

GREENVILLE-SPARTANBURG AIRPORT COMMISSION

MINUTES

September 28, 2020

The Greenville-Spartanburg Airport Commission met on September 28 at 9:00 a.m. in the Greenville-Spartanburg District Conference Center 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: Minor Shaw, Hank Ramella, Leland Burch, Doug Smith, Jay Beeson

MEMBERS NOT PRESENT: Valerie Miller

STAFF AND LEGAL COUNSEL PRESENT: David Edwards, President/CEO; Kevin Howell, Senior Vice President/COO; Basil Dosunmu, Senior Vice President-Administration and Finance/CFO; Scott Carr, Vice President Commercial Business and Communications (Environs Area Administrator); Ashley Bruton, Director of Human Resources; Bobby Welborn, Chief of Police; Tom Tyra, Director of Communications and Air Service Development; Carlos Ruiz, Director of Commercial Business; Betty O. Temple, WBD; Casey Cooperman, Executive Assistant/Recording Secretary

GUESTS PRESENT: John Mafera, McFarland Johnson; Zach Nelson, McFarland Johnson; Steve Van Beek, Steer Group; Mark Waller, AVCON, Inc.; James Moose, AVCON, Inc.

CALL TO ORDER: Chair Minor Shaw called the meeting to order at 9:10 a.m.

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

- A.** The Greenville-Spartanburg Airport Commission June 22, 2020 Special Meeting Minutes.
- B.** The Greenville-Spartanburg Airport Commissions August 21, 2020 Regular Meeting Minutes.
- C.** Approval of the Greenville-Spartanburg Airport Commission Meeting Dates and Times for the Calendar Year 2021.

PRESENTATIONS:

A. Diversity and Inclusion

Ms. Ashley Bruton, Director of Human Resources, presented an update on the Greenville-Spartanburg International Airport District's (District) commitment to building and fostering an inclusive and diverse work environment.

The District is a Federal Contractor and therefore is required to take proactive “affirmative actions” steps to recruit and advance qualified minorities, women, individuals with disabilities, and protected veterans.

Ms. Bruton followed with examples of how the District proactively takes inclusionary steps in recruiting via various state and local websites, and job fairs. Examples include SCWorks, Edge4Vets and community organizations including Veteran/Minority/Women Centered.

Ms. Bruton provided benchmarking information on year over year changes in minority, veteran and disabled employment at the District.

Following in the presentation was Ms. Bruton’s update on the USDOT DBE/ACDBE program. The Department of Transportation (DOT) has had in effect for more than 20 years, a policy of helping small business owned and controlled by socially and economically disadvantaged individuals, including minorities and women, in participating in contracting opportunities created by the DOT financial assistance programs. The District’s DBE/ACDBE Programs were last updated September 9, 2019. Every three years the District updates its goals with an outside consultant.

Draft Terminal Area Planning Study

John Mafera, Regional Director of Aviation for McFarland Johnson, presented the Terminal Area Planning Study.

Mr. Mafera provided information on the Scope of Work, including an update on the Existing Conditions and Passenger Forecast, Terminal Core and Baggage Evaluation, Aircraft Gate and RON Parking Modeling, Concourse ‘A’ Expansion Concepts, Concourse ‘B’ Expansion Concepts, their Implementation Strategy including Program Phasing and Order of Magnitude Costs, along with a Program Model/Visualization.

Mr. Mafera and Mr. Edwards addressed concerns from the Commission regarding the Terminal Curb front.

When discussing the expansion of Concourse ‘A’ or Concourse ‘B’, the Commission discussed international passenger flights.

The Commission discussed the expansion process and timing, and that next steps for this project are to finalize the overall program including the feedback from the Commission, implement phasing and order magnitude costs, development of 3D modeling/renderings, and develop draft report text for Staff to review.

OLD BUSINESS: None

NEW BUSINESS:

A. Approval of 5 Year GSP Strategic Business Plan

Mr. Steve Van Beek, Director of Steer Group, prepared and presented the 5 Year District Strategic Plan, 2021 – 2025 for Airport Commission for consideration. Mr. Van Beek provided a presentation for the Commission with a focus on recovery from the effects of COVID-19 during and after 2020, providing analyses of the patterns of air service; responding to shifts in demands and airline costs. He noted that the District's Flight Plan to Recovery is launched during a time of unprecedented industry tumult, generating significant uncertainty about the timing of aviation and the District's recovery.

Mr. Van Beek states that there was a strong recovery in July and August, however the recovery path is expected to slow down in the winter months. The flight plan to recovery and resiliency will rely on an emphasis on performance, with a bottom-line focus on financial responsibility and service.

The 5 Year Business Plan is drafted to allow the District to be successful under a variety of circumstances. Mr. Edwards notes that no one knows how the recovery is going to go, that the District will have to be flexible, dealing with it on a day-to-day or annual basis instead of having a solid, unmovable target. The District's goal is to hit historical numbers, but there will be ups and downs.

Strategic goals were presented and set forth for the areas of Safety, Service, Regional Leadership and Opportunity, Cerulean Aviation and Finance.

There was a motion to approve the 5 Year GSP Strategic Business Plan. The motion was seconded, and unanimous vote was received.

B. Approval of Final Rankings for Web Design Services

Mr. Scott Carr, Vice President Commercial Business & Communications, introduced the request to approve the final rankings for companies who can build an open-source website for the District.

Since 2010, the District has been working with Your Creative People (YCP), based in Greenville, SC to provide website services to support www.gspairport.com. The current GSP International Airport website is built on a proprietary Content Management System (CMS) that is not easily managed with in-house resources. This has limited the District's ability to provide timely and effective communications to the traveling public and business partners. In addition, the GSP360 Beyond the Runway website was written in an Expression Engine CMS, which is open source. However, the version that was built in 2012 is no longer supported by the website hosting companies. Also, the former Wingspan website was created in WordPress, which is

also an open source CMS. However, it was built in such a manner that it offers limited in-house editing capabilities.

To address these challenges, on June 26, 2020, District Staff issued a Request for Proposals (RFP) seeking competitive proposals from qualified companies to construct a new open-source website that is more mobile friendly, able to provide real-time flight and parking data, is portable, and can be maintained with in-house resources.

Thirty-two proposals were received by the deadline on July 31, 2020.

The Evaluation Committee reviewed the proposals and evaluated them in accordance with the criteria, as outlined in the RFP. Four firms were shortlisted for the second phase of the selection process, to include Aviatrix, Integritive, Launch Something and Planeteria Media.

The Evaluation Committee's recommended final ranking for web design services was, in order: #1) Aviatrix #2) Planeteria Media, #3) Integritive and #4) Launch Something.

Mr. Carr responded to questions from the Commission regarding the longevity of a new platform across all websites as well as questions regarding the timeline of the project.

There was a motion to 1) approve the final rankings for Web Design Services as presented; (2) authorize Staff to negotiate and finalize agreements with the highest ranked company (if an acceptable agreement cannot be reached with the highest ranked company, negotiations will be formally terminated and will then proceed with the next ranked company); and (3) authorize the President/CEO to execute all necessary documents. The motion was seconded and unanimously approved.

C. Approval of Final Rankings for Food & Beverage Concession Management and Operating Services

Mr. Scott Carr, Vice President Commercial Business & Communications, presented the approval of final rankings for food and beverage concession management and operating services.

Greenville-Spartanburg Airport District Staff prepared a Request for Proposals (RFP) for food and beverage concession management and operating services to provide an operating services agreement in lieu of a traditional concession agreement in order for the District to have tighter control and oversight of the food and beverage concession program to ensure operational excellence.

Proposals were received from four management companies, to include a La Carte Menu Services, Delaware North Companies, JDDA Concession Management, Paradies Lagardere, Tailwind Concession and TGI The Grove.

The Evaluation Committee reviewed the proposals and evaluated them in accordance with the criteria, as outlined in the RFP. Four firms were shortlisted for the second phase of the selection process which included presentations and interviews with the Selection Committee.

The shortlisted companies were Delaware North, JDDA Concession Management, Metz Culinary Management and TGI The Grove.

The Evaluation Committee's recommended final ranking for food and beverage concession management and operating services was, in order: #1) Metz Culinary Management, #2) Delaware North, #3) TGI The Grove and #4) JDDA Concession Management.

The Commission inquired about the difference between this proforma and the previous management company's proforma, whether the projected management fee is standard in the industry, and what changes can be made should the management company not be able to reach their bottom line revenue projections, to which Mr. Carr and Mr. Edwards provided answers. Discussion ensued.

There was a motion to (1) approve the final rankings for Food and Beverage Concession Management and Operating Services as presented; (2) authorize Staff to negotiate and finalize agreements with the highest-ranked company (if an acceptable agreement cannot be reached with the highest-ranked company, negotiations will be formally terminated and will then proceed with the next ranked company); (3) authorize Staff to enter into an initial five year agreement with a five year option period; (4) authorize the President/CEO of the District to execute all necessary documents. The motion was seconded and unanimously approved.

D. Approval of Final Rankings for Automated Retail Concession Program

Mr. Scott Carr, Vice President Commercial Business & Communications, presented the approval of final rankings for Automated Retail Concession Program.

As new companies have entered the automated retail vending industry in the past couple of years, Staff felt that it was an opportune time to seek new proposals from companies. In accordance with Administrative Policy, Staff elected to utilize a competitive selection process.

Staff prepared a Request for Proposals (RFP) for automated retail concession.

Proposals were received from three companies to include Fly CBD, LLC, NewZoom, LLC dba Zoom Systems, and Prepango, LLC.

Unfortunately, the proposal submitted by Fly CBD did not include financial projections for each proposed location as required by the RFP. In addition, the company did not meet minimum experience requirement. The FLY CBD proposal was deemed unresponsive.

Based on the results of the Evaluation Committee, Staff made a recommendation of final rankings to the Airport Commission (Commission).

The Evaluation Committee's recommended final ranking for air cargo consulting services was, in order: #1) Prepango, LLC and #2) NewZoom, LLC dba Zoom Systems.

There was a motion to (1) approve the final rankings for Automated Retail Concession Program as presented above; (2) authorize Staff to negotiate and finalize an agreement with the highest ranked firm (if an acceptable agreement cannot be reached with the highest ranked firm, negotiations will be formally terminated and will then proceed with the next ranked firm) and (3) authorize the President/CEO to execute all necessary documents. The motion was seconded and unanimously approved.

E. Approval of Final Rankings for Online Parking Pre-Booking Services

Mr. Kevin Howell, Senior Vice President/COO, presented the approval of final rankings for online parking pre-booking services.

Greenville-Spartanburg Airport District Staff (Staff) prepared a Request for Proposals (RFP) for parking pre-booking services to provide an information technology (IT) solution for online parking pre-booking in conjunction with the new Parking Access and Revenue Control System (PARCS) Project.

Proposals were received from five companies, to include ADVAM, AeroParker, Chantry, LAZ Airport Parking, and MAG USA.

The Evaluation Committee reviewed the proposals and evaluated them in accordance with the evaluation criteria as outlined in the RFP. Four companies were short-listed for the second phase of the selection process which included presentations and interviews with the Evaluation Committee.

The short-listed companies were ADVAM, AeroParker, Chantry, and MAG USA. The Evaluation Committee's recommended final ranking for air cargo consulting services was, in order: #1) Chantry, #2) AeroParker, #3) ADVAM and #4) MAG USA.

Mr. Howell took a moment to share that Chauntry had the best value for GSP as far as transaction fees and implementation costs. He also stressed the importance of this product in a post-COVID world. The Commission inquired as to whether this will result in added revenue and wanted to know what the timeline is for implementation and phasing in additional parking spaces to the service, to which Mr. Howell replied. The Commission also shared concerns about the communication of the services to prospective customers about how it works, to which Mr. Edwards replied and conversation ensued.

There was a motion to (1) approve the final rankings for Online Parking Pre-Booking Services as presented above; (2) authorize Staff to negotiate and finalize an agreement with the highest ranked firm (if an acceptable agreement cannot be reached with the highest ranked firm, negotiations will be formally terminated and will then proceed with the next ranked firm) and (3) authorize the President/CEO to execute all necessary documents. The motion was seconded and unanimously approved.

President/CEO Report:

Aviation Industry Update:

Mr. Edwards provided an aviation industry update, noting that the District will see how the industry is affected by whether the federal government provides an extension of the CARES Act, helping airlines to continue paying their employees. The hope is that things will start to settle down as we enter 2021, with the possibility of a vaccine and pickup in business travel. Chairperson Minor Shaw makes note that GSP is not unique; that flight service is changing across the nation, not just at GSP.

Federal and State Legislative Update:

Mr. Edwards helped to form, and participates in, the South Carolina Airports Taskforce (SCAT). This taskforce will meet regularly to discuss current airport issues, and potential state funding and legislation opportunities.

As a federal legislative update, again the question still stands as to whether there will be an extension of the CARES Act, and if so, will it provide relief to concessionaires and will it provide any additional airport relief in the package.

Coronavirus (COVID-19) Update:

The District has had few positive employee/tenant COVID-19 cases, but they've kept them in check by following strict protocol.

In the budgeted forecast for passenger traffic, GSP began at -80% of passenger traffic in July year over year and was projected to end at -50% in December. The airport is ahead of those forecasts. One area not recovering as quickly is parking.

Parking numbers did experience an increase, but has plateaued, and they haven't kept pace with customer travel numbers. There has been more leisure travel than business so it is understood that there would be more people traveling in one car when flying for leisure rather than business. Chairperson Minor Shaw inquired as to whether the change in parking is considered in our budget. Mr. Edwards replied, and conversation ensued.

Government Finance Officers Associations (GFOA) FY2019 Certificate of Achievement for Excellence in Financial Reporting Award:

Mr. Dosunmu and the District Accounting team recently received this award for the 2019 GSP Comprehensive Annual Financial Report (CAFR).


COMMISSIONER'S REPORT:

The Commission inquired about conference dates. The Boyd Aviation Summit will take place October 11-13, 2020 in Cincinnati, OH. The ACI-NA CEO Forum is scheduled for February 17-29, 2021 in Orlando, FL.

ADJOURNMENT:

There being no further business, a motion was made, seconded and unanimous vote received to adjourn meeting. The meeting was adjourned at approximately 12:31 p.m. The next meeting is scheduled for November 23, 2020 at 9:00 a.m.

SIGNATURE OF PREPARER:



Casey Cooperman