

GREENVILLE-SPARTANBURG AIRPORT COMMISSION

MINUTES

November 18, 2024

The Greenville-Spartanburg Airport Commission met on November 18, 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 (via teleconference)

MEMBERS NOT PRESENT: None

STAFF AND LEGAL COUNSEL PRESENT: David Edwards, President/CEO; Betty O. Temple, WBD; 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; Ryan Clark, Real Estate & Leasing Manager; Tim Juul, Concessions Manager; Tiffany Cherry, Communications Manager; Cody Bauman, Director of Properties, Captain Adam Lawrence, GSP PD

GUESTS PRESENT: John McAlmont, Parrish + Partners; Amanda Sheridan, McFarland Johnson; Mark Waller; AVCON; Gianni Iona, Greenville Limo; John Iona, Greenville Limo; Hank Ramella; Justin Powell, SCDOT

CALL TO ORDER: Chair Minor Shaw called the meeting to order at 9:08 a.m.

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

- A.** Approval of the Greenville-Spartanburg Airport September 16, 2024 Regular Meeting Minutes
- B.** Approval of the Greenville-Spartanburg Airport November 6, 2024 Audit Committee Meeting Minutes
- C.** Approval of a Multi-Year Marketing Agreement with the Hub City Spartanburgers
- D.** Approval of a Multi-Year Contract Renegotiation with Lumen

PRESENTATIONS:

A. South Carolina Department of Transportation Presentation

Justin Powell, Secretary of Transportation for the South Carolina Department of Transportation, delivered a presentation on the state's transportation infrastructure. He emphasized the critical role of infrastructure in connecting supply chains and facilitating the movement of people, goods, and services across South Carolina.

Mr. Powell highlighted the General Assembly's continued investments in infrastructure and outlined accomplishments under the state's 10-year plan, with a particular focus on interstate modernization and plans to address the replacement of hundreds of aging bridges statewide.

Following the presentation, Mr. Powell answered questions from the Commission.

B. Airport Service Quality (ASQ) and Airport Next Survey Program Overview

Thomas Tyra, VP/Chief Marketing and Communications Officer, delivered a presentation on the ASQ and Airport Next Survey awards received by the District. He explained the criteria used to determine these awards and discussed their significance. Mr. Tyra also outlined future goals and emphasized how these surveys help GSP measure progress toward its mission of advancing the economic prosperity of the region.

OLD BUSINESS:

A. Approval of Rates and Charges for Non-Tenant Ground Transportation Providers

Mr. Deven Judd, VP/Chief Commercial Officer, presented the request to approve rates and charges for non-tenant ground transportation providers.

At the September 16, 2024 meeting of the Greenville-Spartanburg Airport Commission, the Rates and Charges for non-tenant ground transportation providers were presented to the Airport Commission for consideration and approval. Following the presentation and discussion of the item, the Airport Commission decided to table this item so that Staff could address the impact to Ground Transportation providers and their ability to pass on rate increases to hotels/motels under contract.

Mr. Judd presented Option 2 from the previous meeting again and discussed additional survey information as well as a revised implementation plan for the hotel/motel rate.

Mr. Judd then respectfully requested that the Airport Commission (1) approve the new rates and charges for Non-Tenant Ground Transportation Providers as outlined herein and (2) authorize the President/CEO to execute all required documents.

There was a motion by Commissioner Burch, seconded by Commissioner Cuthbertson and unanimously approved at 10:28 a.m. to go into Executive Session for the purpose of discussing contracts and legal matters.

At 10:44 a.m. Regular Session resumed. Commissioner Beeson made a motion to approve the recommended action. Commissioner Burch seconded the motion and unanimous approval was received.

NEW BUSINESS

A. Approval of Revisions to and Readoption of the Greenville-Spartanburg Airport District Rules and Regulations

Deven Judd, VP, Chief Commercial Officer presented the request for approval of revisions to and readoption of the Greenville-Spartanburg Airport District Rules and Regulations.

Mr. Judd requested approval of changes made to Sections 1.1, 2.3, 3.14, 3.15, 3.16, and 3.17.

Mr. Judd respectfully requested that the Airport Commission resolve to readopt the Greenville-Spartanburg Airport District rules and Regulations with the proposed substantive revisions as outlined in the attached documents.

There was a motion made by Commissioner Beeson to approve the request as outlined above, with the additional requirement to revise the verbiage regarding permanent trade dress. The motion was seconded by Commissioner Burch, and unanimous approval was received.

B. Approval of Revisions to and Readoption of the Greenville-Spartanburg Airport District Administrative Policies and Procedures

Deven Judd, VP/Chief Commercial Officer, presented the request for approval of revisions to and readoption of the Greenville-Spartanburg Airport District Rules and Regulations, Section 118.

Mr. Judd requested the approval of changes made to Section 118. These changes are to reflect proposed changes as they relate to Non-Tenant Business and Ground Transportation activity.

Mr. Judd respectfully requested that the Airport Commission resolve to readopt the Greenville-Spartanburg Airport District Administrative Policies and Procedures with the proposed substantive revisions as outlined in the attached documents.

There was a motion made by Commissioner Beeson to approve the request as outlined above, with the additional requirement to revise the verbiage regarding permanent trade

dress. The motion was seconded by Commissioner Burch, and unanimous approval was received.

C. Approval of Property Acquisition – 3.36 acres and 10,800 SF flex building located at 2429 S. Hwy. 14, Greer, SC 29650

Deven Judd, VP/Chief Commercial Officer, presented the request to approve a property acquisition of 3.36 acres and a 10,800 SF flex building located at 2429 S. Hwy. 14, Greer, SC 29650.

Mr. Judd shared that Greenville Transportation (dba Thrifty Car Rental), owner of 2429 S. Hwy. 14, indicated that they have an interest in selling their building and property since they will be consolidating operations on the Airport. This property was identified for future acquisition previously as part of the Airport Master Plan.

Mr. Judd then provided information on the uses for the property, its potential fiscal impact, as well as the appraised value of the property. He then respectfully requested that the Airport Commission resolve to (1) authorize Staff to negotiate the purchase of the property located 2429 S. Highway 14 in an amount not to exceed 10% of the appraised value, (2) authorize Staff to conduct required due diligence prior to purchase, and (3) authorize the President/CEO to execute all required documentation for the property purchase.

There was a motion made by Commissioner Miller to approve the recommended action. The motion was seconded by Commissioner Burch, and unanimous approval was received.

D. Approval of Terms for a Ground Lease Agreement with SB Acquisitions – approximately 65 acres located on Tract A and adjacent to the existing VIA Facility

Deven Judd, VP/Chief Commercial Officer presented the request to approve the terms for a ground lease agreement with SB Acquisitions for approximately 65 acres located on Tract A and adjacent to the existing VIA Facility.

Mr. Judd provided background on this request, noting that in 2020 the District entered into a ground lease agreement with SB Acquisitions for 35 acres of land for their VIA Facility. This additional request for 65 acres is for the expansion of their VIA Facility operations. Mr. Judd shared the details on how the site will be utilized.

Furthermore, Mr. Judd reviewed the negotiated ground lease terms with the Tenant.

Mr. Judd then respectfully requested that the Airport Commission resolve to (1) approve the terms of a ground lease with SB Acquisitions, LLC for 65 acres of District property located on Tract A and (2) authorize the President/CEO to execute all required documentation for the ground lease.

A motion to approve the recommendation was made by Commissioner Miller, seconded by Commissioner Burch, and unanimously approved.

E. Approval of a Multi-Year Agreement for Enterprise Asset Management System (EAM)

Zach Salvato, VP/Chief Information Officer, presented the request to approve a multi-year agreement for an Enterprise Asset Management System (EAM).

Mr. Salvato shared the background of this request, noting that the implementation of an EAM is the final phase of the District's Enterprise Resource Planning (ERP) initiative. This system will replace the current MP2 system which is outdated, lacks scalability, and fails to meet the operational needs and growth demands of the District.

Mr. Salvato shared the fiscal impact to the District for implementing the EAM solution, for implementation and ongoing annual funding. He then respectfully requested that the Airport Commission resolve to (1) approve an amendment to the CIP Budget FY2025 ERP Project – Ongoing, increasing the allocation from \$250,000 to \$350,000 for the Enterprise Asset Management (EAM) project, (2) authorize Staff to negotiate the terms and conditions of a contract with the selected vendor for the new EAM software solution, including licensing, implementation, and support services, and (3) authorize the President/CEO to execute any and all necessary agreements.

Commissioner Burch made a motion to approve the recommended action. The motion was seconded by Commissioner Miller, and unanimous approval was received.

F. Acceptance of Greenville-Spartanburg Airport District's Financial Audit and Major Federal and Passenger Facility Charge Program Audits for Fiscal Year 2024

Thomas Brooks, VP/Chief Financial Officer, requested the Commission accept the Greenville-Spartanburg Airport District's Financial Audit and Major Federal and Passenger Facility Charge Program Audits for FY2024.

Mr. Brooks provided background on this request, noting that the Audit Committee met on November 6, 2024 and was presented with the audit findings; all audit opinions were clean and unqualified.

Mr. Brooks respectfully requested that the Airport Commission accept the audit reports as presented. Commissioner Burch made a motion to accept the audit reports as recommended for FY2024. The motion was seconded by Commissioner Miller and unanimous approval was received.

PRESIDENT/CEO REPORT:

A. Aviation Industry Update

Mr. Edwards provided a brief overview of the aviation industry. He noted that Spirit is expected to file for bankruptcy, during which an acquisition is likely to occur. He also addressed the challenges Southwest Airlines is facing with costs and revenues. Additionally, he shared that Breeze Airways is set to restore all service destinations at GSP with increased frequency by Spring 2025.

B. Federal and State Legislative Update

Mr. Edwards provided an update on legislative matters at the federal and state levels.

At the federal level, he noted potential changes in aviation policy stemming from the transition in administration from President Biden to President Trump. He also highlighted Senator Graham's support of the runway rehabilitation project, which includes \$23 million in funding.

At the state level, Mr. Edwards discussed ongoing efforts to secure \$100 million in recurring funding as part of the state budget.

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.

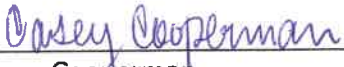
COMMISSIONER'S REPORT: None

EXECUTIVE SESSION: None

ADJOURNMENT:

There being no further business, a motion was made by Commissioner Beeson, seconded by Commissioner Miller and unanimous vote received to adjourn the meeting. The meeting was adjourned at approximately 11:47 a.m. The next meeting regular, non-emergency Commission meeting is scheduled for Monday, January 27, 2025.

SIGNATURE OF PREPARER:



Casey Cooperman