**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**

**Thursday, September 24, 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** – Vice-Chair David Norton called the meeting to order at 4:01 p.m.

**Roll Call**

Authority Members Present: Jean Calderwood, Craig Carter, Bill Conrad, Gerry Dedenbach, David Norton, Bob Page, Kinnon Thomas and Randy Wright were present on the virtual meeting at roll call.

GACRAA Chair Grace Horvath was 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:** Mrs. Calderwood delivered the invocation.

**Pledge of Allegiance:** Dr. Norton led the Pledge of Allegiance.

**GACRAA Board Appointment:** Dr. Norton announced that on September 17, 2020, the Gainesville City Commission reappointed Kinnon Thomas to a three-year term ending July 31, 2023.

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

**Approval of Meeting Highlights of August 27, 2020**

***Mr. Thomas moved to approve the GACRAA meeting highlights of August 27, 2020. Mr. Carter 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. Thomas moved to approve adoption of the agenda. Mr. Dedenbach 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.

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

Mr. Penksa reported that interior floor tile work continues.

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

Mr. Penksa reported that the contractor has demolished the exterior wall between the new addition and the existing building. He stated that the glass curtain wall is being installed on the exterior.

*East Side Restroom Expansion*

Mr. Penksa reported that the roof on the restroom addition has been completed and stucco work on the exterior walls has begun.

*GA Hangar Rehabilitation Project*

Mr. Penksa reported that work has started on T-Hangar F and the Bi-fold Hangar. He indicated that exterior steel panels on both buildings are in the process of removal and replacement and that building structural members are being primed and painted.

*Air Traffic Volume Reports*

Mr. Penksa reviewed the Air Traffic Volume Reports, Fuel Flowage and Load Factors for the month of August, 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 August 31, 2020 in the agenda packet. He briefly explained various revenue and expense items that varied from budget.

|  |  |  |  |
| --- | --- | --- | --- |
| **Revenue** | **Aug. 2020 Actuals** | **Aug. 2020 Budget** | **Variance Over / (Under)** |
| Total Operating Revenue | $376,947.05  | $568,914.72  | ($191,967.67) |
|  |  |  |  |
|  |  |  |  |
| **Expenses** | **Aug. 2020 Actuals** | **Aug. 2020 Budget** | **Over / (Under)** |
| Total Expenses | $404,738.17 | $451,732.97 | ($46,994.80) |
|  |  |  |  |
|  |  |  |  |
| **Income (Loss) Before Depreciation and Interest** | **($27,791.12)** | **$117,181.75** | **($144,972.87)** |
| Interest (Capitalized and Expensed) | $13,487.84 | $14,487.84 | ($1,000.00) |
| **Income (Loss) Before Depreciation** | **($41,278.96)** | **$102,693.91** | **($143,972.87)** |
|  |  |  |  |
| **CARES Act Revenue** | **$1,005,299.20** | **$0.00** | $1,005,299.20  |
| **Income (Loss) After CARES Revenue** | **$964,020.24** | **$102,693.91** | **$861,326.33**  |
|  |  |  |  |

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

**Business Development and Marketing Committee Report**

Mrs. Calderwood, chair of the committee, reported that the committee met on Monday, September 14. She stated that Marketing Manager Erin Porter presented the proposed marketing plan for FY2021. Mrs. Calderwood stated that the committee concurred with the advertising opportunities that staff committed to purchasing due to lead-time deadlines. She reported that the proposed budget is in the amount of $120,668 versus the FY2020 budget of $160,890 and reflects the overall budget assumption of reduced passenger traffic.

Mrs. Calderwood reported that the committee recommends approval of the budget amount of $120,668 for FY2021. In closing her remarks, she thanked Mr. Eric Godet, Sr. and the Gainesville Area Chamber of Commerce for their support of local businesses during the current COVID-19 emergency.

Mr. Penksa reported that the committee agreed to postpone spending, beyond the current commitments, until the COVID-19 situation improves and people are more likely to travel. He noted that convenience and travel from a less crowded airport will be the focus of FY2021 advertising.

Ms. Porter presented a new TV ad, “Where the Heart Lives”, which was produced featuring Board members Grace Horvath and Gerry Dedenbach and UAC General Manager, Debbie Frederick and GACRAA employees. The “Where the Heart Lives” ad focuses on travelers ready to travel to visit loved ones; the ad was displayed for this meeting’s Webex audience. Ms. Porter stated that the ad will play for 13 weeks during college football shows in Gainesville and Ocala.

Mr. Godet stated that the Gainesville Area Chamber of Commerce could provide links to the ad in its newsletter and to Chambers throughout the state.

***Mrs. Calderwood moved to accept the Business Development and Marketing Committee Report. Mr. Thomas seconded the motion. Motion passed.***

**Finance, Audit and Operations Committee Report**

Mr. Penksa reported that the committee met. He reported that GACRAA needs to submit an FAA AIP Grant pre-application by October 15, 2020 and therefore, he proposed advertising two Requests for Statements of Qualifications (RFQ) for the following projects:

* RFQ # 20-004 – Design (only) Taxiway A Rehabilitation & Reconfiguration and Taxiway E Extension & Reconfiguration
* RFQ # 20-005 – Design (only) General Aviation Apron Strengthening & Rehabilitation

Mr. Penksa displayed diagrams illustrating the areas that require work for each of the aforementioned projects. He indicated that the pre-application would be submitted for funding up to ninety percent for (90%) design work only for the projects and that the actual construction would require a much larger amount of FAA Discretionary funding or possibly via additional CARES infrastructure funds.

***There being no objections by the Board; Mr. Penksa stated that the projects would be reviewed in more detail with the Facilities and Planning Committee.***

Mr. Penksa initiated a discussion of the proposed FY2020-2021 Budget; he indicated that the Finance, Audit and Operations Committee recommend adoption of the proposed budget. He stated that after the budget is presented, the Monthly Meeting will be suspended and a Public Hearing would be initiated to receive comments from members of the public. He stated that individuals who are listening by phone to this meeting may press star three (\*3) to raise a hand and be recognized by the chair and that people watching the meeting on Webex can use the app to raise a hand and be recognized and unmuted.

Mr. Penksa stated that the budget assumes that passenger traffic will reach fifty percent (50%) of 2019 levels (pre-COVID) with a best estimate of reaching seventy-five percent (75%) toward the end of next year. He reported that industry leaders predict normal passenger traffic will not return to 2019 levels until 2024-2025.

Mr. Penksa reported that the budget assumes a twenty-five percent (25%) abatement to the airlines and rental car concessions (MAG) through the end of 2020. He stated that parking revenue is budgeted at a much lower amount compared to the fiscal year ending September 30, 2020.

Mr. Penksa reported that the Schedule of Rates and Charges include a CPI increase of 1.75% in rent for aircraft storage facilities. Mr. Lyons reviewed proposed revenue and expense budgets in more detail.

Mr. Penksa stated that the budget also includes proposed Capital Improvements for federal and state funded projects as well as for smaller GACRAA-only funded projects.

***Mr. Carter moved to accept the Finance, Audit and Operations Committee report. Mr. Thomas seconded the motion. Motion passed.***

**Public Hearing**

At 4:48, Dr. Norton suspended the Monthly Meeting and called to order the Public Hearing for the proposed FY2020-2021 Budget. He opened the floor for comments and questions.

Mr. Penksa reminded phone listeners to press star three (\*3) on their keypad to be unmuted.

There were no members of the public in the Board Room, nor were there any comments received via email account meetings@flygainesville.com There were no members of the public indicating a desire to comment or ask questions via the Webex app or on the Webex phone line.

At 4:49, Dr. Norton closed the Public Hearing and reconvened the Monthly Meeting.

**Airport Business**

**Adoption of FY2020-2021 Budget – Resolution 20-015**

***Mr. Thomas moved to approve Resolution 20-015 to adopt the proposed annual budget for the fiscal year beginning October 1, 2020 and ending September 30, 2021. Mr. Dedenbach seconded the motion. A roll-call vote followed: Mr. Page – aye, Mr. Thomas – aye, Mr. Wright – aye, Mrs. Calderwood – aye, Mr. Carter – aye, Mr. Conrad – aye, Mr. Dedenbach – aye and Dr. Norton – aye. Motion passed 8-0***

**Lease Agreement – Alachua County Sheriff Aviation Unit Hangar and Office Spaces – Resolution 20-016**

Mr. Penksa reported that Resolution 20-016 is for approval of a Lease Agreement with the Alachua County Sheriff for the Aviation Unit Hangar. He stated that the agreement will be provided to the Attorney for the Authority, Mr. Matthew Foster, for review following review by the Sheriff’s office. He reviewed the summary of the lease terms that were provided in the agenda.

***Mr. Thomas moved to adopt Resolution 20-016 approving a Lease and Operating Agreement between GACRAA and Alachua County Sheriff’s Office for an aircraft hangar, Building GA-25, and modular office facility, GA-25A. Mr. Dedenbach seconded the motion. A roll-call vote followed:*** ***Mr. Thomas – aye, Mr. Wright – aye, Mrs. Calderwood – aye, Mr. Carter – aye, Mr. Conrad – aye, Mr. Dedenbach – aye, Mr. Page – aye and Dr. Norton – aye. Motion passed 8-0***

**Election of Officers for FY2021**

Dr. Norton recalled that at the August 2020 Board meeting, the Governance and Nominating Committee recommended the following slate of candidates for GACRAA officers:

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

Dr. Norton indicated that other Board members indicated a willingness to serve as an office and the committee favored having the current officers serve a second term for the sake of continuity.

Dr. Norton opened the floor for nominations. Hearing none, Mr. Thomas moved to close the floor to nominations.

***Mr. Carter moved to approve the slate of candidates nominated by the Governance and Nominating Committee. Mr. Page seconded the motion. Motion passed 8-0.***

Dr. Norton stated that agenda item # 8, Banking Signatures – New Officers, is not required due to the reelection of the incumbent officers.

**Tenant Reports:**

University Air Center Chief Operating Officer Debbie Frederick reviewed fuel flowage noting lower aviation activity due to COVID-19 on the airline side and rainy weather in September on the GA side. She stated that the first Sun Country gambling charter in three months took place earlier this month and another such charter is scheduled for September 28th.

**Airport Authority:**

Mrs. Calderwood thanked staff for taking the photos of the military personnel arriving home and posting the photos on social media.

Ms. Porter reported that the soldier returned from a 6-month deployment in Africa; his family, bearing signs, welcomed him home.

Mr. Penksa displayed photos of the projects that were discussed during the Information Items portion of the meetings.

**Adjournment**

At 5:03 p.m., there being no further business, Dr. Norton adjourned the meeting.

**GACRAA Monthly Meeting**

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Chair Date

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Secretary/Treasurer Date

**GACRAA Meeting Highlights – September 24, 2020**

**Attachment A**

**Board Report on COVID 19**

No GACRAA employees have tested positive for COVID-19 to our knowledge. No employees are currently out sick. One employee stayed home with cold-like symptoms. The symptoms diminished over a few days and the employee returned to work after testing negative. No airline positive cases have been reported and there are no labor issues due to COVID cases.

Compliance with mask and social distancing requirements is generally excellent although employees who frequently enter and exit the terminal do forget sometimes initially forget. The airport and airlines provide masks to those passengers and visitors that do not have them. This is rare.

**Air Traffic**

Passenger enplanements continue to increase slowly and are estimated at 30-35% of 2019 levels, in general. This appears to be slightly better than the national average. Load factors have declined somewhat as capacity has been added.

 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
* American has 1 round-trip to DFW.
* American has added 1 roundtrip to MIA
* Weekend schedules vary.

Post COVID TSA screenings reached a new peak of 2,253 in week 37 due to Labor Day holiday but declined to 2,277 in week 38. 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.

**CARES Funding**

Draws against the approx. $3.1 million CARES grant remain at 5, totaling $1,561,477.22 Draws on the remaining 50% balance (approx..) will accelerate after October 1 to finish out the grant in early FY2021.

Progress on a second round of CARES is not likely until after the election.