

Minutes

Coastal Carolina Regional Airport Authority

June 18, 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, Harris, Jones, Morris, Pope, and Wood.

The following Board members attended via WebEx: Frazer, Eckert and Murray.

Burns was not in attendance.

Also present in person: Andy Shorter, Airport Director; Ray Dunn and Daniel Stanton of Dunn, Pittman, Skinner, and Ashton PLLC; April Hill, Airport Security Coordinator/Board Recorder; Amy Ritchie, Terminal & Facilities Manager; Patrick Manzo, Operations Manager; Jay Talbert, Talbert & Bright and Melissa Riggle, Executive Director of the TDA.

Also present via conference call: Eddie Carroll, Tidewater Aviation.

Swearing in New Board Member

George Liner was sworn in before the Authority as a new Airport Authority Board member. Liner was appointed by the Craven County Board of Commissioners to replace Theron McCabe.

Shorter advised that Mr. Morris and Mr. Wood have been reappointed to their positions on the Airport Authority Board.

Secretary's Report

On motion by Wood, seconded by Morris the minutes of May 21, 2024, were approved with minor corrections. In favor 8, opposed 0.

Treasurer's Report

Wood reported that the parking lot revenue has increased ending the month of May with a positive balance. He said that overall, the total revenue this year is \$280,000 above the revenue received at this time last year. Shorter added that the only two revenue line items that are lower than last year are the "fuel flow royalty" line and the "other revenue" line.

On motion by Morris, second by Pope, the Treasurer's Report was approved. In favor 8, opposed 0.

Marketing Update

Riggle announced that Durant was absent from today's meeting due to a new arrival of a grandchild. Riggle reported the interviews for the video testimonies are scheduled to begin this week. She also mentioned that media attendance for the ribbon cutting ceremony for the new terminal is expected to go well. Moving forward, Riggle commented that the marketing team will be laser focused on demographics, specifically, who are the passengers that are using EWN. The team will also take a deeper dive into website statistics. Riggle also mentioned that the team will start a mid-summer campaign for the fall Breeze schedule for Orlando. The next marketing committee meeting is scheduled for July 15th.

Commercial Development and Planning Committee

Pope reported that the committee met on June 12th to discuss the following topics:

Corporate Aerospace Development Area: Pope reported that approximately 70 acres of property has been cleared and that the property is looking good. Manzo added that grass seed has been planted. Pope added that Talbert & Bright is working on the design for the access road, taxi lane and

apron. The bid advertisement was published on June 23rd with a pre-bid meeting scheduled for July 2nd. The bid opening for the road work has also been scheduled for July 24th.

Non-Aeronautical Property Update: Pope advised that Wood, Dunn and Stanton are still in discussions with FMR for a lease agreement. He said that they are trying to firm up the language for the best economic development approach.

Commercial development: Pope commented that the committee discussed the airport's master plan and the best use of parcels located near the entryway of the terminal for non-aeronautical use. Shorter added that the airport has received inquiries about development on the properties as the progress of I-42 continues. Harris commented that the reason for the discussion is to provide income that the airport will need and to make a way for the airport to provide airport related commercial services.

634 Airport Rd: Pope announced that the building on 634 Airport Road is scheduled to have a soft opening July 18th. Ritchie gave an update on the progress of the property. She said that the contractors will be finishing up the drywall and ceilings, painting, as well as the cleaning and sealing of the parking lot. The building floor has been leveled. Wood commented that the Tech Bridge will host a 3-day convention at the New Bern Riverfront Convention Center. On the third day of the convention, July 18th, the Tech Bridge will end the event at the facility on Airport Road. He said that registration for the event has been open for a couple of weeks but already has 20 exhibitors signed up for the event. Wood explained that this opportunity is a great value proposition for the airport to possibly be able to rent office space to contractors for an area adjacent to the Tech bridge site.

GA Hangers: Pope advised that the airport attorneys are reviewing the lease agreement for an 80 x 80 hangar beside the FBO within the general aviation area. He advised that due to the location of the hangar the airport's perimeter fence will need to be temporarily moved for construction. Once construction is complete, the fence line will be permanently repositioned using a portion of the new hangar as part of the perimeter. Shorter reminded the Board that the Authority members previously approved the Chairman to sign the lease agreement after the attorneys reviewed and released the agreement. Dunn advised that they have reviewed the lease and that all parties agree, and they are waiting for signatures from the lessors. He said that once they sign the agreement then the Chairman can sign it.

Design Standards for future ground and building Leases: Pope commented that with recent interest from developers to build future hangars on airport property, he and Shorter have started the conversation of setting design standards for future ground and building leases. He said that this would be a long-range plan to set the standards and goals that the airport expects for future development on the campus.

Director's Update

Air Service Update: Shorter reviewed the empanelment data through May with the Board. He commented that the numbers of passengers have increased from 5200 from last May to about 7420 this May. He said that since January the numbers have been exceeding last year's numbers. Overall, American remains very happy with the performance at the airport as EWN is performing above average. Shorter also reported that in response from discussions, American has decided to operate a 7pm flight starting July 7th, using a larger CRJ 900 with 76 seats. Shorter also mentioned that the Breeze operation is going well and they too are pleased so far. Already in June, the Orlando route had a 91% load factor and Hartford a 92% load factor.

Terminal Part One: Shorter reported that a new TSA x-ray machine was installed in the new checkpoint yesterday. The carpet is currently being installed in the hold room. The ribbon cutting remains scheduled for June 24th at 11am. Shorter mentioned that the project is on time and operating on budget. Equipment will be moved from the temporary hold room after the last flight on June 26th to be ready to operate the first flight out on June 27th. Shorter also mentioned that the new generator will not be delivered until September so a temporary mobile generator has been leased for use until the permanent generator arrives.

Part Two Terminal Timeline: Shorter advised that he is still waiting for the federal FY24 FAA grant offers to come in and expects to have them before the end of July.

Part 139 inspection: Shorter commented that airport had its annual FAA Part 139 inspection June 5th-6th. Manzo commented that this was the third year with the inspector who was impressed with the terminal projects and how the airport continues to improve. He reported that there were a few minor issues that were corrected during the inspection.

Airport Internship: Shorter announced that the airport has offered a summer internship for an Embry-Riddle student. Ashlynn Fisher is a rising junior who is in the flight program at Embry-Riddle and is local to the area from Greenville. Shorter advised that Fisher will be helping Manzo with projects in the operations department.

Tree Penetration: As previously reported, Shorter commented that there is a tree penetration in the approach for runway 22. He said ultimately the airport may want to decide to establish an avigation easement for that property. Shorter commented that the tree will need to be topped or removed prior to January, before approach restrictions for runway 22 could be put in place by the FAA.

New Business

Final FY 2024 Budget Amendments and Project Ordinance Updates:
Shorter presented the following Budget Amendments and Project Ordinances for the Board's approval:

Budget Amendment for the Aerospace Development Area

Revenues	Amount	Expenditures	Amount
8357050-33301	\$259,202.00	8357050-47006	\$259,202.00
State Grant		Arch. & Engineering	
Total	\$259,202.00	Total	\$259,202.00

Justification: To adjust the aerospace development area budget to reflect additional inspection, architectural and engineering costs and State funding.

On motion by Pope, seconded by Morris, the budget amendment for the aerospace development area was approved. In favor 8, opposed 0. Roll call vote; 8 yes, 0 no.

**Updated Project Ordinance Aerospace
Development Area - Fund 835**

EXPENDITURES:

Architectural & Engineering	\$850,290
Construction - Clearing and Grubbing	\$1,354,725
Total	\$2,205,015

The following revenues are hereby estimated for the Project.

REVENUE:

State Grant Funds \$2,031,015 Golden Leaf Foundation Grant \$174,000

Total **\$2,205,015**

On motion by Liner, seconded by Pope, project ordinance for the aerospace development – Fund 835 was approved. In favor 8, opposed 0. Roll call vote; 8 yes, 0 no.

Budget Amendment to Close Out Fund 824

Revenues	Amount	Expenditures	Amount
2820000-33301	\$22,569.00	8247050-47670	\$1,000.00
State Grant		Construction Admin	
8240000-39808	\$539.00	8247060-47512	\$3,183.00
Transfer – Ops Fund 810		Preliminary Expense	
		8247060-47601	\$17,847.00
		Construction-General	
Total	\$22,030.00	Total	\$22,030.00

Justification: Close out Fund 824

On motion by Morris, seconded by Wood, the budget amendment to close out Fund 824 was approved. In favor 8, opposed 0. Roll call vote; 8 yes, 0 no.

Closing Ordinance

**Runway Pavement Rehabilitation - State Funds
(Fund 824)**

EXPENDITURES:

Construction Administration	\$3,600
Architectural & Engineering	\$248,060
Architectural & Engineering - Preliminary Expense	\$94,704
Construction - General	\$2,631,606
Total	\$2,977,970

The following revenues are hereby received for the Project.

REVENUE:

State Grant	\$2,977,431
Operations Fund 810	\$539
Total	\$2,977,970

On motion by Liner, seconded by Morris, the budget ordinance to close out Fund 824 was approved. In favor 8, opposed 0. Roll call vote; 8 yes, 0 no.

**Runway Pavement Rehabilitation – State Funds
(Fund 826)**

EXPENDITURES:

Construction	\$653,162
Total	\$653,162

The following revenues are hereby received for the project.

REVENUE:

State Grant	\$653,162
Total	\$653,162

On motion by Liner, seconded by Morris the Budget Ordinance for Fund 826 runway pavement rehabilitation was approved. In favor 8, opposed 0. Roll call vote; 8 yes, 0 no.

Closing Ordinance - Airport AIP 42 (Fund 828)

EXPENDITURES:

General

DBE Program	\$2,876
Administration	\$73
IFE Rood & Associates	\$3,000

Air Carrier Apron Reconstruction/Expansion (Env Phase (CATEX) Design and Construction)

Architect	\$248,933
Inspection	\$168,181
Preliminary Expense	\$77,201
General Construction	\$4,921,171

Property Acquisition – Norman (Appraisal, Review Appraisal, EDDA, Survey, Land Purchase)

Administration	\$1,280
Preliminary Expense	\$3,319
Land Purchase	\$33,202

Runway 4 Construction

Administration	\$7,597
Preliminary Expense	\$7,812
Architectural & Engineering	\$31,280
Inspection	\$8,682
General Construction	\$139,609

Total **\$5,654,216**

The following revenues are hereby received for the Airport AIP 42 Project.

REVENUE:

FAA	\$5,088,794
Operations Fund 810	\$565,422

Total **\$5,654,216**

On motion by Wood, seconded by Pope, the budget amendment to closeout AIP 42 Fund 828 was approved. In favor 8, opposed 0. Roll call vote; 8 yes, 0 no.

Closing Amendment - Airport AIP 42 (Fund 828)

Revenues	Amount	Expenditures	Amount
2820000-33301	\$96,206.00	8287050-47305	\$2,619.00
FAA Federal Grant		Capital Outlay - Land	
8280000-39808	\$10,689.00	8287050-47670	\$927.00
Transfer – Ops Fund 810		Construction-Admin	
		8287050-47601	\$88,635.00
		Construction-General	
		8287061-47501	\$2,035.00
		Arch/Eng-Architect	
		8287061-47510	\$9,921.00

		Arch/Eng-Inspection	
		8287061-47512	\$857.00
		Arch/Eng-Prelim. Exp.	
		8287061-47601	\$1.00
		Construction-General	
		8287061-47601	\$1,900.00
		Construction-General	
Total	\$106,895.00	Total	\$106,895.00

Justification: Close out Fund 828-AIP 42

On motion by Liner, seconded by Morris the budget amendment for AIP-42 Fund 828 was approved. In favor 8, opposed 0. Roll call vote; 8 yes, 0 no.

FY2025 Budget Ordinance: Shorter presented the following budget ordinance

FY2025 Budget Ordinance

The following amounts are estimated for revenue for the Airport Operating Fund 810 for the fiscal year beginning July 1, 2024, and ending June 30, 2025.

Airport Operating Revenue	\$2,655,116.00
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The following amounts are for expenditures in the Airport Operating Fund 810 for the fiscal year beginning July 1, 2024, and ending June 30, 2025.

Airport Operating Expenditures

\$2,655,116.00

The Airport Director is authorized to make transfers between line items not to exceed \$10,000.00.

On motion by Morris, seconded by Wood, the FY2024 Budget Ordinance for FY2025 was approved. In favor 8, opposed 0. Roll call vote; 8 yes, 0 no.

Nominating Committee Report: At last month's Authority meeting, Chairman Harris appointed a nominating committee for the FY25 Officers and asked those members on that committee to be prepared to bring their recommendations before the Board at the next scheduled meeting. As Chairman for the nominating committee, Jones advised that the committee met and recommends the following Authority members as new officers: Harris as Chairman, Pope as the Vice Chairman, Wood as the Treasurer and Eckert as the Secretary. Dunn advised that the recommendations be brought before the Board during the formal election in July's meeting so that any other nominations brought to the floor could be considered then.

Open Discussion

Talbert expressed his excitement for the opening of the new terminal. He said that he is looking forward to the ribbon cutting on the 24th.

Harris commented that he recently noticed green paint on Williams Road and asked if Shorter knew if the DOT was working on the road. Shorter responded that he didn't know of any work that DOT may be doing but thought maybe the lines were marking sewer lines.

Morris commented that John Massey is doing a terrific job with all of the airport projects. He said that he has spoken with several people involved and all have had good things to say about him and their experience with the projects.

Executive Session

There was no need for an executive session.

On motion by Morris, seconded by Pope, the Board adjourned at 2:56 pm.

A handwritten signature in blue ink, reading "Tyler Harris", is written over a horizontal line.

Chairman Tyler Harris