

**MINUTES OF THE MEETING OF THE MEMBERS  
OF THE CAPITAL REGION AIRPORT COMMISSION**

**February 27, 2024**

**I. CALL TO ORDER**

Chairman James M. Holland called the regular monthly meeting of the Capital Region Airport Commission members to order at 8:00 a.m. on February 27, 2024. The meeting was conducted in the Commission Boardroom in the Terminal Building. A quorum was present.

The following members were present: Commissioners Cooper, Dibble, Fulton, Hazzard, Heston, Holland, Macfarlane, Miller, Nelson, Schneider, Trammell, Ukrop, and Whitehead. Present by invitation were Perry J. Miller, President and CEO; John B. Rutledge, Chief Operating Officer; Basil O. Dosunmu, Chief Financial Officer; Troy M. Bell, Director – Marketing and Air Service Development; Tanika Brown – Police Chief; Erica Conley, Executive Assistant; Regina Crockett, Interim Director – Finance; Carol Gaddis, Director – IT and Innovations; Russ Peaden, Director – Properties and Concessions; Dereck Tingfah, Manager – Operations; Nagesh Tummala, Director – Capital Development; Susan Joy Linn, Recording Secretary; and W. David Harless, legal counsel from Christian & Barton, LLP.

Commissioner Carroll was absent.

Special invited guests present were Martha Shickle, Executive Director of PlanRVA; Sean Davis, PlanRVA Chairman who is also a Hanover County Board of Supervisor; and Andrew Wilhelm, Operations Supervisor of the Capital Region Airport Commission.

Chairman Holland provided the invocation and then led the Pledge of Allegiance to the flag of the United States.

**II. PUBLIC COMMENT**

There was none.

**III. CLOSED SESSION**

The Commission convened in closed meeting at 8:03 a.m. Chairman Holland entertained a motion made by Commissioner Fulton and seconded by Commissioner Dibble, to go into closed meeting pursuant to Virginia Code § 2.2-3712 (A), the chair will now entertain a motion to go into closed meeting to consider the following matters:

1. Discussion and consideration of the disposition of publicly held real property for the construction of one or more general aviation fixed base operations, and which are currently subject to an outstanding request for proposals, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, as permitted by Virginia Code § 2.2-3711 (A)(3);

2. Consultation with legal counsel retained by the Commission regarding specific legal matters pertaining to the disposition of publicly held real property for the construction of one or more general aviation fixed base operations, and the outstanding request for proposals pertaining to the same, and that require the provision of legal advice by such counsel, all as permitted by Virginia Code § 2.2-3711 (A)(8);

3. Consultation with legal counsel retained by the Commission regarding specific legal matters pertaining to the theft of motor vehicles from the Commission's public parking structures and facilities, and that require the provision of legal advice by such counsel, all as permitted by Virginia Code § 2.2-3711 (A)(8); and

4. Discussion of security plans and procedures for persons and property within the Commission's public parking structures and facilities as permitted by Virginia Code § 2.2-3711 (A)(19).

The motion passed unanimously.

#### **IV. OPEN SESSION**

The Commission reconvened in an open meeting at 9:13 a.m. Chairman Holland entertained a motion made by Commissioner Hazzard and seconded by Commissioner Nelson, pursuant to Virginia Code § 2.2-3712 (D) that (i) only public business matters lawfully exempted from open meeting requirements, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Commission and that a statement to this effect will appear in the minutes of this meeting.

The motion passed unanimously.

#### **A. COMMISSION CHAIRMAN'S COMMENTS**

Chairman Holland stated that the Commission needs to continue working on being the best it can be. The Chair requested that as the Airport's Foundation looks at adding art in various spaces in the airport, it considers the movie film industry of Virginia as a potential form of art in the airport to create a wow factor.

**B. CONSIDERATION OF AGENDA AMENDMENTS**

Chairman Holland introduced and added the following agenda amendments:

- ITEM IV.E.1.d. – Altria Client Services LLC Hangar Facility Lease
- ITEM IV.E.1.e. – Breeze Aviation Group, Inc. Signatory Airline Operating Agreement

**C. APPROVAL OF JANUARY 30, 2024, MINUTES**

At Chairman Holland’s request, Commissioner Hazzard moved to approve the January 30, 2024, minutes, and Commissioner Dibble seconded the motion.

The motion passed unanimously.

**D. PRESIDENT’S REPORT**

**1. Martha Shickle, Executive Director of PlanRVA**

**Who We Are**

- Established in 1969 by nine localities of Central Virginia.
  - Ashland, Charles City, Chesterfield, Goochland, Hanover, Henrico New Kent, Powhatan, and Richmond
  - Purpose: Encourage and facilitate local government and state-local cooperation in addressing on a regional basis problem of greater than local significance.

**What We Do**

- PlanRVA’s experienced planners and experts have been supporting the region’s future development in the areas of:
  - Environmental & Resiliency
  - Community Development
  - Emergency Preparedness & Hazard Mitigation
  - Transportation

**Our Products**

- Plan – Strategic document which lays out goals and objectives and its strategies and mechanisms for measuring progress toward the goals and objectives.
- Study – Independent investigation of issues and problems of regional significance which informs plans.
- Programs – Services, technical assistance, and other mechanisms to implement or advance plans.
- Performance Indicators – Data points or other quantifiable metric of progress towards a goal.
- Technical Assistance (Support) – Grant Writing & Administration, Data, Research & Analysis, Planning & Project Management; Public Engagement and Outreach, and Administrative/Back Office.

**Platforms Powered by PlanRVA**

- Plan Safe/Emergency Management Alliance of Central Virginia (EMACV)
  - Offering safety tips to make sure you and your loved ones are prepared for natural disasters.
- Central Virginia Transportation Authority (CVTA)

- A regional authority that provides transparent funding opportunities for transportation investments.
- Richmond Regional Transportation Planning Organization (RRTPO)
  - A transportation planning entity with a focus on long-range multi-modal investments in the areas of transit, highways, bicycles, pedestrians, and freight.
- Friends of Lower Appomattox River (FOLAR)
  - Cross-regional partnership with Crater District PDC to support trails and our natural resources, like the Appomattox River.

**Regional Planning**

- How does it work?
  - Use data to identify future challenges and opportunities.
  - Convene local governments to facilitate regional collaboration.
  - Cultivate partnerships and resources to develop innovative solutions.
  - Draft and implement plans of action.

**Current & Upcoming Planning Efforts**

- Climate Pollution Reduction Plan
- Long Range Transportation Plan
- Hazard Mitigation Plan
- Comprehensive Economic Development Strategy
- Green Infrastructure Plan





**Upcoming Events:**

- Transportation Forum – March 14<sup>th</sup>
- CVTA – PLANRVA-RRTPO Joint Annual Meeting – June 13<sup>th</sup>
- PlanRVA Day – June 13<sup>th</sup>

Chairman Holland thanked Ms. Shickle and Mr. Davis for their presentation.

**2. Living the Values Person of the Year**

Mr. Miller and Mr. Peaden recognized Mr. Andrew Wilhelm as *Living the Values* Person of the Year. Mr. Andrew Wilhelm’s exceptional dedication and commitment to service shined through in his actions at Richmond International Airport. As an Operations Supervisor, he went above and beyond to assist with a couple of weather-diverted flights, including an international flight. Despite customs regulations, Mr. Wilhelm collaborated with the airline and airport staff to allow passengers to disembark in a secure area until the plane could take off again. His outstanding customer service, courtesy, integrity, and passion exemplify the values upheld at RIC.

Mr. Wilhelm thanked the Commission for the award, stating it was a team effort.

**3. Aviation Activity Report**

At Mr. Miller’s request, Mr. Bell gave the following report:

**Passenger Traffic:** For January 2024, Richmond International Airport (RIC) reports 323,188 passengers, a new January record for the Airport. The passenger total represents a 5.9 percent increase over January 2023.

For the month, American Airlines was the market leader with a 31.1 percent share of passengers, followed by Delta (26.4%) and United (12.5%). Three incumbent carriers reported year-over-year growth exceeding 20 percent: Breeze, Spirit, and American.

For fiscal year-to-date 2024 (FYTD24), passenger traffic has increased 13.7 percent versus last year, a gain of about 340,000 passengers.

**Cargo:** January's total cargo volume of 16.2 million pounds was an 18.4 percent increase from the same period a year ago. For FYTD24, total cargo has increased 18.0 percent.

**Operations:** Aircraft operations decreased 9.33 percent from January 2023, mostly attributable to a reduction in general aviation activity. For FYTD24, the airport reports a 1.6 percent increase.

**Additional Comments**

- January marks **11 consecutive months** of record passenger traffic at RIC.
- In October, **Southwest** will inaugurate a new market for Richmond, providing weekly nonstop flights to **Nashville (BNA)**, joining **Allegiant** as a nonstop provider to this high-demand regional destination.
- Scheduled seat capacity via Airline Data, Inc., as of February 19, 2024:

Month	Monthly	Change from Previous Year
January 2024	441,516	+1.9%
February 2024	428,065	+1.6%
March 2024	494,756	+1.1%
April 2024	504,768	+6.8%
May 2024	539,652	+6.7%
June 2024	547,628	+5.4%

**4. Other**

There was none.

**E. COMMISSION STANDING COMMITTEE REPORTS**

**1. Finance and Audit Committee**

Finance Chairman Fulton stated the committee did meet, and Mr. Dosunmu will review the financial updates with the Commission.

**a. Monthly Financial Update January 31, 2024**

Mr. Dosunmu reviewed the following:

Year-to-date operating revenue for the first seven months of the Fiscal Year 2024 was \$39.5 million, approximately \$4.2 million or 11.9% greater than budgeted. Compared to last year, it is about \$4.8 million or 13.5% greater, essentially due to increased enplanements with corresponding parking and concession revenue.

Year-to-date operating expenses were about \$20.1 million, \$4.0 million less than budgeted or 16.5%, primarily due to vacant positions. Almost half of the Airport's operating costs are personnel, with 194 approved positions and 26 current vacancies.

The year-to-date gross margin is 49% or about \$19.5 million of revenue, compared to the \$8.1 million budgeted.

The year-to-date interest income is a little over \$4.0 million and about \$3.0 million above the same time last year.

Enplanements for the FY 2024 were 1,412,762 passengers or 128,943 above budget and about 166,218 above the same time last year.

Mr. Dosunmu discussed the compliance annual report that has been presented to the Commission today.

**b. General Services Administration Lease Amendment**

Mr. Peaden reviewed the following resolution:

Staff recommends, with the approval of the Finance and Audit Committee, that the Capital Region Airport Commission (the "Commission") adopt the following resolution:

**WHEREAS**, the United States of America, acting through the General Services Administration's Public Buildings Service (the "GSA") leases space in the Ivor Massey Building located at 5707 Huntsman Road pursuant to Lease No. GS-03P-LVA12131, effective as of April 24, 2014, as amended (the "Lease"), which Lease is currently set to expire April 30, 2024;

**WHEREAS**, the GSA wishes to modify the Lease to provide the GSA a ten (10) year renewal option, consisting of a five (5) year firm extension term and an additional five (5) year renewal term; and

**WHEREAS**, the annual rent at the commencement of the five (5) year firm extension term shall be \$280,217.44 subject to future escalations as set forth in the Lease;

**WHEREAS**, Commission staff believes that it is in the interest of the Commission to amend the Lease in accordance with this Resolution.

**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 Lease in accordance with the terms described above, and to take all actions and execute all other documents necessary and appropriate to give effect to the actions contemplated by this Resolution, subject to review by legal counsel.

At Chairman Holland's request, Commissioner Cooper seconded the motion to approve the General Services Administration Lease Amendment that the Finance & Audit Committee had previously approved.

The motion passed unanimously.

**c. Granting of Access Agreement to Comcast Cable Communications Management, LLC**

Mr. Peaden reviewed the following:

Staff recommends, with the approval of the Finance and Audit Committee, that the Capital Region Airport Commission (the "Commission") adopt the following resolution:

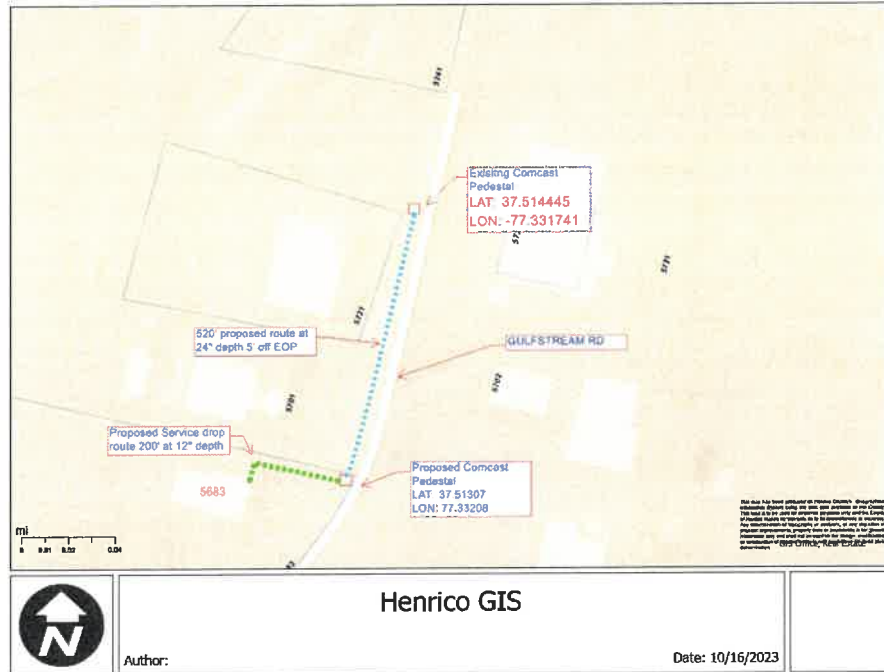
**WHEREAS**, Comcast Cable Communications Management, LLC, a Delaware limited liability company ("Comcast"), has requested a non-exclusive license to access Commission property to install, construct, replace, maintain, repair, operate and remove certain underground communications service facilities under and across certain portions of the Commission's property in the approximate location(s) shown on the attached drawing, in order to provide communications service to the storage and maintenance facility operated by The Hertz Corporation under ground lease from the Commission, located at 5683 Gulfstream Road (the "Hertz Maintenance Facility").

**WHEREAS**, the granting of the requested rights will benefit the Commission by providing new communication service to the Hertz Maintenance Facility.

**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 Capital Region Airport Commission hereby authorizes the President and CEO to negotiate, execute, and thereby grant a non-exclusive license agreement for the aforesaid purposes to Comcast Cable Communications Management, LLC, such agreement to be in a form approved by the Commission's legal counsel.



Location of Comcast Facilities to Serve Hertz Maintenance Facility  
at 5683 Gulfstream Road



At Chairman Holland’s request, Commissioner Fulton seconded the motion to approve the Granting of Access to Comcast Cable Communications, LLC that the Finance & Audit Committee had previously approved.

The motion passed unanimously.

**d. Altria Client Services LLC Hangar Facility Lease**

Mr. Peaden reviewed the following resolution:

Staff recommends that the Capital Region Airport Commission (the “Commission”) adopt the following resolution, which is the same in all respects as the resolution adopted as Item II.E.1.b by the Commission at its meeting held on November 28, 2023, except that the area of the corporate office/hangar building has been corrected from 41,038 square feet to 43,450 square feet to reflect the subsequently measured area of the building, and the Initial Annual Rent has been adjusted accordingly from \$508,871.36 to \$538,780.00:

Altria Client Services LLC, a Virginia limited liability company (“Altria”), desires to acquire a direct leasehold interest in a portion of the Commission’s property at Richmond International Airport (the “Airport”), located at 5720 Gulfstream Road, consisting of an approximately 43,450 square-foot corporate office/hangar building on an approximately 5.77-acre tract of land, which Altria currently subleases from Aero Industries, Incorporated, as prime lessee under an existing ground lease with the Commission, upon the

expiration of the existing lease term, in connection with Altria’s continued operation of its corporate aviation hangar facility at the Airport.

The lease shall be in accordance with the following basic terms and conditions:

Lease Commencement:	March 1, 2024
Initial Lease Term:	Ten (10) Years
Lease Options:	Two (2) five (5) year extension options
Initial Annual Rent:	\$538,780.00, on a triple-net basis
Escalation:	2% annually, with CPI adjustments every five (5) years, including option periods

**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 a lease agreement with Altria Client Services LLC as described above, and to take all actions and execute all other documents necessary and appropriate to give effect to the Commission’s actions as described herein and to otherwise carry out the effect of this Resolution, all subject to review by legal counsel.

At Chairman Holland’s request, Commissioner Hazzard moved to approve the Altria Client Services LLC Hangar Facility Lease, and Commissioner Whitehead seconded the motion.

The motion passed unanimously.

**e. Breeze Aviation Group, Inc. Signatory Airline Operating Agreement**

Mr. Peaden reviewed the following resolution:

Staff recommends that the Capital Region Airport Commission (the “Commission”) adopt the following resolution:

**WHEREAS**, Breeze Aviation Group, Inc. (“Breeze”) is currently operating at Richmond International Airport (the “Airport”) as a non-signatory airline under a Non-Signatory Airline Operating Agreement with the Commission dated July 1, 2021; and

**WHEREAS**, Breeze currently provides nonstop service between the Airport and Charleston, South Carolina, New Orleans, Louisiana, Tampa,

Florida, Fort Meyers, Florida, Hartford, Connecticut, Las Vegas, Nevada, Los Angeles, California, San Francisco, California, and Phoenix, Arizona, using Airbus 220 aircraft and Embraer 190 aircraft; and

**WHEREAS**, Breeze is willing and able to assume the same obligations assumed by other signatory air carriers operating at the Airport and desires to enter into a Signatory Airline Operating Agreement with the Commission; and

**WHEREAS**, the Commission desires to enter into a Signatory Airline Operating Agreement with Breeze, on the same terms and conditions as set forth in the existing signatory airline operating agreements.

**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 authorized to execute a Signatory Airline Operating Agreement with Breeze Aviation Group, Inc., subject to review by legal counsel.

At Chairman Holland’s request, Commissioner Hazzard moved to approve the Breeze Aviation Group Inc. Signatory Airline Agreement, and Commissioner Ukrop seconded the motion.

The motion passed unanimously.

**2. Planning & Construction Committee**

Committee Chair Dibble stated that the Planning & Construction Committee did meet this month.

**a. Wash Station Construction Project**

Mr. Tummala reviewed the following resolution:

The staff recommends that the Commission adopt the following resolution:

The Commission advertised for a bid on October 30, 2023, the Wash Station Project (the “Project”), which entails the construction of a new vehicular wash station with two covered wash bays - one open-air wash bay, and one remote rinse bay. The facility will be located on the airside, adjacent to the existing Snow Removal and Airport Maintenance Buildings.

In response, the Commission received four (4) bids on December 7, 2023, summarized below as to the bidders and bid prices:

**Bidder**

**Bid Price**

ARW Contracting, Inc.	\$2,192,000.00
Waco, Inc.	\$1,417,000.00
Webb Development LLC	\$1,967,292.00
W. M. Schlosser Company, Inc.	\$2,833,000.00

Waco, Inc., located in Sandston, Virginia, submitted the lowest bid in the amount of \$1,417,000.00. Waco, Inc.'s bid was responsive and conformed with the Invitation for Bid requirements. The second lowest bid by Webb Development LLC is greater than the bid of Waco, Inc. by \$550,292.00, and is 38.8% higher than the lowest bid. The highest bid by W.M. Schlosser is greater than the bid of Waco, Inc. by \$1,416,000.00, and is 99.9% higher than the lowest bid.

Waco, Inc.'s bid proposes to use seven (7) subcontractors, three (3) of which are SWaM certified and who account for a total of \$220,000.00, or 15.5%, of the bid amount, allocated as follows:

<u>Subcontractor</u>	<u>Description of Services</u>	<u>Contract Amount</u>	<u>%-age of Total</u>
Tate & Hill	Electrical	\$140,000.00	9.9%
Amelia Overhead Door	Overhead Doors	\$40,000.00	2.8%
River City Industrial	Structural Steel	\$40,000.00	2.8%

The staff anticipates that the source of funding for the total cost of the Project will be Commission funds.

**NOW THEREFORE, BE IT RESOLVED** by the Capital Region Airport Commission, pursuant to Chapter 380, Virginia Acts of Assembly of 1980, as amended, the following:

1. That a contract for the Wash Station Project in the amount of \$1,417,000.00 be awarded to Waco, Inc. of Sandston, Virginia, as the lowest apparent responsive and responsible bidder. This award shall be subject to confirmation by the President and Chief Executive Officer, in consultation with the Commission's design and construction professionals and legal counsel, that Waco, Inc. is a responsive and responsible bidder;
2. That this award shall be subject to the complete execution of a written agreement as provided in the Invitation For Bid (IFB) and fulfillment of all other conditions precedent set forth in the IFB, and the President and Chief Executive Officer is hereby

authorized to execute such written agreement upon review by legal counsel;

3. That the President and CEO, for and on behalf of the Commission, is authorized to enter into grant agreements with agencies of the United States and/or the Commonwealth of Virginia (collectively, "Grantors") for the acceptance and use by the Commission of funding, if any, that may become available from such Grantors for the Wash Station Project; and
4. That the Commission authorizes its legal counsel to certify this action to such federal and state agencies and verify the Commission's authorization of the acceptance of grant agreements with such agencies and the receipt of the associated grant funds for the Wash Station Project.

At Chairman Holland's request, Commissioner Dibble seconded the motion to approve the Wash Station Construction Project that the Planning & Construction Committee had previously approved.

**V. NEXT MEETINGS**

The next meeting of the **Capital Region Airport Commission** will be held on Tuesday, March 26, 2024, at 8:00 a.m.

The **Finance & Audit Committee** meeting will be held on Tuesday, March 12, 2024, at 8:00 a.m.

The **Planning & Construction Committee** meeting will be held on Thursday, March 14, 2024, at 8:00 a.m., all in the Commission Boardroom in the Terminal Building.

**VI. ADJOURNMENT**

At Chairman Holland's request, Commissioner Miller motioned to adjourn the meeting at 10:11 a.m. Commissioner Dibble seconded the motion.

The motion passed unanimously.

Approved by the Commission:

  
Recording Secretary

James M. Holland, Chairman

Date 3/26/2024