

Minutes

Coastal Carolina Regional Airport Authority

November 21, 2023

Vice- Chairman Pope 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: Bender, Brinson, Eckert, McCabe, Morris, Pope, and Wood.

The following Board members were excused: Harris and Jones.

Burns, Frazer, and Murray were not in attendance.

Also present in person: Andy Shorter, Airport Director; Ray Dunn and Daniel Stanton, Dunn, Pittman, and Skinner; April Hill, Airport Security Coordinator/Board Recorder; Amy Ritchie, Terminal and Facilities Manager; Patrick Manzo, Operations Manager; John Massey, Talbert and Bright and Melissa Riggle, Tourism Development Authority (TDA).

Pope announced that Chairman Harris was absent in today's meeting so that he could take care of his wife who recently had surgery. He also mentioned that Mrs. Harris' mother recently passed away. He asked that the Authority members keep the Harris family in their prayers.

Pope also announced the recent passing of Mayor Bender's mother. He offered his condolences to Mayor Bender and his family.

Agenda Amendment

Pope advised that an agenda amendment will be needed to discuss a budget amendment for the tower siting project.

On motion by Wood, seconded by Morris, the Board approved the agenda amendment. In favor 5, opposed 0. A rollcall vote was taken; 5 yes, 0 no.

Secretary's Report

On motion by Brinson, seconded by Morris the minutes of October 17, 2023, were approved. In favor 6, opposed 0.

Treasurer's Report

Wood reported that the revenue for landing fees is under budget due to a lagging invoicing issue with the airlines. The "other revenue" line is over budget due to the sale of surplus airport items. Total expenses are still indicating over budget for the year due to the two-year landscaping and marketing consultant services contracts that were already paid. Shorter noted the revenue interest income being \$18,000 over budget and he said that they expected the interest income to continue increasing as investments have been moved to a higher interest earning account. He added that the airport may see another windfall in that revenue line next month. Shorter also commented that the parking revenue is under budget and expects the revenue to continue to fall behind, as the flight schedule has dropped to four flights a day, before the schedule picks up in the spring.

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

Marketing Update

Riggle reported that the committee met last week. She commented that the meeting was productive as they re-established connections and discussed goals and objectives. The current focus for the committee is a holiday campaign with social media, specifically what kind of food passengers can

carry through the screening checkpoint and reinforcing the ease of flying out of EWN. She said that the campaign is very visual and family inclusive. Riggle also mentioned the press release recently published by the CIA. She said that there was a lot of great information and insights published in the release that included the great things happening at the airport. The committee is looking into identifying opportunities for earned media. Riggle said that the TDA will continue to discuss how they can be advocates for what EWN is doing. She said that the marketing committee is moving forward with setting up quarterly meetings for the calendar year 2024, unless there is a need for a special meeting for a project. Finally, Riggle reported that she is working with Durant, the airport and the TDA to heavily support the downtown air show sponsored by Buddy and Wendy Stallings. Shorter commented, that the airport is not hosting the air show. He explained that there are a tremendous number of FAA hurdles for an airport to go through to host an air show. He said that with the Stallings sponsoring the air show downtown, it is the best of both worlds. The aircraft fly out of the airport but use the aerobatic box that Hubie Tolson has developed for the waterfront in New Bern and then the community gets all the effects of an air show without weighing down the airport with the logistics of planning and executing an air show. Shorter said that he appreciates the Stallings for sponsoring the community aviation event.

Pope reported that he and Shorter attended the Federal Reserve meeting last Friday. He commented that there was good conversation and cooperative effort between the County, City, and Airport.

Shorter brought to the Board's attention the statewide magazine placed before each member. He said that the magazine is an economic development report for all the counties in North Carolina. He commented that the one report that he likes and uses the most is the city population list. He said that he shares with others that there are ten commercial service airports in the state. Outside

of EWN, the other nine commercial airports are in the top 14 most populated cities in the state. New Bern is ranked as the 32nd largest city in the state. Shorter commented that having commercial service available in any city is important and the fact that we have it in a smaller city is the reason why the airport works so hard to promote and retain its commercial service.

Commercial Development and Planning Committee

Pope reported that the committee met on November 15th to discuss airport property development and planning updates. He asked Shorter and Wood to give specific detail on the following topics:

Corporate Aerospace Development Area: Shorter announced that the airport has been awarded \$5,000,000 through the State Transportation Reserve Direct Funding (TRDF). Details on the allocation of the funding are expected from the NCDOT in December. The \$5 million awarded, along with the \$1 million award through commerce and approximately \$750,000 awarded through the Golden Leaf Foundation, will be used to fund the corporate aerospace development area. Shorter said that within the next couple of weeks he will sit down with County Finance to discuss the use of all of the funds for the project. Wood added that the only grant that would require the airport to match is the \$1 million through commerce. He said that it is critical for the airport to sit down with County Finance to try and figure out the tracking of the different funding streams. Shorter commented that as far as he knows, there is no prohibition for using the other state money as a match for the commerce grant. Shorter advised that John Massey is preparing the bid documents for the clearing project. He explained that the bids will be for the clearing and grubbing half of the property with an alternate bid to clear and grub the entire property. Other alternate bids will be for perimeter fencing with either an 8ft or 10ft fence along the property. Shorter said that it has been recommended to install a 10ft fence with a buried portion to prevent wildlife from digging under. He added that the

current fence line in that area is the most vulnerable and most affected by wildlife on the airport property.

Non-Aeronautical Area: Wood reported that they are still in negotiations and are working out the details for the next step. He said that there is more to come but unfortunately, he does not have any further updates at this time.

Terminal Project Part 2 Planning: Shorter shared artist impressions of the proposed design for the airline ticketing offices (ATO). He said that the new design would make the area coherent with the rest of the airport improvements. The main goal is to clean up the inbound baggage processing area, with the goal of having checked-in baggage handled just once. The current layout requires baggage to be touched multiple times as it processes through the screening systems. Shorter also advised that the ATO office spaces are not FAA AIP eligible, but Shorter explained that the project would be fully funded through multiple State and Federal funding streams and not just AIP entitlements. Pope commented that the new design will give the airport the ability to expand for additional airline service. He said that the design is the most accommodating layout that will provide walk in ready office spaces.

Director's Update

Air Service: Shorter reported that October enplanements were the same as last year but added that November load factors show an improvement at almost 80%. He said that American has published schedules through June. There are 9000 seats planned for the month of April. Shorter commented that there were only 7500 for EWN in the month of April of last year. Shorter commented that there continues to be articles published on the pilot shortage. He said that the airline costs are up noting that American recently released their stakeholder quarterly report with quarter three as the highest grossing quarter ever. However,

they also reported a \$500 million loss in the same quarter. Shorter commented that American continues to be pleased with their operations at EWN.

Terminal project: Shorter reported that brickwork has started on the new construction of the terminal expansion project. He offered a tour for those members interested in seeing the progress of the project after the meeting. Shorter also reported that the new ceiling work is underway in the baggage claim area with new soffits and HVAC vents.

State Allocation: Shorter advised that the annual recurring State allocated funding is \$1,548,065 for FY24 and Chairman Harris is in receipt of a letter from the State awarding the airport the recurring annual funding. He said that this FY24 funding will be used as a match to federal funding for the terminal project.

Williams Road Update: Shorter reported that there have recently been some productive meetings with the NCDOT. He said that they have three design options for the re-alignment of Williams Road and that the DOT has socialized those options with some of the Federal agencies involved with the environmental process. Shorter mentioned that recent discussions with the NCDOT included the discussion of whether to build a small bridge over Scott's Creek or to continue to use culverts under William's Road.

New Business

Talbert and Bright Work Authorization: Shorter presented a Talbert and Bright work authorization in the amount of \$441,481.00 for the Board's approval. The work authorization will fully fund the design and bidding process for part two of the terminal building improvements. The cost associated with this project will be 90% reimbursed through an FAA Federal Grant.

On motion by McCabe, seconded by Morris, the Board approved Talbert and Bright's work authorization in the amount of \$441,481 for part two of the terminal

building improvements. In favor 6, opposed 0. A roll call vote was taken: 6 yes, 0 no.

Shorter advised that a Budget Amendment will be required to move the funds for the work authorizations from the current fiscal year funding to the architectural and engineering line item.

On motion by McCabe, seconded by Wood, the Board approved the budget amendment. In favor 6, opposed 0. A roll call vote was taken; 6 yes, 0 no.

Project Ordinance - Tower Siting Project: Shorter presented the following Budget Ordinance and Amendment for the tower siting project:

Project Ordinance – Air Traffic Control Tower

Expenditures:

Phase 1 (Siting study)

Preliminary \$197,207

Architectural & Engineering \$8,000

Total \$205,207

Revenue:

FAA Grant \$184,686

Operations Fund 810 \$20,521

Total \$205,207

On motion by Morris, seconded by Eckert, the Board approved the budget ordinance in the amount of \$205,207. In favor 6, opposed 0. A roll call vote was taken; 6 yes, 0 no.

Budget Amendment

Revenue		Expenditure	
8347050-33110	\$184,686.00	8347050-47005	\$197,207.00
FAA Federal Grant		Preliminary	
8347050-39808	\$20,521.00	8347050-47006	\$8,000.00
Transfer to Operating 810		Architectural & Engineering	
Total	\$205,207.00	\$205,207.00	

Justification: To establish Air Traffic Control Tower Phase 1 (Siting Study).

On motion by Wood, seconded by McCabe, the Board approved the budget amendment in the amount of \$205,207. In favor 6, opposed 0. A roll call vote was taken; 6 yes, 0 no.

North Carolina Airports Association Conference Registration (April 3rd-5th): Shorter reminded the Board of the NCAA annual conference to be held April 3rd-5th in Asheville, NC. He asked that those members who plan on attending let Ritchie know by December 1st. Any open rooms available after December 1st will be turned back over to the hotel for other airports to use.

Open Discussion

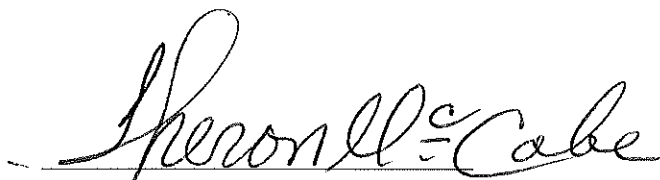
Shorter stated that historically the Board does not meet in the month of December but advised that there will be a need to meet next month to discuss the corporate aerospace development and to approve some budget amendments after they meet with County Finance. The next scheduled meeting will be held December 19th at 2pm.

Executive Session

On motion by Morris, seconded by McCabe, the Board went into executive session at 2:43 PM in accordance with 143-318.11(a) (3) (4)(5) to consult with an attorney concerning the handling of the administrative procedure, to discuss matters relating to the location or expansion of industries or other business in the area served by the Airport Authority and to give instructions to negotiate agents regarding the price for other material terms of contracts or proposed contracts for real estate.

On motion by Morris, seconded by McCabe the Board came out of executive session at 3:19PM. In favor 6, opposed 0.

On motion by Morris, seconded by McCabe the Board adjourned at 3:21PM. In favor 6, opposed 0.

A handwritten signature in cursive script that reads "Theron McCabe". The signature is written in black ink and is positioned above a horizontal line.

Secretary Theron McCabe