

Minutes

Coastal Carolina Regional Airport Authority

November 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, Morris, Murray, Pope, and Wood.

Liner attended via phone.

Frazer and Kirk were not in attendance.

Brinson and Jones were excused.

Also present in person: Andy Shorter, Airport Director; Ray Dunn, Dunn, Pittman, Skinner, and Ashton; April Hill, Airport Security Coordinator/Board Recorder; Amy Ritchie, Terminal & Facilities Manager; Patrick Manzo, Operations Manager; John Massey, Talbert & Bright; George Durant, LHWH and Leanna Whaley, Craven County EDC.

Shorter advised that an agenda amendment will be needed to decide on the Customer Facility Charge Resolution under New Business.

On motion by Wood, seconded by Morris, the Board approved the agenda amendment. In favor 5, opposed 0.

Secretary's Report

On motion by Morris, seconded by Wood the minutes of September 17, 2024, and the Memo for the Record submitted by Shorter for the month of October was approved. In favor 5, opposed 0.

Note: Liner had not phoned in yet so the votes to this point were 5 approved. He did join in by the time we got to the treasurer's report

Treasurer's Report

Wood referred to the Treasurer's report that was sent out to the Board members last week. He commented that everything seems to be in order. He also reminded the Board that the landing fees were lagging by one month as they have historically. Wood also noted that the revenue is about \$210,000 higher than where it was at the same time last year. He commented that this is a great testament of long-term planning by the staff.

On motion by Pope, second by Morris, the Treasurer's Report was approved. In favor 6, opposed 0.

Marketing Update

Shorter read notes sent to him by Melissa Riggle. Riggle noted that George Durant has connected with local news outlets, working on holiday travel press releases and has new insights to analyze conversions. Riggle also noted that for the month of October she saw a significant growth throughout the region using her data analytics. Shorter also commented that Durant attended the Carteret Business Summit in Carteret County this morning. Durant commented that the team has made fundamental changes to inject American Airlines back into all of marketing efforts. He also noted that they are seeing passengers use Hartford and Orlando as a gateway to other areas so the team will continue to market these routes for access to the larger areas. Shorter also reported that the airport helped sponsor the Trail to Tryon race in New Bern. Wood commented that there were 460 participants this year which was an increase of 150 from last year. He added that Breeze awarded points for qualifiers by donating 40,000 points for first place winners in the men and women's half marathon. The points are equivalent to two round trips with Breeze.

Commercial Development and Planning Committee

Pope reported that the committee met last Wednesday to discuss the following topics:

Corporate Aerospace Development: Pope reported that a bid opening for the water and sewer line was held with the lowest bid received by ST Wooten for \$1.88 million. He noted that the engineer's estimate was at \$1.8 million. Pope advised that John Massey has been in communication with ST Wooten for the projected start date of the project. Massey commented that he will be coordinating contracts with ST Wooten and expects to start the project after the first of the year.

On motion by Morris, seconded by Pope, the Board approved to accept the bid submitted by ST Wooten and for the Chairman to sign the construction contract, subject to its review and approval by the Attorney and the Airport Director. In favor 6, opposed 0.

Pope asked Shorter to give an update on the remaining topics discussed in the CDP meeting:

Corporate Aerospace Development Area-Access Road: Shorter reported that the contractors are making great progress on the access road. He added that they have been very fortunate to have had some good dry weather days while working on the undercut of the road allowing for savings within the project. Massey mentioned that 40% of the road has been covered and is ready to be paved. Shorter also advised that he has a change order request in the amount of \$59,465 to extend pavement all the way to the end of the road. He commented that initially they thought the cost would be \$80,000 but with the realized savings, the change order was reduced to \$59,465. Shorter advised that

he will submit the change order request as part of the Project Ordinance and Budget Amendment under New Business.

Taxi Lane and Apron Planning: Shorter shared with the Board some diagrams of potential structures relative to the proposed taxi lane and apron for the corporate aerospace area. Shorter said that there will need to be a decision on the actual size and shape of the taxiway and apron and what type of material to use. He said that the committee has discussed using concrete for apron and then using asphalt for the taxi lane. Funding for the project would be used under the Transportation Reserve Directed Funding (TRDF) that the airport received from the State in the amount of \$5 million. Shorter said that the funding needs to be used within the next 12 months and that the committee wanted to get a jump start on the design so that the airport can move forward to show the State that the funds have been obligated as soon as a bid is accepted and contract is awarded for this project.

Terminal Part One Project: Shorter advised that that the notice to proceed for Part 2 was signed on the 4th of November based on the substantial completion of the critical Part 1 elements. Progression of the canopy out front will continue through the end of January along with the completion of the vestibule on the rental car end of the terminal. Shorter advised that the airport is in negotiation with Montieth for a schedule contract to make sure that punch list items are complete and to the satisfaction of the airport. Under Part 2, Monteith will install a temporary wall to install conduit for the powered seats in the passenger waiting area. Once that is complete, they will begin the remodel of the ticket counters, starting on the Breeze end of the counters.

Williams Road: Shorter commented that the EA is up for draft review with the FAA. He also advised that the NCDOT is planning to host a public event in

January for area residents to present four alternate designs of moving Williams Road. The NCDOT is hoping to have the process complete by April 2025.

Director's Update

Air Service: Shorter commented that the load factors look good and that he is happy with the way the numbers are trending. Load factors were lower in September, as anticipated, but recovered nicely in October. Shorter commented that there is an increase in programmed seats on American for November and December. Overall, the airport will have more seats for this holiday period, this year over last year.

BIL AIG: Shorter announced that the airport is prepping for the Bipartisan Infrastructure Law/Airport Improvement Grant (BIL/AIG) application. He said that the FAA has released the airport's FY25 allocation for \$1.33 million. There was a remaining balance of \$482,000 from FY24 which will be included with the FY25 grant application. Shorter said that the allocated funds will be used for the water and sewer project and the engineering and design work for the upcoming planned taxiway rehabilitation project.

CARES Reimbursement: Shorter commented that the airport was awarded \$18.7 million in CARES funding over the last four years. He said that the airport maximized the funding to the best of its ability but regrettably a double claim was made. He said that a staff member found a claim of \$6,700 from 2020 on both the CARES grant and on another airport FAA grant. Unfortunately, by the time the airport found the mistake and reported it, the airport missed the closeout by 60 days. Shorter advised that the airport had to submit a payment to the U.S. Treasury in the amount of \$6,767.77 to correct the issue for the double payment.

Part 139 Inspection: Shorter reported that the discrepancies from the FAA inspection back in June have been closed out. He said that some of the

discrepancies required the airport to order parts. The parts have been received and installed. Shorter commented that Manzo and his team have done a great job in keeping the airfield and passengers safe. A new inspector will be assigned to the airport for next year's inspection.

Craven Community College Letter of Support: Shorter shared a draft letter of support for the Craven Community College. He commented that the college has requested a letter of support for a grant for the Center for Aviation Entrepreneurship and Rural Opportunities-Tech Ecosystem and Commercialization. He said that the grant is in conjunction with ECU and Lenior Community College to increase training and education in aviation. Shorter will sign the letter on behalf of the Airport Authority.

PFAS Transition: Shorter advised that Shamrock is currently onsite draining the old AFFF foam concentrate from the airport fire trucks and will refill the tanks with the new PFAS free F3 foam. The trucks will be flushed out twice before the new foam is put back in and Shamrock will remove the flush material in their truck. The State Fire Marshal office will collect any AFFF foam concentrate from the airport that has not been used and dispose of it without charge.

NCAA Conference: Shorter announced that the 2025 NCAA Conference will be held in Wilmington April 8th-10th. The airport has reserved twelve rooms within walking distance to the conference.

Tree Project: Shorter reported that the attorneys are working through proceedings for the project, but the estate is currently in probate. Dunn added that the heirs live in different states, but they are ready to go as soon as they receive the paperwork, and he envisions concluding the proceedings promptly.

New Business

Budget Amendments (PFC and Project Ordinance Update (Corporate Aerospace Development project): Shorter presented the following budget amendments and ordinances for the Board's approval:

Budget Amendment – Transfer PFC Funds

Revenues	Amount	Expenditures	Amount
8117052-49793 FB Approp. Current Year	\$1,429,127.00	\$1,552,259.00	8110000-39901 Transfer to Projects
8110000-35219 Facility Charges		\$123,132.00	
Total:		\$1,552,259.00	Total: \$1,552,259.00

Justification: To transfer PFC funds related to previous AIP projects to Operating Fund.

On motion by Wood, seconded by Morris, the Board approved to transfer the PFC funds. In favor 6, opposed 0. A roll call vote was taken; 6 yes, 0 no.

Budget Amendment to Adjust Revenue for the Aerospace Development

Revenues	Amount	Expenditures	Amount
8357050-33110 FAA Federal Grant	\$1,429,002.00	8357050-47006 Arc. & Engineering	\$159,020.00
8357050-33301 NC Commerce Grant	\$117,347.00	8357050-47600 Construction	\$1,967,029.00
8357050-33503	\$579,700.00		

Golen LEAF Foundation

Total: \$2,126,049.00 **Total:** \$2,126,049.00

Justification: To adjust the aerospace development area budget to reflect water and sewer construction costs, access road Change Order 1, and FAA AIP Grant 55.

On motion by Morris, seconded by Eckert, the Board approved the budget amendment to adjust the aerospace development budget to reflect water and sewer construction costs, access road Change Order 1, and FA AIP Grant 55. In favor 6, opposed 0. A roll call vote was taken; 6 yes, 0 no.

Updated Project Ordinance – Aerospace Development Area-Fund 835

Expenditures:

Architectural & Engineering	\$1,137,569.00
Construction-Clearing and Grubbing	\$1,354,725.00
Construction-Water and Sewer	\$1,888,029.00
Construction-Access Road	\$1,243,797.00
Total	\$5,624,120.00

Revenue Estimated for the Project:

FAA Grant Funds	\$1,429,002.00
State Grant Funds	\$2,363,724.00
Commerce Grant	\$1,077,694.00
Golden Leaf Foundation Grant	\$753,700.00

Total

\$5,624,120.00

On motion by Morris, seconded by Eckert, the Board approved the budget ordinance to adjust the budget for the aerospace development area. In favor 5, oppose 0, and 1 recusal by Wood. A roll call vote was taken; 5 yes, 0 no, 1 recusal.

Customer Facility Charge (CFC) Resolution Extension: Shorter advised that the current CFC resolution is due to expire in April of 2026. He explained that the airport is currently in negotiations with the car rental agencies to renew their rental car leases for five years, which will surpass the current CFC 2026 expiration date. Shorter commented that the rental car agencies are still happy with the current language with a charge of \$3 per day up to seven days.

On motion by Morris, seconded by Pope, the Board approved the new CFC Resolution until April 2031. In favor 6, opposed 0.

Open Discussion

Wood commented that the FRC, in conjunction with the Camp LeJeune Small Business Office, held an event last week at the Tech Bridge. This was an opportunity for businesses who want to do business with the Department of Defense to meet with small businesses. Wood added that they were able to live stream the event and that they very pleased with the facility. Wood also announced that Randall Lewis will be the new Director for the Tech Bridge. Lewis has been involved with FRC for quite some time and understands the technology of the simulated activities. Wood thanked the Board for their support to the EDC and the project of starting the Tech Bridge. Wood also gave a brief report of other EDC upcoming projects.

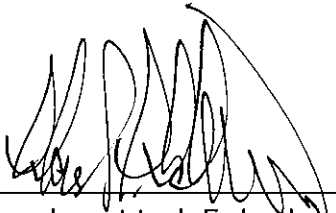
Executive Session

On motion by Morris, seconded by Wood the Board went into executive session at 3:03 PM in accordance with 143-318.11(a)(3)(5) to consult with the attorney concerning the handling of a claim or an administrative procedure and to consider the price and material terms of contracts for leases of real property. In favor 6, opposed 0.

On motion by Morris, seconded by Wood, the Board came out of executive session at 3:22 PM. In favor 6, opposed 0.

No action was taken in executive session.

On motion by Wood, seconded by Morris, the Board adjourned at 3:23 PM. In favor 6, opposed 0.



Secretary Mark Eckert