

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

**April 30, 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 April 30, 2024. The meeting was conducted in the Commission Boardroom in the Terminal Building. A quorum was present.

The following members were present: Commissioners Carroll, Fulton, Hazzard, Holland, Macfarlane, Miller, Nelson, Schneider, Trammell, Ukrop, and Whitehead. Present by invitation were 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; Nagesh Tummala, Director – Capital Development; Susan Joy Linn, Recording Secretary; and W. David Harless, legal counsel from Christian & Barton, LLP.

Commissioners Cooper, Dibble, and Heston were absent.

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

**II. CLOSED SESSION**

The Commission convened in closed meeting at 8:03 a.m. Chairman Holland entertained a motion made by Commissioner Hazzard and seconded by Commissioner Schneider, 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. 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 that require the provision of legal advice by such counsel, all as permitted by Virginia Code § 2.2-3711 (A)(8); and

2. Consultation with legal counsel retained by the Commission regarding specific legal matters pertaining to current general aviation fixed base operations that require the provision of legal advice by such counsel, all as permitted by Virginia Code § 2.2-3711 (A)(8); and

3. Consultation with legal counsel retained by the Commission regarding specific legal matters pertaining to the settlement and resolution of claims involving 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).

The motion passed unanimously.

### **III. OPEN SESSION**

The Commission reconvened in an open meeting at 8:46 a.m. Chairman Holland entertained a motion made by Commissioner Hazzard and seconded by Commissioner Schneider, 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 updated the Commission on the President and CEO's whereabouts and thanked Mr. Rutledge for filling in for him.

##### **1. 2024-25 Officer Nominating Committee Assignments**

Chairman Holland Chair Holland designated the following Commissioners to serve on the Nominating Committee to put forth the 2024-2025 slate of officers:

- Commissioner Kevin Carroll, Chesterfield County – Chair
- Commissioner Grant Heston, City of Richmond
- Commissioner Bobby Ukrop, Henrico County
- Commissioner Susan Dibble, Hanover County

At the next meeting, Tuesday, May 28, 2024, the Committee Chair will provide their report, and the official vote will occur on Tuesday, June 25, 2024. The new officer's term will commence on July 1, 2024.

#### **B. CONSIDERATION OF AGENDA AMENDMENTS**

There were none.

#### **C. APPROVAL OF March 26, 2024, MINUTES**

At Chairman Holland's request, Commissioner Fulton moved to approve the March 26, 2024, minutes, and Commissioner Macfarlane seconded the motion.

The motion passed unanimously.

**D. PRESIDENT’S REPORT**

**1. Aviation Activity Report**

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

**Passenger Traffic:** Richmond International Airport (RIC) reports 413,316 passengers, its busiest March ever and a 7.3 percent increase over March 2023 (385,113 total passengers). For fiscal year-to-date 2024 (FYTD24), passenger traffic has increased 12.4 percent over last year, a gain of almost 394,000 passengers.

Delta Air Lines was the month’s market leader with a 27.7 percent share of passengers, followed by American (27.0%), and United (11.6%). Four passenger air carriers exceeded 10 percent year-over-year growth: Spirit, Breeze, Southwest, and American.

**Cargo:** Total cargo reports an increase of 4.3 percent increase for the month and an increase of 14.2 percent for FYTD24.

**Operations:** In March, aircraft operations decreased 12.6 percent versus March 2023; for FYTD24, the airport reports a 0.8 percent decrease in operations, with general aviation representing the greatest year-over-year change (-16.4%, -4,065 operations).

**Additional Comments**

- RIC has reported 13 consecutive months of record passenger traffic.
- Seasonal **Richmond-Minneapolis/St. Paul (MSP)** service has resumed with **Delta** and will restart with **Sun Country** next month.
- **Southwest** announced a systemwide reset of its summer schedule, adding two new routes for RIC, **Baltimore/Washington (BWI)** and **Nashville (BNA)**, starting June 4<sup>th</sup>. At the same time, Southwest will decrease frequencies to Atlanta (ATL) and Chicago Midway (MDW). Overall, this summer Southwest will offer up to six daily departures to five markets (Denver plus ATL, BNA, BWI, and MDW).
- Scheduled seat capacity via Airline Data, Inc., as of April 22, 2024:

<b>Month</b>	<b>Monthly</b>	<b>Change from Previous Year</b>
March 2024	494,752	+1.1%
April 2024	515,042	+9.0%
May 2024	555,772	+9.9%
June 2024	524,234	+0.9%
July 2024	532,182	-1.7%
August 2024	543,068	+0.8%

2. **Other**

Mr. Rutledge stated that Mr. Miller is relinquishing the gavel as chair of the American Association of Airport Executives (AAAE) today in Nashville, TN, which is a bittersweet but completes his responsibilities as chair.

E. **COMMISSION STANDING COMMITTEE REPORTS**

1. **Finance and Audit Committee**

Finance Chairman Fulton stated the committee did not meet, and Mr. Dosunmu will review the financial updates with the Commission.

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

Mr. Dosunmu reviewed the following:

Year-to-date operating revenue for the first nine months of the Fiscal Year 2024 was \$50.1 million, approximately \$5.2 million or 11.5% greater than budgeted. Compared to last year, it is about \$5.4 million or 12.2% greater, essentially due to increased enplanements with corresponding parking and concession revenue.

Year-to-date operating expenses were about \$25.8 million, \$4.8 million less than budgeted or 15.7%, primarily due to vacant positions. Almost half of the Airport's operating costs are personnel, with 194 approved positions and 25 current vacancies.

The year-to-date gross margin is 49% or about \$24.4 million of revenue to the bottom line. This \$9.9 million is above budget or \$2.3 million above the same time as last year.

The year-to-date interest income is \$5.2 million with an average interest rate is 4.5% and about \$3.5 million above the same time last year

Enplanements for FY 2024 were 1,786,231 passengers or 193,970 above budget and about 12.2% above the same time last year.

b. **Acquisition of 5553 Ferncroft Road**

Mr. Peaden reviewed the following:

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

**WHEREAS**, Charles R. Jones & Associates (the "Owner") owns a parcel of real property containing approximately 0.33 acres adjacent to Economy Lot B at the Richmond International Airport (the "Airport"),

**WHEREAS**, Charles R. Jones & Associates (the “Owner”) owns a parcel of real property containing approximately 0.33 acres adjacent to Economy Lot B at the Richmond International Airport (the “Airport”), located at the intersections of Ferncroft Road, Eubank Road and Airport Drive, and commonly known as 5553 Ferncroft Road (the “Property”); and

**WHEREAS**, in connection with its future operational plans for the Airport, the Commission desires to acquire the Property for the sum of \$10,600.00.

**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 negotiate and execute on behalf of the Commission an agreement with the Owner to purchase the Property on the terms 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 acquisition of 5553 Ferncroft Road, and Commissioner Fulton seconded the motion.

The motion passed unanimously.

2. **Planning & Construction Committee**

In the absence of Committee Chair Dibble, Mr. Rutledge announced that the Planning & Construction Committee did not convene this month.

3. **Executive Committee**

a. **Appointment of Successor Voting Director to the Board of the Capital Region Airport Commission Foundation**

Chairman Holland reviewed the following:

**WHEREAS**, the Capital Region Airport Commission (the “Commission”), a political subdivision of the Commonwealth, 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”), and is conferred thereunder all powers necessary or incident to the ownership and operation of its airport(s), to the end that the Commission may promote the welfare, convenience and prosperity of the inhabitants of the participating political subdivisions and this Commonwealth, and the increase of their commerce; and

appreciation by the public of the importance of aviation, assist the public in aviation travel, or help develop and educate the next generation of aviation professionals in the Commonwealth, including without limitation the formation or support of one or more independent foundations for such purposes; and

**WHEREAS**, the Commission, on December 8, 2022, established the Capital Region Airport Commission Foundation, a Virginia nonstock corporation (the “Foundation”); and as part of the Foundation’s articles of incorporation and bylaws, the Commission is to designate directors to the Foundation’s board of directors and to select members of the Foundation’s advisory board, all of whom are to be appointed by the Foundation; and

**WHEREAS**, Harvey L. Hinson was originally appointed by the Foundation to a two-year term as a Voting Director of the Foundation, such term to conclude on March 28, 2025; and

**WHEREAS**, Mr. Hinson no longer wishes to serve the balance of his term through March 28, 2025, as a Voting Director of the Foundation; and

**WHEREAS**, Roscoe D. Cooper III has agreed, if appointed by the Foundation, to serve the balance of the original term of appointment for Mr. Hinson as a Voting Director of the Foundation.

**WHEREFORE, BE IT RESOLVED** by the Capital Region Airport Commission, in accordance with Chapter 380, Virginia Acts of Assembly of 1980, as amended, that Roscoe D. Cooper III be designated as a Voting Director of the Foundation to serve the balance of the original term of Harvey L. Hinson up to and through March 28, 2025; and that notice of such designation be delivered to the Foundation for appointment.

At Chairman Holland’s request, Commissioner Nelson moved to approve the appointment of Roscoe D. Cooper, III, to the Capital Region Airport Commission Foundation, and Commissioner Macfarlane seconded the motion.

The motion passed unanimously.

#### **IV. NEXT MEETINGS**

The next meeting of the **Capital Region Airport Commission** will be held on Tuesday, May 28, 2024, at 8:00 a.m.

The **Finance & Audit Committee** meeting will be held on Tuesday, May 14, 2024, at 8:00 a.m.

The Planning & Construction Committee meeting will be held on Thursday, May 16, 2024, at 8:00 a.m., all in the Commission Boardroom in the Terminal Building.

V. ADJOURNMENT

Chairman Holland adjourned the meeting at 9:14 a.m.

Approved by the Commission:

  
Recording Secretary

James M. Holland, Chairman

Date

  
5/28/2024