

GREENVILLE-SPARTANBURG AIRPORT COMMISSION

MINUTES

March 4, 2024

The Greenville-Spartanburg Airport Commission met on March 4, 2024, 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, Leland Burch, Valerie Miller, Jay Beeson, Doug Smith, Hunter Cuthbertson

MEMBERS NOT PRESENT: None

STAFF AND LEGAL COUNSEL PRESENT: David Edwards, President/CEO; Betty O. Temple, WBD (via teleconference); Kevin Howell, Senior Vice President/COO; Thomas Brooks, Vice President/CFO; Kelly Dawsey, Vice President/CHRO; Deven Judd, Vice President/CCO; Zach Salvato, Vice President/CIO; Tom Tyra, Vice President/CMCO; Jeff Clifton, Director of Design & Construction; Ryan Clark, Real Estate & Leasing Manager; Tiffany Cherry, Communications Manager; Casey Cooperman, Executive Assistant/Recording Secretary

GUESTS PRESENT:

Jon McCalmont, Parrish + Partners; Amanda Sheridan, McFarland Johnson; Mark Waller, AVCON; Braden Busold, Messer Construction Co.; Eric Rysdon, HDR

CALL TO ORDER: Chair Minor Shaw called the meeting to order at 9:03 a.m.

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

- A.** The Greenville-Spartanburg Airport Commission January 22, 2024 Regular Meeting Minutes.

PRESENTATIONS:

Mr. Edwards, President/CEO, welcomed Heath Dillard, President of VisitGreenvilleSC (VGSC). Mr. Dillard provided a presentation on why air service is a strategic regional initiative. Mr. Dillard's presentation focused on the strategic priorities of VGSC, which are to maximize the visitor economy, to close the gap in air travel accessibility, to be a leading resource to the community, and to use tourism to better the lives of upstate residents. Mr. Dillard then provided next steps,

both short term and long term, for how VGSC intends to continue its support of GSP and help grow air service to the region, which in turn will help the upstate economy to grow overall.

NEW BUSINESS

A. Election of Vice Chair to the Greenville-Spartanburg Airport Commission

Mr. Edwards presented the request to elect a new vice chair to the Greenville-Spartanburg Airport Commission. He provided the background for this request and made a recommendation to elect a current member of the Airport Commission to the position of Vice Chair.

A motion was made by Commissioner Beeson to elect Doug Smith as Vice Chair of the Greenville-Spartanburg Airport Commission. Commissioner Cuthbertson seconded the motion and unanimous approval was received.

B. Resolution for Henry A. Ramella

Chair Shaw requested that Mr. Edwards, President/CEO, read the Resolution for Henry A. Ramella. Mr. Edwards read the Resolution recognizing Mr. Henry A. Ramella's contributions after successfully serving forty-two years as a Greenville-Spartanburg Airport Commissioner. Mr. Edwards then requested that the resolution be approved. A motion was made by Commissioner Burch, seconded by Commissioner Beeson and unanimous approval was received.

C. Approval of the reimbursement resolution to permit the use of bond proceeds on certain projects.

Thomas Brooks, Vice President/CFO, presented a request for approval of a reimbursement resolution to permit the use of bond proceeds on certain projects. Mr. Brooks provided the background for this request, that the District's funding plan for certain projects include the use of bond proceeds, and that certain projects will incur spend prior to the issuance of the related debt. The most significant project expected to have material spend is the Parking Garage C & Consolidated Rental Car Facility project.

Mr. Brooks then goes on to say that in order for Staff to be permitted to reimburse the District with bond proceeds for project costs spent prior to debt issuance, the District is required to declare official intent to do so under United States Department of the Treasury Regulation Section 1.150-2. By approving this request, the resolution will permit, but not require, the District to reimburse itself for project spend prior to the issuance of bonds.

Mr. Brooks requests that the Airport Commission resolve to approve the Reimbursement Resolution in compliance with the United States Department of Treasury Regulation

Section 1.150-2. A motion was made by Commissioner Miller, seconded by Commissioner Burch, and unanimous approval was received.

OLD BUSINESS

Approval of Automated Shuttle Airport Project

David Edwards, President/CEO, presented the request to approve the Automated Shuttle Airport Project.

At the January 22, 2024 meeting of the Greenville-Spartanburg Airport Commission, the Automated Shuttle Airport Project was presented to the Airport Commission for its consideration and approval. Following the presentation and discussion of the item, the Airport Commission decided to table this item so additional information could be gathered to answer questions posed by the Airport Commission.

These questions were related to future technology changes, impact on other capital projects, project phasing options, and funding alternatives.

Mr. Edwards provided an updated presentation addressing the Commissioner's questions and then provided alternatives which remained the same as previously identified by Staff. He noted that all options presented will have a somewhat different financial impact on the District.

Following Mr. Edwards's presentation, conversation ensued amongst the Commission regarding phasing options, financial funding, timeframe, and alternatives.

Mr. Edwards then respectfully requested that the Airport Commission resolve to (1) approve Option 1 of the Automated Shuttle Airport Project as presented; (2) authorize Staff to finalize a Project Agreement with the Plenary Airports GSP, LLC ("Plenary") for the development, operation and maintenance of an automated shuttle system at GSP; (3) approve funding the project through a combination of District cash, District financing, and equity/financing through Plenary in the amount of \$40 million; and (4) authorize the President/CEO to execute all necessary documents.

There was a motion to approve a phased approach, moving forward with Phase 1 subject to the District receiving \$10 million in grant funding specifically for this project. The District and Plenary would then each match \$10 million, and the District would incur debt for the remaining amount of \$10 million.

Commissioner Beeson seconded the motion and unanimous approval was received.

PRESIDENT/CEO REPORT:

A. Aviation Industry Update

Mr. Edwards provided a brief update on the growth in nationwide air traffic, including the District which has experienced a 12% to 13% growth in passenger traffic.

B. Federal and State Legislative Update

Mr. Edwards updated the Commission regarding a bill in state legislation that would dissolve the aeronautics division and reclassify it as part of the SC Department of Transportation. Mr. Edwards discussed how this would affect recurring funding in the state budget. Regarding federal legislation, Mr. Edwards discussed the extension of AIP authorization and then provided an update on the FAA's Reauthorization Bill.

C. Financial Update

Thomas Brooks, Vice President/CFO, provided a brief District financial report to the Commission, including FYTD Operating Revenues, Operating Expenses, Gross Margin, Cost Per Enplanement, Airline Revenues, Investment Balance, Fund Balance, and Debt Balance. He also provided a brief update on the capital improvement programs.

OLD BUSINESS: None

COMMISSIONER'S REPORT: None

ADJOURNMENT:

There being no further business, a motion was made by Commissioner Burch, seconded by Commissioner Miller and unanimous vote received to adjourn the meeting. The meeting was adjourned at approximately 12:10 p.m. The next meeting regular, non-emergency Commission meeting is scheduled for Monday, May 13, 2024.

SIGNATURE OF PREPARER:



Casey Cooperman