

Pitt-Greenville Airport Authority Board Meeting
January 20, 2021
11:30 a.m.
Pitt-Greenville Airport Fire House

Board Members present: Eric Clark, Chairman John Banks, Vice-Chairman, Terry Monday, Secretary/Treasurer, Board member via Zoom: Dr. Dan Mayo, and Chris Nunally. Board Member not present: Dr. Jim Morris, Cheryl Brown, and Will Litchfield.

Staff members present: Bill Hopper, Executive Director; Richard Nanney, Operations Manager; April Cannon, Finance and Administration Manager, Steven Holloman, Operations Officer and Wanda Smith, Administrative Assistant. Other attendees included Attorney Dave Silver, Eric Stumph and Jay Talbert of Talbert & Bright, Inc.

Chairman Clark confirmed a quorum and with no one registered or enrolled to speak, Chairman Clark closed the Public Forum and called the monthly Airport Authority Board meeting to order.

Minutes from the December 16, 2020 Pitt Greenville Pitt-Greenville Airport Authority Board Meeting

Minutes from the December 16th Pitt Greenville Airport Authority Board meeting were emailed to all members for review. Chairman Clark asked if there were any changes or recommendation to the minutes. With none spoken, motion to approve the minutes was made by Vice-Chairman Banks, seconded by Secretary/Treasurer Terry Monday. Motion was unanimous, motion carried, minutes were approved. Chairman Clark turned the floor over to Secretary/Treasurer Terry Monday for the Financial Report due to a scheduling conflict.

Financial Report Secretary/Treasurer Monday

- Secretary/Treasurer Monday reported a substantial amount of journal entries entered in December per the FY 19-20 Auditor's request. For example, the journal entry of \$600,000 in Cares Act in December shows a negative of \$325,000 grant because of the reversal journal entry in July. In reality, the Airport received \$275,000, but due to the reversal entry on June 30 it shows the negative. In the past, the Airport was not recording receivables and payables when they came due, instead one big journal entry was made in June. Accounting puts payables and receivables into the system as they come in. Looking at December, it was not a good month due to suspended airline service, parking lot revenues down, and Corporate aircraft fuel sales were down.

- The new accounting system now allows for invoice entry as soon as we receive it as apposed to waiting for the accountant once a week. The receipts for payables will be more accurate.
- Journal entries for accounts receivable or payables, should only hit the accrual statements not the cash statements
- April Cannon informed the Board of reimbursements received for the Capital projects in January. However, the adjusting reversals have affected final numbers so the Auditor is reviewing the capital numbers due to some discrepancies in QuickBooks.
- Secretary/Treasurer Monday stated that QuickBooks does current fiscal year and isn't showing the entire length of the whole Capital Project.
- Justin from Martin Starnes will be here in February to discuss the audit process and how it works with the Finance Committee and with the entire Board. We will have a better understanding of finances, Journal Entries and budgeting after this.
- Chairman Clark mentioned moving forward we will be able to access the accounting system in real time basis thanks to everything being put into QuickBooks. He stated that we did submit the FY 19-20 audit on time, and are expecting approval for the first time in a long time. Secretary Monday stated we can go into the county system now and look at it in real time basis.
- The Auditor has submitted the audit on time to LGC and is expecting approval in the next couple months.

Secretary/Treasurer Monday asked if there were any questions with the Board not having any he excused himself and informed the Board to email him with any questions or concerns. Chairman Clark turned the floor over to Director Hopper for the Executive Director's Report.

Lease Agreement with Grady White

- Current Lease agreement with Grady White is at the end of a 20-year land lease. Ownership of Hangar reverted to the Airport.
- A new lease agreement based on the Boards recent hangar rates survey has developed a 10-year lease with 2.75 per annum per square foot. Copies of the lease have been sent to Board members.
- Director Hopper is seeking approval from the Board to enter into a 10-year lease agreement starting February 1, 2021 with Grady White.
- Motion to approve as stated in presented lease was made by Vice-Chairman Banks, seconded by Dr. Dan Mayo.
- Motion was unanimous, motion passed.

Chairman Clark asked if Hangar surveys were completed and if we now have market rate survey, current and valid with a formula to apply to any future lease agreements. Director Hopper confirmed we have a solid rate schedule approved by the Board and by the Attorney that meets and conforms with all the guidelines. We are now in a position to negotiate a lease with any new opportunities.

NCDOT Economic Impact Study

- Copies to Board via email.
- Done every two years looking at 72 Airports, 10 Commercial Service, 62 General Aviation and how they affect NC economic status.
- Findings were that aviation NC Aviation constitutes 10% of the economy; \$63 Billion goes to the state of NC through the airports.
- Pitt Greenville is at \$321 million to local economy, up \$40 million from last study two years ago.
- 1770 jobs attributed to Airport in the local area.
- Director Hopper sent Press releases to all news station giving us some free press with WITN.
- Chairman Clark asked if we could promote all the areas of aviation and economic opportunities the Board needs to be focused on to try and grow, working with local agencies.
- Chairman Clark would like to see the Board look into new economic opportunities to capitalize on as well.
- Director Hopper feels our strongest potential is having local based business aircraft, and additional air service are two potentials that may grow organically.

American Airlines Update Director Hopper

- The Board is excited to welcome American Airlines back on January 5, 2021.
- Director Hopper reported American will be starting with one turn per day through February 2021 including a 6:45a.m departure and a 7:15 p.m. arrival.
- March begins 3 flights daily.
- Beginning in May American plans to offer 4 flights per day.
- Since returning, passenger count has been around 20-30 per flight.

Chairman Clark asked about advertising the return of American Airlines. Director Hopper advised of the advertising blasts including all three television stations, local radio and newspaper to get the information out to the public of American Airlines resuming flights. Most television ads are running early mornings of a rate of 6-8 per day. Chairman Clark asked about social media. Director Hopper stated we were not utilizing social media due to difficulty getting into it.

Director Hopper is working on the issue. Vice-Chairman Banks asked if the airport would be open to outside help. Director Hopper responded he is in contact already.

De-icing Trailer

- Director Hopper is requesting \$25,000 to purchase a used de-icing trailer which holds about 3,000 gallons. Director Hopper feels this would be an offering that will set us apart from other airports in the area. Vice-Chairman asked about the life expectancy of the chemicals needed. Director Hopper was unsure but is investigating.
- Chairman Clark asked if we would be advertising this, Director Hopper replied this would be shown as part of our available services setting us apart from the other local airports.
- Vice-Chairman Banks made the motion to approve the purchase of a de-icing trailer; motion was seconded by Dr. Dan Mayo. Motion was unanimous, motion carried.

Airport Duct Work Cleaning

- Director Hopper shared before and after photos of the Duct work.
- East Group informed Director Hopper this has probably never been done before.
- Affects air that goes through the entire Airport.
- Should be done every three years.
- \$14,000 cost quoted. Total cost was less than \$12,000.
- Director Hopper suggested we break up the airport into 'thirds' when doing the inspection and cleaning instead of doing the entire airport every time.
- All duct work has been completed at this time.

HVAC work (Piedmont Service Group)

- \$3000 added on for finishing the work.
- Should be completed by next month.
- \$69,000 spent as of last board meeting.
- Final cost is about \$75,000.

Facility Improvements

- Chairman Clark complimented Director Hopper on the improvements made so far and stating the noticeable improvement in appearance.
- A lot of good progress and utilization of funds.
- Parking lot paved and remarked.
- HVAC
- Roof repairs
- Director Hopper stated the entire staff worked diligently to get these repairs and improvements done. Director Hopper also added a special note of recognition on how instrumental William Boone has been in all of the projects, doing all the leg work and contacting everyone, noting he has been the ‘unofficial’ project manager.
- Director Hopper would like to begin the aesthetics of the airport work completed such as sheetrock, and wall paper. Vice-Chairman Banks suggested we do a schedule of projects needed to be completed with deadlines.

Hangar Project (CARES ACT/NCDOT Funding)

- Director Hopper would like to keep on agenda and move forward
- Vice-Chairman Banks is working with the County.
- Per Vice-Chairman Banks we are currently waiting on Talbert & Bright to finish engineering.
- Chairman Clark stated the Airport now has the clarity and guidelines from the ADO we need to follow to do all this development. Now we have the structure we needed, the Board now needs to make some more concrete plans and look at ‘what if’ scenarios.
- Director Hopper is working with Tommy Dupree and his staff to have direction. At this point it is best to follow the existing AIP. Per Tommy Dupree.

- Director Hopper informed the Board that if the Airport wants to use Cares Act funding for development projects, the Board need to submit the application with bids.
- Director Hopper will be sending an email to Tommy Dupree to confirm we can make the application towards the \$9.8 million and the initial \$8.2 million will stay allocated towards operating.
- Jay Talbert stated they have a draft dealing with Michael Dunn and his subs. Vice-Chairman Banks asked when Talbert & Bright would have the elevations for Mike Dunn so he can finish his design. Jay responded the design build bid package, one with state funding and two with federal funding has been done.
- Jay Talbert asked the Board if they felt it would be detrimental to have 1 state funded and 2 federal funding projects going on simultaneously. This will impact final number. Pending the answer, Talbert & Bright will be ready to execute work authorization.
- Talbert would be the prime and Dunn would be the sub-consulting architect. Talbert & Bright would be responsible for the specifications complying with the Cares Act funding and the state funding, and have those as two separate packages. Once the Board confirms the project will be built as two separate bids and two separate projects; Talbert could finalize and have a final number with a schedule for the Board have within days. Vice-Chairman Banks stated the Board would like to see where we are and the amount we are up to before any bids go out.
- Talbert & Bright will verify that PGV complies with Cares Act and State funding before we go to bid. The process will take at least 60 days to get the design build packages together. Vice-Chairman requests the board given all bids first. Jay Talbert inquired if the airport was ok with doing the State funded project first. The Board wants to see what the specifications are and what the guidelines are. Chairman Clark suggests we float the State project money up front, reimburse Cares Act/FAA funding, and then close out the State funding at the end of the project; he is concerned with the cash flow. Should we use the existing money to do 2 or 3 at a time.
- Director Hopper feels the best way to proceed and most cost effective, is to go and complete all three buildings at one time with state and Cares money. One construction project instead of three. All designs done as one project.
- The Airport received NCDOT monies which we have until August 2021 to encumber to a set project.
- Chairman Clark asked if we used the state money to ‘float’ the cost, when we are Reimbursed 100% will it still be deemed state money with the same deadline of August 2021. Director Hopper will check on this with Todd.
- Jay Talbert says it would take 60 days to be ready to go to bid from the date everything is agreed on and signed.

- Vice-Chairman asked that Talbert & Bright keep the Board informed of the process, and cost as we go along.
- Finance committee discussed the possibility of using existing money to do 2 or 3 hangars at a time using our money and being reimbursed by Cares. When all are completed we still have the original state money. It was discussed to use the cash flow from the first hangar to fund the state projects and use the federal money for the second and third.
- If we complete all three projects as one project. Dunn currently has the plans for Hangar 24. Same plan with some deletions to save money. This could make the process quicker. Director Hopper feels this is the quickest and cheapest way to go.
- Vice-Chairman Banks ask Talbert & Bright if we could pull out the previous plans on the master plan to use as a reference point of what we could build.
- Jay Talbert is confident Dunn will want to sit in on the sub-committee and say here are the old plans; here are the amenities that go with it.
- The Board discussed which amenities to keep and what to get rid of. Currently it is set up for two different bid packages, one Federal for the two hangars and one non-fed for the state money and Talbert still refers to it as the \$7 million budget package. Now that we have the guidelines, do we need to go ahead and knock those three out with the funding?
- The Board discussed the possibility of using the \$1.5 million to float the three federal projects. Director Hopper feels the \$1million and a half is enough to keep us in cash flow. Initially we can go into the state money using that money for cash flow through the grant. If we start the project with the state money, using it first because of the expiration date. Using the Cares Act money from start, we need to follow the guidelines from the FAA; we have projects that are federally funded that have some state assistance that still fall under the Federal guidelines. Eric Stumph suggested we can have the contractor from hangar project billed twice per month. So that it cuts down the working capital. All designed through federal standards it is ok according to Talbert.
- The Board wants clarification from the state verifying we can use this money to build for cash flow to build these hangars. Director Hopper will check with Todd to see if this is possible.
- The Board requests we get the answer to all these questions in writing. If we combine this into one big design package, we will earmark the money per Jay Talbert. Early on the authority needs to put together the project sub- committee according to Talbert. Vice-Chairman Banks would like to be fed along the way with the details, giving us information as we go along.

CARES ACT The current standing as of December 31, 2020 of the cares act reimbursement is \$1,859,326.30 reimbursed, \$6,408,873.80 remaining from initial \$8,226,820.

Federal/Local Projects

- AIP-44 FY 17 DNL Land/Noise
 - Per Eric Stumph, we are waiting on probate status on two parcels. Attorney will research further.
- AIP-46 FY 18
 - Pending FAA Close out waiting on reply from Cori.
- AIP-47 FY 19 ARFF Vehicle-
 - Expecting in February or March due to delay from Covid.
- AIP-49 FY.9 19 GA Apron
 - Almost complete.
 - Will have an observation area being added.
- AIP 51 Corporate Taxi-lane
 - According to Eric Stump, start date of March 26, 2021
 - Greenville Utilities is reviewing and inspecting area.
 - A work authorization to shift the Taxilane will be required.

Operations Report

December 2020

Fuel Sales 100 LL

Transient up 22.7 %

Based up 42.2 %

Fuel Sales Jet A

Transient down 8.4%

Based down 29.4%

Suspended Airline

G.A.R.D down 13%

Parking Lot \$950 is steady from last month.

QTA the plumber and electrician are set to come out for inspection and review. There will be a fence placed around the QTA area during February or March.

Chairman's Comments

Chairman Clark thanked everyone for attending the meeting, their commitment and efforts to bring the Airport up to the standards it needed to be. He also reminded the staff and board that with the Airlines return it is a high priority to move the projects forward to complete before American Airlines traffic returns and Category 3 become effective.

Chairman Clark asked if there were any further discussion or questions, with no one coming forward Chairman Clark called the Pitt Greenville Airport Authority Board January meeting adjourned.

Respectfully submitted,

Wanda Smith

Administrative Assistant