

Minutes

Coastal Carolina Regional Airport Authority

March 19, 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, Eckert, Harris, McCabe, Morris, Pope, Murray, and Wood. Also present via conference call: Brinson and Frazer.

Jones was excused and Burns was 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 and John Massey, Talbert and Bright.

Secretary's Report

On motion by Morris, seconded by Pope the minutes of February 20, 2024, were approved with a minor correction. In favor 7, opposed 0.

Treasurer's Report

Wood reported that the parking revenue is lagging but has recently started to pick back up. He said that he expects that revenues will level out by the end of the fiscal year. No other standard issues were noted. Shorter added that the CARES reimbursement expenses are tracking along the planned burn line to fully obligated by the end of the period of performance in early May.

On motion by Pope, seconded by Morris the Treasurer's report was approved. In favor 7, opposed 0.

Marketing Update

Shorter advised that Melissa Riggle was attending the annual Visit North Carolina Conference in Greenville. He reported that Breeze has provided the airport with their marketing package. He added that since the air service announcement there have been 907 articles published with an earned media value of \$47M. He said that the marketing efforts will focus on expanding the age and demographics of the household target markets differently. The committee will be reaching out to social media influencers in the Hartford Connecticut area. Shorter commented that the biggest goal is to expand the local catchment area to take advantage of this new, unique service. He also mentioned that he and Wood attended a Tourism Development Authority (TDA) Board meeting last week and gave an update on the airport's progress with the terminal expansion and the additional air service. The airport is also sponsoring the air show scheduled at the Marine Corp Air Station Cherry Point to help promote the new service with Breeze Airways during the show.

Commercial Development and Planning Committee

Corporate Aerospace Development: Pope reported that the clearing project is going well. The original perimeter fence will remain throughout the duration of the project. Shorter shared draft layouts of different size hangars proposed for the site. He informed the Board that the committee decided to reposition the original design of the road to allow for the wetland and terrain in the area. Discussions with FMR continue for the non-aerospace development.

Terminal Update: Pope advised that the expansion project is going well with minor electrical parts supply issues.

634 Airport Road: Shorter commented that the airport has funds available for the previously approved scheduled improvements. He said that the

contractor is waiting for the permits needed to begin the updates. The goal is for the building to be available for Tech Bridge to move in by late May.

Proposals for engineering firms: Pope commented that the airport is required to request proposals for professional engineering services at least every five years. He advised that the committee is currently reviewing submitted proposals for recommendation. Shorter commented that the airport has received four proposals and hopes to have a recommendation at the April meeting.

Director's Update

Terminal Part 2: Shorter advised that the airport only received one bid for part 2 of the terminal expansion. A new bid opening has been rescheduled for Thursday at 2:30pm. Shorter commented that the grant application is due to the FAA by April 8th.

Air Service Notes: Shorter reported that the enplanements are trending up with the load factors improving. He advised that he saw a marked increase in February. He also commented that the March enplanements are looking good so far, especially for the late departure, which is normally a challenge. Shorter mentioned that he met with American during the recent air service conference he attended in Phoenix. He noted that the American fares have come in-line with others in the region. And that there will be six flights a day scheduled through the summer. Shorter commented that he was also able to meet with United while at the conference. He was unable to schedule a meeting with Delta but did get a chance to talk with them briefly. Their position is that it will still take 1-3 years for them to fully recover their regional operations. Wood commented that United was very interested and engaged. He said that the consensus is that they are working on rebuilding regional services over the next 1-2 years.

Terminal Part 1: Shorter reported that the jet bridges for the new boarding gates will arrive tomorrow.

County Audit Contract: Shorter advised that he has asked the Chairman to sign an audit contract through Craven County in the amount of \$20,000. He explained that the contract includes the airport as a part of the audit because it is a component unit of Craven County Finance.

Line-Item Transfer: Shorter requested that the Chairman sign the following line-item transfer to pay the new airport annual insurance premium that will include the terminal improvements and remain in effect through June 2025:

Revenues	Amount	Expenditures	Amount
8107050-42701 Marketing	\$289,950	8107050-44600	\$289,950
Total	\$289,950	Total	\$289,950

Justification: To transfer funds from Marketing to General Insurance for a new policy covering the terminal expansion.

NC Secretary of Commerce Presentation: Shorter announced that the NC Secretary of Commerce will be making a presentation on March 27th at the North Carolina History Center in downtown New Bern. The presentation will start at 6:30pm.

New Business

Talbert and Bright Work Authorization, Construction Administration: Shorter presented Work Authorization 24-01 for construction administration services for

the clearing and grubbing of 68 acres, clearing of 9 acres and installation of perimeter fencing in the amount of \$53,240. Shorter advised that the funds were previously approved for this project.

On motion by McCabe, seconded by Eckert, the Board approved Work Authorization 24-01 submitted by Talbert and Bright for \$53,240. In favor 7, opposed 0. A roll call vote was taken: 7 yes, 0 no.

Talbert and Bright Work Authorization, Pavement Classification Rating (PCR) Evaluation and Determination for Runway 4-22 and Runway 14-32:

Shorter presented a work authorization for Talbert & Bright to conduct the analysis. He advised that the FAA is requesting that the analysis be completed by the end of September 2024. A PCR will establish a Payment Classification Number (PCN) that will be published. The intention is to better help pilots know if their aircraft will be able to land on a runway based on the weight of the aircraft. The cost of the study is \$11,580 and will be eligible for reimbursement.

On motion by McCabe, seconded by Pope, the Board approved Talbert and Bright's work authorization to conduct the runway PCR analysis and determination as required by the FAA. In favor 7, opposed 0. A roll call vote was taken: 7 yes, 0 no.

NC Airports Association Conference and Travel Details: Shorter advised that Ritchie will be handing out specific details to those attending the conference.

Open Discussion

There was no discussion.


Executive Session

On motion by Morris, seconded by McCabe, the Board went into executive session at 3:09 pm in accordance with 143-318.11 (a) (5) to establish the price and other material terms of a proposed ground lease.

After a unanimous vote, the Board came out of executive session.

On motion by Morris, seconded by Pope, the Board approved attorneys Dunn and Stanton to continue negotiations with a prospective general aviation ground lease with conditions of a 30-year term, inspection by a structural engineer at 25 years, and a CPI rate escalation clause. In favor 7 opposed 0.

By a unanimous vote the meeting was adjourned.

A handwritten signature in black ink, reading "Theron McCabe". The signature is written in a cursive style with a horizontal line underneath the name.

Secretary Theron McCabe