

GREENVILLE-SPARTANBURG AIRPORT COMMISSION

MINUTES

January 11, 2021

The Greenville-Spartanburg Airport Commission met on January 11 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 (via video conference), Hank Ramella (via video conference), 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; Basil Dosunmu, Senior Vice President-Administration and Finance/CFO; Scott Carr, Vice President Commercial Business and Communications (Environ Area Administrator); Tom Tyra, Director of Communications and Air Service Development; Jeff Clifton, Capital Projects Manager; Betty O. Temple, WBD; Casey Cooperman, Executive Assistant/Recording Secretary

GUESTS PRESENT: None

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 Commissions November 23, 2021 Regular Meeting Minutes.

PRESENTATIONS: None

OLD BUSINESS: None

NEW BUSINESS:

A. Approval of a Revision to the Rules and Regulations - Animals

Mr. Scott Carr, Vice President Commercial Business & Communications, presented the request to revise Section 9.10 of the Rules & Regulations.

Staff is requesting to preclude animals on all other property owned by the District located outside of the terminal building, passenger boarding areas, cargo facilities, or the aircraft ramp. Specifically, this will prohibit animals on the District's commercial

property unless the animal is categorized by the exceptions on the list provided or with the written consent of the President/CEO or their designee. This will help address any liability related issues related to animals outside of the already permitted areas.

Discussion ensued between Mr. Smith, Mr. Carr and Mrs. Temple, wherein Mr. Carr agreed to add a parenthetical in the Rules & Regulations that all requirements regarding animals are in compliance with local, state, federal and other applicable laws.

There was a motion to approve the Revision to the Rules & Regulations. The motion was seconded, and unanimous vote was received.

B. Revision to the Rules and Regulations – Derelict Vehicles

Mr. Scott Carr, Vice President Commercial Business & Communications, presented the request to revise Section 7.7 of the Rules & Regulations to include language regarding derelict vehicles on District property.

The inclusion of derelict vehicle language in the Rules and Regulations will permit Staff to address these vehicles parked on any property owned by the District and remove the vehicles at the owner's expense, if necessary.

Mr. Carr respectfully requests that the Greenville-Spartanburg Airport Commission resolve to adopt the attached revised Greenville-Spartanburg Airport District Rules and Regulations.

Mr. Howell and Mr. Carr provided answers regarding the differences and similarities between the treatment of abandoned vehicles in parking garages and lots as opposed to commercial property leased by the District.

There was a motion to approve the Revision to the Rules & Regulations. The motion was seconded, and unanimous vote was received.

C. Revision to the Rules and Regulations – Outside Storage

Mr. Scott Carr, Vice President Commercial Business & Communications, presented the request to revise Section 3.2 of the Rules and Regulations.

The District has over 2,500 acres of leasable property, which includes developed and undeveloped land. In an effort to maintain a high level of aesthetics throughout all District owned property, Staff works continuously with tenants to assure that the leased spaces are kept in an acceptable condition to the District. Due to the variety of property types and uses, the current lease agreements contain similar but slightly different language provisions. However, all lease agreements required tenants to adhere to the District's Rules and Regulations.

Therefore, Staff has reviewed the Rules and Regulations and made recommended revisions to prohibit items from being stored on the exterior of buildings located within a leasehold without written permission from the District. The adoption of the revised Rules and Regulations document is necessary for Staff to be able to properly maintain a high level of aesthetics as well as fairly and uniformly continue to address the issue across all property owned by the District.

Mr. Carr answered questions regarding the order of communication with tenants and what solutions there are for creating more outdoor storage on District property.

There was a motion to approve the Revision to the Rules & Regulations. The motion was seconded, and unanimous vote was received.

D. Budget Amendment for Food & Beverage Concession Management and Operations

Mr. Scott Carr, Vice President Commercial Business & Communications, presented a request for approval of a Budget Amendment for Food and Beverage Concession Management Operating Services under Metz Culinary Management.

The previously approved budget was prior to the Asset Purchase, Settlement and Mutually Agreed Termination of the Concessions Agreement with OHM Concessions Group occurring on July 23, 2020. Since that date the District has executed a new agreement for Food and Beverage Concessions Management and Operating Services with Metz Culinary Management (Metz) to operate five concepts at the Greenville-Spartanburg International Airport (GSP) on November 18, 2020. Metz submitted an operating budget for the remainder of FY 2020-2021.

Staff requested that the Airport Commission resolve to approve a budget amendment for FY 2020-2021 in the amount of \$1,377,840 for the revenue budget and \$1,413,311 for the expense budget.

There was a motion to approve the Budget Amendment for Food and Beverage Concession Management and Operating Services. The motion was seconded, and unanimous vote was received.

E. Approval of Property Acquisition of the Burger King Property on GSP Drive

Mr. Scott Carr, Vice President Commercial Business & Communications, presented a request for approval of Property Acquisition for the 2.12 Acres at the Northeast Corner of GSP Drive and SC Route 14 (Burger King).

GSP Drive is the secondary entry road for arrival to the airport terminal. 74.11 acres is identified for future acquisition, according to the Master Plan. The Burger King property is 2.12 of that 74.11 acres.

Mr. Carr provided details regarding the current lease terms with Carrols Corporation (Carrols), return on investment outcomes, and potential financing options.

Based on the location of the property, it is prime real estate for a fast-food restaurant and already includes a building, parking lot, retaining wall, and utilities. Therefore, it would not be difficult for the District to lease it to a new tenant if Carrols decided to terminate the agreement at the end of the initial term in 2035.

Mr. Carr respectfully requested that the Airport Commission resolve to (1) authorize Staff to negotiate the purchase of the property located at 909 GSP Drive in an amount not to exceed \$2,152,600 and (2) authorize the President/CEO to execute all required documentation for the property purchase.

Discussion ensued between members of the Commission and Staff regarding the location of the 74.11 acres identified in the Master Plan, whether this purchase would bring an profitable return on investment, the current financial success of the Burger King location, the timing of this purchase considering the economic climate and the options for financing the property acquisition.

Mr. Smith requested that at the next meeting we provide financing options the District has for purchasing this property.

There was a motion to authorize the purchase of the property in an amount not to exceed \$2,152,600 and to authorize the President/CEO to execute all required documentation for the property purchase. The motion was seconded, and unanimous vote received.

President/CEO Report:

Aviation Industry Update:

Traffic across the nation continues to grow slowly. GSP had a relatively good holiday season and as typical January and February will be slow months. Traffic numbers will go up in March and April, however Staff hoped it would be a stronger resurgence, and a return of business traffic, but the slow rollout of the COVID-19 vaccine may further delay a stronger return in traffic.

GSP continues to perform at or better than the national average.

Federal and State Legislative Update:

CARES Act II funding was passed. The District should receive approximately \$4.4M. We should have a grant agreement in hand by January 20.

As with CARES Act I funding, the District will take the money from the CARES Act II funding and put it into the cash reserves. The difference is that it must be drawn down by September 30, 2021.

Discussions continue with state legislature about the South Carolina retirement system. Senator Scott Talley will again sponsor the bill which allows for the sale of alcohol and expanded hours past current state law.

Coronavirus (COVID-19) Update:

Considering Greenville has had the most daily positive cases in the state, the number of associates at the District who have tested positive is still relatively small.

We are continuing to apply strict protocols for the foreseeable future.

COMMISSIONER'S REPORT:

Mrs. Shaw requested an update on the Commissioners' national committees, to which each Commissioners gave feedback. Mr. Ramella reported on the Technology Committee and Mr. Burch on the Commissioners Committee and Small Airports Committee.

EXECUTIVE SESSION:

There being no further business, a motion was made, seconded, and carried to go into Executive Session at 10:35 a.m.

At approximately 11:13 a.m., public session resumed with no action being taken in Executive Session.

ADJOURNMENT:

There being no further business, a motion was made, seconded and unanimous vote received to adjourn meeting. The meeting was adjourned at approximately 11:14 a.m.

SIGNATURE OF PREPARER:



Casey Cooperman