

The regular meeting of the Pitt-Greenville Airport Authority was held Wednesday July 18, 2018 at 11:30 am in the Conference Room of the Airport Terminal Building. Board Members in attendance were: Eric Clark, Chairman; John Banks, Vice-Chairman; Louis "Buddy" Zincone, Treasurer; PJ Connelly, Mayor; Dr. Dan Mayo; and Jim Morris. Staff members in attendance were Betty Stansbury, Executive Director; April Cannon, Office Manager; and David Silver, Airport Counsel. Visitors attending were Will Daugherty, Evolve Inc.; Shannon Erdley, Evolve Inc.; and Seth Gullledge, The Daily Reflector.

Chairman Clark called the authority meeting to order and confirmed there was a quorum and then opened the Public Comment Period and explained the procedures to be followed by those wishing to speak. Chairman Clark then invited any members of the public to come forward.

With there being no public comments Clark asked the Board to address the board meeting minutes held on June 20, 2018. With there being no changes to the information a motion to approve the minutes was offered by Louis Zincone, seconded by Dan Mayo, and the vote to approve was unanimous.

The board was then presented with a progress report from Evolve Inc. presented by Will Daugherty. Will started out reminding the board that the original proposal had a 90 day time frame. He advised that there have been some delays of when certain things could be started. There has been some pausing with the stats on reliability performance due to American numbers being impacted by last month's eight day computer outage. This resulted in load factors and reliability numbers that were below normal.

Evolve has started the new press release stories and the progress is showing a positive redirection for the airport. It has allowed for clearer communication with the community by not allowing misrepresentation to occur. Will advised they have refocused the media's output on the improvements that are occurring at the airport.

Mr. Daugherty also advised that the new website is in progress with development, page layouts and outlines. Will stated he will be working with Stansbury on some of the specifics for the websites information. The website will be ready for board review in 7-10 days and approval by August 1st. The new airport logo is something that will reflect on the positive change. The new logo will be presented by the creative director to the board for approval before released. Will did advise his opinion on waiting before considering a name change due to causing confusion while redesigning the airport. The call letters (PGV) would need to remain the same to identify the airport. The audience needs to see the results of reliability and communication before changing the name too soon.

With the consideration of media and social media Evolve would like the board to reconsider to allow them to take over much of the social media concerns. This will make it more productive for all of the language to be in sync. Will stated that if they take over the social media they can show statistics of the areas that can be measured. The board will consider making Evolve the main representation for social media.

When speaking about the strategic plan Mr. Daugherty will be interviewing the board members and Executive Director for a review on their ability to understand and articulate the vision of the airport. This way Evolve will be able to compare their responses and make sure everyone is communicating and on the same page for their future plan. Will informed the board that the budget and time frame will be more of a long term consideration not temporary. He advised that staying proactive is important with the new changes.

Board Requests:

There was no community service workers in June.

Airline load factors had a high of 93%, a low of 57% and an average of 73.25%

The Village Point Market has backed out of opening the restaurant due to low volume. They stated that if another airline were to come into the Airport they will reconsider. The Airport will continue its search for another prospect.

The SCASD grants announced the results on July 12th. There were 53 applicants, 16 awards and PGV was not selected. The reasons for denial were due to not having a letter of support from an airline, and secondly having to close of an average fair compared to Raleigh Durham International. The grant looks at airports that have higher fares with fewer options.

PGV has introduced a new children play area. The cost was \$350 for play equipment, train table, and other amenities. Having an area for children will help with keeping children of all ages occupied while awaiting their flights or visitors to arrive. There is also Little Free Library which is a children books exchange. Books can be donated or exchange at no cost. There has been much positive feedback on this area. Stansbury stated she is in the process of developing an adult book exchange for the waiting area.

Construction Updates:

Runway 2/20 rehab is complete.

Haw Drive tree and house removal on runway 20 approach contract has been awarded. The demo is set to start at the end of July.

There is also tree removal on the runway 2 approach. The bids opened July 12 and the project is to start in mid-August.

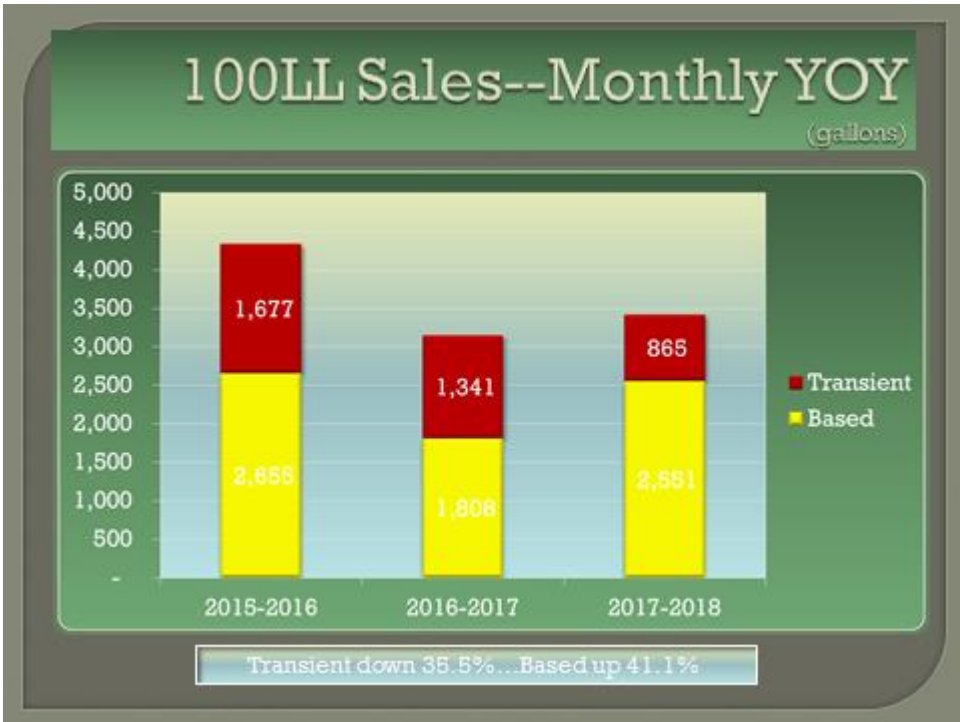
The west end of runway 8 approach tree removal bid opens July 18 at 2pm. There is 36 acres of timber to be included in the bid. Stansbury advised there will be a temporary access road to be able to access the 36 acres. This land has never been cleared before and is considered a permanent wetland. The merchantable timber should be reflected in the bid pricing. Stansbury advised this will not be a stump removal clearing, but is to be cut to the surface. The timber will be hauled away and the road will be removed at time of completion.

Stansbury advised that the easements for the parcels owned by the City of Greenville (both runway 8 and runway 2 approaches) have been approved and will be set to close at end of July.

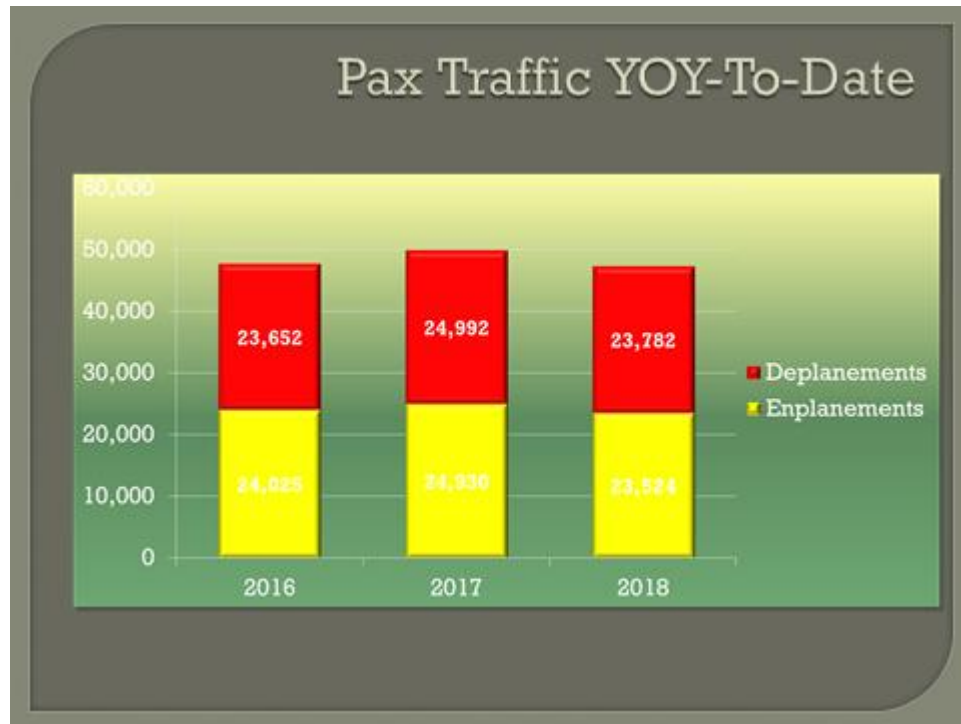
Stansbury advised the new Parking system is up and running.

Airport's Operational & Maintenance Report, Parking Lot Operations and Regional Airline Carrier activity

The fuel sales for June were 100LL based up 41.1%, transient down 35.5%, JetA - Based up 11.2%, transient up 25.6%, and Airline up 53%. The parking lot revenue was up 15.4%. Total passengers are at down 5.24%. Stansbury advised the new Parking system is up and running. With the Airline disruption in June for 8 days the numbers cannot reflect the new systems capabilities. Stansbury advised the board the month of July will have more accuracy on the impact the new system will have on parking revenue.







Year End Financial Report:

The Revenues for June are \$3,076,727, Expenses \$3,471,332, year-end loss of \$123,605, and cash balance is \$2,959,945. Stansbury advised a transfer of \$271,000 was previously transferred from reserves and another \$123,605 will be required to be transferred. FY 17 loss was \$140,626 with a cash balance of \$3,965,257 compared to FY 18 loss of \$394,604 and cash balance is \$2,959,946. Stansbury advised the year end difference of last year's cash balance is due to the local share of capital projects. The board has requested that line items on professional fees and miscellaneous income are separated from now on.

Stansbury advised that the transition to Munis for the accounting department has been scheduled for September 2018 per the County.

Directors Action Items:

Authorize the Executive Director to sign a contract with NC Earthworks for 24 tree removal - runway 2 approach for a lump sum of \$136,450. A motion to approve was voiced by Jim Morris, seconded by Louis Zincone, and the vote to approve was unanimous.

Authorize the ED to sign a WA with Talbert & Bright for Construction Administration for runway 20 trees and house removal for a lump sum of \$22,490. A motion to approve was voiced by Jim Morris, seconded by Louis Zincone, and the vote to approve was unanimous.

Establish criteria for a Design/Build delivery method for construction contracts and approve use of the D/B delivery method for the construction of a corporate hangar on the north taxiway

Approve an amendment to the FY18 budget, and transfer \$123,605 from the reserves to the operating budget and amend specific line items. A motion to approve was voiced by Jim Morris, seconded by John Banks, and the vote to approve was unanimous.

Closed Session:

The board then went into closed session to discuss matters related to the purchase of real property, the location or expansion of businesses in the area served by the airport, and to consider the conditions of employment of a public employee. A motion to move into closed session was offered by Louis Zincone, seconded by John Banks, and the vote to approve was unanimous.

A motion to come out of closed session was offered by Jim Morris, seconded by John Banks, and the vote to approve was unanimous.

A motion was requested by the Executive Director for a resolution finding that it was necessary and in the airport's interest to acquire property located at 1375 N. Memorial Drive, and since the airport has been unable to acquire said property by negotiated conveyance, that the Authority should acquire said property by condemnation. The motion was offered by Jim Morris, seconded by John Banks, the following voted in favor: Jim Morris, John Banks, Louis "Buddy" Zincone, Dr. Dan Mayo, Eric Clark, and the following voted against: P.J. Connelly. The Resolution for the Authority to pursue Eminent Domain proceedings to acquire for airport use (in the ownership names of Pitt County and the City of Greenville, as required by Statute) a fee simple interest in said property.

With there being no more business to attend to the MOTION TO ADJOURN was made by John Banks, seconded by Jim Morris and the meeting was adjourned following a unanimous vote. The next meeting of the Airport Authority will be held at 11:30am on Wednesday August 15, 2018.

Respectfully submitted,

Betty Stansbury