

**MINUTES OF THE MEETING OF THE MEMBERS
OF THE CAPITAL REGION AIRPORT COMMISSION
January 28, 2025**

I. CALL TO ORDER

Vice Chair Charles S. Macfarlane called the Capital Region Airport Commission's regular monthly meeting to order at 8:00 a.m. on January 28, 2025. The meeting was conducted in the Commission Boardroom in the Terminal Building. A quorum was present.

The following members were present: Commissioners Carroll, Cooper, Fulton, Hazzard, Heston, Macfarlane, Nelson, Roundtree, Schneider, and Ukrop. Present by invitation were Perry J. Miller, President and CEO; John B. Rutledge, Chief Operating Officer; Basil O. Dosunmu, Chief Financial Officer; Uday Nethula, Chief Human Resource Officer; Martin Rubinstein, Chief Growth Officer; Troy M. Bell, Director – Marketing and Air Service Development; Carol Gaddis, Director – IT and Innovation; Richard Greatti, Director – Finance; Aaron Haynes, Marketing Specialist; Aaron Keller, Director – Operations & Security; Anthony Tangorra, Director – Customer Experience; Nagesh Tummala, Director – Capital Development; Susan Joy Linn, Recording Secretary; and W. David Harless, legal counsel from Christian & Barton, LLP.

At Vice Chair Macfarlane's request, Commissioner Carroll provided the invocation, and Vice Chair Macfarlane led the Pledge of Allegiance to the flag of the United States.

Commissioners Dibble, Holland, Lynch, and Miller were absent.

II. CLOSED

The Commission convened into a closed session at 8:03 a.m. Vice Chair Macfarlane entertained a motion made by Commissioner Carroll 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. Discussion and consideration of the disposition or lease of publicly held real property for general aviation fixed base operations 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); and
2. Consultation with legal counsel retained by the Commission regarding specific legal matters pertaining to the disposition or lease of publicly held real property for general aviation fixed base

operations, 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 into an open session at 8:32 a.m. The Vice Chair Macfarlane entertained a motion made by Commissioner Hazzard and seconded by Commissioner Carroll, 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. CONSIDERATION OF AGENDA AMENDMENTS

There were none.

B. COMMISSION CHAIRMAN'S COMMENTS

Vice Chair Macfarlane announced a couple of changes to the Planning & Construction Committee.

- Tyrone E. Nelson will be the Vice Chair, replacing Reva M. Trammell.
- Stephanie A. Lynch, our new Commissioner from the City of Richmond, will be a committee member.

C. APPROVAL OF NOVEMBER 26, 2024, MINUTES

At Vice Chair Macfarlane's request, Commissioner Hazzard moved to approve the November 26, 2024, minutes, and Commissioner Carroll seconded the motion.

The motion passed unanimously.

D. PRESIDENT'S REPORT

1. Aviation Activity Report

At Dr. Perry Miller's request, Mr. Bell gave the following report:
RIC aviation activity recap for Calendar Year and December 2024:

Calendar Year 2024:

For calendar year 2024, Richmond International Airport established new annual records for both passenger traffic (4,884,093) and cargo volume (222.8 million lbs.), surpassing totals reported for fiscal year 2024 (FY24) last June.

Aircraft operations decreased 3.0 percent to 101,783 movements in 2024.

Month of December 2024: For the month, the Airport reports a 6.0 percent increase in total passengers (421,064 in 2024 vs. 397,357 in 2023). This represents a new December record.

Delta Air Lines was the month's market leader with a 28.2 percent share of passengers, followed by American (28.0%), and United (12.3%). Four airlines reported year-over-year growth exceeding ten percent in December, including JetBlue (+30.7%), Breeze (+12.9%), Southwest (+12.3%), and Delta (+11.5%).

In December, total cargo volume reported a 19.6 percent increase versus the same period a year ago. For the month, aircraft operations grew 1.3%.

Additional Comments

- December traffic received a boost with the Thanksgiving holiday landing late in November, pushing the Sunday and Monday return traffic after the holiday into December.
- **New route: Breeze Airways** will launch Richmond-New Haven service on February 6th.
- During the second half of FY25, air carriers will offer **37 nonstop destinations** from RIC.
- Scheduled seat capacity and departures as of January 20, 2025, via Airline Data, Inc.:

Month	Seats	YOY Change	Departures	YOY Change
December 2024	495,019	+1.0%	4,259	+4.5%
January 2025	449,406	+1.8%	3,858	+6.5%
February 2025	412,597	-3.6%	3,616	+2.6%
March 2025	503,432	+1.8%	4,407	+10.2%
April 2025	509,114	-0.7%	4,338	+3.1%

Mr. Bell also provided a RIC comparison to Norfolk International Airport as requested by a member of the Commission.

2. Other

Dr. Perry Miller introduced Martin Rubinstein, the Commission's new Chief Growth Officer. Mr. Rubinstein brings more than 20 years of expertise in digital strategy, marketing, and commercial development, with his recent tenure at Dallas Fort Worth (DFW) international airport and various locations throughout Texas.

The Title VI Demographic Survey was also introduced as a voluntary request of the Federal Aviation Administration (FAA) for the Commission to complete and be collected following the meeting.

At Dr. Perry Miller's request, Mr. Bell provided an update on the recent water outages and snow events impacting the airport.

Dr. Perry Miller expressed special thanks to Mr. Rutledge for managing the water outage, and to Mr. Steven Yob, the Deputy County Manager for Community Operations for Henrico County, for his assistance.

E. COMMISSION STANDING COMMITTEE REPORTS

1. Finance and Audit Committee

Finance Chairman Fulton stated that the committee met and requested that Mr. Dosunmu review the monthly financials.

a. Monthly Financial Update December 31, 2024

Mr. Dosunmu reviewed the following:

Year-to-date operating revenue for the first six months of Fiscal Year 2025 was \$35 million, approximately \$0.9 million, or 2.7% greater than budgeted due to increased enplanements with corresponding parking and concession revenue. It was \$400 thousand or 1.4% above the prior year.

Year-to-date operating expenses totaled approximately \$20.1 million, \$3.7 million less than budgeted and 3.1% higher than the previous year. The primary reason the expenses are below budget is that the Commission allocated funding for 198 approved full-time positions, with 171 currently filled and 27 vacancies remaining.

Overall, the year-to-date gross margin is 43% or about \$14.9 million of revenue to the bottom line. This is approximately \$4.6 million above budget or \$2.6 million below the prior year.

The year-to-date interest income is \$3.9 million, almost \$3 million above budget and about \$400 thousand above the prior year. The average annual interest rate has dropped slightly from 4.7% to 4.5%.

Enplanements for FY 2025 are 1,256,727 passengers, a slight decrease in budget but a slight increase of 455 enplaned passengers above the same time last year.

Lastly, Mr. Dosunmu highlighted some key items listed in the new annual financial report for FY 2024, one of which was the growth in nonstop routes from pre-pandemic to 2024, showing a 71% increase.

b. Airport Joint Use Agreement – Virginia Army National Guard

Mr. Rutledge reviewed the following:

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

WHEREAS, the United States of America, acting by and through the Department of the Army for the benefit of the Virginia Army National Guard, and the Department of Military Affairs, Commonwealth of Virginia, acting by and through its Adjutant General (collectively, the “Army Guard”), and the Commission entered into a certain Joint Use Agreement effective as of October 1, 2019, for use of flying facilities at Richmond International Airport (the “Airport”) by the Army Guard, in common with other Airport users, which agreement expired by its terms on September 30, 2024; and

WHEREAS, the Commission’s President and CEO and representatives of the Army Guard have negotiated the principal business terms of a successor Joint Use Agreement, including a five-year term effective October 1, 2024, and expiring September 30, 2029, and an annual use fee by the Army Guard of \$30,562.00.

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 execute and enter into, on behalf of the Commission, a successor Joint Use Agreement with the Army Guard with the principal terms described above, subject to review by legal counsel.

At Vice Chair Macfarlane’s request, Commissioner Schneider seconded the motion made by the Finance and Audit Committee to approve the Joint Use Agreement with the Virginia Army National Guard.

The motion passed unanimously.

2. Planning & Construction Committee

In Committee Chair Ms. Dibble's absence, Vice Chair Macfarlane stated that the Planning & Construction Committee met this month.

a. Procedures for the Use of the Construction Management & Design Build Methods of Construction Contracting

Mr. Tummala reviewed the following presentation and resolution:

Capital Projects Procurement Policy

- Current Procurement Policy:
 - Design-Bid-Build Method

- Proposed Procurement Policy:
 - Construction Management
 - Design-Build

Capital Projects Proposed Procurement – Construction Management

- Authorization to use competitive negotiations to procure CM contracts when it is determined in advance that the design-bid-build project delivery method/ competitive sealed bidding is not practicable or fiscally advantageous.
- Approval Criteria:
 - Project is a complex project as defined by Virginia Code § 2.2-4379.
 - Project procurement method is approved by the Board of the Commission for that specific project.
- Selection Procedure:
 - Step 1: Selection of Qualified Offerors
 - Commission to appoint an Evaluation Committee which shall consist of at least three or more principal employees of the Commission, including at least one licensed design professional engineer or architect under contract.
 - Commission to appoint an Evaluation Committee which shall consist of at least three or more principal employees of the Commission, including at least one licensed design professional engineer or architect under contract.
 - Step 2: Selection of a Construction Manager
 - Send a Request for Proposal (“RFP”) to the offerors on the shortlist and request submission of formal proposals, including a Guaranteed Maximum Price.
 - Evaluation Committee to evaluate and rank the proposals and conduct negotiations with the offerors.
 - Evaluation Committee shall make its recommendation on the selection of a construction manager to the Board of the Commission based on its evaluations and negotiations.
 - Board of the Commission shall approve proposed contracts for CM construction services.

Capital Projects Proposed Procurement – Design-Build:

- Authorization to use competitive negotiations to procure D-B contracts when it is determined in advance that the design-bid-build project delivery method/ competitive sealed bidding is not practicable or fiscally advantageous.
- Approval Criteria:
 - Project is a complex project as defined by Virginia Code § 2.2-4379.
 - Project procurement method is approved by the Board of the Commission for that specific project.
- Selection Procedure:
 - Step 1: Selection of Qualified Offerors
 - Commission to appoint an Evaluation Committee which shall consist of at least three or more principal employees of

- the Commission, including at least one licensed design professional engineer or architect under contract.
- Selection of Qualified Offerors from responses received to Request for Qualifications (RFQ) posted on the Virginia Market Place Portal (eVA)
- Step 2: Selection of a D-B Contractor
 - Send a Request for Proposal (“RFP”) to the offerors on the shortlist and request submission of separate technical and cost proposals.
 - Evaluation Committee will evaluate and rank the technical proposals based on the criteria in the RFP.
 - Evaluation Committee to open the cost proposals and apply the criteria for award as specified in the RFP.
 - Evaluation Committee shall recommend to the Board of the Commission the selection of a design-builder based on its evaluations of the technical and cost proposals.
 - Board of the Commission shall approve proposed contracts for D-B construction services.

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”), 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

WHEREAS, the Virginia Public Procurement Act requires that a local public body using the design-build or construction management method of contracting for construction projects comply with Virginia Code § 2.2-4382; and

WHEREAS, Virginia Code § 2.2-4382 requires that a local public body implement procedures consistent with the procedures adopted by the Secretary of Administration for utilizing construction management or design-build contracts prior to entering into a contract for construction on a fixed price or not-to-exceed price construction management or design-build basis; and

WHEREAS, Virginia Code § 2.2-4382 requires that the procedures adopted for this purpose must include several requirements, including a two-step competitive negotiation process, and a finding that the relevant project is a complex project as defined by the Code; and

WHEREAS, the Construction Management Procurement Policy (**Exhibit 1**) and the Design-Build Procurement Policy (**Exhibit 2**) attached

hereto set forth procedures consistent with Virginia Code § 2.2-4382 and the Department of General Services Division of Engineering & Buildings Construction and Professional Services Manual for use of the construction management and design-build method of construction contracting.

WHEREFORE, BE IT RESOLVED by the Capital Region Airport Commission, in accordance with Chapter 380, Virginia Acts of Assembly of 1980, as amended, and Virginia Code § 2.2-4382 that the Construction Management Procurement Policy and the Design-Build Procurement Policy attached hereto are hereby approved and adopted by the Commission effective as of January 28, 2025.

At Vice Chair Macfarlane's request, Commissioner Carroll seconded the motion made by the Planning & Construction Committee to approve the Construction Management and Design-Build Methods of Construction Contracting.

The motion passed unanimously.

**b. Award Delta Airport Consultants for Construction
Support/Management of Taxiway C & E Intersection
Relocation Project**

Mr. Tummala reviewed the following resolution:

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

WHEREAS, on August 23, 2024, the Commission issued Request for Proposals 24-2476 for Professional Engineering Services for Taxiways C & E Intersection Relocation Construction Phase Services (the "RFP"), which RFP was published to the Commonwealth of Virginia's eVA e-procurement marketplace website; and

WHEREAS, the RFP requested certain construction support, construction management, inspection, materials testing, quality assurance testing, and surveying services for the Taxiways C & E Intersection Relocation Project (the "Services") at Richmond International Airport (the "Airport"); and

WHEREAS, on or before the submission deadline of September 26, 2024, the Commission received a total of two (2) proposals, as summarized below:

No.	Offeror Name
1	Azierta, LLC - Washington D.C.
2	Delta Airport Consultants, Inc. - Midlothian, VA

WHEREAS, the President and CEO of the Commission assembled an evaluation committee to evaluate and rank the proposals based on (i) relevant experience and availability of key personnel; (ii) experience with engineering tasks similar to those requested in the RFP and with commercial service airport working environments; (iii) physical resources and financial capability to perform the required services; (iv) ability to interact with other firms under contract with the Commission and with applicable federal, state and local government agencies; and (v) conformance of submitted proposals to the requirements outlined in the RFP; and

WHEREAS, based upon its evaluation and ranking of the proposals received, the evaluation committee has recommended acceptance of the proposal submitted by Delta Airport Consultants, Inc. (“Delta”); and

WHEREAS, Delta submitted a fee proposal of \$3,558,000, which fee proposal was negotiated by Commission staff resulting in a revised fee of \$1,961,000; and

WHEREAS, the revised fee proposal from Delta is 3.6% greater than the Independent Fee Estimate prepared by the Commission’s consultant, Kutchins and Groh, which Commission staff deems to be within an acceptable range; and

WHEREAS, Delta’s proposal includes certified WBE and DBE subconsultants resulting in participation of 11.05%, which meets the 11% participation goal established for this project; and

WHEREAS, Commission staff anticipates the source of funding for the total cost of these services will be FAA Bipartisan Infrastructure Law funds with matching Virginia Department of Aviation entitlement 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 Construction Support and Management Services for Taxiways C & E Intersection Relocation Construction Phase in

the amount of \$1,961,000.00 be awarded to Delta Airport Consultants, Inc., of Midlothian, Virginia.

2. That this award shall be subject to the complete execution of a written agreement as provided in the RFP and fulfillment of all other conditions precedent as set forth in the RFP, and the President and CEO is hereby authorized to execute such written agreement, for and on behalf of the Commission, upon review by legal counsel.

3. That the President and CEO is authorized, for and on behalf of the Commission, to enter into grant agreements with federal and state agencies for the acceptance and use by the Commission of funding, if any, that may become available from such agencies for the Services.

4. That the Commission's legal counsel is authorized 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 Services.

5. That the President and CEO is authorized, for and on behalf of the Commission, to take all other 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, subject to review by legal counsel.

At Vice Chair Macfarlane's request, Commissioner Heston seconded the motion made by the Planning & Construction Committee to award Delta Airport Consultants, Inc. for the Construction Support/Management of the Taxiway C & E Intersection Relocation project.

The motion passed unanimously.

c. Capital Projects Update

Mr. Tummala reviewed the new Annual Comprehensive Capital Improvement Program booklet, which features approximately 85 major projects the board approved from 2017 to 2025. The total budget is around \$168.4 million.

Mr. Tummala provided the following presentation:

Passenger Boarding Bridges Replacement

- Contract Value: \$15.87 Million.
- Contractor: AERO BridgeWorks, Inc.
- Bridge Count: 12

- Installation Start: September 2024
- Installation Completion: March 2026.
- Bridges replacement sequence is:
 - Concourse B – B5, B7
 - Concourse A – A8, A6, A4, A2
 - Concourse B – B6, B4, B2
 - Concourse A – A5, A3, A1

Terminal Switchgear Replacement

- Contract Value: \$2,2 Million.
- Contractor: Ebenezer Electric
- The panelboard's replacement started in September 2024
- Switchgear procurement delivery in March 2025

Trench Drive Trench Drain and Pavement Repair

- Contract Value: \$1.73 Million
- Contractor: Finley Asphalt & Concrete, Bristow, VA
- Construction Start: October 2024
- Completion: March 2025

Vehicle Wash Station

- Contract value: \$1.42 Million
- Contractor: Waco, Inc., Sandston, VA
- Construction Start: November 2024
- Construction Completion: May 2025

Taxiways C & E Intersection Relocation

- Taxiways C & E have a direct connection from Apron to Runway 2-20
- Elimination of direct connection, a point of emphasis with FAA for safety
- Contract value: \$19.89 Million
- Contractor: Independence Excavating, Inc., Independence, OH
- Construction Start: March 2025
- Construction Completion: April 2026

New Aircraft Rescue and Fire Fighting (ARFF) Station

- Cost: \$25,000,000
- Congressional directed spending: \$4,000,000
- Design: complete with Henrico County for Permitting Review
- Advertise for bids: March 2025
- Construction duration: 12-15 months

Concourse A Restroom Renovation

- Concourse A restrooms (Men, Women & Family) renovation (Gates A3/A4)
- Construct a new SARA (Service Animal Relief Area) Facility (Gate A8)

Center Core Plaza Improvements

- Bid advertisement – February 2025.
- Incorporate art consultant recommendations during construction
- Plan of Development (POD) review by Henrico County

Security Checkpoint Consolidation

- Consolidate Checkpoints A & B into one consolidated checkpoint at connector
- 10 lanes would provide capacity well into the future
- Reconfigure/renovate old building interior spaces & existing office spaces
- Benefits: Free flow of passengers between concourses, modern facilities, new technologies, and efficiency.

Rental Car Counter Relocation and Enclosed Walkway

- Relocates Rental Car Counters from Door 3 area to expanded north baggage claim
- 2-level enclosed, climate-controlled walkway from terminal to rental car garage
- The design team is working on finalizing bid documents

New Fuel Farm Location/Layout

- Storage for Jet A, AVGAS, diesel, and gasoline
- Loading and offloading for Jet A and AVGAS
- Operations building
- (8) 50,000-gallon horizontal single wall UL-142 storage tanks
- (1) 35,000-gallon AVGAS tank
- The containment area would consist of a concrete pad with a small dike wall to provide secondary containment

3. Executive Committee

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

Mr. Harless reviewed the following resolution:

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

WHEREAS, under the Enabling Act, the Commission is authorized to make charitable donations and provide financial assistance, personnel assistance, and other assistance to educational and charitable entities, organizations, programs, and other endeavors designed to foster an 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 appoint members of the Foundation’s advisory board; and

WHEREAS, former Commissioner Reva M. Trammell was originally appointed to a two-year term as a Voting Director of the Foundation, and such term concluded on December 31, 2024; and

WHEREAS, Commissioner BK Fulton has agreed, if appointed, to serve 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 BK Fulton be appointed as a Voting Director of the Foundation to serve up to and through December 31, 2027.

At Vice Chair Macfarlane’s request, Commissioner Carroll motioned to approve the Appointment of BK Fulton to the Capital Region Airport Commission Foundation. Commissioner Hazzard seconded the motion, and the motion passed unanimously.

IV. NEXT MEETINGS

The next **Capital Region Airport Commission** meeting will be held on Tuesday, February 25, 2025, at 8:00 a.m.

The **Finance & Audit Committee** meeting will be held on Tuesday, March 11, 2025, at 8:00 a.m. A special meeting may need to be held in February.

The **Planning & Construction Committee** meeting will be held on Thursday, March 13, 2025, at 8:00 a.m., all in the Commission Boardroom in the Terminal Building.

V. ADJOURNMENT

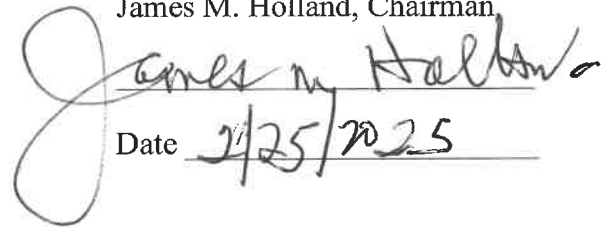
Before closing, Commissioner Ukrop updated the Commission on the Greater Richmond Partnership's strategic plan to make the airport one of its primary focuses. Following a recent announcement about Haleon, a company based in the United Kingdom, expanding in the City of Richmond, there seems to be excitement surrounding the airport's potential to secure an international flight from RIC to the UK. The Secretary of Commerce and Trade, Caren Merrick, and Chief Deputy Secretary, Juan Pablo Segura, met with Mr. Ukrop and others to discuss the airport's international capabilities.

Vice Chair Macfarlane adjourned the meeting at 9:32 a.m.

Approved by the Commission:


Recording Secretary

James M. Holland, Chairman


Date 2/25/2025