

**Richland-Lexington Airport District
Commission Meeting
Draft Minutes
January 11, 2021 @ 4 p.m. Carolina Room**

Commissioner Attendance

Dan Bell, Chair; Carol Fowler, Vice Chair; James Whitmire (Zoom); David Jordan; Breon Walker (Zoom); Bill Dukes (Zoom); Pat Smith; Hank Jibaja; Jim Wellman; Hazel Bennett (Zoom)

Commissioners Absent

Duane Cooper, DJ Carson

Staff Attendance

Mike Gula, Ryan Kreulen, Frank Murray, Joel Livingston, Gregg Hornsby, Chappelle Stevenson, Eddie Martin (Zoom), Bri Ferguson, Tamie Head (Zoom), Nicole Huffman, John Fisher

Other Attendees

William Case (CAE Financial Advisor), William Musser (CAE Bond Attorney), Dave Carpenter (FOTH), Johnny Dickerson (BankAir), Terry Macaluso (WK Dickson)

1. Invocation

Mr. Whitmire offered the invocation.

2. Approval of Agenda

Mr. Jordan made the motion to approve the agenda. Vice Chair Fowler seconded the motion. Motion carried.

3. Approval of Commission Minutes of November 16, 2020

- a. Mr. Jordan made the motion to approve the minutes. Vice Chair Fowler seconded the motion. Motion carried.

4. Commission Secretary Recommendation

Mr. Gula reported that it is the recommendation of the staff to make Bri Ferguson the Commission Secretary. Chairman Bell presented a brief bio about Ms. Ferguson.

Chairman Bell made a motion to approve Ms. Ferguson as the Commission Secretary. Before the motion could be seconded, there were some questions/answers and discussion. Ms. Bennett was interested in Ms. Ferguson's job title at CAE, how long Ms. Ferguson has been employed by CAE, and if there were other potential candidates for Commission Secretary. Mr. Gula explained that Ms. Ferguson is the Planning Support Specialist in Engineering and has been employed approximately 1 year; she was the only candidate who has been trained by the former Commission Secretary, Ms. Douglas. Ms. Bennett expressed concern about impacts on the airport's Affirmative Action initiatives, but Ms. Stevenson expressed that she is in agreement with the appointment, and that

there will not be a negative impact on those airport efforts. Ms. Bennett asked for confirmation that this was not Ms. Ferguson's sole role at CAE, and Chairman Bell validated that.

Chairman Bell made a motion to approve Ms. Ferguson as the Commission Secretary. Mr. Jordan seconded the motion. The motion carried.

5. Code of Conduct and Conflict of Interest Forms

Mr. Fisher explained that it is CAE's policy every year to disclose in general if commissioners have any conflict of interest with other entities that the airport does business with. Please be sure to sign that form and return to Ms. Nicole Huffman.

6. November and December Financial Report—Gregg Hornsby, CPA

Mr. Hornsby presented the December financials, and offered to answer any questions about the November financials as needed. Both months were consistent and on-trend with the rest of the Covid-19 downturn. The end-of-year cash-on-hand was 325 days, which Mr. Hornsby explained was good, because projections had predicted to be approximately 300 days. Decreasing our average daily expenses helped contribute to this positive difference from projection. He explains that December was similar to every other month, with a slight decrease in the total to \$10.9M. There were 282,324 enplanements in 2020, and 314 of them were for Silver Airways. Mr. Gula adds that Silver Airways has decided to remove their Tampa route for February, and is hoping to add it back in March.

Mr. Hornsby presents the income statement, and mentions that there is nothing substantially different, and that these are the same trends, with expenses and revenues coming in under-budget. He mentions that Line 15 was a withdrawal on CARES Act Funding, and that we finished the year with \$8.0M in CARES Act funds left. That matches what is budgeted for 2021.

Discussion followed on the amount of funding the District will receive in the second round of stimulus funds and if we are working with a lobbyist for the amount we will receive. Mr. Gula stated that AAEE and ACI are working for the airports and that we don't know the amount we will receive. \$10B was the total airport stimulus in the first round, and that the second round is \$2B for all of transportation. The amount we receive will not be a game-changing amount. The amounts this round are based on enplanements.

Ms. Bennett asked if the CARES funding drawn in December was for an emergency, which Mr. Hornsby answered that it was not. It offset the \$270-280,000 cost of a long-overdue ARFF vehicle replacement and some additional personnel costs. Going forward in 2021, \$8M in CARES will offset salaries/benefits, and also some non-payroll expenses. He stated operations and maintenance endeavors are the easiest for FAA to approve for CARES funding use. Mr. Hornsby proposes to use the CARES funding for those activities

on a monthly withdrawal basis. Mr. Jordan noted that last year our revenues were down ~\$9M and wanted to know the expectation for 2021. Mr. Gula replied they would be about the same, and we are trending with other airports.

7. Finance Committee Report

Mr. Hornsby reports that the Finance Committee voted to use Ameris Bank for In-Line Baggage System funding. Ms. Bennett asked for clarification as to what the finance committee meeting referred to. Mr. Hornsby explained that the commission passed a Resolution at the November 16 meeting to release an RFP related to CBIS/West Ticketing project funding. That RFP went officially unanswered, but two financial institutions submitted their best offers. Mr. Hornsby explains the general differences between the offers, and reiterated that the Finance Committee voted and agreed that the Ameris Bank proposal was the more attractive offer, for \$10.8M in funding for the CBIS project.

Discussion followed on the amount of the financing, which Mr. Hornsby explained was \$10.8M plus a cost contingency of 10%. Mr. Musser reviewed the original Resolution and the modifications to it contained in the Finance Committee's recommendation that the Ameris Bank proposal be accepted, and that executives can negotiate for even better terms. The recommendation from the Finance Committee and the Financial Advisor are to modify the Resolution so that we can accept the terms that Ameris Bank has outlined.

Chairman Bell made the motion to accept the terms outlined by Ameris Bank and so modify the Resolution. Motion was unanimously approved. Motion carried.

8. Staff Reports

a. Chairman's Report—Commission Chairman Dan Bell

Chairman Bell reported that Delta is down from 265K enplanements to 110K, American Airlines are down 53%, and United is down 57%. CAE is down ~58% on enplanements, and this is on par with Myrtle Beach and Charleston. However, FEDEX air freight at CAE is up 26% over the course of 2020, and UPS is up 6.5%. Overall freight is up 10%, and he reports that we had approximately 10 40-ft trailers per day come in and out of CAE in 2020.

He reminds us that there are many virtual conferences that commissioners can be attending, and requested that Ms. Huffman assemble a list. Mr. Murray is going to be presenting at a virtual conference, and it would be good to show commissioner support. He expresses that it would be positive to remain updated and to better understand our benchmark.

CAE appeared in 114 media articles, an uptick in our media presence. We are getting our word out fairly well due to branding and newspaper competition. CAE was also awarded the Global Biorisk Advisory Council (GBAC) Star Facility

Accreditation. Myrtle Beach is the only other airport in the state to do so. It is great to get the word out that we are safe to fly to and from.

The pre-book parking is averaging 10 bookings per day, with an average stay of 12.5 days. We made \$9500 in revenue during December 2020 from our pre-bookings, and the program is just getting started.

b. Director's Report—Mike Gula, AAE

The Silver Airways Tampa flight has been cancelled for the month of February.

New escalators are being installed, 1 left in baggage claim, and 2 in the Commuter Lounge. After these are installed the focus will move outside to the escalators in the parking garage. The McEntire AFB Relocation project is still going well, currently working through contracts. The 302 Connection Beautification Project is still in need of funding. Lexington County has committed \$500K, and Nephron has committed \$25K. This project needs committee and community support, and we are in need of the rest of the funding. Mr. Dukes and Mr. Gula discussed that the commissioners from all delegations are respectfully asked to keep this project and the need for funding in mind.

Public Safety staff at CAE have been offered the COVID-19 vaccination. The officers have had the opportunity to get the first injection, if they so choose.

9. Discussion and Suggestions

a. Comments from Public

Chairman Bell welcomed and thanked our guests for attending. There were no public contributions at this meeting.

10. Executive Session to Discuss a Personnel Matter

The Commission entered Executive Session to discuss a personnel matter. Upon public re-admittance, Chairman Bell made a motion to extend Mr. Gula's employment agreement through May 22, 2024. Mr. Smith seconded the motion. The motion was unanimously approved. The motion carried.

11. Next Meeting is February 15, 2021 at 4pm.

12. Adjournment

Chairman Bell adjourned the meeting.

Respectfully Submitted,



Brianna Ferguson, Commission Secretary