board that the airport did not receive FY 21 funds from the State and that the FY 20 funds are currently being used for the corporate hangar project. TSA Security Reimbursements were budgeted at \$38,500. The airport has collected \$28,855 for a negative variance to the goal of \$9,645.

On motion by McCabe, seconded by Liner the Treasurer's Report was approved. In favor 6, opposed 0.

Directors Update

Air Service Notes: Shorter reported that he and Wood attended the Air Service Conference in Baton Rouge, LA November 1st- 3rd. He said that they were able to talk with four airlines; two ultra-low-cost carriers, American airlines and what he described as a boutique style air carrier that provides service to

the islands with small twin-engine aircraft. Shorter explained that the meeting with the small boutique style air carrier was more of an informational discussion to have them explain what their operations look like so that the airport can determine whether their service is something that would be viable to have service to the Outer Banks. Shorter advised that they have more research to do but that the positive take away is that the air carrier has flow through agreements with all the major airlines allowing passengers to fly from major cities and connect through to their service. Shorter also explained that one of the ultra-low-cost carriers is new on the market and the other is established. He said that they were both very interested in the data that he and Wood provided but that the established carrier has informed the airport that after running their numbers and looking at the area, they feel like this would be a five to ten year in the future play for them. Shorter commented that their response is not unrealistic noting that they fly 180 seat aircraft, where one aircraft represents two-thirds of the number of seats we try to fill daily at EWN now. Shorter commented that they all were very interested in the data provided, adding that is why it is so important to have the help from our airport air service consultant. He mentioned that Wood also had some creative ideas after the conference to maybe engage with the airlines. Wood commented that if you look at what their needs are, it was exactly what he had been warned about when it comes to incentives for the airlines. He explained that they are focused on risk mitigation type incentive policies. He added that these are well established people who have ventured out to create their own airline and have done very well but are still up-and-coming carriers needing branding so when you talk about being able to connect them to some of the branded activities that the airport can provide, such as New Bern being the saltwater fishing equipment manufacturer capital of the world, that may attract them and give them something to tag onto to. Wood said that with all the great things that the airport is doing, it has allowed the marketing team the opportunity to create a target industry within

the industry. He said that these are the folks that have the financing to build out a successful airline, but they are unbranded much like the other now established low-cost carriers would have been ten or twenty years ago. Wood commented that the airport needs to continue the conversation, not just with this particular prospect, but with all low-cost carriers alike. He said that he felt that this carrier was probably the most aggressive interaction of the group. Shorter added that meeting with American was good. He said that the network planner looked well-worked as they have been burning the candle at both ends however, they said they were happy with the performance at EWN and that they were satisfied and content. Understanding the airport's destination data, Shorter said that the network planner will continue to look at load factors and will pass along the information to the less-than-daily weekend planners to see what they may be able to provide for additional service next summer. Shorter said that they will continue to foster the airport's relationship with American.

ARFF Facility Ceremony: A ribbon cutting ceremony is scheduled for Friday, November 19th at 3pm with a reception to follow. Shorter commented that the airport will also celebrate the airport's 90th birthday along with the ribbon cutting ceremony. Chairman Harris will speak followed by Commissioner Jones, Chairman of the Craven County Commissioners. Representative Murphy will also attend and will speak as well. Shorter added that he is very pleased with the facility and that the contractor, TA Loving, did a great job. The project came in about \$50,000 under budget and was completed ahead of schedule.

Tabletop: Shorter advised that the annual tabletop exercise went well with the new City of New Bern Police Chief and the New Bern Fire and Rescue Chief personally in attendance. He added that the exercise was planned and coordinated well with the help of Ira Whitford, Assistant Director of Craven County Emergency Services.

Personnel Admin Structural Review: Shorter advised that since the Business Manager has resigned there is flexibility within the budget for a personnel structural review. With the help of the human resources consultant that the airport keeps on retainer, Shorter will start looking through the tasks of all personnel in the business office. He said that this will help determine what organizational structure changes may be needed to gain the best efficiencies, to include a potential shared finance office position with Craven County. He also advised that the airport will also participate in the annual Airports Council International (North America) salary study as the first step to understand how inflation may be affecting the industry.

Infrastructure Bill: Shorter advised that the Federal Infrastructure Bill has been approved. He said that airports fared well within the bill and were the only designated infrastructure provider that remained the same through the negotiation process. He added that the bill contains money dedicated for non-hub terminals that will be competitive. He said that the federal DOT will facilitate the program. Shorter advised that it is too early to determine what this means for the airport. Liner asked, without knowing the requirements of the bill, what shovel ready projects are available that could be used under the funding available in the bill. Shorter advised that terminals and air traffic control towers have been specifically listed and that the EWN terminal expansion is currently the shovel ready project we had made ready, by design. He added that part of it is also increasing the airports normal annual entitlement through a formula. He said that he is trying to get clarification but if the airport just simply doubled its entitlement and FAA would lower the bar for eligible projects, there would be more money available for use on a wider range of requirements.

Airport Capital Improvement Plan (ACIP) Review: Shorter shared with the Board the airport's five-year ACIP. He gave a detailed summary of projects that include a terminal expansion, design, bidding and construction of a new air

traffic control tower, taxiway rehabilitation, road realignment, and a runway extension. Shorter explained that the ACIP plan helps the airport demonstrate to the FAA how the airport is moving through the airports accepted master planning. The master plan is a 20-year plan that the airport updates every ten years, then programs the projects in five-year increments. Liner commented that the airport needs to move fairly quickly in briefing the local and State representatives on the projects listed in the ACIP. He added that if you can get the State to realize the importance of the improvements and build local partnerships, it sends a signal to the FAA that the airport is serious about the improvements while putting the airport on the map and making it better.

Work Authorization for Terminal Parking Lot Expansion Project

Shorter presented to the Board for approval a work authorization for Talbert & Bright. The work authorization is for the design and environmental work for an expansion of the current commercial service parking lot. The expansion will allow additional parking closer to the terminal. Shorter commented that with the location of the expansion, there will not be any need to block off areas of the current parking lot. The estimate cost for the work authorization is \$71,206.

On motion by Pope, seconded by Liner the work authorization for the terminal parking lot expansion project was approved. In favor 6, opposed 0.

Open Discussion

There was no discussion.

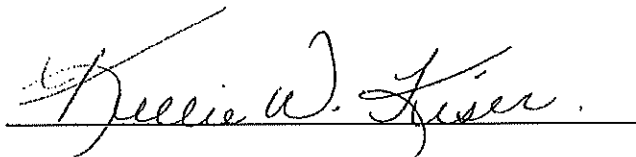
Authority Member Airfield Tour

Harris commented that since his election to Chairman in July, one of his goals was for the Board members to have the opportunity to become more educated with the airport and all of its operations. He said that Andy has

accomplished this goal in the last three or four meetings which is cumulating once again today in a physical tour of the airfield that he and the staff have put together for the Board. Harris said that he appreciates the work that has been put into each presentation and that each Board member should be educated about the airport because without the education it's hard for the members to advocate for the airport. As part of Shorter's airport familiarization for the month, an airfield tour was given for the Authority members. Shorter advised that Kelly Walker, Director of CARTS, was very gracious to personally provide transportation for the tour and that we were very grateful for her help.

Executive Session

There was no need for executive session. The Board adjourned at 2:57 pm.

A handwritten signature in cursive script, reading "Kellie W. Kiser", is written over a horizontal line.

Secretary Kellie Kiser