**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**

**Thursday, August 27, 2020 at 4:00 p.m.**

**Virtual Meeting (Webex) Permitted by Governor DeSantis’**

**Executive Orders # 2020-69, #20-139, # 20-150 and 20-193**

**Monthly Meeting Highlights**

**Call To Order By the Chair** –Chair Grace Horvath called the meeting to order at 4:01 p.m.

**Roll Call**

Authority Members Present: Gerry Dedenbach, Grace Horvath, Bob Page, Kinnon Thomas and Randy Wright were present on the virtual meeting at roll call. Craig Carter was present in the Board Room at roll call.

Jean Calderwood, Bill Conrad and David Norton were absent.

Ex-officio member Eric Godet, Sr., was present on the virtual meeting. City of Gainesville liaison, Erik Bredfeldt, was present on the virtual meeting.

**Invocation:** Ms. Horvath delivered the invocation.

**Pledge of Allegiance:** Ms. Horvath led the Pledge of Allegiance.

**Determination of a Quorum**: A quorum was present at roll call.

Chair Horvath explained that, as a point of order, when the Chief Executive Officer concludes an explanation of an agenda item, she would call upon Board members for comments and/or questions. She reminded the Board members to state their names when making motions. She also requested that Board members enter questions by utilizing the Webex chat feature.

**Approval of Meeting Highlights of July 30, 2020**

***Mr. Carter moved to approve the GACRAA meeting highlights of July 30, 2020. Mr. Page seconded the motion. Motion passed.***

**Citizens’ Input – Non-agenda Items:** None. There were no members of the public present in the Board room. There were no comments received via email: meetings@flygainesville.com.

**Airport Authority Input – Non-agenda Items:** None

**Adoption of Agenda**

***Mr. Dedenbach moved to approve adoption of the agenda. Mr. Carter seconded the motion. Motion passed.***

**Airport Business**

**Information Items:**

*Coronavirus COVID-19 Impacts*

Mr. Penksa provided a status report on the impacts of the Coronavirus COVID-19. The full report is included as Attachment A.

Mr. Penksa stated that no GACRAA employees have been out sick, however one employee had an immediate family member who tested positive; both self-isolated and later tested negative and the employee returned to work. He reported that there are no airline or TSA labor or ATCT operational impacts due to COVID-19 at GNV.

Mr. Penksa reported that the airlines and the airport are providing face coverings to passengers that need them, however it’s been noted that passengers rarely arrive at the airport without wearing masks.

Mr. Penksa reported that passenger enplanements continue to be flat and are estimated at 28-30% in general.

Mr. Penksa stated that the flight schedule for Delta Airlines in September increases to 4 roundtrips to Atlanta on most days. He stated that American Airlines continues with 2 round trips to Charlotte and 1 round trip to Dallas-Ft. Worth; Miami service is still suspended but will resume in September with 1 round trip.

Mr. Penksa stated that Post-COVID TSA screenings peaked at 2,120 in week 34. This remains at approximately 30% of screenings vs. this time last year.

Mr. Penksa reported that GACRAA has received CARES grant reimbursements in the amount of approximately $1,561,477.22 from the FAA. He indicated that the funding is being applied to payroll, police and fire protection, utilities and debt service on the Eclipse hangar.

*Terminal Expansion Project Phase II – Terminal Expansion and Improvements*

Mr. Penksa displayed photos of the progress made on the terminal expansion and areas within the existing terminal:

* Architectural ceiling framing and installation of mechanical equipment is well underway;
* Within existing terminal, installation of porcelain tile continues in high traffic areas;
* Framing connections are being installed to new passenger boarding bridges;
* Application of exterior stucco is underway;
* Framing for the glass storefront is underway;
* Steel trusses and roof decking is installed on the east side restroom expansion.

*Terminal Expansion Project Phase III – Acquire & Install Two Passenger Boarding Bridges*

Mr. Penksa reported that a Notice of Award has been issued to the manufacturer and the FAA grant offer has been received. He stated that the City Commission will consider acceptance of the grant at its meeting on September 3, 2020. He indicated that the grant will be executed electronically for return back to the FAA by September 11, 2020. Mr. Penksa stated that once the construction contract is fully executed, a pre-construction meeting and Notice to Proceed will follow. He noted that the two boarding bridges are in the manufacturer’s production queue.

*GA Hangar Rehabilitation Project*

Mr. Penksa reported that work on T-Hangar row D is almost finished; interior painting is being completed and an all new steel envelope has been installed. T-Hangar row F refurbishment is next.

*Air Traffic Volume Reports*

Mr. Penksa reviewed the Air Traffic Volume Reports, Fuel Flowage and Load Factors for the month of July, 2020. In addition, he reviewed the daily parking lot counts and TSA weekly screenings charts.

**Finance Report**

CFO Matthew Lyons provided the Finance Report for the month ending July 31, 2020 in the agenda packet. He briefly explained various revenue and expense items that varied from budget.

|  |  |  |  |
| --- | --- | --- | --- |
| **Revenue** | **July 2020 Actuals** | **July 2020 Budget** | **Variance Over / (Under)** |
| Total Operating Revenue | $418,863.09 | $558,051.72 | ($139,188.63) |
|  |  |  |  |
|  |  |  |  |
| **Expenses** | **July 2020 Actuals** | **July 2020 Budget** | **Over / (Under)** |
| Total Expenses | $366,549.50 | $459,895.50 | ($93,346.00) |
|  |  |  |  |
|  |  |  |  |
| **Income (Loss) Before Depreciation and Interest** | **$52,313.59** | **$98,156.22** | **($45,842.63)** |
| Interest (Capitalized and Expensed) | $13,487.84 | $14,487.84 | ($1,000.00) |
| **Income (Loss) Before Depreciation** | **$38,825.75** | **$83,668.38** | **($44,842.63)** |

***Mr. Thomas moved to accept the Finance Report. Mr. Page seconded the motion. Motion passed.***

**Governance and Nominating Committee Report**

Ms. Horvath reported that the Governance and Nominating Committee, composed of Jean Calderwood, Gerry Dedenbach, David Norton and herself, met on August 19, 2020. She stated that the committee recommends the following slate of candidates for GACRAA officers:

|  |  |  |
| --- | --- | --- |
| Chair: |  | Grace Horvath |
| Vice-Chair: |  | David Norton |
| Secretary/Treasurer: |  | Gerry Dedenbach |

Ms. Horvath stated that the committee favored having the current officers serve a second term for the sake of continuity.

Ms. Horvath reported that the Board will vote at its September meeting. She stated that nominations from the floor can be made by other members of the Board at the September meeting.

**BBVA USA Line of Credit Renewal – Resolution 20-013**

Mr. Penksa reported that BBVA USA has offered a renewal of an annual $1,000,000 Line of Credit with a interest rate of LIBOR plus 2.75% but with a minimum interest rate that decreases from 4.5% to 3.75% per year. He noted that the line of credit serves as a safety net if needed as a bridge between construction project payments and grant reimbursements.

***Mr. Thomas moved to adopt Resolution 20-013 authorizing an annual renewal of the Line of Credit in the amount of $1,000,000 from BBVA USA. Mr. Carter seconded the motion. A roll-call vote followed: Mr. Carter – aye, Mr. Page – aye, Mr. Thomas – aye, Mr. Wright – aye and Ms. Horvath – aye. Motion passed 5-0. Mr. Dedenbach abstained; he stated that he is a member of the Board of Directors for the local branch of BBVA bank.***

*Note: Form 8B, Memorandum of Voting Conflict for County, Municipal, and other Local Public Officers, was completed by Mr. Dedenbach.*

**FDOT Supplemental Joint Participation Agreement 434921-1 – General Aviation Hangar Project – Resolution 20-014**

Mr. Penksa reported that FDOT is increasing the amount of funding committed to the General Aviation Hangar rehabilitation project; he indicated that the state is offering additional funding in the amount of $508,825.00 to the $900,000.00 previously offered. He stated that after completing the current project in process, any leftover funding could be applied to future GA needs as the funds will be available until the end of 2023. He stated that a meeting of the Facilities & Planning Committee will be convened to prioritize GA projects for the leftover funding when that amount is determined.

***Mr. Dedenbach moved to adopt Resolution 20-014 accepting Supplement #2 to Joint Participation Agreement 434921-1 from the Florida Department of Transportation and authorizing execution by the appropriate official on behalf of GACRAA. Mr. Thomas seconded the motion. A roll-call vote followed: Mr. Dedenbach – aye, Mr. Page – aye, Mr. Thomas – aye, Mr. Wright – aye, Mr. Carter – aye and Ms. Horvath – aye. Motion passed 6-0***

**Tenant Reports:**

University Air Center Chief Operating Officer Debbie Frederick reported that both the flight school and maintenance operations are busy but fuel sales remain down. She stated that UAC has restructured ramp fees to entice pilots to purchase fuel rather than pay a ramp fee. She reported that military traffic has recently increased. She reported that GRU is working on issues related to the installation of a generator.

**Airport Authority:** None

**Adjournment**

At 4:35 p.m., there being no further business, Ms. Horvath adjourned the meeting.

**GACRAA Monthly Meeting**

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Chair Date

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Secretary/Treasurer Date

**GACRAA Meeting Highlights – August 27, 2020**

**Attachment A**

**Board Report on COVID 19**

**August 27, 2020**

No GACRAA employees have tested positive for COVID-19 to our knowledge. No employees are currently out sick. One employee was kept home when an immediate family member tested positive. Both now test negative. There are no airline or TSA labor or operational impacts due to COVID19. TSA has reduced to one screening lane due to lower passenger volume. Their full staff remains on the payroll.

Staffing remains constant at this time with employees encouraged to work from home as much as possible.

Compliance with airport, TSA and airline mask and social distancing requirements is considered good and the airport and airlines are providing masks to those that do not have them. At this point, a passenger or visitor without a mask in their possession is rare. Compliance with contractors doing physical work is more of a challenge at times but social distancing is being maintained.

**Air Traffic**

Passenger enplanements continue to be flat and are estimated at 28-30% in general. There are signs that enplanements are increasing as parking inventory and TSA screenings are going up some.

We continue to operate with a reduced flight schedule:

General weekday flights Scheduled for September:

* Delta has 4 roundtrips to Atlanta most days.
* American has 2 round trips to CLT and 1 round-trip to DFW.
* One MIA roundtrip has been added
* Weekend schedules vary.

Post COVID TSA screenings reached a new peak of 2,120 in week 34. This is approximately 40% of screenings vs. this time last year. The relatively small number of screenings at GNV may be skewed with a higher number of staff screenings vs. passengers. Although there has been some recent improvement, passenger activity has remained relatively flat at about 30-32% of 2019 numbers. This is similar to and perhaps slightly better than the national average.

**CARES Funding**

GNV has now made 5 draws against CARES grant for reimbursement of operating costs from FAA. Reimbursements now total $1,561,477.22. A grant balance of $1,552,215.78 remains at this time (about 50%). Expense items include payroll, utilities fire and police service costs, debt service.

The second round of CARES funding (HEALS) has been tabled due to political wrangling. Both Delta and American have threatened huge layoffs if additional airline relief is not forthcoming quickly. Some of GNV’s Commercial Terminal tenants continue to look for rent relief. This topic will be discussed during budget meetings.