**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**

**Thursday, June 25 2020 at 4:00 p.m.**

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

**Executive Orders # 2020-69 and #20-139**

**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: Craig Carter, Bill Conrad, Gerry Dedenbach, Grace Horvath, David Norton, Kinnon Thomas and Randy Wright were present on the virtual meeting at roll call. Jean Calderwood was present in the Board Room with staff.

Bob Page joined the virtual meeting after Roll Call.

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:** 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 May 28, 2020**

***Mr. Thomas moved to approve the GACRAA meeting highlights of May 28, 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**

Chair Horvath stated that item # 4, Request for Bids # 20-002 Passenger Boarding Bridges Contract Award – Resolution 20-007, will be removed from today’s agenda, while staff and the consultant further explore information that was submitted by one of the bidders.

***Mr. Thomas moved to approve adoption of the modified 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 reported that one employee called in sick with flu-like symptoms but has tested negative for COVID-19. He indicated that no GACRAA, Airline or TSA employees have tested positive. He noted that there is not a labor shortage due to COVID-19 illness, however, it has been difficult to recruit temporary labor due to the Federal unemployment benefit that is currently provided to laid-off workers.

Mr. Penksa reported that administrative staff continues to work primarily from home or, when need be, at the Airport.

Mr. Penksa described the additional actions taken to provide a healthy and safe environment in the terminal since the last Board meeting:

* Additional Hand sanitizer stations where received last week,
* Additional signage and PA announcements regarding face coverings and social distancing.

Mr. Penksa reported that American Airlines and Delta Air Lines both require its passengers to wear face coverings at the ticket counters and in the gate areas as well as on aircraft. He stated that the airlines are able to provide masks and that GACRAA has received 20,000 disposable masks from the FAA to give to passengers or anyone else who needs one.

Mr. Penksa reported that it is now required that TSA employees wear face coverings in addition to gloves.

Mr. Penksa stated that the flight schedule for June has remained as follows:

* American Airlines: 2 round trips to Charlotte and 1 round trip to Dallas-Ft. Worth
* Delta Air Lines: 2 round trips to Atlanta

He reported that American Airlines will resume a second trip to Dallas-Ft. Worth in July and also plans to resume 2 round trips to Miami beginning August 5th. He reported that Delta Air Lines plans to operate 3 trips per day in July and 5 trips per day beginning in August to Atlanta. He noted that these are weekday operational levels with Saturdays historically having a reduced schedule.

Mr. Penksa reported that Tailwinds has resumed service in the pre-security area.

Mr. Penksa reported that the $3.1 million CARES grant has been fully executed.

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

Mr. Penksa reported that this project continues as scheduled and that the majority of the structural steel columns and trusses on the elevated floor portion have been completed. He stated that construction wall around the TSA screening area has been completed and work has begun on demolishing the west TSA wall in preparation for constructing a new glass partition wall. He reported that carpeting has been removed and tile installation has begun in a small area of the terminal; he noted that this work would continue in phases.

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

Mr. Penksa reported that bids were received on June 3rd and that additional bids were received for rehabilitation work on the existing three passenger boarding bridges. He noted that today’s agenda includes a resolution for the submission and acceptance of an FAA grant application for the purchase and installation the two new passenger boarding bridges for the terminal expansion. He indicated that the $6,000 difference between the two lowest bids do not hinder the submission of the grant application; staff and the consultant will further explore information that was submitted by one of the bidders

*GA Hangar Rehabilitation Project*

Mr. Penksa reported that work continues on this project. He stated that the WWII hangar is essentially complete with the exception of replacement of the windows.

Mr. Penksa reported that staff constructed a new sidewalk to the Joint Aviation Unit parking area within the security fence.

Mr. Penksa reported work is well underway on T-Hangar A. He anticipated all work would be completed the week of July 1st and that tenants would be able to move in.

Mr. Penksa displayed photos of the construction projects in progress.

*Air Traffic Volume Reports*

Mr. Penksa reviewed the Air Traffic Volume Reports, Fuel Flowage and Load Factors for the month of May, 2020. He reported that passenger traffic improved over April, 2020.

**Finance Report**

CFO Matthew Lyons provided the Finance Report for the month ending May 31, 2020 in the agenda packet. He briefly explained various revenue and expense items that varied from budget. He explained that approximately $100,000 in abatements, approved by the Board at its last meeting for the airlines and other concessions, were accrued in the month of May. He stated that an additional reduction in revenue, approximately $200,000, is attributed to the decline in passenger traffic and the related parking and rental car revenues.

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| --- | --- | --- | --- |
| **Revenue** | **May 2020 Actuals** | **May 2020 Budget** | **Variance Over / (Under)** |
| Total Operating Revenue | $257,722.52 | $564,895.72 | ($307,173.20) |
|  |  |  |  |
|  |  |  |  |
| **Expenses** | **May 2020 Actuals** | **May 2020 Budget** | **Over / (Under)** |
| Total Expenses | $386,762.83 | $439,692.42 | ($52,929.59) |
|  |  |  |  |
|  |  |  |  |
| **Income (Loss) Before Depreciation and Interest** | **($129,040.31)** | **$125,203.30** | **($254,243.61)** |
| Interest (Capitalized and Expensed) | $15,041.89 | $16,041.89 | ($1,000.00) |
| **Income (Loss) Before Depreciation** | **($144,082.20)** | **$109,161.41** | **($253,243.61)** |
|  |  |  |  |

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

**Finance, Audit and Operations Committee Report**

Mr. Penksa reported that Mr. Dedenbach chaired a meeting of the Finance, Audit and Operations Committee. He reported that the committee recommends acceptance of the FY2018-2019 Audit Report presented by Purvis Gray & Company. Mr. Penksa introduced Justin Dansby, Purvis Gray & Company, to present the opinion of the auditor.

Mr. Dansby reported that he served as the Audit Manager for the FY2018-2019 audit and that Purvis Gray and Company has issued an unmodified opinion on the financial statements meaning that this opinion is the highest level of assurance that the auditing team can provide to GACRAA. Mr. Dansby noted that there were no significant deficiencies or material weaknesses to report.

***Mr. Thomas moved to accept the FY2018-2019 Audit Report. Mr. Dedenbach seconded the motion. Motion passed.***

**FAA AIP Grant Application and Acceptance – Resolution 20-008**

Mr. Penksa reported that the proposed FAA Grant Application in the amount of $1,796,715.00. representing ninety percent (90%) of the eligible costs of the purchase and installation of two passenger boarding bridges for the new gates that are constructed with the Terminal Expansion Project. He noted that the Board approved a pre-application last fall and that the application has been submitted to the FAA to meet a deadline. Mr. Penksa reported that the grant, when it is received from the FAA, will need to be also accepted by the Gainesville City Commission.

***Dr. Norton moved to adopt Resolution # 20-008 approving a grant application to the U.S. Department of Transportation Federal Aviation Administration to fund ninety percent (90%) of the eligible costs of purchasing and installing two new passenger boarding bridges for the terminal expansion. Mr. Carter seconded the motion. A roll-call vote followed: Mr. Conrad – aye, Mr. Dedenbach – aye, Dr. Norton – aye, Mr. Page – aye, Mr. Thomas – aye, Mr. Wright – aye, Mrs. Calderwood – aye, Mr. Carter – aye and Ms. Horvath – aye. Motion passed 9-0***

**Request for Proposals # 20-003 Security Guard Services Contract Award – Resolution 20-009**

Mr. Penksa reported that security guards stationed at the front curb are required to keep traffic moving and to prevent patrons from parking vehicles at the curb. He stated that GACRAA has been piggy-backing on city or state contracts for security guard services for several years. He reported that security guard costs have been increasing and that there has been interest from several other providers of these services. He stated that five proposals were received in response to a request for proposals and that the lowest responsible bidder is Alert Control, Inc., Margate, FL. He noted that the cost would slightly less that what GACRAA is paying now, however the guards would be paid more and that it might be possible for the existing guards to join Alert Control, Inc.

***Mr. Thomas moved to adopt Resolution 20-009 authorizing execution of a contract for security guard services at Gainesville Regional Airport. Dr. Norton seconded the motion. A roll-call vote followed: Mr. Dedenbach – aye, Dr. Norton – aye, Mr. Page – aye, Mr. Thomas – aye, Mr. Wright – aye, Mrs. Calderwood – aye, Mr. Carter – aye, Mr. Conrad – aye and Ms. Horvath – aye. Motion passed 9-0***

**Tenant Reports:**

University Air Center Chief Operating Officer Debbie Frederick reported that the maintenance, air taxi and flight school segments of the business remain strong and steady. She reported that fuel sales remain down, however, she reported that military traffic is expected to resume starting July 1, 2020. Ms. Frederick stated that UAC is managing cash flow and still paying 100% of its bills on time.

Ms. Frederick reported that the renovation of the Mustang Hangar, a.k.a. the WWII hangar, building GA-13, looks great. She asked about ventilation and whether the new windows that will be installed can be opened. Mr. Penksa indicated that staff will look into whether there is an option to open the windows.

**Airport Authority:**

Mrs. Calderwood commended GACRAA and UAC staff for their work in getting things done at the airport. Ms. Horvath echoed Mrs. Calderwood’s comments.

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**Adjournment**

At 4:46 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

Attachment A

Monthly Meeting Highlights

Board Report on COVID 19

June 25, 2020

One employee called in sick due to flu like symptoms and tested negative. No employees have tested positive for COVID-19 to our knowledge. We know of no airline or TSA employees that have likewise been ill. There are no labor shortages due to COVID19, however we are having trouble filling slots for temporary seasonal workers. Presumably this will improve when enhanced unemployment benefits run out.

We continue to maintain our permanent staff but are operating with a reduced number of contract workers. Office employees are spending more time in the office but are encouraged to work from home as much as they can, given the increase in cases. TSA has reduced to one screening lane due to lower passenger volume. Their full staff remain on the payroll.

We continue enhanced efforts to maintain a safe and healthy facility in order to inspire confidence in passengers. Additional hand sanitizer stations have finally been delivered and have been placed at the main entrances.

American and Delta continue to require face coverings for all passengers while on the aircraft and while at ticketing and gate counters. The airlines will provide a mask to those that do not have them. These efforts are seen as essential to restoring passenger confidence. TSA staff are now required to wear masks during screening. They have always worn gloves and continue to do so.

Signs promoting social distancing and use of masks have been placed throughout the terminal. Scheduled PA announcements also promote social distancing. Additional cleaning regimens are being maintained by airport, airline staff and TSA staff. Plexiglass barriers have been placed at airline and rental car counters. We are also communicating these efforts on our website.

We continue to operate with a greatly reduced flight schedule; however, passenger loads are improving but seem to have flattened out the beginning of this week. This afternoon business looks fairly brisk, however, relatively speaking.

Weekday flights at this time:

* Delta has 2 roundtrips to Atlanta
* American has 2 round trips to CLT and 1 round-trip to DFW. There are no Miami Flights.
* Weekend schedules are similar.

A number of positive changes are in the schedule but we consider everything fluid and subject to change.

* American will improve its schedule in July, adding back a second, round trip to DFW with 7:45 a.m. and now 4:20 pm departures. At this time, MIA is scheduled to return in August 5th at the original 2 round-trips per day. Everything else in August remains the same except for a number of sporadic variations depending upon the day.
* Delta will improve its schedule in July, adding a third ATL flight with departures at 8:55 a.m., 12:51 p.m. and 4:45 p.m. Times may vary depending upon day. In August, Delta will (tentatively) increase to 5 flights per day.

TSA screenings have risen from a low of 53 per day the week of April 6th to 245 per day last week. This is approximately 30% of screenings vs. this time last year. The small number of screening at GNV can be skewed with an unusual number of staff screenings but appear to be tracking ahead of national numbers. Nationally, TSA screenings for the same week were about 20% of the year prior (3,656,288 vs. 18,318,440).

Our parking lot has averaged about 166 cars per day over the last seven days. This is actually down about 6% (avg. 176/day) from the previous seven days.

We are concerned about public reaction to a new rise in cases in several states, including Florida as well as New York’s requirement to quarantine travelers from many of these states.

Our is $3.1 Million CARES Grant was approved by the City Commission last week and fully executed and returned to FAA this week. We should be able to begin drawing from the grant letter of credit in the next few days. We are able to reimburse ourselves for operating and certain capital expenditures occurring after January 20, 2020. The current “Moving Forward Act” in Congress would make additional relief funding available to airports based on previous enplanements. It is uncertain as to what the future of this bill or any other will actually look like at this time.