

# **GREENVILLE-SPARTANBURG AIRPORT COMMISSION**

## **MINUTES**

**November 30, 2021**

The Greenville-Spartanburg Airport Commission met on September 20, 2021 at 9:00 a.m. 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:** Minor Shaw, Hank Ramella, Leland Burch, Valerie Miller, Jay Beeson, Doug Smith

**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; Betty O. Temple, WBD; Thomas Tyra, Director of Communications & Air Service Development; Casey Cooperman, Executive Assistant/Recording Secretary

**GUESTS PRESENT:** Paul Smith, WK Dickson; Jon McCalmont, Parrish & Partners; Mark Waller, AVCON; James Moose, AVCON; Daniel Tuerk, ZT/2getthere; Norbert Schmelz, ZF/Aftermarket; Mike Shutt, Plenary Americas; Kiel Clasing, Oceaneering International, Inc.; Jonathan Chasteen, HDR; Eric Rysdon, HDR

**CALL TO ORDER:** Chair Minor Shaw called the meeting to order at 9:00 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 September 20, 2021 Regular Meeting Minutes.

**PRESENTATIONS:** None

**OLD BUSINESS:** None

**NEW BUSINESS:**

**A. Approval of Property Acquisition – 1.21 Acre Residential Property & 0.77 Acre Lot with Garage Located on Taylor Road**

Mr. Scott Carr, Vice President of Commercial Business & Communications presented the request for approval of a Property Acquisition for a 1.21 acre residential property and a 0.77 acre lot with garage located on Taylor Road.

Mr. Carr explained that these properties are part of seven separate parcels of residential property owned by others that has been identified for future acquisition for airspace control in the Federal Aviation Administration approved master plan dated December 2019.

Mr. Carr provided the Commission with photos of the properties and details on the appraisal. He then discussed the potential purchase price based on this appraisal.

If the purchase is approved by the Commission, the District plans to lease the property in an "as is" condition and it is anticipated that it will generate approximately \$25,000 - \$30,000 in annual revenue to the District.

The Commissioners requested to be kept up-to-date on the progress of the purchase.

There was a motion to (1) authorized Staff to negotiate the purchase of the two parcels of property located on Taylors Road in Greer, SC in an amount not to exceed \$308,000 and (2) authorize the President/CEO to execute all required documentation for the property purchase. The motion was seconded, and unanimously approved.

## **B. Approval of Design Phase Budget for Cargo Apron Phase 2 Project**

Mr. Kevin Howell, Senior Vice President/COO, presented a request for approval of the Design Phase Budget for the Cargo Apron Phase 2 Project.

GSP continues to experience record all cargo traffic with no relief in sight. Requests for service and inquiries for opportunities at GSP regularly exceed current capacity. With the ongoing 50,000 SF expansion of the air cargo facility expected to be completed in Summer 2022 and the number of potential customers it is important for the District to begin planning for the next phase of air cargo facility expansion.

In Spring 2021, the District applied for a DOT INFRA grant to help fund the construction of the Phase 2 Cargo Apron Expansion. Ultimately the INFRA grant was denied, but DOT advised the District to submit the Phase 2 Cargo Building for consideration in 2022. The District also recently applied for an EDA grant to assist with construction funding for Phase 2 of the cargo apron. If the EDA grant is approved, the District will be responsible for funding the design phase costs prior to starting construction.

Design for the Phase 2 Cargo Apron Project is approximately 30% complete and Staff feels it is important to go ahead and complete the design in order to have construction documents ready for procurement should a grant be approved. Completing the design now will save time and enable the District to move quickly.

Design phase costs for Cargo Apron Phase 2 Project are estimated at \$450,000. Work elements include a mirror image of the existing cargo apron capable of servicing 3 widebody aircraft, extension of Gateway Drive and utilities to the future building site for Cargo Phase 2. Approval of this project requires authorization of a project budget.

Cargo revenues outperformed budget by approximately \$250,000 in the first quarter of FY22. Commercial fuel revenue exceeded budget projections by more than \$400,000 in the same time period.

The Commission requested a general cargo update from Mr. Howell to which Mr. Howell provided an overview of the weekly flights and growth in the upcoming months, noting the

current strain on capacity with the square footage needed to break down cargo charter flights.

There was a motion to (1) authorize the Design Phase of the Phase 2 Cargo Apron Project with a budget of \$450,000; and (2) authorize the President/CEO to execute all necessary documents. The motion was seconded, and unanimously approved.

## **PRESIDENT/CEO REPORT:**

### **Aviation Industry Update:**

Mr. Edwards noted that Thanksgiving week went very well at GSP, with high numbers for enplanements and parking. The District will observe airline schedule changes going into January and February 2022; adding flight frequency to certain destinations. Mr. Edwards said that in November 2021 the District will experience an 83-84% recovery to 2019 numbers. The goal is to continue at that rate of recovery.

### **Federal and State Legislative Update:**

Mr. Edwards discussed the Federal \$1.2 trillion Infrastructure Bill that was signed into law. The Associate Administrator of Airports at ACI is anticipating that it could be up to twelve (12) months before funds are received, specifically the \$20 billion for airports, \$15B to be received as \$3 billion over five (5) years and the remaining \$5 billion to be reserved specifically for terminal improvements. The District is trying to position itself for that over the next five (5) years. Approximately \$290 million is needed for GSP terminal improvements.

Mr. Edwards is continuing his work with state legislators to move forward a commercial service airport recovery package, using American Rescue Plan Act (ARPA) money. He has been meeting with the South Carolina Aviation Association (SCAA) for lobbying efforts and with state legislators for ARPA funding. Mr. Edwards will keep the Commission updated. The Commissioners requested that Staff provide verbiage they can use when reaching out and speaking to state legislators.

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

Mr. Edwards provided an update that the District is continually tracking any changes in state and/or federal requirements for COVID vaccinations. At this time there is no requirement for our employees to be vaccinated. A mandatory survey was sent out to all District employees, requiring an answer to if they are currently vaccinated, and if not, would they be willing to get vaccinated if required. About 50% of District employees are vaccinated, and of the 50% of those who are not, 72.2% of them said they would not get vaccinated if required. Mr. Edwards provided a further breakdown of the survey responses by department.

Mr. Edwards noted that the District is now requiring all new hires be fully vaccinated. Human Resources is also working to set up the database which will collect and track vaccination records for employees.

### **Employee Incentive Pay Plan:**

Mr. Edwards presented the results of the EIPP criteria for FY2021.

The motion was made and unanimously approved that District Employees would receive an EIPP bonus this year.

**Group Rapid Transit (GRT) Update and Demo**

Mr. Edwards provided background information that in 2015 the District completed a Personal Rapid Transit (PRT) study. The impetus for the study at GSP was traveler dissatisfaction with no shuttles, parking demand, and a tract of land on I-85 that will connect to the airport in the future. A Request for Proposals (RFP) was advertised and after receiving the proposals, 2getthere, was selected. Mr. Edwards then introduced Kiel Clasing of Oceaneering International and Michael Schutt of ZF.

Mr. Clasing and Mr. Schutt made a presentation to the Commission regarding the 2getthere product and summary of meetings held with District Staff. Following the original RFP process, it was decided that a Group Rapid Transit (GRT) model would be best suited for GSP. Oceaneering International and 2getthere are collaborating on autonomous transport systems. ZF purchased a majority equity stake in 2getthere. Mr. Clasing and Mr. Schutt provided detail into the vehicle type; the REVO-GT, the platform used, and how the product could be adapted for future use by not only GSP passengers, but also by cargo. Mr. Clasing noted features of the vehicle and Mr. Schutt provided the summary system details. Highlighted is that the GRT system is very scalable and is not tied to established routes.

The objective, as shared by Mr. Clasing and Mr. Schutt, is to improve groundside passenger transportation connections to support providing best in class customer service.

Mr. Schutt then went through the public-private partnership model, which is aimed to align with the District's objectives.

Following the presentation, the Commissioners asked questions regarding the GRT system, specifically about the reliability, risk, financing, timing, lifespan, and use of the product to which discussion ensued between the Commissioners, District Staff, Mr. Clasing and Mr. Schutt.

Following the meeting, a demonstration of the GRT vehicle was provided in the parking area.


**COMMISSIONER'S REPORT:**

Mr. Ramella shared with the group a video from Delta introducing their new precheck TSA facial recognition system for domestic flights, which will soon be operating in the Atlanta and Detroit airports. Mr. Ramella also provided a brief recap of the ACI Annual Conference.

**ADJOURNMENT:**

There being no further business, a motion was made, seconded and unanimous vote received to adjourn meeting. The meeting was adjourned at approximately 10:44 a.m. The next meeting is scheduled for Monday, January 11 at 11:04 a.m.

**SIGNATURE OF PREPARER:**

  
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Casey Cooperman