

Minutes

Coastal Carolina Regional Airport Authority

January 16, 2024

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: Bender, Brinson, Eckert, Harris, Jones, McCabe, Morris, Pope, and Wood.

Burns 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; Melissa Riggle, TDA Executive Director; Jay Talbert and John Massey, Talbert and Bright.

Also present via conference call: Henry Frazer.

Secretary's Report

On motion by Eckert, seconded by Wood the minutes of December 19, 2023, were approved. In favor 8, opposed 0.

Treasurer's Report

Wood reported that the airport revenue is operating in the black primarily due to Interest Income, the Concessions, Advertising, Transportation fees collected, and Rental Car receipts. Wood also noted that the landing fees are historically one month behind in receipts as reflected in the monthly treasurer's report. Shorter commented that there is a notable increase in concessions advertising and ground transportation this month over last month's report. He said that the fee rates for Uber and Lyft drivers increased by 50% from last year,

one company also just paid a lump sum payment of \$2500 for the year and all of the transportation permit renewal payments are being made now.

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

Marketing Update

Riggle reported that social media had strong growth for the month of December. The highest level of engagement was seen on Instagram where audiences were engaged with discussions on locations they were traveling to. The posts that performed the highest were about the airport, whether it was about the terminal expansion project or upcoming changes at the airport. Riggle commented that the committee will schedule a photo shoot once the expansion is complete to showcase the projects that are currently underway at the airport. The committee is also researching other social media posts that other larger airports like RDU are posting to showcase their airport. Riggle commented that she has connected George Durant with the TDA's marketing team so that he has access to their online library and destination images of New Bern. Riggle also reported that the Google pay-per-click ads have performed well, the EWN ads continue to hit above average on all the pay-per-click through rates. As part of the collaboration effort, Durant will geofence three consumer trade shows over the next couple of months to target consumers attending for relocation and travel information. The first EWN marketing committee meeting for 2024 will be held on Monday, January 22nd.

Commercial Development and Planning Committee

Pope reported that the CDP committee met last week on January 10th to discuss the following topics:

Airport Development: Pope reported that a bid opening was held for the Corporate Aerospace Development Clearing Project, but the airport only

received two bids on the project. The FAA requires that there be at least three bids, so a rebid date was scheduled. Pope said that the airport received bids from the same two bidders on the second try. He said that Shorter and Massey will discuss the bids in more detail under New Business.

Non-aeronautical: Pope reported that there has not been any movement from FMR on the non-aeronautical development on Old Airport Road. He said that FMR is still very interested in the property and that Wood, and his team, are in constant contact with them to work out the language details for a contract. Wood added that he should have a template of how the agreement would work between the County and the Government this week and will follow up with a conversation with FMR on Friday.

634 Airport Road: Pope commented that there have been a lot of moving parts on the details of the property. He asked Shorter or Ritchie to give an update. Shorter commented that he received an updated quote for \$149,000 to lower the floor, remove the stage, install a multipurpose garage door, and to install other items like new lighting and floor sockets. He said that Wood has the information on the quote and will discuss the investment with the Tech Bridge Director when he speaks with him on Friday. Shorter also commented that he has also received a quote to paint the outside of the building and to do some required landscaping as projects moving forward in the current FY24 budget.

Director's Update

Enplanements: Shorter reported that the current numbers are finally moving ahead of the curve from the FY23 performance. He said that he expects this trend to continue throughout the rest of the fiscal year. As American continues to program in more seats after February, Shorter is confident that there will be more available seats in May and June 2024 than were available in

the same months of 2019. Shorter added that while the regional airlines nationwide are still down 30% in their overall capacity, American will be operating in the black this summer at EWN if they maintain this trend. Shorter commented that American is a good partner, and it shows, they are happy with what they are seeing in revenue at EWN and willing to plan the extra capacity for this summer. Piggybacking on Riggle's marketing report, Shorter said that the marketing committee will make sure that the airport maintains its robust "Fly Your Local Airport" campaign.

Terminal Project Updates: Shorter reported that the ceiling work has been completed in the baggage claim area with a new drop ceiling. The new air vents are also different and complement the new design. The construction of the new BSO offices has been completed with new baggage claim counters installed. Shorter commented that the addition of the BSO offices will serve as an added convenience for passengers. He explained that as passengers arrive, they will be able to file a claim or pick up stranded bags without having to walk down to the ticket counters. Passengers will also be able to pick up firearms and other weapons that are in checked luggage without having to leave the baggage claim area. Shorter also reported that the redesigned vestibule at the airline ticket counter entrance is now complete and open for passengers. He added that the terrazzo has been replaced with a special heavy-duty carpet designed for high traffic areas. The reconstruction of the center entrance doors has begun. Shorter advised that the new entrance should be completed within the next 6-8 weeks. The construction crew will block off one lane of traffic in front of the terminal while maintaining at least one drivable lane for the entirety of the project.

New Restrooms: Shorter advised that the new restrooms have had an intermittent sewer back up issue since they have been opened. He commented that a restroom never existed in that area before and that they were plumbed

into an existing 4" pipe that only drained a single sink from the old TSA breakroom. Even after realigning the pipes, Shorter commented that there continues to be an intermittent issue from that area. A sewer camera investigation was completed, and it has been determined that the inadequate slope of the old original pipe seems to be the cause of the issue. Shorter advised that a new pipe may have to be installed and that he will keep the Board updated as more information becomes available.

State Allocated Money: Shorter advised that the paperwork has been completed for the FY24 \$5 million allocation and that the airport will receive the funds in increments of \$2.5 million to be dispersed in the third and fourth quarters of FY24.

Engineering RFP: Shorter advised that the airport is required by the FAA to request new proposals for contracting professional engineering services every five years. The contract for the selected firm is written for a three-year base period with two one-year extensions available. Shorter commented that the airport will be issuing an RFP to notify interested firms. He said that Chairman Harris will form a review committee to evaluate the submitted proposals and to make a recommendation to the Board.

Terminal Expansion Part Two: Shorter advised that a meeting has been scheduled for tomorrow to discuss the 60% design phase for part two of the terminal expansion project. The meeting will be held in the Administration conference room at 10:30am. The weekly scheduled terminal part one project OAC meeting will follow at 1:30pm.

Storm Impacts: Shorter reported that the airport lost power for about 1.5 hours during Tuesday night's storm. He said that during some conversations with the tower staff on Wednesday and Thursday following the storm, it was revealed that there were some window leaks in the office spaces of the control tower. Shorter stated that the airport has received a proposal to repair the windows

and will be moving forward with those repairs. He commented that the tower is 50 years old and that it would, more than likely, be another five-plus years before a new tower can be constructed.

Parking Control System: Shorter advised that the parking lot will transition to a new system as previously approved by the Board. He said that the project is due to start next Monday and expects it to be a seamless transition. The parking rates will remain the same through the current fiscal year.

New Business

Contract Recommendation for Corporate Aerospace Development Area Clearing Project: Massey advised that the airport held a rescheduled bid opening this morning and received two bids. He explained that there are two options that provide some flexibility for the project. Option A would be to clear and grub 68 acres and only clear the remaining nine acres. This option would also include the installation of a new 8ft chain link fence with three strands of barbed wire totaling 4,100ft in length. Option B would be to clear and grub 34 acres with only 43 acres being cleared. A new 8ft chain link fence with three strands of barbed wire at 2,400ft long will also be installed as the new perimeter fence. Either fence option will be offset from the property line to allow for the new access road to run outside of the fence line. Massey advised that two bids were received with DPH General Contractors being the lowest bidder for both options A & B. Trader Construction came in as the second lowest bidder. Shorter commented that a firm recommendation on the DPH bid could not be made because they did not meet the Disadvantage Business Enterprise (DBE) goal. He said that the airport will have to ask them to provide good faith effort documentation to show how they tried to meet the DBE goal and then the airport's DBE consultant will have to review that documentation. Massey commented that the bids are good for 120 days.

On motion by Wood, seconded by Morris, the Board approved the Chairman to accept the contract from the lowest responsible bidder for option A, after all reviews and due diligence is complete. In favor 8, opposed 0.

Project Ordinance and Budget Amendment-Corporate Aerospace Development Area:

There was no discussion since a contract for the project has not yet been accepted.

Open Discussion

Bender asked Shorter if there have been any more issues with the ground transportation permittees. Shorter advised that the new policy has been put into place and that things seem to be running more smoothly.

Harris asked if there were any environmental updates on the Williams Road project. Shorter advised that there have not been any updates since the holidays but that the work is still ongoing. He added that next month the Board will need to discuss a work agreement with the FAA regarding the design work for the relocation of the FAA equipment in that area.

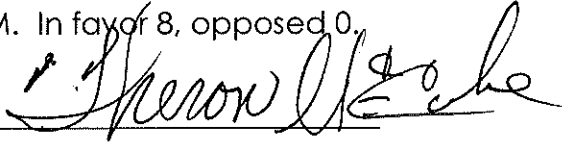
Eckert asked for an update on the purchase of property at 718 Clermont Road. Stanton advised that that the first appraisal came in at \$110,000. An appraisal review of the first appraisal will also need to be conducted. Stanton advised that the review appraisal has been submitted but he hasn't received a report yet. Stanton also advised that the initial appraisal came in about \$74,000 more than the tax assessment. He explained that the interior of the structures on site are in disrepair.

Executive Session

There was no need for an executive session.

On motion by Wood, seconded by McCabe, the Board adjourned at 2:48

PM. In favor 8, opposed 0.

A handwritten signature in cursive script, reading "Theron McCabe", is written over a horizontal line.

Secretary Theron McCabe