

The regular meeting of the Pitt-Greenville Airport Authority was held Wednesday, December 20, 2017 at 11:30 am in the Conference Room of the Airport's Terminal Building. Board Members in attendance were: Eric Clark, Chairman; John Banks, Vice-Chairman; Louis Buddy Zincone, Secretary/Treasurer; Jimmy Garris, Commissioner; P.J. Connelly, Mayor; Aileen Wilson; Jim Morris. Staff members in attendance were Betty Stansbury, Executive Director; and Tim Heinle, acting Airport Counsel. Visitor in attendance was Amy McLane, Talbert & Bright Inc.

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 one to speak.

The Board then addressed the MINUTES OF THE REGULAR MEETING held November 15, 2017. With there being a minor change to the information a motion to approve the minutes was offered by Jim Morris, seconded by Buddy Zincone, and the vote to approve was unanimous.

Updates:

Community Service had 1 worker, 2 visits, totaling 8 hours.

PCC Driver Training law enforcement program will begin in February 2018. There will be 5 sessions in 2018.

Year in Review:

Pitt Greenville hosted a number of community events such as the State Legislators, Little League Return, and Free to Be Me.

Staffing has been converted to Full-Time with benefits for entire staff. Salaries have been increased for most of the positions. The number of employees has been reduced from 24 to a staff of 19. The staff does a FOD walk on a weekly basis. (This is where the staff looks for foreign object debris on the pavement to remove anything that can affect an aircraft.)

The Airport invested in new equipment by replacing the 1999 Bush Hog, and the 1985 Forklift. We are in the process of replacing a 2005 pickup. Stansbury advised that in 2019 they will need to replace the firetrucks which is eligible for federal funding.

LEO Reimbursements:

The reimbursement for LEO is set to be eliminated in 2018. The FY 17 cost was \$140,800, TSA Grant \$80,600, and the local cost was \$60,200. American Airlines has agreed to pay up to \$90,000 a year towards the costs to maintain LEO onsite. The current contract with TSA is still set to end December 2018. Federal Funding is still uncertain. Stansbury stated that the process of having a signed agreement between Airport and American is being reviewed.

Repair costs for buildings due to Hurricane Matthew flooding were \$257, 60. Pavement repair was \$3,500,000. The year to date reimbursements was \$324,157 for buildings and \$1,660,000 for pavement.

Facility Improvements and Repairs:

As the budget allows the airport has been focusing on facility repairs. Dillon's Aviation had their building repainted; the Tetrahedron was repainted thanks to the Vice Chairman's generosity. Repairs have been made at

one of the hangars to repair the tracks in the door ways for the aircraft. PGV has also updated their general aviation entrance gate by replacing the turnstile with a sliding gate.

The Light/Sign/Vault project will have substantial completion this coming Friday December 22, 2017. The project came in under budget by \$250,000. Runway 8/26 has had 4 separate electrical shorts due to age of the electrical cables and direct burial. We hope to use the remaining funds for to replace the cables in the conduit.

Stansbury advised that the tracking of traffic for RWY 8/26 has been completed. The runway rehab project is on the approved CIP list. In 2018 we are doing Rwy 2/20, in 2019 we will be redoing General Aviation ramp, and in 2020 Rwy 8/26 will be rehabbed. The estimated costs of 8/26 Rwy is \$7mil and the GA ramp is \$3mil.

Terminal Improvements:

TSA installed a \$1.5M body scanner in the screening check point.

Red Heron restaurant officially opened August 19, 2017.

Parking Improvements:

The parking project has made progress. The 2nd exit lane has been constructed and the equipment is being tested. There have been some technical issues with the equipment being installed. The new exit lane gives the opportunity for prepay and credit card. Parking revenue should increase with the reduction in lost tickets. The board requested a report of lost run ticket revenue at the next board meeting.

Pavement and Drainage Improvements:

The taxilane pavement rehab project was a 12 week project that has been completed. The cost was \$3.5 Mil and we are under budget by \$230,000. Airport will be evaluating other work that can be added back into the project.

The Year Ahead:

The Stallings Hangar will begin construction in January 2018. It will be a 6 month build. Four S's has just acquired the new aircraft. The aircraft will be arriving this week and staying in temporary housing at Kinston.

Rwy2/20 rehab is a \$10Mil project that has 90% federal funding, state \$377,000, and local share is \$623,000. The pipe repair has started, but the majority of the work will start April 23, 2018 and will work 24/7 for 30days. There will be a closure of both runways on May 9-13th for intersection work.

A New Corporate Hangar site area is planned for the old National Guard land along Memorial Drive. As part of this project we will need to relocate the rent car wash rack and the rotating beacon.

Expansion of the General Aviation parking lot is needed due to volume of cars using the lot. It is becoming increasing hard to accommodate all visitors and staff. This project will depend on available funding.

Stansbury stated that by June 2018 she is hoping to have all the current land acquisition/easement/obstruction projects to be completed. We are still awaiting communication with two estates.

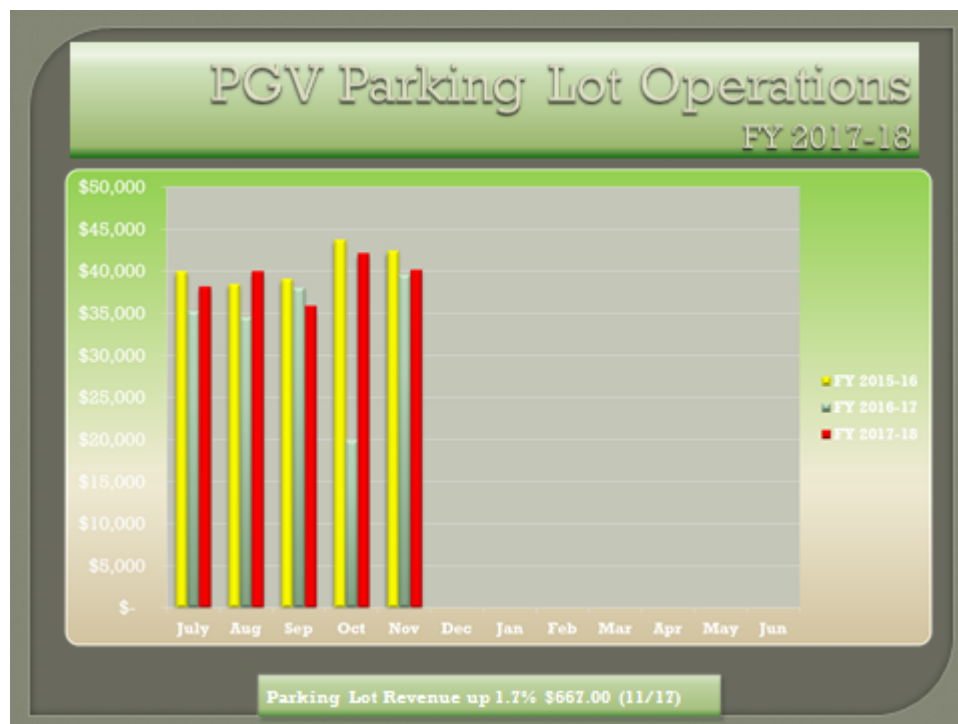
Financial Report:

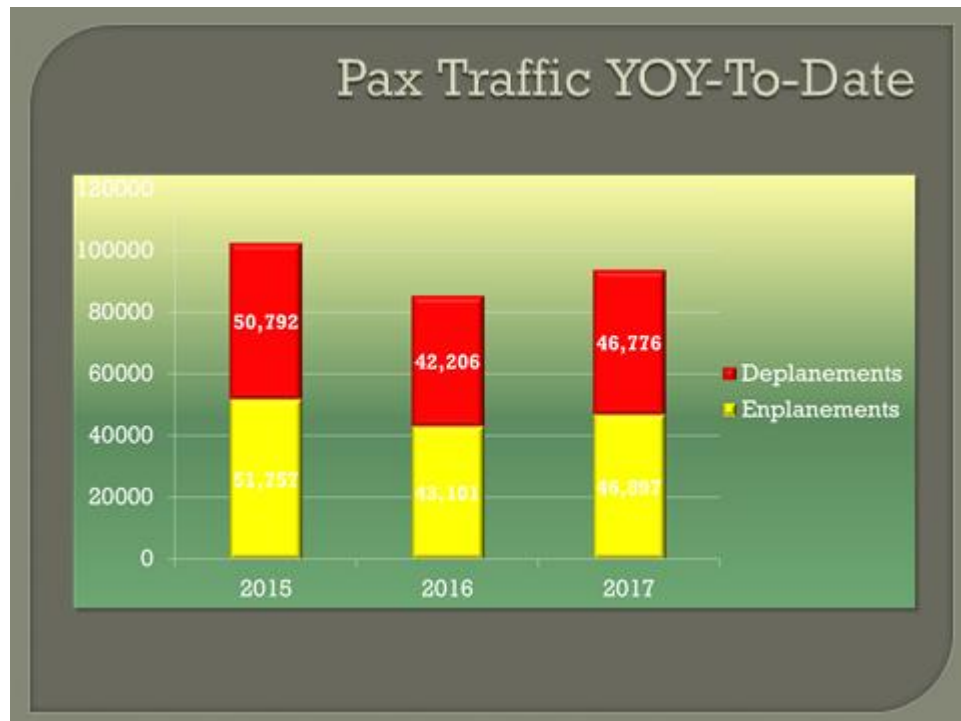
The Revenues for November are \$294,687, Expenses \$229,553, with a net income of \$65,134, and cash balance is \$2,315,277. Year to date Revenues \$1,392,932, Expenses \$1,153,846 with a net income \$239,085. The budget target is 42%, Revenues are at 48% and Expenses at 40%. The goal is to break even with the FY18 budget. The Cash balance is low because the Taxilane Rehab project has been paid, but still awaiting the reimbursements, which are due to come back in the next few months. The board requested that Stansbury bring the unrestricted and restricted amounts to them. Clark advised that he and Stansbury were going to meet and create a way for the financials to more reader friendly until we are able to transfer over to Munis Accounting. Transferring over to Munis has been delayed until July 2018 due to staffing at the County. Banks suggested having the airport financials put into a proper format for the board by an auditor.

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

Stansbury started out stating that the fuel sales for November were 100LL 2,712 (down 17.2%), JetA Based 12,510 (up 43.1%) and Jet A transient 15,038 (down 6.4%), Airline 16,153 (down 29.5%). The parking lot revenue was \$40,206 (up 1.7%) Total passengers are at 8,718 (up .5%). The load factors for the airline flights were High 86.6 %, Low 49.2% and Average 72.39%.







Directors Comments:

Stansbury advised there are challenges in the year ahead regarding retention of the airline and recruitment of 2nd airline service, reducing the leakage rate, depletion of reserves and securing supplemental funding sources for capital improvements. The deadline for the air service development grant was last week, and as of this morning they did not have a final number of applications received. There is \$10Mil available; the airport applied for \$750,000.

The airport operating budget could break even this year if there are no other major events. The reserves will however continue to deplete with the local share of funding projects. Stansbury will continue to look for other funding options to secure the 10% local fund match.

The board then went into closed session to discuss matters related to the location or expansion of businesses in the area served by the airport. The motion to go into closed session was voiced by Jim Morris, seconded by Buddy Zincone, and the vote to approve was unanimous.

The motion to come out of closed session was voiced by Jim Morris, seconded by Jimmy Garris, and the vote to approve was unanimous.

Chairman's comments

Chairman Clark discussed a recent meeting with Rich Balot regarding keeping his plane at PGV. Rich offered several suggestions on improving the PGV experience, including competitive fuel prices, and updating the furniture in the pilot's lounge and lobby.

Vice-Chairman Banks gave an update on Pitt County Commissioners interest in developing drone regulations. He discussed Temporary Flight Restrictions, the number of drones in the US, and examples of near misses near airports. Federal legislative efforts were mentioned. Commissioner Garris believes any drone regulation should include both the city and county areas.

Amy Mclane from Talbert and Bright provided an answer to a previous question regarding runway strength . Runway 2/20 strength is currently 73,000 pounds. Once the runway project is done it will be 140,000 pounds (about the weight of a 737-400 used by the football team).

As there was no more business to attend to a MOTION TO ADJOURN was made by John Banks, seconded by Jimmy Garris and the meeting was adjourned following a unanimous vote. The next meeting of the Airport Authority will be held at 11:30am on Wednesday January 17, 2018.

Respectfully submitted,

Betty Stansbury