

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

**April 29, 2025**

**I. CALL TO ORDER**

Chair James M. Holland called the Capital Region Airport Commission's regular monthly meeting to order at 8:06 a.m. on April 29, 2025. The meeting was conducted in the Commission Boardroom in the Terminal Building. A quorum was present once Commissioner Miller arrived.

The following members were present: Commissioners Carroll, Dibble, Fulton, Hazzard, Holland, Miller, Schneider, and Ukrop. Present by invitation were Perry J. Miller, President and CEO; John B. Rutledge, Chief Operating Officer; Uday Nethula, Chief Human Resources Officer; Martin Rubinstein, Chief Growth Officer; Troy M. Bell, Director – Marketing and Air Service Development; Carol Gaddis, Director – IT and Innovations; Richard Greatti, Director – Finance; Aaron Haynes, Marketing Specialist; Aaron Keller, Director – Operations & Security; 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.

The invited guest was Stephen D. Van Beek, Director and Head of North America Aviation with Steer Group.

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

Commissioners Cooper, Heston, Lynch, Macfarlane, Nelson, and Roundtree were absent.

**II. OPEN SESSION**

**A. CONSIDERATION OF AGENDA AMENDMENTS**

Commissioner Hazzard requested a discussion on police salaries and hiring status. Chair Holland accepted the request and added the discussion item to the end of the agenda.

**B. CHAIRMAN'S COMMENTS**

**1. 2025-2026 Officer Nominating Committee Assignments**

Chair Holland appointed the following members to serve on the Nominating Committee:

- Misty Roundtree, Nominating Chair – Henrico County

- Grant Heston – City of Richmond
- Kevin Carroll – Chesterfield County
- Susan Dibble – Hanover County

The Committee Chair will present the committee's slate of officers at the next Commission meeting, scheduled for May 27, 2025. The official vote for the officers will occur on June 24, 2025, and the new officers will commence their roles on July 1, 2025.

**C. APPROVAL OF MARCH 25, 2025, MINUTES**

At Chair Holland's request, Commissioner Fulton moved to approve the minutes of March 25, 2025. Commissioner Schneider seconded the motion, and the minutes were approved unanimously.

**D. PRESIDENT'S REPORT**

**1. Stephen D. Van Beek, Director and Head of North America Aviation with Steer Group**

Dr. Miller introduced Mr. Van Beek by reviewing his bio and stated having known him through the American Association of Airport Executives (AAAE).

**The U.S. Airport Organizational Model**

**Airports use commercial means for public ends, they are:**

- Public
- Non-profit
- Service-oriented
- Commercial
- Operated on Cost-recovery
- Capital intensive
- Organizations with 24/7 operations
- Landlords
- Regulated (FAA, TSA)
- Unique with their span of control

**We recommend airport boards and leadership teams review their governance rules and procedures to ensure responsiveness and effectiveness to issues during this dynamic time.**

## Economics and Aviation's Mood Music, April 2025

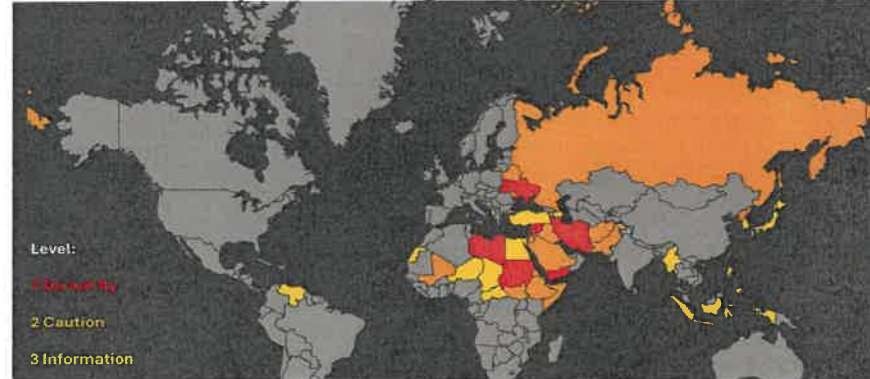
- After a positive 2024 for aviation, uncertainty reigns today
- Short- to medium-term demand outlook is neutral, with concern about low-fare airlines (LFAs) and international traffic emerging
- Major risks include ongoing military conflicts and hotspots around the world
- Assertion of Executive Power has created dynamic policy environment and reshuffled U.S. priorities
- Airports continue to need new capital sources and a lower interest-rate environment
- Addressing NetZero remains vital, but national commitment is highly questionable if not hostile
- Customer innovations led by technology applications continue apace

### Key Economic Metrics



Source: Airlines for America, U.S. Bureau of Economic Analysis, Steer analysis

## Global instability is continuing to impact air service

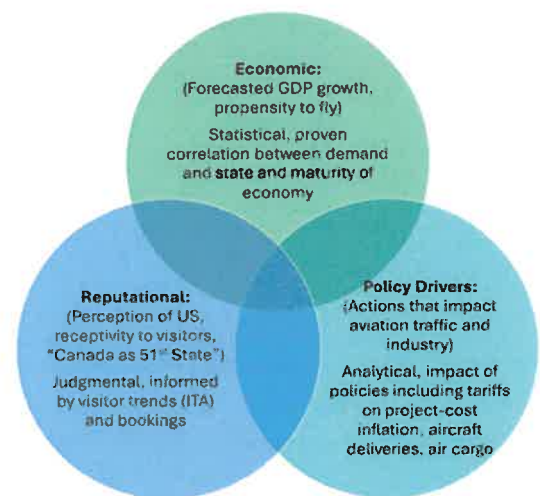


Source: North Atlantic Treaty

## 2025 updates and the tough job of forecasting aviation traffic today

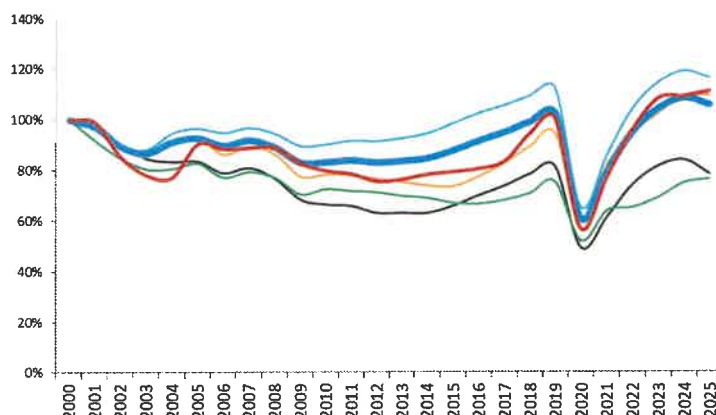
### Latest Indicators

- Overseas visitors **fell nearly 12%** March 2025 vs. March 2024, according to Commerce's ITA. This includes a **reduction** of 17% from Western Europe, 24% from Central America, and 26% from the Caribbean.
- After saying 2025 would be "the best financial year in its history" Delta is now saying it will **reduce capacity** 3-4% for the second half of 2025
- Canada bookings for July **are down 20%** to the U.S., whereas bookings to Europe and domestic Canadian destinations are up



## Richmond has outperformed the Medium-Hub average; its 2025 capacity is expected to be +11% over 2019 volumes

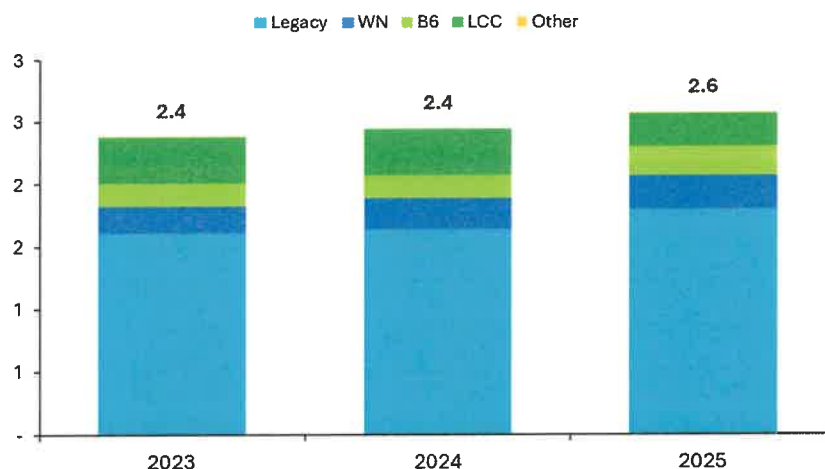
US Airports by Hub Size 2000-2025  
% of 2000 Seat Capacity Change



2025 Seats as a % of 2019 Seats

Large Hubs	103%
RIC	111%
Small Hubs	116%
Overall	103%
Medium	96%
Non-Hub	101%

## RIC flew 2.4m epax in 2024 (+2.6% over 2023). For 2025 we expect growth up to 2.6m, +5.3% vs. 2024



Source: OAG, RIC, T-100, Steer

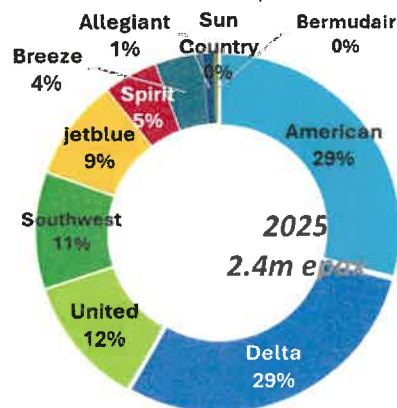
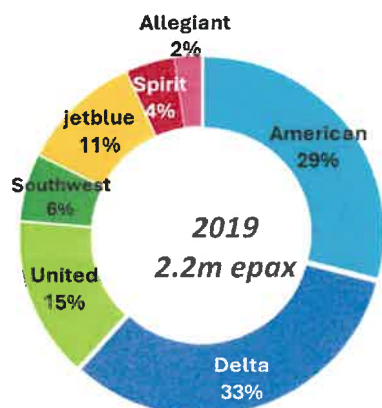
### What happened in 2024?

- Legacy airlines have kept schedules and capacity broadly in line with 2023. United has reduced frequencies to DEN. American has increased its capacity mostly to CLT.
- Southwest opened BNA, BWI and DEN however cutting ATL.
- LCC: Spirit increased capacity however Breeze and Allegiant underperformed and cut frequencies.

### What we expect in 2025?

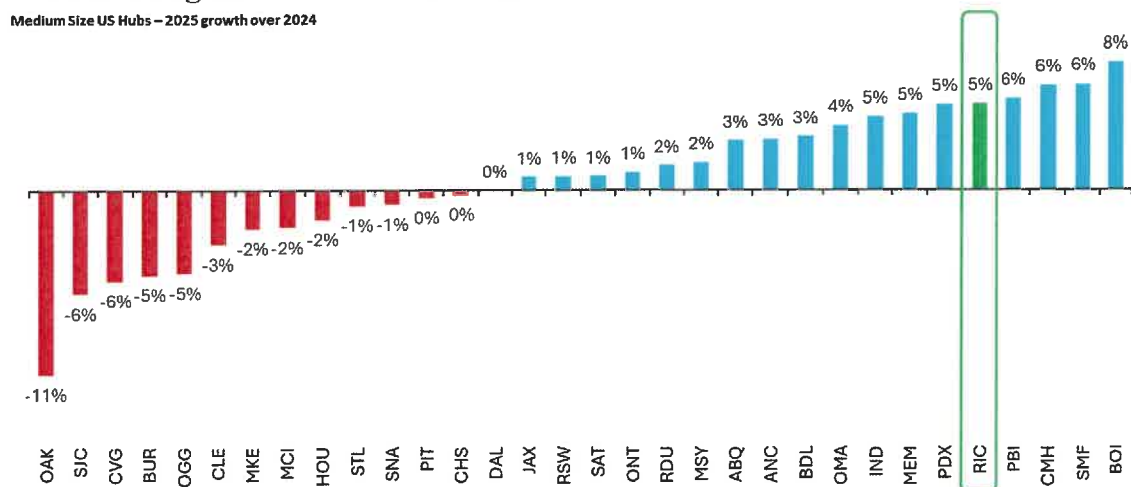
- Legacy airlines are expected to continue growing capacity towards their hubs.
- Southwest opening MCO in Spring 2025. JetBlue increasing MCO
- LCC continue downward trajectory – with Spirit and Allegiant cutting capacity. Breeze is the only LCC with a positive outlook for 2025.
- Bermuda Air starts in Summer 2025

## Enplanements at RIC are >10% above 2019 levels. Legacy airlines have reduced their market share since 2019 (>75% 2019 vs. 70% 2025).



In 2025 RIC capacity is assumed to grow +5% vs. 2024 – this is near top of the benchmark against other US medium hubs.

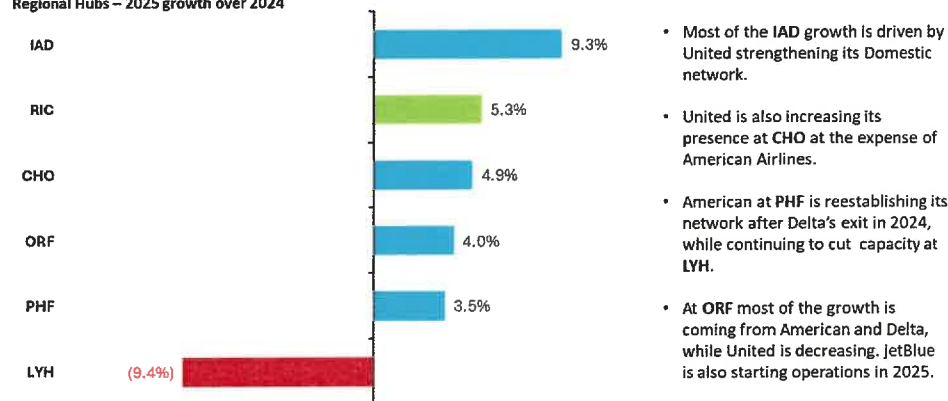
Medium Size US Hubs – 2025 growth over 2024



Source: OAG, Steer

Among regional peers, RIC is expected to perform at the top of the benchmark after IAD.

Regional Hubs – 2025 growth over 2024

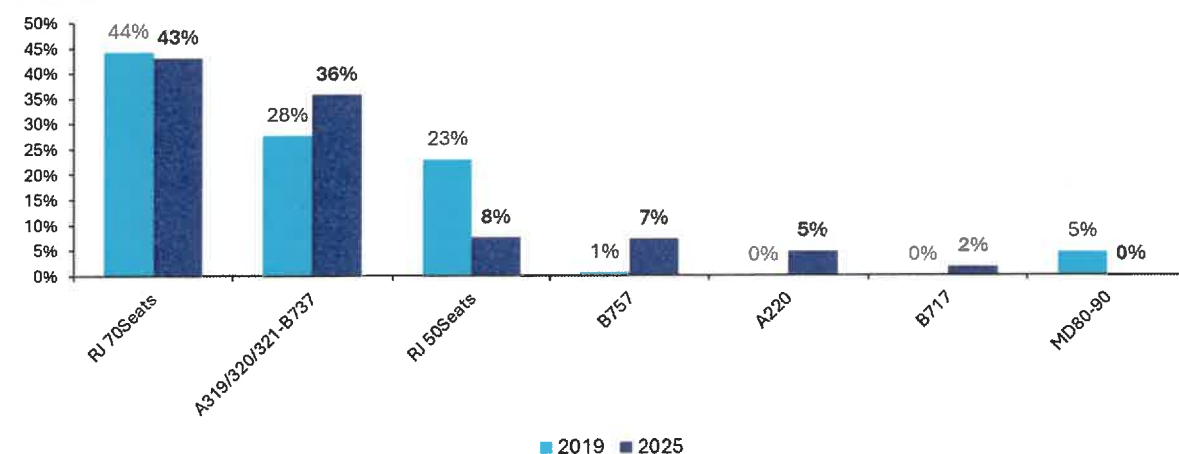


Source: OAG, Steer

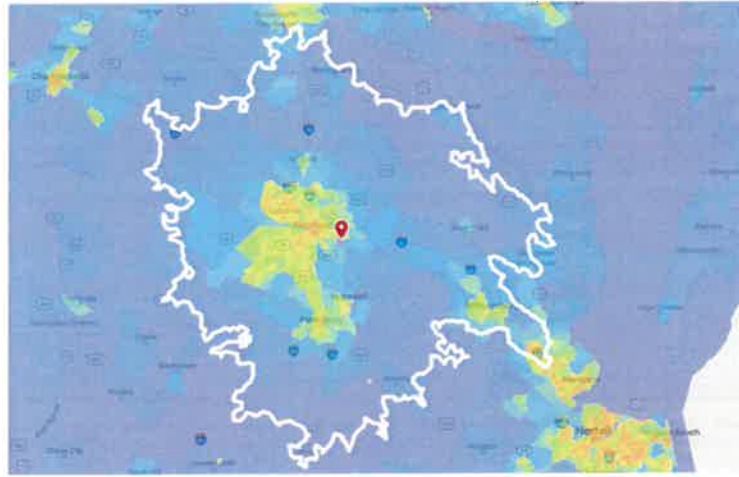
Average aircraft size at RIC has increased from 95 in 2019 to 116 in 2025. This is driven by reduction of 50-Seaters and increase of larger NBs.

Fleet mix – 2025F vs 2019

Market share



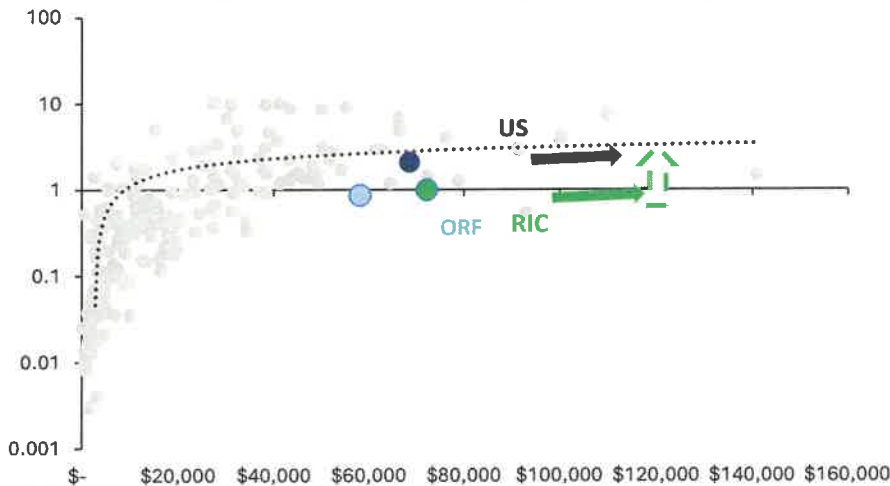
## Richmond catchment area serves approximately 1.6m residents which resulted in a 2024 Propensity to Fly of approximately 1.0



- Map displays RIC catchment area based on a 60-min drive from RIC Airport.
- **Propensity to Fly** measures the number of trips per capita from residents of the catchment area at a certain level of GDP per Capita (see next slide).
- Using ticket data from OAG traffic, we assumed residents' trips from RIC account for 65% of the total trips in 2024.

## Richmond and Norfolk fall below the average US PtF, creating the potential for further growth

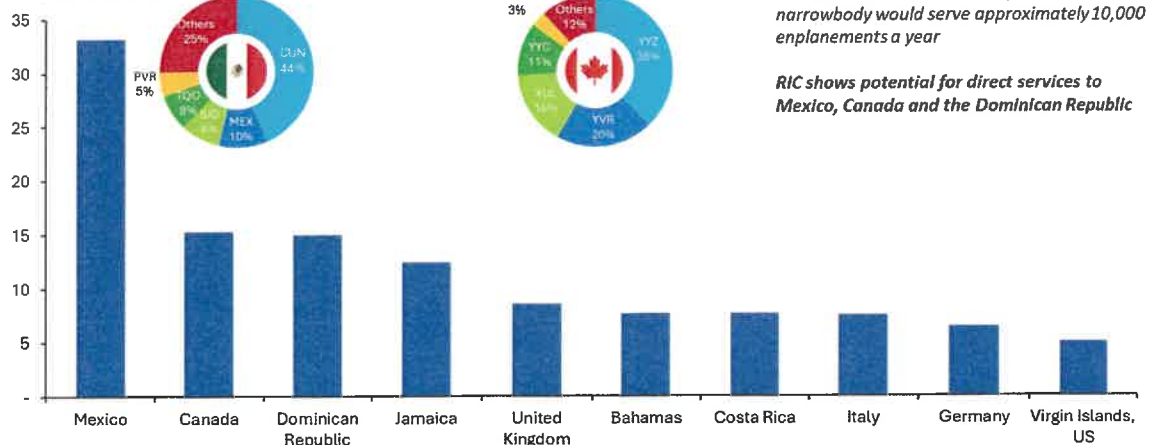
Propensity to Fly – Worldwide benchmark – US vs World vs RIC/ORF Trips per Capita/GDP \$



- ORF Catchment area (60min drive) serves approximately 1.7m residents.
- In 2024 this results in a PtF of 0.9 – slightly below RIC.
- Both Catchment areas are expected to grow their GRP/Capita and therefore their expectation of trips per Capita.
- Airbus assumes the Average US PtF to increase from 2.0 in 2024 to 2.9 in 2043.

## 10% enplanements originating at RIC are flying to Int'l destinations over US Hubs. Mexico and Canada are the top desired destinations.

Top International Countries - Indirect Traffic from RIC – 2024  
Thousand enplanements



*A seasonal service, 3x week operated with a narrowbody would serve approximately 10,000 enplanements a year*

*RIC shows potential for direct services to Mexico, Canada and the Dominican Republic*

Only a few airports between 1.5m and 4.5m departing seats are operating International services. Destinations are Mexico, Caribbean, and Canada.

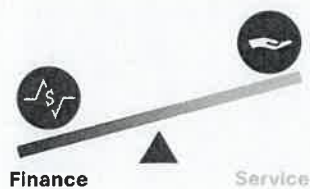


### International Air Service is a battle among communities

- **Richmond can compete** for Caribbean air service. Leisure market is strong
- **European service is unusual** for markets the size of RIC. Bradley-Hartford has daily service to Dublin, reinstated after a three-year pause during Covid and its aftermath (it is a shorter distance market with excellent "beyond" connections in Europe)
- **Markets larger than RIC** (IND, PDX and PIT) typically offer significant incentives (\$10m-\$15m) to win service to European destinations such as London and Paris
- **Airports can offer benefits** such as waiving landing fees and some marketing for 1-2 years, but **community support is required for travel banks and larger incentive efforts** (e.g., businesses, state and local economic development and travel/tourism agencies)
- **Initiatives on air service** should be considered as part of the new RIC strategic plan's vision and goals

### Assessing and Balance Risks during Dynamic Times

Airports 2021, Post-Pandemic Traffic Down, Focus on **Financial Risk**



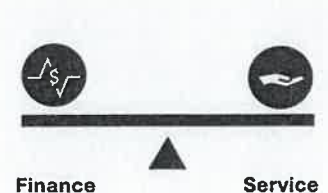
- Most airports were well below 2019 levels with the uncertainty generated by the pandemic
- While some airports experienced operational recovery, especially with holiday and leisure traffic, business and international traffic slow to recover
- Federal aid mitigated some risks, but uncertainties remained

Airports 2024, Recovery Shifts Priorities to **Service Risk**



- With recovery, airports increasingly challenged to meet demand while providing a superior guest experience
- Revenue forecasts support investments, the question centers on near-term and long-term priorities
- The recently passed FAA authorization reduced Washington policy risks for now

Airports 2025, Uncertainty amid growth, carefully **Balance Risks**



- After accelerating investments, and airports' hoping for additional interest rate cuts, those now appear unlikely with the **Federal Reserve**
- Airports are closely monitoring 2025 schedules to assess affordability of new infrastructure projects and possibly pull back

Chair Holland thanked Dr. Van Beek for his informative presentation.

## 2. Aviation Activity Report

At Dr. Perry Miller's request, Mr. Bell gave the following report:

**Passenger Traffic:** Richmond International Airport (RIC) reports 395,919 total passengers for the month of March 2025, a 4.2 percent decrease from the March record established last year. For fiscal year-to-date 2025 (FYTD25), passenger traffic has decreased 1.0 percent compared to the same period a year ago, representing a loss of approximately 36,000 passengers.

Delta Air Lines was the market leader for the month with a 28.1 percent share of passengers, followed by American (27.7%) and United (11.9%). One airline, Southwest (+19.4%), reported growth in March.

**Cargo:** Total cargo reported an increase of 4.8 percent for the month and an increase of 7.4 percent for FYTD25. Mail, as has been the case for several months, was sharply up.

**Operations:** In March, aircraft operations increased 4.7 percent versus last year with commercial operations showing healthy gains. For FYTD25, operations have increased 0.2 percent.

### **Additional Comments**

- **BermudAir** continues to progress towards a June 7<sup>th</sup> start for twice-weekly **Richmond-Hamilton, Bermuda (BDA)**, service. The airline is pleased with the initial response from the market and has met locally with air service development partners like **Chamber RVA**, the **Greater Richmond Partnership**, **Richmond Region Tourism**, travel advisors, and the **Virginia Business Travel Association**.
- In addition to **New York-LaGuardia (LGA)** service starting next month, **Spirit Airlines** announced new thrice-weekly service to **Detroit (DTW)** starting June 12.
- **Breeze Airways** announced new service to **West Palm Beach (PBI), Florida**, beginning in September. Flights will operate on a twice-weekly frequency.
- During the second half of FY25, air carriers will offer **38 nonstop** destinations from RIC.
- Scheduled seat capacity and departures as of April 23, 2025, via Airline Data, Inc.:

Month	Seats	YOY Change	Departures	YOY Change
March 2025	502,578	+1.6%	4,399	+10.0%
April 2025	502,260	-2.1%	4,322	+2.7%
May 2025	566,175	+1.9%	4,824	+4.7%
June 2025	577,681	+10.0%	4,948	+11.0%
July 2025	605,786	+14.0%	5,206	+15.5%
August 2025	605,792	+15.9%	5,160	+15.8%

3. **Other**

There was none.

E. **COMMISSION STANDING COMMITTEE REPORTS**

1. **Finance and Audit Committee**

Finance Chairman Fulton stated that the committee did not meet and requested Mr. Greatti to review the monthly financials in Mr. Dosunmu's absence.

a. **Monthly Financial Update March 31, 2025**

Mr. Greatti reviewed the following:

For the first nine months of Fiscal Year 2025, year-to-date operating revenue reached \$50.2 million. This amount reflects an increase of about \$1.55 million, or 3.2%, compared to the budgeted figure. The rise in revenue is mainly attributed to increased enplanements, leading to higher parking and landing fees.

Year-to-date operating expenses reached approximately \$29.8 million, which is \$5 million less than budgeted, representing a 14.5% reduction. One of the main reasons for these lower expenses is that the Commission has allocated funding for 198 approved full-time positions. Currently, 166 of these positions are filled, resulting in 32 vacancies.

Overall, the year-to-date gross margin is 41% or about \$20.5 million of revenue to the bottom line. This is approximately \$6.6 million above budget.

As of now, year-to-date interest income is \$5.8 million, which is nearly \$4.7 million above the budget and approximately \$561,000 higher than last year. The yield has slightly decreased to 4.2% for the month; however, we are still generating a healthy cash balance overall.

For FY 2025, enplanements were 1,769,493 passengers, reflecting a slight reduction of 7,758 passengers in the budget.

2. **Planning & Construction Committee**

Committee Chair Dibble indicated that the Planning & Construction Committee met and has a couple items for the Commission to review and approve.

a. **Approval of Construction Management Procurement for Consolidated Security Checkpoint Project**

Mr. Tummala reviewed the following resolution:

Staff recommends, with the approval of the Planning and Construction Committee, that the Capital Region Airport Commission (the “Commission”) adopt the following resolution:

**WHEREAS**, 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 Commission is undertaking its Consolidated Security Screening Checkpoint project for the consolidation of the two existing security checkpoints into one checkpoint area and the addition of new landside and airside restrooms, vertical circulation, meet and greet spaces, concessions, support and administrative spaces, and a full-service cafeteria (the “Project”), and Commission staff has recommended that the Commission utilize the construction management method of contracting for the construction of the Project; and

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

**WHEREAS**, in accordance with Virginia Code § 2.2-4382, by resolution adopted January 28, 2025, the Commission implemented its Construction Management Procurement Policy (the “CM Policy”) consistent with the procedures adopted by the Secretary of Administration for utilizing construction management contracts; and

**WHEREAS**, Virginia Code § 2.2-4382 and the CM Policy require that the Commission adopt a resolution on a per project basis approving the use of the construction management procurement method; and

**WHEREAS**, the Commission has hired Gresham Smith, a licensed architect with professional competence appropriate to the Project to advise the Commission regarding the use of construction management for the Project and to assist the Commission with the preparation of a request for proposals or request for qualifications and the evaluation of such proposals or qualifications; and

**WHEREAS**, Gresham Smith has advised that the Project is a complex project as defined by Virginia Code § 2.2-4379, and that the design-bid-build delivery method/competitive sealed bidding is not practicable or fiscally advantageous for the Project, based upon factors that include site

location complications, design control needs, the need for an accelerated project timeline, considerations with respect to construction costs, the need for unique and specialty equipment, and intricate phasing requirements, all as more particularly set forth in its report dated April 9, 2025, a copy of which is attached hereto as Exhibit 1.

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

1. That the above described Project is a complex project as defined by Virginia Code § 2.2-4379, and that the design-bid-build delivery method/competitive sealed bidding is not practicable or fiscally advantageous for the Project, based upon factors that include site location complications, design control needs, the need for an accelerated project timeline, considerations with respect to construction costs, the need for unique and specialty equipment, and intricate phasing requirements, all as more particularly set forth in Gresham Smith's report dated April 9, 2025 attached hereto as Exhibit 1.

2. That the use of the construction management procurement method for the Project in accordance with the CM Policy is hereby approved.

#### EXHIBIT 1



April 9, 2025

Nagesh Tummala, C.M., ACE  
Capital Region Airport Commission  
1 Richard E. Byrd Terminal Drive  
Richmond, Virginia 23250

Subject: Consolidated Security Screening Checkpoint Complex Project Description  
Richmond International Airport  
Gresham Smith Project No. 45533.48

Dear Mr. Tummala:

Please find the complex project description for the Consolidated Security Screening Checkpoint for your use.

From Section 2, of Capital Region Airport Commission's "Construction Management Procurement Manual" it states:

*The Commission is authorized to use competitive negotiations to procure CM contracts when it determines in advance that the design-bid-build project delivery method/competitive sealed bidding is not practicable or fiscally advantageous. This written determination shall be included in the Request for Qualifications and maintained in the procurement file. The written determination shall include the grounds for the determination which shall include one or more of the following:*

- a. Complexity of the project
- b. Construction costs
- c. Project timeline
- d. Design control needs
- e. Site location complications

*Genuine Ingenuity*

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GreshamSmith.com

Nagesh Tummala  
April 9, 2025

Also from Section 2, of Capital Region Airport Commission's "Construction Management Procurement Manual" it states:

*CM contracts may be used on projects, provided that (i) the project is a complex project as defined by Virginia Code § 2.2-4379 and (ii) the project procurement method is approved by the Board of the Commission for that specific project. The written approval of the Board of the Commission shall be maintained in the procurement file.*

The Code of Virginia defines a "Complex project" as a construction project that includes one or more of the following significant components: difficult site location, unique equipment, specialized building systems, a multifaceted program, accelerated schedule, historic designation, intricate phasing and or some other aspect that makes competitive sealed bidding not practical. See Va. Code § 2.2-4379.

Based on the definition of Complex Project by the Code of Virginia and requirements of Capital Region Airport's Commission's Manual the following reasons are considered justification for use of CM for the Consolidated Security Screening Checkpoint project.

Difficult Site Location/Site location complications:

Projects being executed on an Airport campus are inherently complex due to operations at an Airport needing to be maintained 24/7 and the security and safety protocols set for working at an Airport. The proposed location of the consolidated checkpoint will be prior to the existing security checkpoints which has limited circulation space today. The project will span from landside to airside and the Contractor will have work within and around the airfield and TSA checkpoints. Due to the complexity of protocols of working within the project boundaries, there will be a limited number of qualified contractors to execute the project.

The Air Operations Areas (AOA), where new construction will be located, requires that safety rules be followed in the Aircraft Movement Areas where the contractor will be transporting materials and equipment across the airfield. The contractor's and subcontractor's staffs will be required to be badged for security purposes as they will be operating in the Security Identification Display Area (SIDA) in compliance with Transportation Security Administration (TSA) requirements in CFR 49 1542.205. An identification system must be used by construction personnel in this area and the badging of construction personnel managed by the contractor. Before allowing unescorted access to the SIDA area, a person must be trained, and their background investigated.

The Contractor's staging area may be on the airside, near active gates, the Contractor will have to coordinate with the Airport to maintain the gates active to the greatest extent possible. This will require the Contractor to manage and schedule construction sequences appropriately to maintain Airport operations. The Contractor will be responsible for maintaining the security of the construction site, which will require temporary measures to keep the landside and airside appropriately separated and secured. This will require the Contractor to closely coordinate with the Airport

Nagesh Tummala  
April 9, 2025

and TSA for compliance with security and safety protocols set forth by each entity. All these requirements will require a Contractor to have unique familiarity with airport construction.

Design Control Needs:

Bringing a CM on during design will provide benefit to the project and the Airport by creating a collaborative approach with the design team and contractor. The design team will work closely with the CM to work through the uniqueness of the project. Having the CM on the team in design will also allow for the CM to understand the Airport's, TSA and other stakeholder's requirements which will result in a more coordinated construction effort.

The design team will be able to coordinate design ideas and options with the CM and the CM will be able to provide cost certainty for proposed design options. This will allow for the Airport to understand the cost associated with proposed design options and inform them of potential cost saving opportunities.

Unique Equipment/Specialized Building Systems:

The Centralized Checkpoint utilizes various specialty equipment for security screening, including computed tomography (CT) scanners for baggage imaging, walk-through metal detectors, passenger screening devices and explosive trace detection (ETD) technology. The Contractor will need to have specialized knowledge and experience in aviation construction for installing the infrastructure associated with checkpoint equipment and coordination of the installation of the specialized equipment. By having a CM lead the construction of the checkpoint, it will allow for earlier and more thorough coordination of the specialized equipment.

Intricate Phasing:

To execute the project efficiently and effectively, the consolidated SSCP project will have complicated phasing that the Contractor will have to manage and coordinate. The Airport must always maintain operation of their checkpoints, which is a specific requirement to airport work. The Contractor will have to work closely with the design team, TSA and the Airport to ensure the phasing of construction allows passengers to access the checkpoints, existing and new, for the duration of construction. The Contractor will also have to work with the Airport and their tenants/stakeholders to phase the relocation and building of new tenant spaces and Airport offices.

All the phasing required on this project requires a Contractor with experience in phasing large complex projects as management of the phasing will be a critical aspect to execution of this project.

Nagesh Tummala  
April 9, 2025

Accelerated Schedule, Project Schedule & Construction Costs:

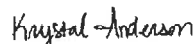
The project requires a compressed schedule to minimize impact to the community and out of town patrons at a critical public facility. Utilizing a Construction Manager delivery method will allow for acceleration of the schedule. By bringing a CM on board, the CM will be able to evaluate phasing early in the project and propose ways to minimize the impacts to the passenger flow through the checkpoint. The CM method will also allow for longer lead items to be procured sooner and allow for early phasing of construction to deliver a faster project.

The project also impacts existing concessionaire spaces and the Airport has concessionaire agreements that will need to be met and renewal dates to be achieved. A CM will bring the expertise of managing a schedule in such a way to minimize impacts to tenants and/or stakeholders.

An accelerated schedule will also allow for savings on construction costs as the project will be able to be delivered faster. A CM will also be able to procure larger ticket items faster than a typical design-bid-build project. Delivering the project faster and procuring larger ticket items sooner in the construction process will save on costs associated with escalation.

Based on the descriptions of the components listed above, the Architect considers this to be a complex project and a project where competitive sealed bidding is not practicable nor fiscally advantageous, and a project more appropriate for the use of CM as a procurement method. Please let me know if you have any questions or comments on the description of the Consolidated Security Screening Checkpoint project as a complex project.

Sincerely,



Krystal Anderson, AIA  
Senior Aviation Architect

Copy      John Rutledge  
             David King  
             Eric Sweet  
             Brad Sucher

Commissioner Dibble stated the Planning & Construction Committee reviewed both resolutions in detail.

At Chair Holland's request, Commissioner Fulton seconded the motion previously made by the Planning & Construction Committee to

approve the Construction Management procurement for the Consolidated Security Screening Checkpoint Project and the Design-Build Procurement for the Parking Guidance System. The motion passed unanimously.

**b. Approval of Design-Build Procurement for Parking Guidance System Implementation**

Staff recommends, with the approval of the Planning and Construction Committee, that the Capital Region Airport Commission (the “Commission”) adopt the following resolution:

**WHEREAS**, 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 Commission is undertaking the implementation of a Parking Guidance System within the public parking garages at the Richmond International Airport (the “Project”), and Commission staff has recommended that the Commission utilize the design-build method of contracting for the Project; and

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

**WHEREAS**, in accordance with Virginia Code § 2.2-4382, by resolution adopted January 28, 2025, the Commission implemented its Design-Build Procurement Policy (the “DB Policy”) consistent with the procedures adopted by the Secretary of Administration for utilizing design-build contracts; and

**WHEREAS**, Virginia Code § 2.2-4382 and the DB Policy require that the Commission adopt a resolution on a per project basis approving the use of the design-build procurement method; and

**WHEREAS**, the Commission has hired 20/20 Parking Consultants, LLC (“20/20”), a licensed engineer with professional competence appropriate to the Project to advise the Commission regarding the use of design-build for the Project and to assist the Commission with the preparation of a request for proposals and the evaluation of such proposals; and

**WHEREAS**, 20/20 has advised that the Project is a complex project as defined by Virginia Code § 2.2-4379, and that the design-build procurement method is recommended for the Project, based upon factors that include a difficult site location, intricate phasing requirements, and the need for unique equipment, as well as design control needs, the need to minimize the project timeline, and the overall complexity of the project, all as more particularly set forth in its report dated April 9, 2025, a copy of which is attached hereto as Exhibit 1.

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

1. That the above described Project is a complex project as defined by Virginia Code § 2.2-4379, and that the design-bid-build delivery method/competitive sealed bidding is not practicable or fiscally advantageous for the Project, based upon factors that include a difficult site location, intricate phasing requirements, and the need for unique equipment, as well as design control needs, the need to minimize the project timeline, and the overall complexity of the project, all as more particularly set forth in 20/20's report dated April 9, 2025 attached hereto as Exhibit 1.
2. That the use of the design-build procurement method for the Project in accordance with the DB Policy is hereby approved.

#### EXHIBIT 1

**20/20 Parking  
Consultants**

23227 Prairie Pebble Court  
Katy, Texas 77494  
Telephone: (832) 867-4690

APRIL 9, 2025

**RE: Justification for the use of Design-Build Procurement Method  
Capital Region Airport Commission  
Richmond International Airport  
Parking Guidance System Implementation**

To whom it may concern,

20/20 Parking Consultants, LLC (20/20) has been engaged as a subconsultant to Timmons Group, Inc., by the Capital Region Airport Commission (the Commission) to serve as the licensed engineer with professional competence appropriate to consult on the selection and implementation of a Parking Guidance System (PGS) at Richmond International Airport (RIC). 20/20 will assist the Commission with the preparation of the Request for Proposal and the evaluation of the proposals for the PGS.

The PGS implementation project meets the criteria of a "complex project" as defined by Virginia Code § 2.2-4379, in that it involves work in a difficult site location, intricate phasing, and unique equipment.

Difficult site location: The PGS will be installed in RIC's existing North and South Daily Parking Garages. These parking facilities are consistently over 90% occupied by vehicles, operating 24 hours per day, 7 days per week, and 365 days per year. The facilities experience frequent periods of intense congestion with vehicles circulating throughout the area of construction seeking parking spaces that must remain in operation throughout the construction of the project.

Intricate phasing: Construction of the PGS will be conducted in these live operating parking garages introducing the need for intricate phasing to systematically close individual parking aisles or sections of the garages sequentially to facilitate the construction without requiring an entire facility or a large portion of a facility to be closed at any time during construction. Often in PGS implementation projects the system is installed one level at a time requiring the closure of a level and “bleeding” of parked vehicles prior to floor being clear for construction. These phasing plans require very detailed and complex coordination between various contractors including electricians, cleaning crews, traffic management personnel, IT, and the PGS installers to complete their respective scopes of work in the closed area as efficiently as possible to minimize down time and lost parking revenue. As the PGS installation of each aisle, section, or level is complete, the area can be re-opened for customer use as the construction crews move to the next area. Typically, airports choose to activate the PGS in each area as soon as installation of that area is complete. This provides the ability to commission and test the active components while providing incremental, beneficial use to the airport’s customers as construction progresses. Maintaining parking capacity at RIC throughout construction is paramount as the daily garages are RIC’s most highly utilized and highest revenue generating parking facilities.

Unique equipment: Based on 20/20’s experience consulting on dozens of PGS projects at US airports, there are between three and five PGS suppliers that can deliver a PGS of the complexity and quality that is required at RIC. Each of these suppliers have unique system requirements related to the mounting requirements, power infrastructure, and communication infrastructure that will ultimately be required to support the selected PGS. For example, certain suppliers require proprietary cabling channels that the parking occupancy monitoring sensors mount to. Certain suppliers utilize Power Over Ethernet (POE) protocol to supply power to the sensors and directional signage, while others require dedicated 24v, 48v, or 120v supply to power the PGS devices. Finally, certain suppliers require serial communication to the sensors and signs, while other suppliers utilize POE connections to communicate with the devices. The differences in infrastructure requirements between the various PGS vendors makes the D-B method ideal to minimize the risk of developing a design prior to selection of the vendor, which could likely result in having to go back and re-design non-compliant aspects of the original design. In addition, the D-B method reduces the risk of lost parking revenue during construction as all contractors will be on the same team working in a closely coordinated manner that will minimize the duration of the construction and resultant loss of parking capacity while the work is being performed.

In summary, the design for the PGS must be specifically tuned to the PGS supplier selected. As such, the Design-Build procurement method is the recommended method for the Commission to procure the highest quality PGS while allowing for a design tailored to meet the unique requirements of the selected PGS and facilitating the fastest construction schedule possible.

Kind regards,



James E. Maglothlin, P.E.

PRESIDENT

20/20 PARKING CONSULTANTS, LLC

### c. Capital Projects Update

Due to time constraints, Mr. Tummala did not review the Capital Projects.

Commissioner Dibble confirmed that the project list included in the packets is kept up to date with all current projects.

## III. CLOSED MEETING

There was none.

## IV. NEXT MEETINGS

The next Capital Region Airport Commission meeting will be held on Tuesday, May 27, 2025, at 8:00 a.m.

The Executive Committee meeting will be held on Tuesday, June 10, 2025, at 8:00 a.m.

The **Finance & Audit Committee** meeting will be held on Tuesday, May 13, 2025, at 8:00 a.m.

The **Planning & Construction Committee** meeting will be held on Thursday, May 15, 2025, at 8:00 a.m., all in the Commission Boardroom in the Terminal Building.

**V. ADJOURNMENT**

Before adjourning, Commissioner Hazzard voiced concerns about retaining police officers with competitive salaries as their jobs relate to customer service and airport safety.

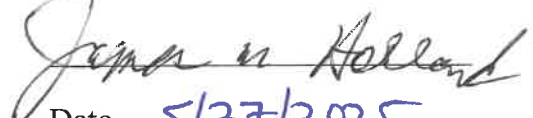
Dr. Perry Miller confirmed that we are consistently conducting compensation studies to maintain our competitiveness in the community.

Chair Holland adjourned the meeting at 9:35 a.m.

Approved by the Commission:

  
Recording Secretary

James M. Holland, Chairman

  
Date 5/27/2025