

RICHLAND-LEXINGTON AIRPORT DISTRICT
Commission Meeting
Draft Minutes
April 18, 2022 @ 4 p.m. Carolina Room

Attendance

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

Absent

Hank Jibaja

Staff

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

Guests

Robert Moore (Mead & Hunt); Michael Medsker (CUB Airport Commission); Dave Carpenter (FOTH); Ron Harvey (Global Care)

1. **Approval of Agenda**

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

2. **Approval of Commission Minutes of March 21, 2022**

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

3. **Committee Reports**

a. **Finance Committee Report – David Jordan**

i. **DBE Goal/Definition**

Committee Chair Jordan put forth the committee's recommendation that the Richland-Lexington Airport District establish a definition of DBE for non-AIP funds that corresponds to the definitions used by SCDOT and by the political subdivisions that appoint the RLAD Commission: Richland County, Lexington County, and the City of Columbia. This definition is also used by CAE for AIP funds as certified by SCDOT.

Committee Chair Jordan also put forth the committee's recommendation to adopt a DBE program for non-AIP contracts using the definition for DBE yet to be established, based on the committee's earlier recommendation, with an aspirational goal of 15%. Both committee recommendations were approved by the Commission as presented.

b. Air Service Committee Report – Duane Cooper

i. SC State University Marketing Recommendation

Committee Chair Cooper put forth the committee's recommendation to commit to the \$15,000 sponsorship contract with SC State University for one year (2022-2023) and to review the return and make adjustments as needed.

Committee Chair Cooper went on to say that the committee will later meet to discuss other schools in CAE's catchment area. He continued by reporting there was discussion about the marketing budget as reflected in the marketing handout to the committee highlighting Community Events and Sponsorships and Media Buys for 2021-2022. Chair Cooper also talked about the importance of CAE's catchment study and how it looks at our region to see where we may be experiencing leakage of customers to surrounding airports. He suggested that staff consider having the catchment study updated.

After much discussion about the committee's recommendation, Mr. Bell made a motion to call the question – to close the debate and to vote on the committee's recommendation. Mr. Smith seconded the motion. Motion carried.

Chairwoman Fowler put forth the committee's recommendation, as stated earlier by Committee Chair Cooper. The recommendation was approved with a Commission vote of six to five.

4. March 2022 Financial Report – Gregg Hornsby, CPA

Mr. Hornsby reported that there was a significant increase in cash due largely to the first draw of the CRSSA funds. In 2020, we had approximately \$8.8 million that was awarded in CARES and that has all now been drawn down. This first CRSSA draw down was for payroll-related costs. We have four years to spend the CRSSA monies. Following that will be ARPA, which combined with CRSSA, totals about \$8 million.

Mr. Hornsby continued by reporting that days cash on hand is at 620. Enplaned passenger numbers continue with a very positive trend climbing very closely to those of 2018. He went on to say that on the balance sheet, for Temporary Investments, we have a \$14 million balance for March. This figure was at \$9.2 million at the beginning of the year. We have money in savings at Wells Fargo, our primary banking institution that can be used for an immediate need. He explained that \$5 million was moved out of the savings to the local government investment pool, which we treat as a longer term investment. We can access this money quickly as needed.

Total Net Operating Revenues exceeded budget with Parking accounting for over half of that amount. Mr. Hornsby pointed out the PFC and CFC collection amounts. He also pointed out that Other Non-Operating Revenues reflects the CRSSA amount. Under Expenses, the biggest area over budget was Operations. This included replacing our deicer inventory which had not been replaced since 2014, (used during the inclement weather events), expenses related to the arrival of the Air National Guard, and airfield lighting.

In concluding his report, Mr. Hornsby pointed out the year-to-date net income of \$2.1 million and said that if the CRSSA money that was drawn down was removed from that figure, there

would still be an almost \$600,000 bottom line. He said the encouraging note about that is that Operations is paying for itself and that the bottom line is not because of the grant money. Lastly, he referenced the comparison to 2019, particularly with enplanements. We are at 73% of where we were in March 2019.

Ms. Broughton asked about CAE's parking rates as compared to Charlotte's and Charleston's airports. Mr. Hornsby advised that staff has conducted several surveys over time comparing the parking rates of the surrounding airports and that he will provide this information to the Commission. He went on to say that Greenville and Charleston have more parking options than CAE and that Charlotte also offers a mix of parking options. When attempting to compare like products, such as garage parking, staff looks at the proximity to the terminal. With that in mind, CAE is not out of line with parking rates. Ms. Crafton said that staff had issued a news release last October announcing CAE's slight parking rate increase, the first increase since 2004. She offered to email the news release to Chairwoman Fowler to provide to Commissioners to assist with questions about the parking rates.

5. **DBE Report for Quarter Ended 3/31/2022 – Gregg Hornsby, CPA**

Mr. Hornsby introduced the first quarterly report of DBE expenditures for 2022, ended March 31 (copy of report attached to March 2022 Financial Report). He continued by saying that our percentage of the DBE eligible expenditures is 10.16%. Vendor Distribution is also included in the report. Over the next few months, we should have some projects with our Indefinite Delivery Contractors so there should be a capital element reflected in the next quarterly report. Mr. Hornsby reminded that this is all non-AIP. The AIP-related DBE expenditures will be reported separately.

6. **Staff Reports**

a. **Chairman's Report – Commission Chairwoman Carol Fowler**

Chairwoman Fowler reported that there had been two committee meetings since the last Commission Meeting. She said that committee meetings provide the opportunity to discuss issues, to receive information, and to discuss a subject more in-depth. She went on to say that she hopes the committee chairs will schedule committee meetings when there is information or issues to discuss in-depth.

Two weeks ago, Chairwoman Fowler said she was scheduled to speak, on behalf of CAE, at a hearing on the proposed convention center expansion. The hearing was cancelled because of a disagreement within Richland County government. She encouraged Commissioners from Richland County and the City of Columbia to let their county council and city council members know how important the convention center expansion would be to CAE.

Chairwoman Fowler concluded her report by encouraging Commissioners to look at attending conferences that will add value to their service on the Commission. She asked that those attending conferences to report back to the Commission either through a written report or a brief oral report at a Commission meeting regarding beneficial information they received.

b. **Director's Report – Mike Gula, AAE**

Mr. Gula recognized Lindsay Copelan, CAE's Properties Manager, for completing the process with AAE to attain her Certified Member (C.M.) status. He also announced that Roger Allen, Supervisor in Airport Operations, recently completed the process to attain his accreditation status which is a huge honor. He said that only 10% in the industry have attained this accreditation. Kudos to both Lindsay and Roger for the good work they do.

Mr. Gula reported that staff is going through a process called the Entrepreneurial Operating System. He prefaced the explanation of this process by saying that over the last few years when working on projects, staff would be going in different directions with everyone touching the project at some point. He went on to say that this new system will formulate the Friday Updates provided to the Commission. Staff meets every week for ninety minutes to work through and prioritize what needs to be accomplished. He listed the various focus topics and which staff member will be responsible for reporting on each topic. As a result, he said the Friday Updates will look slightly different.

Mr. Gula continued his report with several more updates. He announced that the Miami service will return the first week in May. He said staff is delaying airline agreements for one year as they work through what integrating common use for the airlines will look like once it's installed. The Delta and American property reps visited last week and are on board to maintain what they have for another twelve months. Boyer Construction is doing a great job and is still on schedule with their project.

In concluding his report, Mr. Gula said that thanks to Tamie Head, CAE now has a MOU with the S.C. Commission for Minority Affairs. This will serve as an understanding between both organizations to help promote and train minority businesses.

Mr. Whitmire said that he had attended the Lexington Food and Wine Festival at which CAE was a sponsor and had a presence. He said it was well attended and thanked Ms. Crafton for making this available to the Commission to attend. He also said that the Dining on the Dam was a nice event and thanked Ms. Crafton for her efforts in working with the Lexington Chamber on a very worthwhile event.

Mr. Wellman said that today's earlier vote indicated there is some disagreement among Commissioners as to what the roles and responsibilities as Commissioners are. He suggested that perhaps a session with Ron Harvey would help with a consensus as to what those are. Chairwoman Fowler thanked him for his suggestion. She said that Commissioners would benefit from reading the Governance Manual which spells all of that out. She also said that perhaps a refresher on that topic would be helpful.

7. **Executive Session for Contractual Matter**

Mr. Jordan made a motion to enter Executive Session. Mr. Smith seconded the motion. Motion carried. After coming out of Executive Session, Mr. Bell made a motion to accept staff recommendation concerning the HR attorney and to implement a contract with the Dickey Law Firm. Mr. Cooper seconded the motion. The motion carried with one opposing vote by Mr. Jordan.

8. **Discussion and Suggestions**

a. **Comments from Public**

Mr. Jordan said that the federal government and local churches are working together to bring Ukrainians to Columbia. He said they will be looking for employment if anyone is looking to hire. Chairwoman Fowler asked that he email to the Commission any additional information he may receive.

Mr. Cooper said that he had recently attended an AMAC conference and there was discussion about the issue of 5G and the towers and how that is playing out. He asked if CAE had experienced any issues with the implementation of 5G. Mr. Gula said that to his knowledge we have not had any issues. Mr. Cooper also asked if there was any update regarding the legislation for the state's commercial air service airports. Mr. Gula said that he is attending a meeting later in the week at which the other airports will also attend and that he will report after that meeting.

Vice Chairwoman Bennett said that the Commission has not discussed CAE's succession plan in some time and suggested that they plan to do so.

9. **Next Meeting is May 16, 2022**

10. **Adjournment**

Chairwoman Fowler adjourned the meeting.

Respectfully Submitted,

Lynne Douglas, Commission Secretary