

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

October 28, 2025

I. CALL TO ORDER

Chairman Charles S. Macfarlane called the Capital Region Airport Commission's regular monthly meeting to order at 8:00 a.m. on October 28, 2025. 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, Macfarlane, Miller, Nelson, Roundtree, Schneider, and Ukrop. Present by invitation were Dr. Perry J. Miller, President and CEO; John B. Rutledge, Chief Operating Officer; Basil O. Dosunmu, Chief Financial Officer; Troy Bell, Director – Air Service Development and Corp Comms; Richard Greatti, Director – Finance; Ken Madrigal, Director – Marketing and Customer Experience; Nagesh Tummala, Director – Capital Development; Susan Joy Linn, Recording Secretary; and W. David Harless, legal counsel from Christian & Barton, LLP.

Special invited guests included Adisa Muse and Elizabeth Rafferty, Directors of Government Affairs at Hunton Andrews Kurth LLP, along with Juan Pittman, Principal and Co-Managing Partner, Dianne Klaiss, and Matt Townsend, Directors at Frasca & Associates LLC.

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

Commissioners Carroll and Lynch were absent.

II. CLOSED MEETING

The Commission convened into closed session at 8:03 a.m. Chairman Macfarlane entertained a motion made by Commissioner Cooper 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 MEETING AGENDA

The Commission reconvened in an open session at 8:11 a.m. Chairman Macfarlane entertained a motion made by Commissioner Heston and seconded by Commissioner Roundtree, 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

At the request of Chair Macfarlane, Commissioner Hazzard moved to add ITEM III.E.1.b. Commonwealth Aviation Service Lease Amendment. Commissioner Cooper seconded the motion, which passed unanimously.

B. CHAIRMAN'S COMMENTS

Chairman Macfarlane notified the Commission of the tragic passing of John V. Mazza Jr. due to a utility task vehicle (UTV) accident on Saturday, October 25. Mr. Mazza served on the Commission representing Chesterfield County as well as on the Virginia Aviation Board (VAB).

Additionally, heartfelt condolences are extended to the family of Commissioner James S. Holland and the Chesterfield community following his passing earlier this month. Chairman Macfarlane read a brief tribute that was circulated and published on the airport's website.

Chairman Macfarlane recognized Dr. Perry Miller who was voted Director of the Year for Small-hub Airports by *Airport Experience News* (AXN) and read his personalized quote provided to the magazine for the December article release.

The chairman emphasized the Airport's ongoing growth and stated that the Commission must prepare for it in all areas.

Lastly, the Branding/Visioning Committee met, and a list of community stakeholders and creatives is being compiled for a charette to improve airport branding. The chair has participated in several individual branding meetings, with the next meeting scheduled with R. Vann Graves, executive director of Virginia Commonwealth University (VCU) Brand Center, next week.

C. APPROVAL OF SEPTEMBER 30, 2025, MINUTES

At Chairman Macfarlane's request, Commissioner Hazzard moved to approve the minutes of September 30, 2025. Commissioner Fulton seconded the motion, and the minutes were approved unanimously.

D. PRESIDENT'S REPORT

1. Adisa Muse & Elizabeth Rafferty, Directors Government Affairs with Hunton Andrews Kurth LLP – State Lobbyists

Dr. Perry Miller provided a brief introduction of Mr. Muse and Ms. Rafferty before they provided the following presentation:

Hunton's Role

- Engagement began January 2025
- 2025 legislative support
 - DOAV legislation
- Relationship building
- Interim legislative Commission meetings
- Emergency Committee on impacts of Federal Workforce and Funding Reductions
 - About 24% of Virginia's economy relies on federal spending
 - Reconciliation Bill Impacts to VA

2025 Statewide VA Election will be historic:

- Governor
 - Lt. Governor Winsome Sears (R)
 - Rep. Abigail Spanberger (D)
- 2025 House of Delegates Elections
 - All 100 seats have an opponent
 - 12 key races to watch
 - 51 Democratic incumbents
 - 48 Republican incumbents
 - 1 open seat
 - Campaign Contributions
 - \$44.8 M raised by Democrats
 - \$20.6 M raised by Republicans
- 3 Policy Issues in this Election
 - Energy
 - Cost of living
 - Education

The 2026 Virginia General Assembly

- Long, 60-day, eight-week session
- Governor Youngkin will present his final biennial budget in December
- Inauguration
- Legislative Process
 - Bill introduction
 - House/Senate Committees
 - Cross-Over
 - Fail/Pass/Signature
- Key Issues
 - Energy
 - Gaming
 - Cannabis
 - Tax reform
 - Budget – Federal impacts on state spending.

The State Budget Process

- Biennial budget (two-year budget adopted in even-numbered years)
- Amendments enacted in odd-numbered years
- Process has five distinct phases:
 - Agency Decision Packages
 - Dept. of Budget and Planning Review
 - Governor's proposed budget
 - Legislative Action
 - House Budget
 - Senate Budget
 - Conference Committee
 - Governor's Review
 - Budget Execution

2. Juan Pittman, Principal, Co-Managing Partner with FRASCA & Associates LLC – Financial Advisor Introduction

Mr. Dosunmu provided a brief introduction before Mr. Pittman and his team made their presentation, which included additional introductions.

Who We Are

- **Leading full-service Financial Advisor and Consultant for the Airport Sector providing specialized advice and strategic guidance on all aspects of accessing the municipal bond markets and airport finance**
 - 28 years as an independent advisory firm with excellent industry reputation
 - Registered with the MSRB (ID: K0164), SEC (SEC MA File No. 867-00159) and Registered Investment Advisor
 - Advised on 355 transactions aggregating approximately \$218.8 billion since inception
 - Ranked #1 in Airports in 2025 advising on 27 issues totaling over \$10.5 billion with 53.23% market share

- Provides full suite of on-demand airport financial consulting services, including CFCs, PFCs, airline rates and charges, parking and ground transportation rates and charges, and federal regulatory compliance
- **Minority-owned (African American and Asian American)**
 - Highest-ranked MBE financial advisory firm in the nation
 - 50% of our workforce composed of minorities and women

FRASCA Clients and Services

- Strategic Capital Program Financial Planning
- Car Rental Negotiations and CFC Strategies
- Debt Issuance and Management
- Airline Rates & Charges
- PFC Application and Strategies
- Other Federal Funding Program (AIP and IIA)
- Concession and Other Nonairline Agreements
- Financial & Management Reporting
- Benchmarking & Best Practices
- Air Traffic Analyses & Forecasting



FRASCA is the Leading Airport Financial Advisor

- Certified Municipal Advisor with MSRB and SEC
- All RIC Team Members MSRB Series 50 Municipal Advisor Certified
- Financial Metrics and Policies
- Debt Structuring
- Short-Term and Interim Financing Strategies
- Rating Agency and Investor Strategies

The FRASCA Team Brings RIC Unmatched Airport Finance Expertise

- More than 100 years of combined airport finance experience
- Two Former large-hub airport CFOs
- Selected for breadth of experience providing the scope of work on an “on-call” basis to clients similar to RIC
- Supported by 17 additional staff members to respond to subject matter expertise, including former bond attorneys, rating analysts, investment bankers, and public-private partnership advisors
- Selected Clients Service by FRASCA Team Members
 - Louis Armstrong New Orleans International Airport
 - Greenville-Spartanburg International Airport (GSP) Robert Williken Field
 - Hartsfield-Jackson Atlanta International Airport (ATL)
 - Myrtle Beach International Airport (MYR)
 - Virgin Islands Port Authority
 - Metropolitan Washington Airports Authority (MWAA)
 - Raleigh-Durham International Airport (RDU)
 - Charlotte Douglas International Airport (CLT)

THE BOND BUYER

SELL SIDE

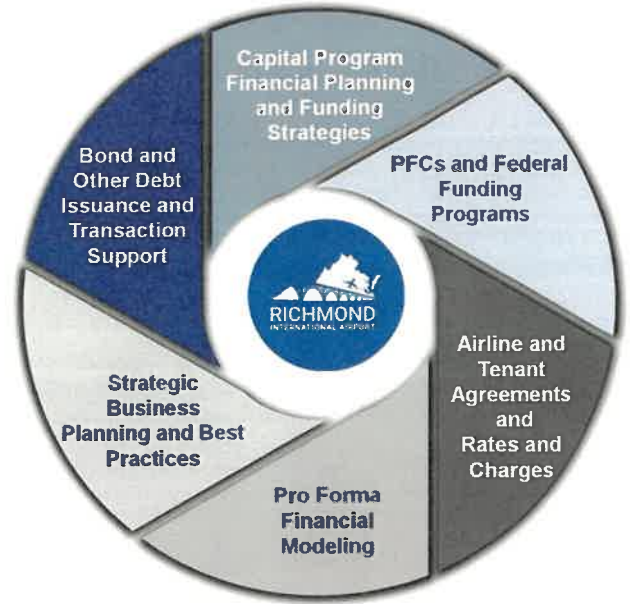
Financial advisory firm Frasca still flying high after 20 years

By Chip Barnett April 18, 2017, 12:07 p.m. EDT 7 Min Read



FRASCA's 360-Degree Approach

- We Help Airports Make Decisions with our 360-Degree View
- Full Firm Commitment
- Responsive and Timely “On-Call” Service
- Customized, Market-Appropriate Solutions—Not Boilerplate Box-Checking
- “End-to-End” Support—From Conception to Implementation
- Long-Lasting Relationships and Partnerships



Unmatched CFC Experience

 <p>\$ 235,000,000</p> <p>Series 2025AB <i>Airport Customer Facility Charge Revenue Bonds</i></p> <p>City of Atlanta – Hartsfield-Jackson Atlanta International Airport</p>	 <p>\$ 546,015,000</p> <p>Series 2022A <i>Customer Facility Charge Revenue Bonds</i></p> <p>Department of Airports of the City of Los Angeles</p>	 <p>\$ 151,100,000</p> <p>Series 2019AB <i>Customer Facility Charge Revenue Bonds</i></p> <p>Connecticut Airport Authority</p>	 <p>\$ 103,130,0000</p> <p>Series 2019 <i>Customer Facility Charge Revenue Bonds</i></p> <p>Kenton County Airport Board</p>
	 <p>\$ 304,730,000</p> <p>Series 2019AB <i>Customer Facility Charge Revenue Bonds</i></p> <p>City of Phoenix Civic Improvement Corporation</p>	 <p>\$ 82,565,000</p> <p>Series 2018 <i>Gulf Opportunity Zone CFC Revenue Refunding Bonds</i></p> <p>New Orleans Aviation Board</p>	

DISCLOSURE OF CONFLICTS OF INTEREST AND LEGAL OR DISCIPLINARY EVENTS

Pursuant to Municipal Securities Rulemaking Board ("MSRB") Rule G-42, on Duties of Non-Solicitor Municipal Advisors, Municipal Advisors are required to make certain written disclosures to clients and potential clients which include, amongst other things, Conflicts of Interest and any Legal or Disciplinary events of Frasca & Associates LLC and its associated persons.

Conflicts of Interest

Compensation

Frasca & Associates LLC represents that in connection with the issuance of municipal securities Frasca & Associates LLC may receive compensation from an Issuer or Obligated Person for services rendered, which compensation is contingent upon the successful closing of a transaction and/or is based on the size of a transaction. Consistent with the requirements of MSRB Rule G-42, Frasca & Associates LLC hereby discloses that such contingent and/or transactional compensation may present a potential conflict of interest regarding Frasca & Associates LLC's ability to provide unbiased advice to enter into such transaction. This conflict of interest will not impair Frasca & Associates LLC's ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer.

It should be noted that other forms of compensation (i.e., hourly or fixed fee based) may also present a potential conflict of interest regarding Frasca & Associates LLC's ability to provide advice regarding a municipal security transaction. These other potential conflicts of interest will not impair Frasca & Associates LLC's ability to render unbiased and competent advice or to fulfill its fiduciary duty to the Issuer.

Other Municipal Advisor Relationships

Frasca & Associates LLC serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of another Frasca & Associates LLC client. For example, Frasca & Associates LLC serves as municipal advisor to other municipal advisory clients and, in such cases, owes a regulatory duty to such other clients just as it does to the Issuer receiving this disclosure. These other clients may, from time to time and depending on the specific circumstances, have competing interests. In acting in the interests of its various clients, Frasca & Associates LLC could potentially face a conflict of interest arising from these competing client interests. Frasca & Associates LLC fulfills its regulatory duty and mitigates such conflicts through dealing honestly and with the utmost good faith.

If Frasca & Associates LLC becomes aware of any additional potential or actual conflict of interest after this disclosure, Frasca & Associates LLC will disclose the detailed information in writing to the issuer or obligated person in a timely manner.

Legal or Disciplinary Events

Frasca & Associates LLC does not have any legal events or disciplinary history on Frasca & Associates LLC's Form MA and Form MA-I, which includes information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. The Issuer may electronically access Frasca & Associates LLC's most recent Form MA and each most recent Form MA-I filed with the Commission at the following website: www.sec.gov/edgar/searchedgar/companysearch.html.

There have been no material changes to a legal or disciplinary event disclosure on any Form MA or Form MA-I filed with the SEC. If any material legal or regulatory action is brought against Frasca & Associates LLC, Frasca & Associates LLC will provide complete disclosure to the Issuer in detail allowing the Issuer to evaluate Frasca & Associates LLC, its management and personnel.

3. Aviation Activity Report

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

Passenger Traffic: With air carriers reporting 402,302 passengers in September, Richmond International Airport (RIC) established a new month of September passenger record. The total represents a 2.7 percent increase versus the same month a year ago (391,797). For fiscal year 2026 (FY26) to date, passenger traffic is 4.0 percent ahead of the same period a year ago.

Delta Air Lines was the month's market leader with a 30.4 percent share of passengers, followed by American (27.6%), and United (14.0%). Breeze (+62.7%), United (+17.1%), and Southwest (+7.5%) reported the largest growth amongst RIC's air carriers.

Cargo: September total cargo increased 6.6 percent to 19.8 million pounds and continues to report robust mail volume. Thus far in FY26, cargo is up 5.9 percent.

Operations: Airport operations increased 8.4 percent in September, with air carriers leading the way, reporting 14.2 percent growth compared to the same month a year ago. Through the first quarter of FY26, aircraft operations are up 10.8 percent.

Additional Comments

- New entrant **Frontier Airlines** launched two routes in October, Atlanta and Denver. Both inaugural flights were popular with the first out of the gate, Richmond-Atlanta, enjoying a brief appearance by Frontier mascot **Griz the Grizzly Bear**. The carrier briefly offered introductory fares for Atlanta and Denver, **from \$29 and \$49 each way**, respectively.
- RIC is scheduled to attend the **TakeOff North America 2025** air service development conference in Tallahassee, November 4-6.
- During the first half of FY26, air carriers will offer **38 nonstop** destinations from RIC.
- Scheduled seat capacity and departures as of October 20, 2025, via Airline Data, Inc.:

Month	Seats	YOY Change	Departures	YOY Change
September 2025	505,682	+3.7%	4,582	+9.6%
October 2025	578,425	+11.6%	5,095	+11.8%
November 2025	562,784	+15.0%	4,876	+16.5%
December 2025	560,511	+13.2%	4,821	+13.2%
January 2026	503,102	+11.9%	4,403	+14.1%
February 2026	469,120	+13.7%	4,124	+14.1%

4. Strategic Plan Update/Commission Vote

Mr. Dosunmu provided a brief review of the Strategic Plan – *Wheels Up 2030*.

Vision: To be the region’s preferred gateway to the world

Mission: Propelling regional prosperity by delivering world-class customer experience and operational excellence.

Driven by Values, United by Purpose (STRIVE)

- **Safety-Focused**
 - We ensure that safe operations and a safe environment are priority #1.
- **Trust and Integrity**
 - We do what is right, even when it is difficult by being honest, trustworthy, and transparent.
- **Respectful Service**
 - We serve everyone with respect, empathy, and professionalism.
- **Innovate with Purpose**
 - We pursue and embrace the smartest and best solutions in everything we do.
- **Versatility**
 - We remain agile and willing to change.
- **Empower Teamwork**
 - We Succeed together by empowering teamwork and communication, challenging the status quo, and pursuing shared goals.

STRATEGIC PRIORITIES & OBJECTIVES



At the request of Chairman Macfarlane, Commissioner Ukrop motioned to approve the Strategic Plan. Commissioner Dibble seconded the motion, and it passed unanimously.

5. Other

Dr. Perry Miller provided the following updates:

- Government shutdown impacts for the airport's federal partners.
 - Weekly meetings have been held with the Transportation Safety Administration (TSA), Air Traffic Control (ATC), and Customs and Border Protection (CBP), which indicated that the impact on RIC has been minimal.
 - Federal employee's first paycheck in October was only 75% of their normal pay, and the employees' subsequent paychecks are at 0%.
 - We are proud of the employees who continue to show up without pay to provide essential support to the airport.
 - Coordination has been a dynamic effort, with food trucks, Marco's Pizza, and others rising to the occasion to provide nourishment and support.
- The current Fixed Based Operator (FBO) has chosen not to provide comments during the open session. However, they are open to having individual discussions with members of the Commission about their activities with the

federal government. If anyone is interested in setting up a meeting, please reach out for coordination.

E. COMMISSION STANDING COMMITTEE REPORTS

1. Finance and Audit Committee

a. Monthly Financial Update September 30, 2025

Mr. Dosunmu reviewed the following:

For the third month of Fiscal Year 2026, operating revenue was \$19.8 million. This amount reflects an increase of approximately \$0.9 million, or 5.0%, compared to the budgeted figure. The parking, concessions, landing, and apron fees have exceeded revenue expectations.

Operating expenses totaled approximately \$12.0 million, \$1.0 million below budget, or 8.0%. One of the main reasons is personnel expenses. There are 207 approved FTE, 177 filled with 30 vacancies for a 14.5% vacancy rate.

Overall, the year-to-date gross margin is 39%, or approximately \$7.8 million of revenue added to the bottom line. This is approximately \$2 million above budget.

For September, interest income has reached nearly \$1.8 million, exceeding the budget by \$1.4 million. The annual yield is currently at 3.5%, a healthy interest income.

Lastly, September enplanements totaled 651,154 passengers, which is above budget by about 14,050.

b. Commonwealth Aviation Service Lease Amendment

Mr. Rutledge reviewed the following resolution:

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

WHEREAS, the Commission and Commonwealth Aviation Service, Inc. d/b/a Million Air-Richmond (“Million Air”) are parties to that Lease Agreement dated March 7, 1988, originally between the Commission and Aircraft Management Service Corporation, as amended and assigned (the “Lease”), pursuant to which Million Air leases certain premises (the “Premises”) at which it provides fixed base operator services at Richmond International Airport (the “Airport”); and

WHEREAS, the Lease will expire on January 31, 2026; and

WHEREAS, Million Air has requested a five-year extension of the term of the Lease commencing February 1, 2026, and expiring January 31, 2031 (the “Extension Period”); and

WHEREAS, the Commission is agreeable to extending the Lease upon the following terms and conditions:

Initial Annual Rent: \$381,071.16, payable in equal monthly installments

Annual Rent Escalation: Lesser of 3% or CPI-U

Million Air shall engage one or more contractors acceptable to the Commission to complete certain apron repairs and replacement of skylight/translucent panels at the Premises (the “Apron and Roof Improvements”), identified as items 1 and 2 on the Summary of Leasehold Improvements attached hereto and incorporated herein (the “Summary”), as well as certain additional improvements to the Premises (the “Additional Improvements”), identified as items 3 and 4 on the Summary.

Following completion of the Apron and Roof Improvements and the Additional Improvements, the Commission shall reimburse Million Air for the appropriate and documented costs of such improvements (such documentation to include without limitation payment receipts, appropriate certifications and lien waivers) up to the maximum amounts therefore payable by the Commission as set forth in the Summary. The Commission shall also pay or reimburse to Million Air certain design fees identified as items 5 and 6 on the Summary.

In addition, Million Air shall engage one or more contractors acceptable to the Commission to complete certain building envelope and interior improvements to the Premises (the “Building Improvements”), identified as items 7 and 8 on the Summary.

Following completion of the Building Improvements, the Commission shall provide Million Air credits against the annual rent otherwise due and payable during the Extension Period, or the remainder thereof, allocated uniformly on a monthly basis, in an aggregate amount equal to the total actual demonstrated cost of the Building Improvements, up to the total rent credit amount set forth in the Summary.

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, which amendment may include such additional terms and conditions not inconsistent with the terms hereby approved, 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.

SUMMARY OF LEASEHOLD IMPROVEMENTS

Item	Total Cost	Commission	Million Air (MA)	Notes	Total Reimbursed/ Unreimbursed Costs
1. Apron Repairs	\$407,500	\$305,625	\$101,875	Unreimbursed MA expense for 1/4 (25%) - See Cost Opinion	Total unreimbursed costs = \$121,875; total costs reimbursable to MA = \$405,625
2. Skylight / Translucent Panels	\$120,000	\$100,000	\$20,000	Unreimbursed MA expense for 1/6 (16.67%) – See Condition Report	
3. Lighting (LED)	\$44,000	\$44,000	\$0	MA contractor payments reimbursed by Commission – See Electrical Report	Total costs paid directly by Commission or reimbursable to MA = \$295,496
4. Exterior Curb Appeal	\$151,145	\$151,145	\$0	MA contractor payments reimbursed by Commission – See Cost Opinion	
5. Design Fees	\$70,351	\$70,351	\$0	Direct payment or reimbursement by Commission – See Cost Opinion	
6. Apron Repair Design	\$30,000	\$30,000	\$0	Direct payment or reimbursement by Commission – Cost estimated by Commission staff	
7. Building Envelope Repairs	\$34,850	\$0	\$34,850	Initial MA expense reimbursed through rent credits – See Condition Report	Total rent credits = \$632,423
8. Interior Improvements, Exterior Painting, and Awnings	\$597,573	\$0	\$597,573	Initial MA expense reimbursed through rent credits – See Cost Opinion	
TOTAL	\$1,455,419	\$701,121	\$754,298		Total reimbursed and unreimbursed costs = \$1,455,419

At Chairman Macfarlane's request, Commissioner Hazzard moved to approve the Commonwealth Aviation Service Lease Amendment (Million Air). Commissioner Miller seconded the motion, which passed unanimously.

2. **Planning & Construction Committee**

Committee Chair Dibble stated the Planning & Construction Committee did not meet this month.

IV. **NEXT MEETINGS**

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

The **Executive Committee** meeting will be held on Tuesday, January 27, 2026, at 9:30 a.m. following the Commission meeting.

The **Finance & Audit Committee** meeting will be held on Wednesday, November 12, 2025, at 8:00 a.m.

The **Planning & Construction Committee** meeting will be held on Thursday, November 13, 2025, at 8:00 a.m., all in the Commission boardroom in the terminal building.


V. **ADJOURNMENT**

Chair Macfarlane adjourned the meeting at 9:12 a.m.

Approved by the Commission:


Recording Secretary


Tyrone E. Nelson, Vice Chair
Charles S. Macfarlane, Chairman


Date 11/25/2025