

RICHLAND-LEXINGTON AIRPORT DISTRICT
Draft Minutes
Commission Meeting
December 6, 2021 @ 4 p.m. Carolina Room

Attendance

Dan Bell, Chair; Carol Fowler, Vice Chair; James Whitmire; Hazel Bennett (Zoom); David Jordan; Duane Cooper (Zoom); Breon Walker; Pat Smith; Hank Jibaja; Jim Wellman; LaJoia Broughton; Sarah Johnson

Staff

Mike Gula; Chappelle Stevenson; Gregg Hornsby; Joel Livingston; Eddie Martin; Frank Murray; Kim Crafton; Ryan Kreulen; Lindsay Copelan; Cameron Zimmerman; Nicole Huffman; John Fisher (Attorney); Lynne Douglas (Secretary)

Guests

Johnny Dickerson (Columbia Aviation); Ed Parrish, Hillary Crawford (Parrish & Partners); Terry Macaluso, Paul Smith (WK Dickson); Lee Thomas (Eagle Aviation); Sandra Sims (Carolina Concessions)

Chair Bell called the meeting to order. Mr. Whitmire offered the Invocation.

1. **Approval of Agenda**

Mr. Smith made the motion to approve the agenda. Mr. Jordan seconded the motion. Motion carried.

2. **Approval of Commission Minutes of November 3, 2021**

Mr. Jordan made the motion to approve the minutes. Mr. Whitmire seconded the motion. Motion carried.

3. **Staff Reports**

a. **Chairman's Report – Commission Chairman Dan Bell**

Chair Bell introduced and welcomed Sarah Johnson, the new Commissioner representing Lexington County.

He went on to report that the Executive Committee met twice to discuss a concessionaire issue that has since been addressed. The concessionaire was in attendance at the second meeting. One of the issues discussed was a 10% price increase requested by the food concessionaire, which was granted. Chair Bell went on to report there had also been an issue with the Minimum Annual Guarantee (MAG) for 2020 and 2021 being due. He explained that the food concessionaire has a two-point system: (1) CAE receives a percentage of the sales and (2) the MAG which is set at the beginning of the contract. If annual sales are higher than the MAG, then one is not due. However, if sales are lower, the payment is offset with the MAG. Chair Bell said that it appears there is no MAG owed for 2020 and 2021 by the food concessionaire.

Mr. Hornsby went on to say that in both the retail and food concessionaires' contracts there is the concept of MAG. In his earlier calculations it appeared that the MAG for the food concessionaire, for 2020 and 2021, exceeded what was paid in meaning the airport would have been due more payment. However, what was not considered at the time, was

the impact of abating the MAG meaning it was no longer required. This was provided for both concessionaires. At the time of the pandemic, the airport advised both of the concessionaires not to worry about the MAG. For the food concessionaire, this was provided from April 1, 2020 – December 31, 2020. It was then realized that the resulting MAG for the contract ended July 31, 2020 – July 31, 2021 was exceeded by the percentage of sales payments that had been remitted. Mr. Hornsby continued by saying this had been a learning experience. He said this was not something that would have been looked at before as we typically would only abate MAG in a time of financial crisis of which was the case. He concluded by saying that the computation of the numbers was reviewed with Mr. Fisher, the airport attorney, to ensure that we consistently and correctly apply the agreement. He said, that after the review, it appears this is not an item of contention.

Chair Bell concluded his report by saying a Finance Committee meeting will be scheduled in January to address additional issues. Mr. Cooper stated that it was important that documents shared with the Executive Committee also be shared with the full Commission. Chair Bell concurred.

b. Director's Report – Mike Gula, AAE

Mr. Gula shared some tips for holiday travel: **(1)** the federal mask mandate has been extended to March 18th for airports and airlines **(2)** please advise family and friends traveling over the holidays to arrive two hours prior to their scheduled departure time **(3)** he reminded everyone about the pre-book parking option available online.

Mr. Gula continued his report by sharing several updates: **(1)** signage has been ordered for each handicapped parking space to advise that the first day is free and regular parking rates apply after that; handicapped parking was previously offered for free - we were the only airport in the state doing so; this change was made when we increased the parking rates a few months back **(2)** we exceeded 600 online parking bookings for October totaling over \$30,000 – Kim and the Marketing team are doing a great job getting the word out about this amenity **(3)** we formalized an agreement, with signatures, between Columbia Aviation, FedEx, and McEntire ANG Base; this will be the pending decision maker on whether McEntire comes to CAE or goes to Shaw AFB; an update will be provided once the final approval has been made in January; operations are scheduled to begin in April 2022; CAE will make over \$110,000 during McEntire's 6-month duration.

Mr. Gula also shared updates on on-going projects: **(1)** the in-line baggage project is 320 days in out of 720 days to completion; the project is on schedule; the Delta and American ticket counters have temporarily re-located during the project duration **(2)** the asbestos removal is underway at the airline ticket counters **(3)** the pavers at the terminal front entrance have been removed due to water intrusion issues; everything at the front entrance has now been waterproofed and concrete has been installed **(4)** all the sliding door vestibules have been replaced and are new **(5)** all the escalators in bag claim and the connector lounge have been replaced **(6)** all of the mechanical and lighting throughout the terminal has been updated saving us approximately \$50,000 monthly in energy savings **(7)** we installed a parking guidance system in the garage which has been a huge hit with passengers **(8)** Magnus is working on their due diligence process for 803 Industrial Park and is working with DOT to formulate an acceptable plan for an access roadway to the site **(9)** Project Horizon is still looking promising; the President/CEO was here in November and

will return in January to, hopefully, finalize details **(10)** we implemented Indefinite Delivery Contracts several years ago – the Commission gave staff approval to issue RFQs and to conduct interviews; out of five responses at that time, we brought on three contractors; with the Commission’s approval, we were allowed to use these three contractors for any project under \$200,000 rather than having to issue a public bid for small projects; we recently put out the RFQ, which called for significant DBE participation, and received nine responsive bids; three of the nine companies will be selected; the RFQ emphasized a buy local clause for contractors and suppliers **(11)** passenger traffic is returning quicker than anticipated across the industry; we’re on track to see numbers close to where we were in 2017; for September, we were up 111% over same time in 2020 **(12)** staff continues to work on attracting additional low-cost carrier service in 2022.

4. Discussion & Suggestions

a. **Comments from Public**

Ms. Broughton stated that she has requested several times to receive a five-year spending report for the AC/DBE Program. She said she had expected there to be a discussion at today’s meeting. Chair Bell said this was not on today’s agenda thus not making it feasible to discuss fully at this meeting. He said the last discussion was at the Commission retreat and was a three to four hour discussion. Ms. Broughton made a motion to go into Executive Session to discuss the matter. Chair Bell asked for a second. Mr. Cooper asked Ms. Broughton if she would hold her motion as he also had a motion related to Executive Session. He also suggested that perhaps Mr. Fisher, the airport attorney, advise if this is a matter appropriate for Executive Session. Mr. Cooper asked why the delay on responding to Ms. Broughton’s request. Chair Bell responded that the information requested had been sent to the Commission two ½ weeks prior. Ms. Broughton responded by saying that she had requested a more comprehensive five-year spending report than what had been provided and that she had requested a presentation of the report by Ms. Stevenson. Chair Bell asked for a motion to add this discussion item to today’s agenda. Mr. Cooper made the motion. There was then discussion as to whether it was necessary to discuss this item in Executive Session. Mr. Fisher, the airport’s attorney, advised that it was not necessary to enter Executive Session to discuss this item; however, he went on to say that any Commissioner has the right to make a motion to enter Executive Session where legal matters may need to be discussed. He continued by saying that if there is a second and a majority vote, then Executive Session can be entered.

Mr. Jibaja suggested that this discussion be tabled and later scheduled as the documents containing the information for discussion were not available at this meeting for an Executive Session. Chair Bell responded there are plans to schedule a Finance Committee meeting at which a full presentation will be made concerning the concessionaires. He went on to say that this committee meeting would provide the opportunity to discuss these additional concerns. Ms. Stevenson said she would be fine with presenting the information; however, she asked to be provided with a clear understanding of the type of information she is requested to present. She said she would have the requested documents of information available also. Chair Bell said the Finance Committee provides the best opportunity to discuss the AC/DBE Program and will give staff time to prepare the detailed information requested. He said that if any action arises in that committee meeting, it will be brought before the full Commission.

After some additional discussion, Chair Bell asked if there were any motions on the floor. Mr. Smith made the motion to adjourn. Mr. Cooper said he had a motion to go into Executive Session to discuss one of the three requests made by the food concessionaire. He said two of the requests had been discussed and he wanted to discuss further the third request. Mr. Whitmire seconded the motion. The motion did not carry to enter Executive Session. There was additional discussion regarding the upcoming Finance Committee Meeting and the information to be presented. Ms. Stevenson will coordinate with Ms. Broughton to provide the detailed information she has requested and will also be prepared to make a presentation at the upcoming orientation for the new Commissioners.

Mr. Wellman re-stated the motion to adjourn. Ms. Johnson seconded the motion. Mr. Cooper asked for a roll-call on the motion to adjourn. A roll-call was conducted and the motion to adjourn carried.

In closing, Mr. Wellman said he had the opportunity to attend the staff's chili cook-off to raise money for breast cancer awareness. He went on to say that we have exceptional people on staff that we should be grateful for. He said they all got along well together, that it was a diverse group, and everyone seemed to enjoy themselves. Mr. Wellman continued by saying that it was an impressive event hosted by an impressive group. He noticed how everyone got along well with each other which makes for a good team. He concluded by saying that he was proud to be associated with such a successful event.

5. **Next Meeting is January 17, 2022**

6. **Adjournment**

Respectfully Submitted,

A handwritten signature in cursive script that reads "Lynne Douglas".

Lynne Douglas, Commission Secretary