

GREENVILLE-SPARTANBURG AIRPORT COMMISSION

MINUTES

January 24, 2022

The Greenville-Spartanburg Airport Commission met on January 24, 2022 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 (via conference phone), 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; Jeff Clifton, Director of Design & Construction; Casey Cooperman, Executive Assistant/Recording Secretary

GUESTS PRESENT: Zach Nelson, McFarland Johnson; Bob Overby, McFarland Johnson; David Sparkes, Kimley-Horn; Eric Rysdon, HDR; Jennifer Mustar, HDR

CALL TO ORDER: Chair Minor Shaw called the meeting to order at 9:04 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 November 30, 2021 Regular Meeting Minutes.
- B.** The Greenville-Spartanburg Audit Committee November 19, 2021 Regular Meeting Minutes.

PRESENTATIONS:

A. Airport District Awards Presentation

Mr. Scott Carr, Vice President of Commercial Business & Communications, presented and reviewed awards received by the District and the projects that were submitted for consideration, as follows:

- Winner - SC Best in Business award for 2021 Best Regional Airport in South Carolina
- ACI-NA 2021 Concessions Program Adaptability Award for the Small Airports Category
- Platinum – AMCP 2021 MARCOM Award for Website Redesign
- Gold – AMCP 2021 MARCOM Award for TV Broadcast Video (Website Redesign/Low Fares)
- Gold – AMCP 2021 MARCOM Gold Award for Graphic Design (GSP Airport Museum)
- Graphic Design USA 2021 American Graphic Design Award (GSP Website Redesign)
- Certificate of Achievement for Excellence in Financial Reporting for the District's Annual Comprehensive Financial Report (ACFR)

B. Terminal Landside Roadway Improvements Project Update

Mr. Kevin Howell, Senior Vice President/COO, provided an overview of the Terminal Landside Roadway Improvements Project. This Wingspan 2040 project is a FY2022 budgeted capital project and includes the planning, design and construction of various landside roadway improvements as outlined in the GSP Master Plan and identified as enabling work for the future terminal expansion program. Staff is working with District's planning consultant, McFarland Johnson, to refine the program scope and identify the work elements for this project.

Following this overview, Mr. Howell introduced Zach Nelson of McFarland Johnson to provide a presentation for feedback and group discussion.

The presentation included Inputs and Data Review, Traffic Volume Projections, Preferred Alternatives, a Traffic Simulation, Rough Order of Magnitude (ROM) Expansion Cost, and a Summary.

Following the presentation, conversation ensued between the Commission, Staff and Mr. Nelson about potential areas of concern with the proposed traffic routes, valet parking, rental car pickup/return and landscaping, along with suggested alternatives and solutions. Conversation also included the integration of autonomous transportation in the future.

Following the meeting, Staff will provide the Commission an updated map with enhanced graphics showing directional traffic and recommended signage.

In conclusion, the estimated timeline of the project, next steps and costs were discussed.

C. Corporate Aviation Hangar Construction Estimate Review

Mr. Kevin Howell, Senior Vice President/COO presented a review of the estimate for the corporate aviation hangar construction. As widely covered by the media and industry publications, construction costs and product lead times have been significantly impacted over the past two (2) years. Staff continues to work with the project design team, led by McMillan Pazdan Smith, and project construction manager, Myers & Chapman, on the Corporate Aviation Hangar Project. Staff is reviewing the latest cost estimates in preparation for design completion and bidding.

Mr. Howell explained that Staff is seeing a rise in costs that are 30% above the original estimate, due to the inflation in materials. The Commission understands and it is noted that Staff should continue to address revenues that will offset the inflated construction costs.

OLD BUSINESS: None

NEW BUSINESS:

A. Approval of Elevator and Escalator Maintenance Services Agreement

The District's current elevator and escalator service agreement began in 2014 and is set to expire August 2022. Staff recently negotiated a new agreement with Schindler Elevator Corporation for a ten (10) year agreement for elevator and escalator maintenance services, utilizing a national cooperative purchasing contract. The new agreement will be in effect from February 1, 2022 until January 31, 2032.

Multiyear vendor agreements require the approval from the Commission. The cooperative agreement is a competitively bid, nationally available contract that was awarded in 2020 to Schindler by Sourcewell. Other airports and municipalities around the country have utilized this cooperative purchasing agreement which meets the District's procurement policies. A summary of the fiscal impact was provided.

Mr. Howell noted that the District will retain the same Schindler service representatives, and it is only a new agreement under the Sourcewell cooperative. The Commission asked if there are alternative contractors that provide the same services, to which Mr. Howell answered that there are others, but that it behooves the District to retain service providers which specific knowledge of Schindler elevators and escalators. The Commission additionally requested for Staff to research any other potential opportunities under the Sourcewell cooperative, to which Mr. Howell agreed.

There was a motion to (1) approve a ten-year service agreement with Schindler Elevator Corporation using the Sourcewell cooperative purchasing agreement; and (2) authorize the President/CEO to execute all necessary documents. The motion was seconded, and unanimously approved.

B. Approval of Economic Development Administration (EDA) Grant for the Air Cargo Apron Expansion Project – Phase II

As Staff has previously discussed with the Commission, due to the increasing cargo activity there is a need to expand the air cargo apron for Cerulean's operations. Staff first sought funding through the Airport Improvement Program (AIP) as well as through a Federal DOT INFRA grant, both of which were declined. In August 2021, Staff met with the Appalachian Council of Governments (ACOG) to discuss the possible funding opportunities for the Air Cargo Apron Expansion Project (Project). It was determined that the Project may qualify for EDA funding, so Staff with assistance from the ACOG applied for the EDA grant.

A letter was received last week from the EDA informing the Greenville-Spartanburg Airport District (District) that the District's EDA grant application has been selected for further consideration. The notification of further consideration is intended to inform the District of EDA's competitive preliminary selection of the Project for potential funding. EDA is requiring that several additional items be submitted before a final approval of EDA funding for the Project is granted. One such item is a Commission Resolution supporting the EDA application and grant.

Mr. Edwards provided the fiscal impact that would be associated with the balance of the project, following receipt of the grant.

Mr. Edwards provided the Resolution for approval by the Commission. There was a motion to (1) adopt the attached resolution and authorize the submission of an application and acceptance of the grant award by the Greenville-Spartanburg Airport District; 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 discussed the impact that COVID-19 has had on airline carriers, including impacts on flights due to staff availability. Many carriers minimized the number of people on their staff to receive funding and, in turn, carriers are having a difficult time recovering. This airline staff includes not only flight attendants, but also mechanics, pilots, and others. There is also pressure from flight attendant unions to increase wages. As a result, the airlines need to address their wages to retain employees, which leads to a residual increase in airfare costs. Airlines are also trying to make up for lost business traffic. All in all, the District is doing well, although it will likely see impacts from air carriers in the way of reduced service offerings.

Federal and State Legislative Update:

Regarding the Federal Infrastructure Bill, of which the District expects to receive \$5.3M, there has been no update on when the funds will be received, although there are some indications that they may be received before the federal fiscal year starts in October.

The controversy over 5G service near airports has also been a topic of conversation. There has been less than ideal efficiency in trying to resolve these issues and approve certain aircraft types based on their altimeters. Each aircraft manufacturer must receive an Alternative Measures of Compliance (AMOC) approval. The District was one of the airports identified as being impacted by the rollout of 5G service.

Operationally, the District has not seen any impacts but the Notice to Airmen (NOTAM) is still in place. It would only affect the District in extreme situations where pilots cannot see the approach at 200 ft. It would also limit our ability to accommodate diversions from Charlotte and Atlanta. Staff will keep the Commission updated.

Mr. Edwards then provided a progress report on efforts to move forward a commercial service airport recovery package at the state level, using funds from the American Rescue Plan Act (ARPA). Through the South Carolina Aviation Association (SCAA), a lobbyist was hired that has helped with this request. Mr. Edwards continues this conversation with state legislators. The House Ways and Means sub-committee of the South Carolina House of Representatives which oversees the South Carolina Aeronautics Commission (SCAC) budget appears to be in support of the budget request of \$50M from the SCAC. If the request is approved by the House of Representatives, it will then go to the Senate. Local Chamber of Commerce and County Council representatives are working together in support of the package.

The Commission recommends having representatives of the Chambers of Commerce, South Carolina Port Authority and SC Department of Commerce attend and provide updates on their organizations and efforts at a future GSP Commission meeting.

Coronavirus (COVID-19) Update:

Mr. Edwards provided an update on the Occupational Safety & Health Administration (OSHA) Emergency Temporary Standard (ETS). Although the Supreme Court ruled that the ETS is not required, the District has prepared its Directive for employees should it need to be implemented in the future. Currently, the District requires vaccination for all newly hired employees as well existing employees receiving a change in position. Additionally, the federal mask mandate is still

in effect. The Commission and Mr. Edwards discussed how COVID-19 has recently impacted the staff, as well as how the vaccination requirement has been received.

COMMISSIONER'S REPORT:

Commissioner Doug Smith shared an op-ed titled Infrastructure Bill Brings Sound Investments to South Carolina for Transportation Modernizations and Improvements and asked for Commission feedback, to which the Commission agreed.

EXECUTIVE SESSION:

There being no further business, a motion was made, seconded and carried into Executive Session at 11:14 a.m.

At approximately 12:15 p.m., public session resumed with no action being taken in Executive Session.

The Commission continued the public session with a discussion of the legal process and benefits of closing Stevens Road and a portion of Victor Avenue Extension on District property. Upon recommendation by third parties, the District has proposed to retain an attorney who has the expertise and experience necessary to represent the District in the road closure process. Commissioner Smith informed the Commission that the attorney that the District proposes to retain is a partner in the same law firm where Mr. Smith is also a partner. Mr. Smith provided a written statement to this effect to the Commission in a Conflict of Interest disclosure form. Mr. Smith also asked to be excused from any votes, deliberations and other actions by the Commission or the District with respect to the road closure matters and the retention of the attorney to assist the District with respect to such matters.

A motion was made for the District to take all necessary and appropriate action, in the order Staff best decides, to close Stevens Road and a portion of Victor Avenue Extension. The motion was seconded and passed, with Commissioner Smith abstaining.

ADJOURNMENT:

There being no further business, a motion was made, seconded and unanimous vote received to adjourn meeting. The meeting was adjourned at approximately 12:18 p.m.

SIGNATURE OF PREPARER:



Casey Cooperman

RESOLUTION 01-2022

ECONOMIC DEVELOPMENT ADMINISTRATION GRANT

BE IT RESOLVED, during a meeting of the Greenville Spartanburg Airport Commission (Commission), conducted at the offices of the Greenville-Spartanburg Airport District (District) in Spartanburg County, SC, on January 24, 2022, the Commission authorized the President/CEO of the District to (1) finalize the application submission for an Economic Development Administration (EDA) grant for the Air Cargo Apron Expansion Project – Phase II; and (2) accept the award of a grant from the EDA, if offered.

GREENVILLE-SPARTANBURG AIRPORT COMMISSION

Minor Shaw, Chair

ATTEST:

David Edwards, Secretary