

# GREENVILLE-SPARTANBURG AIRPORT COMMISSION

## MINUTES

March 23, 2020

The Greenville-Spartanburg Airport Commission met on March 23, 2020 at 9:00 a.m. via teleconference in the Greenville-Spartanburg District Office Board Room located at 500 Aviation Parkway Greer, South Carolina 29651. The public and media were given proper notice of this meeting, under applicable law. This was a regular, non-emergency meeting.

**MEMBERS PRESENT (via teleconference):** Minor Shaw, Hank Ramella, Leland Burch, Valerie Miller, Doug Smith, Jay Beeson

**MEMBERS NOT PRESENT:** None

**STAFF AND LEGAL COUNSEL PRESENT:** David Edwards, President/CEO; Kevin Howell, Senior Vice President/COO (via teleconference); Basil Dosunmu, Senior Vice President-Administration and Finance/CFO; Scott Carr, Vice President Commercial Business and Communications (Environ Area Administrator) (via teleconference); Michelle Fleming, Communications Manager; Betty O. Temple, WBD (via teleconference); Stefanie Hyder, Executive Assistant/Recording Secretary

**GUESTS PRESENT:** None

**CALL TO ORDER:** Chair Minor Shaw called the meeting to order at 9:05 a.m. On behalf of the GSP Airport Commission, Mrs. Shaw extended her gratitude to GSP Airport District Staff for their efforts and response to the challenges related to the Coronavirus (COVID-19).

**CONSENT AGENDA:** A motion was made, seconded, and unanimous vote received to approve the Consent Agenda as follows:

- A. The Greenville-Spartanburg Airport Commission January 13, 2020 Regular Meeting Minutes.

**PRESENTATIONS:** None

**OLD BUSINESS:** None

**NEW BUSINESS:**

- A. **Approval of Revisions to the Greenville-Spartanburg Airport District Human Resources Policies and Procedures**

Ms. Ashley Bruton, Director of Human Resources, presented the revisions to the Greenville-Spartanburg Airport District Human Resources Policies and Procedure

Section 205.01 – Pay Practices, Work Hours and Time Keeping and Section 205.04 – Employment Categories & Classification Plan.

The Airport Commission last adopted changes to the District’s Human Resources Policies and Procedures on September 9, 2019. From time to time, Staff will review policies and procedures and recommend changes to programs to address new issues, to add clarifying language, to maintain compliance with applicable laws, and to make adjustments based on business and operational necessity.

Ms. Bruton referred to the presentation and discussed the specific issues and proposed amendments to Section 205.01 - Pay Practices, Work Hours, and Time Keeping, as well as Section 205.04 - Employment Categories & Classification Plan. Those changes included and were related to deductions for unpaid lunch/meal breaks, clarifying the definition of full-time and part-time status, redefining classification categories for certain ARFF and police positions, and deducting sleep time permissible under FLSA regulations.

The Commission asked for further explanation as to the request for revisions to Section 205.04 to which Mr. Kevin Howell, Senior VP/COO, responded.

There was a motion to amend the Greenville-Spartanburg Airport District’s Human Resources Policies and Procedures Section 205.01 – Pay Practices, Work Hours and Time Keeping, and Section 205.04 – Employment Categories & Classification Plan as presented. The motion was seconded and unanimously approved.

## **B. Approval of Revisions to the Greenville-Spartanburg Airport District Rules and Regulations**

Mr. Scott Carr, Vice President of Commercial Business and Communications, presented the revisions to the Greenville-Spartanburg Airport District Rules and Regulations.

South Carolina Code of Laws, Title 55 – Aeronautics, Chapter 11, Article 3 created the Greenville-Spartanburg Airport District (District) and empowers the District to create and enforce certain rules and regulations. The current version of the GSP Rules and Regulations were approved at the Airport Commission meeting held on June 24, 2019.

Mr. Carr provided background information with regards to the Centralized Receiving and Distribution Facility (CRDF) that opened at GSP in August 2017 and operated by Bradford Airport Logistics.

Some lease agreements and space use permits for tenants in the terminal complex do not include direct CRDF language; however, all lease agreements and space use permits do require all tenants to abide by the Greenville-Spartanburg Airport District Rules and Regulations.

Mr. Carr requested that the proposed language below be added to the Greenville-Spartanburg Airport District Rules and Regulations as:

### 3.18 - Centralized Receiving & Distribution Facility

All tenants within the terminal complex shall utilize the Centralized Receiving & Distribution Facility (CRDF) for all deliveries and pickups including, but not limited to, office supplies, FedEx, UPS, and other parcel services, payroll check delivery services, etc. In addition, all concessionaires shall utilize the CRDF vendor for the transport of all used cooking oil outside of any leasehold.

CRDF fees shall be calculated and assessed annually based on a proration of services to each tenant as determined by the District.

The Commission asked about feedback from tenants to which Mr. Carr responded.

There was a motion to adopt the added Greenville-Spartanburg Airport District's Rules and Regulations Section 3.18 - Central Receiving & Distribution Facility section as presented. The motion was seconded and unanimously approved.

## **PRESIDENT/CEO REPORT:**

### **Aviation Industry Update:**

Currently, airlines are shedding flights and parking aircraft. Staff is seeing daily cancellations and consolidation of passengers. Airlines are also seeking voluntary staff leave of absences without pay. Furthermore, airlines continue to deal with imposed restrictions on international travel as well as continued impacts of the 737 Max.

Airports are experiencing traffic declines of 50% to 70% nationwide. It is estimated that there will be a 37% decline in passenger traffic for CY2020 compared to forecast levels. Airports are holding multiple calls per week concerning the current industry challenges and ACI is projecting a \$13.9B loss for CY2020.

The Commission asked how that projection relates back to the amount that the aviation industry is seeking for airports. Mr. Edwards responded and referenced the proposed Emergency Appropriations for Coronavirus Health Response and

Agency Operations Bill – Airport Provision. Airports were included in the Bill to the tune of \$10B. Mr. Edwards further discussed allocation of funds which could amount to \$10M for GSP. The Commission asked about the Passenger Facility Charge (PFC) to which Mr. Edwards responded.

**Federal and State Legislative Update:**

At the Federal level, the Families First Coronavirus Act (H.R. 6201) was signed last week and takes effect April 2, 2020. This Act applies to companies that employ 1-500 and addresses paid time off for employees and caregiving responsibilities. The Commission inquired about financial projections to which Mr. Edwards responded. Mr. Edwards further elaborated on another piece of this Act related to a Family Medical Leave Act (FMLA) provision. Lastly, the REAL ID implementation date will likely be pushed out another year from the original date of October 1, 2020.

At the State level, the Airport District is still working on the Alcohol Bill S-1007 which is out of Committee and set to go to the full Senate. Mr. Edwards discussed a provision of the Governor’s Executive Order under Section 4 which implemented the on-premises consumption of food, beverage, and restaurants, which effected GSP, and currently stands through March 31, 2020.

**Coronavirus (COVID-19) Update:**

With regards to airline service, there are minimal cancellations to date with the exception of Frontier suspending all service as of April 19, 2020. Mr. Edwards briefly discussed schedule impacts of the other carriers. All-cargo activity, international in particular, has increased. The Commission asked about GSP’s capacity to handle to which Mr. Edwards and Mr. Howell responded.

There has been a reduction in passengers ranging from 50-70% and Staff is tracking numbers weekly. Mr. Edwards reviewed the current status of the food and beverage concessionaires, both airside and landside, and discussed rent relief and the Minimum Annual Guarantee (MAG). Mr. Edwards noted that force majeure will be reviewed. Economy Lot A and Parking Garage A will be closing and the shuttle bus operation will be shut down effective today. Mr. Edwards said flight activity will continue to be monitored which may lead to flight consolidations on the concourses.

The Commission inquired about impacts to terminal Staff to which Mr. Edwards responded.

With regards to Staff and customer health and welfare, all non-essential business trips have ceased. The District has reduced in person meetings. All GSP events have been canceled through April 30, 2020. The District is emphasizing the cleanliness of individual workspaces and has encouraged employees to stay home if not feeling well. The Commission asked if the District was emphasizing these

same rules for Cerulean and Air Cargo to which Mr. Howell responded. Mr. Howell noted the current challenge with supplies.

In addition, work schedules are under evaluation by department and the administrative Staff has been split into two teams for teleworking on a rotational basis. Mr. Edwards addressed school closings and the use of sick time for Staff who might need to care for their children. The District also advised that Staff that may have underlying health issues may utilize sick time if it is felt that their health could be compromised. Mr. Edwards commented on the increased custodial/janitorial services for the terminal facilities to which Mr. Howell elaborated.

From a financial standpoint, all non-essential business trips have been suspended. The District has issued a hiring freeze; however essential positions have been identified which Staff will proceed in hiring, and all other positions will be evaluated on a case by case basis. No non-essential expenditures should be made and Mr. Edwards has asked departments to seek reduction in 4<sup>th</sup> quarter spending by 40%. There is a freeze on small capital equipment and renewal and replacement purchases. Capital improvement projects, without executed construction contracts, as well as professional services projects, without executed contracts, have been placed on hold.

In preparation for the next fiscal year's budget, and in consideration of COVID-19 impacts, Staff is retooling revenue projections. On the personnel side, there are no new positions and Staff is holding off on backfilling non-essential positions that become vacant, as well as reviewing current vacant positions for budget cuts. As far as O&M, Small Capital Equipment and Renewal and Replacement Purchases, and Capital Improvement Projects, Staff will focus on essential expenditures and phased purchases, essential capital improvements and essential professional services. Staff will continue the procurement process to allow for awards when they are ready to move forward. A supplemental budget package will be developed for Commission approval if the need is determined.

Mr. Edwards noted that he will keep the Commission updated on COVID-19 and its impacts. The Commission asked about the potential impact to GSP's bottom line to which Mr. Edwards responded. The Commission also asked about the airlines request for relief, lease income from the GSP Industrial Park, and public relations efforts, to which Mr. Edwards responded.

The Commission discussed the agenda items for the next GSP Commission meeting scheduled on May 18, 2020. Mr. Edwards made the recommendation to secure a backup meeting date should COVID-19 restrictions continue.

In closing, the Commission extended their appreciation to Staff for the recent efforts made in response to COVID-19.

**INFORMATION SECTION:**

Mr. Edwards noted February's traffic at 8.7%.

**COMMISSIONER'S REPORT:** None

**ADJOURNMENT:**

There being no further business, a motion was made, seconded, and unanimous vote received to adjourn the meeting. The meeting was adjourned at approximately 10:57 a.m. The next meeting is scheduled for May 18, 2020 at 9:00 a.m.

**SIGNATURE OF PREPARER:**

  
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Stefanie Hyder