

CAPITAL REGION AIRPORT COMMISSION

DRAFT MINUTES OF THE

FINANCE AND AUDIT COMMITTEE MEETING

May 12, 2020

I. Call to Order

Committee Chair Haley called the Finance and Audit Committee meeting of the Capital Region Airport Commission to order at 8:00 a.m. on May 12, 2020. The meeting was conducted in the Commission Board Room, Terminal Building. There was a quorum present.

The following commissioners were present: Commissioners Hazzard, Nelson, O'Bannon and Stanley. Staff was represented by Perry J. Miller, President and CEO; Steve Owen, Director – Finance; Susan Joy Linn, Recording Secretary; and W. David Harless, Legal Counsel with Christian & Barton LLP.

Commissioners Hazzard and O'Bannon attended the meeting in person. Commissioners Haley and Holland attended remotely as well as Russ Peaden, Director – Real Estate & Facilities, and invited guest: Roland M. Kooch, Jr., Senior Vice President of Davenport & Company LLC.

Commissioner Winslow was absent.

II. Resolution to Conduct Meeting by Electronic Communication Means

Chair Haley read the following resolution:

Pursuant to Amendment 28 to H.B. 29 and Amendment 137 to H.B. 30, adopted by the General Assembly of Virginia, effective April 24, 2020 (collectively, the “Budget Amendments”), the chair will now entertain a motion to conduct this meeting by electronic means and suspend the requirement of a physically-assembled quorum for this meeting, based upon the following:

1. On March 12, 2020, the Governor of Virginia issued Executive Order No. 51 (2020) declaring pursuant to Sections 44-146.17 and 44-75.1 of the Code of Virginia (1950), as amended, that a state of emergency exists as a result of the spread of COVID-19, a disease caused by this coronavirus; and

2. The Finance & Audit Committee finds (i) that COVID-19 is a communicable disease that poses a public health threat, (ii) that the effects of COVID-19 constitute a “disaster” as defined by Section 44-146.16 of the Code of Virginia (1950), as amended, (iii) that the spread

of COVID-19 makes it unsafe for a quorum of four members of the Finance & Audit Committee to assemble in one location, and (iv) that the Governor's declaration of a state of emergency and restrictions on public assembly make it impracticable for a quorum of four members of the Finance & Audit Committee to assemble in one location;

WHEREFORE, based upon the foregoing, the Finance & Audit Committee hereby resolves that this meeting shall be conducted by electronic means and the requirement of a physically-assembled quorum for this meeting is hereby suspended, all as authorized by the Budget Amendments.

Chair Haley requested a motion to approve the resolution to conduct meetings by electronic means. Commissioner Holland moved to approve, and Commissioner O'Bannon seconded the motion. The motion passed unanimously.

III. Closed Meeting

There was none.

IV. Open Meeting

A. Consideration of Agenda Amendments (by request)

There was none.

B. Approval of April 14, 2020 Minutes

Chair Haley requested a motion to approve the April 14, 2020, minutes. Commissioner Holland moved to approve, and Commissioner O'Bannon seconded the motion. The motion passed unanimously.

C. Fiscal Year 2021 Budget Resolution

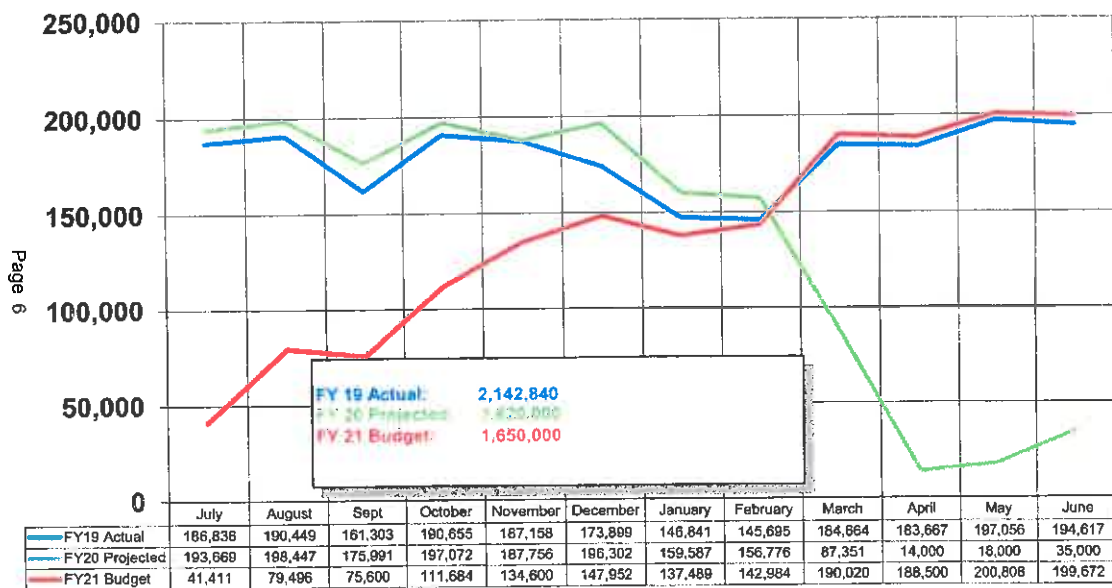
Mr. Miller initiated the Fiscal Year (FY) 2021 budget discussion by noting the unanticipated reductions in the projected FY 2020 budget as well as the FY 2021 budget based on the projected enplanements and revenue reductions as a result of the COVID-19 virus. FY 2021 enplanements are projected to be 1.65M, which is a 1.9% increase over FY 2020 projected enplanements of 1.62M. FY2021 revenue is projected to be approximately \$44 million, which is an increase of only 1.0% over FY2020 projected revenue. The cost-saving measures that have taken place in FY 2020 will continue into FY 2021.

Mr. Owen reviewed the following enplanements graph, which revealed the steep

drop experienced in March and April, 2020. Typically, staff will utilize the Federal Aviation Administration (FAA) Terminal Area Forecast (TAF) from January 2020, which indicated 2.3M enplanements for next year; however, with the unanticipated COVID-19, Campbell-Hill Aviation Group, LLC, consultants, Roland Kooch of Davenport & Company, LLC, and former Chief Financial Officer, Douglas Blum, assisted and revised downward the projected FY 2021 enplanements for the new budget year.

Richmond International Airport

FY Enplanements Actual VS. Budget



Mr. Owen reviewed the following budget summary:

Operating Revenues	
Parking Increase \$323,470 or +1.9%	Enplanements projected to increase 1.9% over FY 2020 projected enplanements of 1,620,000.
Landing Fees Decrease \$6,931 or -.2%	Slight decrease from FY 2020 projected revenue. Rate increase from \$1.39 (actual FY 2019) to \$1.52 for FY 2021.
Concessions Increase \$69,743 or +.7%	Slight increase from FY 2020 projected revenue. Reflective of the slight increase in enplanements.
Rental Income Increase \$118,379 or +1.0%	The terminal rate increases from \$37.19 (actual 2019) to \$37.77 per sq. ft., a 1.6% increase. Remaining rents based on actual leased space.
Apron Fees Decrease \$73,769 or -10.3%	Decrease in rented apron space due to construction of concourse A extension and a reduction in the apron fee from \$1.19 (actual 2019) to \$1.15.
Other Operating Revenue Increase \$17,047 or +5.0%	Increase primarily due to increase in Foreign Trade Zone revenues.
Total Revenue	\$43,834,150 Increase \$447,940 or +1.0% over projected FY2020

Operating Expenses	
Personnel Decrease \$969,957 or -7.1%	Budget decrease from FY 2020 projected primarily due to a hiring freeze, implemented in FY 2020 and carried into FY 2021, and staff reductions implemented at the end of FY 2020.
Utilities Decrease \$74,989 or -2.6%	Decrease due to cost saving measures in the parking garages implemented at the end of FY 2020 and carried over into FY 2021.
Professional Services Decrease \$59,133 or -3.1%	Budget decrease
Parking Expense Increase \$450.00 or 0.01%	No Material change from projected FY 2020. Budgeted parking expense reflects cost saving measures, closing economy B lot and suspending shuttle bus service, implemented at the end of FY 2020 and carries over into the beginning of FY 2021.
Repair & Maintenance Decrease \$82,473 or -4.1%	No material changes.
Insurance Increase \$43,965 or +5.8%	No material changes.
Supplies & Materials Increase \$9,783 or +1.6%	No material changes.
Other Operating Increase \$71,457 or +11.4%	No material changes.
Total Expense	\$25,457,785 Decrease \$1,060,898 or -4.0% from projected FY 2020
Operating Income Increase of \$1,508,837 or 8.9%	Increase from projected 2020 due to net effect of increased revenue due to the increase in enplanements and cost reduction measures implemented in FY 2020 and carried over into FY 2021.
Non-operating Expense Decrease \$177,322 or -14.3%	Decrease primarily due to decrease in interest expense.

**CAPITAL REGION AIRPORT COMMISSION
CAPITAL BUDGET
FISCAL YEAR 2020/21**

	BUDGET	REVIEW		FUNDS			COMMISSION
	REQUEST	ACCEPTED	DECLINED	FEDERAL	STATE	FINANCED	
Projects - Funded							
Airfield & Apron							
Taxiway "U" Rehabilitation (Design/Construction)	4,500,000	4,500,000		4,050,000	450,000		-
Concourse "B" Apron Expansion (Design)	500,000	500,000		450,000	50,000		-
Concourse "B" De-Icing Pad (Design)	300,000	300,000		270,000	30,000		-
Perimeter Security Road Widening (Design/Construction)	2,400,000	2,400,000			1,920,000		480,000
Gate 60 Pavement Repair and Mill and Overlay	200,000	200,000					200,000
Repair Taxiways (E-Commerce Taxiway)	400,000	400,000					400,000
Glycol Recovery Vehicle	550,000		550,000				-
Airfield Snow Removal Vehicle	750,000		750,000				-
Buildings, Parking & Road							
East Side Water System Improvements (Construction) Increase	500,000		500,000				-
Airport Service Roads Rehab FY21	300,000		300,000				-
Passenger Boarding Bridge Replacements (7) - PFC Funds	7,250,000	7,250,000		7,250,000			-
Terminal Dry Pipe Replacement	231,000	231,000					231,000
East Side Bldg 3661 Parking Lot Replacement	166,750	166,750					166,750
Boiler Replacement/Rebuild	900,000		900,000				-
Parking Lot/Street Sweeper	250,000	250,000					250,000
Shuttle Buses (5)	575,000		575,000				-
East Side Building 3655 Roof Increase	200,000	200,000					200,000

Improvements						
Airport Concourse "A", Concourse "B" Ramp LED Lighting	200,000		200,000			-
East Ramp LED Lighting	175,000		175,000			-
ARFF Refurbishment	150,000		150,000			-
Terminal Windows Expanded Scope	250,000		250,000			-
Terminal Seating Low Voltage Power	783,499		783,499			-
Terminal Concourse "B" Bathroom Refurbish B9	600,000		600,000			-
Oracle Database Upgrade	150,000	150,000				150,000
Terminal Fire Alarm Modernization	400,000	400,000				400,000
						-
Studies, Plans & Initiatives						-
						-
Contingency						200,000
						-
Departmental Capital Assets	1,664,000	-	801,500	-	-	862,500
	24,345,239	16,947,750	6,534,989	12,020,000	2,450,000	3,540,250

Mr. Owen stated that the Capital Budget is significantly lower for FY 2021 than typically budgeted. Most projects are grant funded, and only what is essential is budgeted, requiring a total of \$3.5M of Commission funds in FY2021. The FY2021 capital budget is almost \$2M less than budgeted for FY 2020. All FY 2020 projects are fully funded and can be completed as planned.

The following budget resolution was presented to the Committee for its consideration and approval:

WHEREAS, Staff has submitted to the Capital Region Airport Commission (the "Commission") proposed annual operating and capital budgets (together, the "Budget") for the Commission for the fiscal year beginning July 1, 2020, and ending June 30, 2021, which Budget has been reviewed by the Commission;

WHEREAS, it is necessary to adopt the Budget and approve the various expenditures, capital projects and appropriation of funds to cover the various elements included therein;

WHEREAS, the Commission, in exercising its independent judgment, has considered the Budget and the availability of funds and contemplated expenditures as set forth therein, and now desires to approve and adopt the Budget for fiscal year 2021.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Budget, consisting of the fiscal year 2021 annual operating and capital budgets of the Commission for the capital projects, funds and divisions described therein is hereby, approved and adopted as proposed on this date, May 26, 2020, subject to and contingent upon the availability of funds as indicated therein, such Budget to be in effect beginning July 1, 2020.
2. Staff of the Commission is hereby directed and authorized to do all things necessary or desirable to implement the Budget and the undertakings, projects and matters therein authorized.

3. This resolution shall be in effect on and after its adoption.

Chair Haley requested a motion to approve the FY 2021 Budget resolution. Commissioner Holland moved to approve, and Commissioner O'Bannon seconded the motion. The motion passed unanimously.

D. Plan of Finance – FY 2021

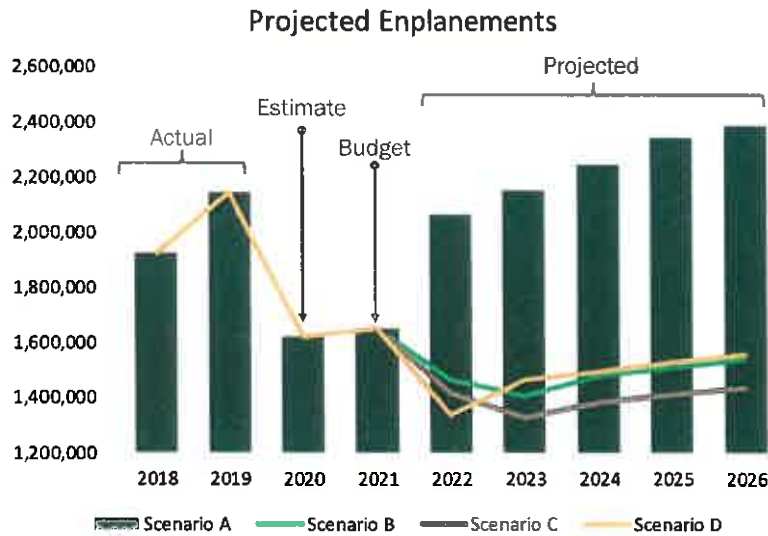
Before presenting the Plan of Finance Summary, Mr. Kooch stated that this is not an ordinary budget year, and these projections, based on assumptions, should be followed closely, almost monthly in the first quarter of FY2021.



Executive Summary – Key Assumptions

- As a follow up to Davenport's Plan of Finance Analysis dated March 25, 2020, which provided an estimated severe economic downturn scenario analysis, we have prepared the enclosed Plan of Finance Scenario Analysis based on the following updated key assumptions:
 - Incorporation of the Commission's Proposed FY 2021 Budget.
 - Enplanement forecast based on Campbell-Hill's Medium Outlook Scenario.
 - Revised enplanements assumptions:
 - FY 2020 projected enplanements at 1,620,000;
 - Proposed FY 2021 Budget based on projected enplanements at 1,650,000; and
 - Medium Scenario from Campbell-Hill RIC Enplanement Forecast and Outlook Scenarios dated April 17, 2020.
 - Revised Revenue Assumptions:
 - All Operating Revenues tied to enplanements except for Rental Income (Based on contractual agreements);
 - Parking Revenue per enplanement held constant; and
 - Other revenues incorporate Inflationary growth of 0.50% to 0.75%.
 - Budget and projected numbers do not include the impact of the \$18.8 mm "CARES act" grant funding as the details of that program are not available.
 - Revised Expense Assumptions:
 - Assumes 2% escalation from FY 2021 Budget levels.

Scenarios Analyzed – Enplanement Projections



Scenario A

Enplanements based on Medium Outlook forecast by Campbell-Hill 4/17/2020

Scenario B

Stress scenario based on original forecasts by SH&E and reflects the loss of one Low Cost Carrier - Stress in FY 2022 - FY 2023; Recovery in FY 2024.

Scenario C

Stress Scenario based on original forecasts by SH&E and reflects the loss of two Low Cost Carriers - Stress in FY 2022 - FY 2023; Recovery in FY 2024.

Scenario D

Enplanements reflect historic airport experience and are adjusted by the following: -19.0% in FY 2022 with a 9.8% recovery in FY 2023.

Scenarios Analyzed – Enplanement Projections

Scenario A - Projected (2020-2026)

	Actual 2018	Budget 2019	Pro-forma 2020	Pro-forma 2021	Pro-forma 2022	Pro-forma 2023	Pro-forma 2024	NA 2025	NA 2026
5/14/2019	1,922,428	1,925,000	2,184,000	2,227,680	2,272,234	2,317,678	2,364,032	NA	NA
Prior	6.6%	0.1%	13.5%	2.0%	2.0%	2.0%	2.0%	NA	NA
5/12/2020	1,922,428	2,142,840	1,620,000	1,650,000	2,065,206	2,154,010	2,246,632	2,343,237	2,390,102
Current	6.6%	11.5%	-24.4%	1.9%	25.2%	4.3%	4.3%	4.3%	2.0%

Scenario A

Enplanements based on Medium Outlook forecast by Campbell-Hill 4/17/2020

Scenario B - Projected (2020-2026)

	Actual 2018	Budget 2019	Stress (vs A) 2020	Stress (-60K) 2021	Recovery (+75K) 2022	Pro-forma 2023	Pro-forma 2024	NA 2025	NA 2026
5/14/2019	1,922,428	1,925,000	1,999,000	1,939,000	2,014,000	2,054,280	2,095,366	NA	NA
Prior	6.6%	0.1%	3.8%	-3.0%	3.9%	2.0%	NA	NA	NA
5/12/2020	1,922,428	2,142,840	1,620,000	1,650,000	1,465,000	1,405,000	1,480,000	1,509,600	1,539,792
Current	6.6%	11.5%	-24.4%	1.9%	-11.2%	-4.1%	5.3%	2.0%	2.0%

Scenario B

Stress scenario based on original forecasts by SH&E and reflects the loss of one Low Cost Carrier - Stress in FY 2022 - FY 2023; Recovery in FY 2024.

Scenario C - Projected (2020-2026)

	Actual 2018	Budget 2019	Stress (vs A) 2020	Stress (-87K) 2021	Recovery (+54K) 2022	Pro-forma 2023	Pro-forma 2024	NA 2025	NA 2026
5/14/2019	1,922,428	1,925,000	1,949,000	1,862,000	1,916,000	1,954,320	1,993,406	NA	NA
Prior	6.6%	0.1%	1.2%	-4.5%	2.9%	2.0%	NA	NA	NA
5/12/2020	1,922,428	2,142,840	1,620,000	1,650,000	1,415,000	1,328,000	1,382,000	1,409,600	1,437,833
Current	6.6%	11.5%	-24.4%	1.9%	-14.2%	-6.1%	4.1%	2.0%	2.0%

Scenario C

Stress Scenario based on original forecasts by SH&E and reflects the loss of two Low Cost Carriers - Stress in FY 2022 - FY 2023; Recovery in FY 2024.

Scenario D - Projected (2020-2026)

	Actual 2018	Budget 2019	Stress (vs A) 2020	Recovery (+9.8%) 2021	Pro-forma 2022	Pro-forma 2023	Pro-forma 2024	NA 2025	NA 2026
5/14/2019	1,922,428	1,925,000	1,769,040	1,942,406	1,981,254	2,020,879	2,061,297	NA	NA
Prior	6.6%	0.1%	-8.1%	9.8%	2.0%	2.0%	NA	NA	NA
5/12/2020	1,922,428	2,142,840	1,620,000	1,650,000	1,336,500	1,467,477	1,496,827	1,526,763	1,557,298
Current	6.6%	11.5%	-24.4%	1.9%	-19.0%	9.8%	2.0%	2.0%	2.0%

Scenario D

Enplanements reflect historic airport experience and are adjusted by the following: -19.0% in FY 2022 with a 9.8% recovery in FY 2023.

Revenue/Expense Differences from May 2019

Revenue Projections⁽¹⁾: May 14, 2019 Plan of Finance versus May 12, 2020 Plan of Finance are shown for Scenario A - Projected Growth below:

	Actual 2018	Budget 2019	Pro-forma 2020	Pro-forma 2021	Pro-forma 2022	Pro-forma 2023	Pro-forma 2024	NA 2025	NA 2026
5/14/2019	48,023,508	47,725,395	54,670,150	56,115,343	57,538,481	59,112,902	60,767,302	NA	NA
Prior	5.7%	-0.6%	14.6%	2.6%	2.5%	2.7%	2.8%	NA	NA
	Actual 2018	Actual 2019	Estimate 2020	Budget 2021	Pro-forma 2022	Pro-forma 2023	Pro-forma 2024	Pro-forma 2025	Pro-forma 2026
5/12/2020	48,023,508	54,615,564	44,560,751	45,416,249	52,362,834	54,633,419	57,163,086	59,421,399	60,677,621
Current	5.7%	13.7%	-17.7%	1.0%	15.3%	4.3%	4.6%	4.0%	2.1%

Expense Projections: May 14, 2019 Plan of Finance versus May 12, 2020 Plan of Finance are shown for Scenario A - Projected Growth below:

	Actual 2018	Budget 2019	Pro-forma 2020	Pro-forma 2021	Pro-forma 2022	Pro-forma 2023	Pro-forma 2024	NA 2025	NA 2026
5/14/2019	24,510,953	26,012,279	27,268,863	27,866,794	28,416,609	29,029,054	29,601,963	NA	NA
Prior	8.5%	6.1%	4.8%	2.2%	2.0%	2.2%	NA	NA	NA
	Actual 2018	Actual 2019	Estimate 2020	Budget 2021	Pro-forma 2022	Pro-forma 2023	Pro-forma 2024	Pro-forma 2025	Pro-forma 2026
5/12/2020	24,510,953	25,892,947	26,518,632	25,457,785	25,959,939	26,472,065	26,994,363	27,527,036	28,070,291
Current	8.5%	5.6%	2.4%	-4.0%	2.0%	2.0%	2.0%	2.0%	2.0%

(1) Budget and projected numbers do not include the impact of the \$18.8 mm "CARES act" grant funding as the details of that program are not available.

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May 12, 2020

Debt Service Coverage – Airport Revenue Bonds

May 2020 Plan Update				
FY	Scenario			
	A Projected Growth	B Loss of One LCC	C Loss of Two LCC's	D 9/11 Incident
2017	2.59	2.59	2.59	2.59
2018	2.67	2.67	2.67	2.67
2019	3.27	3.27	3.27	3.27
2020	2.10	2.10	2.10	2.10
2021	2.28	2.28	2.28	2.28
2022	3.05	1.59	1.38	1.40
2023	3.15	1.39	1.13	1.63
2024	3.44	1.58	1.26	1.71
2025	5.58	2.46	1.96	2.67
2026	8.29	3.63	2.89	3.95

= Actual
 = Estimate
 = Budget
 = Pro-forma

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May 12, 2020

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Conclusions

- FY 2020 is estimated to result in Revenue Bond Debt Service Coverage ("DSC") in excess of 2.0x.

- The Commission's proposed budget for FY 2021 targets Revenue Bond DSC in excess of 2.0x.
 - This level provides cushion over the minimum 1.25x Revenue Bond DSC requirement given the uncertainty due to the COVID pandemic.

- Based on the Medium Outlook enplanement projections from Campbell-Hill, the Commission is projected to return to higher levels of Revenue Bond DSC, stronger financial position and fund balances.

- Stress Scenarios show the following (before any expense or capital adjustments):
 - Loss of One LCC (Scenario B) results in Revenue Bond DSC in excess of the minimum 1.25x requirement in all projection years; in addition certain PFC capital projects may need to be delayed.
 - Loss of Two LCC (Scenario C) results in Revenue Bond DSC below the minimum 1.25x requirement for one year only; in addition certain PFC capital projects may need to be delayed.
 - 9/11 Incident (Scenario D) results in Revenue Bond DSC in excess of the minimum 1.25x requirement in all projection years; in addition certain PFC capital projects may need to be delayed.

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May 12, 2020

Conclusions (cont.)

- Considerations:
 - Airport Revenue Bond Coverage may continue to be depressed if the economic impact from COVID-19 is prolonged.
 - Uncertainty about the resolution of the pandemic may result in a potential downgrade of the Commission's bond rating(s).
 - If the enplanements are further depressed due to the pandemic or if the economy remains in a prolonged recession, the Commission may need to make additional adjustments in operations or re-prioritize capital needs.

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May 12, 2020

Municipal Advisor Disclosure



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E. Foreign Trade Zone ASF Subzone Application

Mr. Peaden reviewed the following resolution:

The Capital Region Airport Commission, as grantee of Foreign Trade Zone #207, operates the FTZ under the Alternate Site Framework (or "ASF"), as approved by the U.S. Foreign Trade Zones Board in 2014, which designation allows greater flexibility and responsiveness to serve single-operator/user locations. Under the Alternate Site Framework, a "subzone" designation allows for multiple locations to be operated within a FTZ by a single operator.

Premier Brands Group Holdings LLC ("Premier") is the Operator of FTZ #207 – Site 4, located at 170 Butts Street, South Hill, VA. Premier and/or its subsidiaries design, market, and wholesale apparel, footwear, jeans wear, jewelry, and handbags in the United States and internationally. Premier is seeking sponsorship from the Capital Region Airport Commission, as Grantee of Foreign-Trade Zone #207, in its application seeking ASF Subzone status in order to add a warehousing and distribution facility in La Crosse, Virginia, operated by its wholly owned subsidiary, One Jeanswear Group LLC ("OJG"). The La Crosse facility will be used for the temporary storage and distribution of imported men's and women's apparel, and is necessary due to Premier's South Hill facility approaching capacity as a result of the effects of COVID-19. The resulting ASF Subzone will consist of the existing FTZ facility located in South Hill, Virginia, and the proposed

facility located in La Crosse, Virginia. FTZ staff has met with Premier representatives and the company is preparing the required documents and fees to initiate the ASF Minor Boundary Modification (“MBM”) to add the La Crosse facility. The annual fee for the ASF Subzone shall be \$18,000, as specified in the FTZ schedule of rates and charges.

ASF Subzone designation of the La Crosse facility, which consists of approximately 22 acres, will allow imported merchandise to move on an expedited basis from the port of arrival to Premier’s facilities without prior Customs approval for each shipment to be admitted to the zone, thus improving the efficiency and productivity of company operations.

Staff, recommends to the Commission the adoption of the following resolution:

NOW, THEREFORE, BE IT RESOLVED, in accordance with Chapter 380, Virginia Acts of Assembly of 1980, as amended, that the Capital Region Airport Commission, Grantee of FTZ #207, hereby authorizes the President and CEO to make application to the Foreign-Trade Zones Board of the United States on behalf of Premier Brands Group Holdings LLC for a federal grant of authority and execute the applicable agreement(s) to establish a foreign-trade ASF Subzone site at the Company’s facility in La Crosse, Virginia, to be used and operated by the Company, subject to review by legal counsel.

Chair Haley requested a motion to approve the FTZ ASF Subzone Application. Commissioner Holland moved to approve, and Commissioner Hazzard seconded the motion. The motion passed unanimously.

F. DHL Express (USA), Inc. Ramp Use Agreement Amendment

Mr. Peaden reviewed the following resolution:

Staff recommends, with the approval of the Finance and Audit Committee, that the Commission adopt the following resolution:

WHEREAS, the Capital Region Airport Commission (the “Commission”) was created by and pursuant to Chapter 537 of the Acts of Assembly of 1975, as amended, and continued by Chapter 380 of the Acts of Assembly of 1980, as amended (the “Enabling Act”) for the purpose of operating the Richmond International Airport (the “Airport”); and

WHEREAS, DHL Express (USA), Inc. (“DHL”) has leased from the Commission approximately 37,500 square feet of cargo ramp space located within the Airport Operations Area on the east side of the Airport under that Cargo Ramp Use Agreement dated August 28, 2016 (the “DHL Ramp Agreement”), which agreement is terminable by either party with 30 days’ notice; and

WHEREAS, DHL has relocated to an approximately 45,000 square-foot portion of the new cargo ramp (the “New Ramp Space”) that was constructed on the east side of the Airport utilizing funds from a grant from the Virginia Department of Aviation, which grant prohibits the use of the project constructed therewith for any revenue-generating activity; and

WHEREAS, as a result of such restriction, the Commission must revise the DHL Ramp Agreement to reflect the usage by DHL of the New Ramp Space at a rental amount of \$0.00 per square foot.

NOW, THEREFORE, BE IT RESOLVED BY THE CAPITAL REGION AIRPORT COMMISSION, in accordance with Chapter 380, Virginia Acts of Assembly of 1980, as amended, that the President and CEO is hereby authorized to execute an amendment to the DHL Ramp Agreement between DHL and the Commission as described above, and to take all actions and execute all other documents necessary and appropriate to give effect to the agreement as described above and to otherwise carry out the transaction contemplated by this Resolution, subject to review by legal counsel.

Chair Haley requested a motion to approve the DHL Ramp Agreement Amendment. Commissioner Hazzard moved to approve, and Commissioner Nelson seconded the motion. The motion passed unanimously.

V. Other Business

There was none.

VI. Next Meeting

The next Finance & Audit Committee meeting will be held on Tuesday, June 16, 2020, in the Commission Boardroom, Terminal Building.

VII. Adjournment

Chair Haley adjourned the meeting at 8:52 a.m.

Recorded by:

Susan Joy Linn