**GAINESVILLE-ALACHUA COUNTY REGIONAL AIRPORT AUTHORITY**

**Thursday, December 17, 2020 at 4:00 p.m.**

**Airline Terminal Board Room**

**Monthly Meeting Highlights**

**Call To Order By the Chair** –Chair Grace Horvath called the meeting to order at 4:00 p.m.

**Roll Call**

Authority Members Present: Jean Calderwood, Craig Carter, Grace Horvath, David Norton, Bob Page and Randy Wright were present in the Board Room.

Gerry Dedenbach and Kinnon Thomas were present via Webex at roll call. Bill Conrad was absent.

Ex-officio member Eric Godet, Sr. and City of Gainesville liaison, Erik Bredfeldt, were present via Webex.

**Invocation:** Mrs. Calderwood delivered the invocation.

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

**Determination of a Quorum**: A quorum was present in the Board Room at roll call.

**Approval of Meeting Highlights of November 19, 2020**

***Dr. Norton moved to approve the GACRAA meeting highlights of November 19, 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. None of the Webex listeners requested an opportunity to comment.

**Airport Authority Input – Non-agenda Items:**

Chair Horvath opened the floor for discussion of the proposed “Affidavit of Extraordinary Circumstances that Prevent In-Person Attendance” presented to the Board by staff via email on December 10, 2020. She explained the use of the form, which provides a Board member, who is unable to attend a meeting in-person due to extraordinary circumstances, with the ability to participate and vote via teleconference or video conference.

Mr. Carter asked if is necessary to disclose a medical condition.

Chair Horvath indicated that it is not required to disclose medical conditions. She noted that if a member utilizing the affidavit is required to testify in court regarding a vote, it may then become necessary to disclose a more detailed reason for not attending a meeting in person.

***Dr. Norton moved to adopt the use of the proposed “Affidavit of Extraordinary Circumstances that Prevent In-Person Attendance”. Mr. Carter seconded the motion.***

Mrs. Calderwood noted that the form requires notarization and asked if the form is required for each meeting or whether a blanket form is acceptable. Chair Horvath indicated that a blanket form would be acceptable.

Mr. Penksa noted that GACRAA board liaison Suzanne Schiemann is a notary and that she has taken a class on online notarizations and would be available to GACRAA members for the affidavit.

***A voice vote followed: Motion passed.***

**Adoption of Agenda**

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

**Consent Agenda**

***Mrs. Calderwood moved to adopt the Consent Agenda. Dr. Norton seconded the motion. Motion passed.***

With the adoption of the Consent Agenda, the Board accepted quotes from Arthur J. Gallagher in the total amount of $144,215.00 for annual renewal of Property, Boiler & Machinery, Crime and Cyber insurance coverage with the carrier AmRisc.

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

Mr. Penksa reported that the FAA will make funds available for the Small Community Air Service Development Program. He indicated that without an objection of the Board, staff would engage a consultant to pursue a SCASD grant if the consultant could determine that there may be an interest from an airline to expand or establish new service.

In response to a question from Ms. Horvath, Mr. Penksa stated that the new round of FAA COVID-19 relief is anticipated to be distributed to airports based on 2018 or 2019 enplanements, in a manner similar to AIP funding, whichever number is higher.

Mr. Penksa reviewed photos of the Terminal Expansion and Improvements project progress.

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

Mr. Penksa reported that the finished floor has been poured at the connector between the new and existing terminal areas. He indicated that exterior stucco has been applied to the connector and exterior soffit and fascia is being constructed in preparation for a storefront glass wall. He reported that the roof deck for the connector and parapet are under construction as is the installation of interior framing and soffit.

Mr. Penksa reported that sunshade louvers have been installed at the internal rampway windows. He stated that ceiling grid and installation of light fixtures continues in the new gate area. He reported that the kitchen exhaust hood and ceiling grid installation is almost completed. He indicated that new restrooms are being prepped for tile finishes which will begin this month. He stated that the work on the portal to future jet bridges is well underway.

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

Mr. Penksa reported that reroof continues over the existing gate area and Airport Administration offices. He stated that floor tile in the main terminal circulation areas is complete and drywall finish upgrades and first coat of paint have been applied. He indicated that renovation of older restrooms and access hallway will commence when the new gate area is complete.

Mr. Penksa reported that new carpet and LED light has been installed in the ticketing lobby and baggage claim area. He indicated that wainscot panels, stainless steel cove base and touch-up painting work still remains to be completed.

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

Mr. Penksa reported that contractor submittals have been evaluated and returned approved or with comments. He indicated that job meetings are being held and site visit by the manufacturer is tentatively planned for January.

*GA Hangar Rehabilitation Project*

Mr. Penksa reported that the windows for the WWII Hangar, Bldg. GA-2, have been ordered but will not be delivered for some time. He reported that with the exception of these windows and some minor steel repair, the project is complete.

*Concert Series Venue*

Mr. Penksa reported that members of the local Hospitality Council have approached staff to permit the use of the former horseshow grounds (fields adjacent to the airport entrance way from Waldo Road) as site for outdoor concerts. He indicated that the concert promoter, AudisBliss Co. proposes to hold a 3-month concert series on Friday and Saturday nights using a drive-in or pod-based model.

Mr. Carter stated that he was in favor of the idea but recommended that the promoter try to employ local service providers, i.e. sound and lighting technicians, food truck operators, set-up/tear-down vendors, etc. in lieu of recruiting services from Jacksonville or Orlando.

***Mr. Page moved to further explore the opportunity with the Hospitality Council and City of Gainesville. Mr. Thomas seconded the motion. Motion passed.***

*Air Traffic Volume Reports*

Mr. Penksa reviewed the Air Traffic Volume Reports, Fuel Flowage and Load Factors for the month of November, 2020.

**Finance Report**

CFO Matthew Lyons experienced a communication issues therefore, Mr. Penksa provided the Finance Report for the month ending November 30, 2020 in the agenda packet. He briefly explained various revenue and expense items that varied from budget.

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| --- | --- | --- | --- |
| **Revenue** | **Nov. 2020 Actuals** | **Nov. 2020 Budget** | **Variance Over / (Under)** |
| Total Operating Revenue | $389,448.77  | $381,661.75  | $7,787.02  |
|  |  |  |  |
|  |  |  |  |
| **Expenses** | **Nov. 2020 Actuals** | **Nov. 2020 Budget** | **Over / (Under)** |
| Total Expenses | $382,865.06 | $402,119.79 | ($19,254.73) |
|  |  |  |  |
|  |  |  |  |
| **Income (Loss) Before Depreciation and Interest** | **$6,583.71**  | **($20,458.04)** | **$27,041.75**  |
| Less: Interest Expense | $13,052.75 | $13,802.75 | ($750.00) |
| **Income (Loss) Before Depreciation** | **($6,469.04)** | **($34,260.79)** | **$27,791.75**  |
|  |  |  |  |
| **CARES Act Revenue** | **$167,797.76** | **$0.00** | **$167,797.76**  |
| **Income (Loss) After CARES Revenue** | **$161,328.72** | **($34,260.79)** | **$195,589.51**  |

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

**FY2019-2020 Audit Engagement Letters – Purvis Gray & Co. – Resolution 21-003**

Mr. Penksa stated that staff recommends engaging Purvis Gray & Company to conduct the FY2019-2020 Audit. He indicated that this firm has submitted a quote for a similar fee in past years and is experienced in conducting airport financial audits.

***Mrs. Calderwood moved to adopt Resolution 21-003 authorizing execution of audit engagement letters with Purvis Gray & Company in the amount up to $29,000.00 to perform the FY2019-2020 financial audit. Mr. Page seconded the motion. A roll-call vote followed: , Dr. Norton – aye, Mr. Page – aye, Mr. Thomas – aye, Mr. Wright – aye, Mrs. Calderwood – aye, Mr. Carter – aye, Mr. Dedenbach – aye and Ms. Horvath – aye. Motion passed 8-0.***

**Tenant Reports:**

University Air Center Chief Operating Officer Debbie Frederick reported that three Super Hornet aircraft visited UAC on Sunday, December 13; visit resulted in a fuel purchase and was the first Super Hornet visit in 2020. She stated that the work for installation of a new generator should be completed soon. Ms. Frederick stated that UAC will be adding a SF50 Vision Jet to its certificate for short non-passenger charter missions. She reported that in early 2021, UAC will undergo an International Standard for Business Aircraft Operations Audit which is conducted every two years.

**Other Information:**

Public Relations Manager Erin Porter displayed the 2021 Vested Interest in K9s calendar; GACRAA’s canine officer “Beamer” is featured for March 2021. She distributed copies of the calendar to the GACRAA members present at the meeting.

**Airport Authority:** None

**Adjournment**

At 4:56 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 – December 17, 2020**

**Attachment A**

**Board Report on COVID 19**

There are no active COVID cases amongst GACRAA, staff, airlines or TSA.

The airport received a complaint from a passenger that was told by American that he must put on his mask to receive service. He was upset because the County Order exempts those that have a valid medical reason for not wearing a mask and he had a copy of a letter from his healthcare provider. The passenger’s complaint was forwarded to American Airlines. American makes no exceptions for providing service at the counter or boarding their aircraft. American also expects that all passengers within the airport terminal will wear a mask unless temporarily engaged in eating or drinking. GACRAA is following state and local orders regarding mask compliance. In addition to signage throughout the terminal and taped PA announcements, Staff make supplemental PA announcements reminding passengers to keep their masks on and maintain social distancing, when necessary.

**Air Traffic**

Passenger enplanements have declined slightly since the Thanksgiving “bump”. The two weeks prior to the Christmas holiday are generally slower, nationwide. Concerns over the recent and further expected surge in cases are assumed to be responsible for a nationwide slowdown in air traffic. Nationally, holiday travel is expected to be approx. 60% below 2019. We expect GNV to be below the national average due to the business-oriented nature of our market.

 We continue to operate with a reduced flight schedule. Schedule reductions are expected in January and February due to COVID fears and our normal, seasonal drop-off in traffic for these months.

Current flight schedule:

* Delta has increased to five roundtrips to Atlanta through the holidays. This is expected to drop to four after the holidays.
* American has 3 round trips to CLT. After the holidays, this will be reduced to two per day on Tuesdays, Wednesdays and Saturdays.
* American remains at 1 round-trip to DFW.
* American remains at 1 roundtrip to MIA (though sporadic, week to week). MIA service is indefinitely suspended as of January, 2021.

Post COVID TSA screenings reached a peak of 3,081 in week 47 (50% of 2019) and have since declined to 2,561 in week 48 (39% of 2019).

**CARES Funding**

**No change.** 8 draws have been made against the approx. $3.1 million CARES grant, totaling $2,073,814.14. We expect to submit a final draw for the CARES funding balance sometime in January.

There appears to be progress on a $908 billion federal Coronavirus relief package. The draft legislation makes $4 billion available for airports with approx. $3.4 billion going to commercial service and cargo airports based on enplanements and a modification of traditional AIP formulas. The funds could be used for operating expenses and debt service payments. Airports that received more than four-year’s worth of operating expenses in the CARES distribution would not be eligible for additional funds. An additional $500 million dollars would give relief to airport concessionaires, like food concessions and rental cars, for rent and Minimum Annual Guarantee (MAG) costs. The formula for distribution to airports is unknown at this time.

The current proposal also specifies that new AIP entitlement grants would be based on 2018 or 2019 passenger enplanement levels, whichever are higher.

The bill includes $20 million dollars for new Small Community Air Service Development Grants (SCASD). GNV staff is exploring if there is any interest in such a grant from our air carriers.

Airlines would receive $17 billion under the proposal. There is no language at this time requiring staff retention. It is unknown whether such a bill would help to improve flight schedules at GNV.

***(Please note: The final bill agreed to by Congress on 12/21 reduced the amount available for airports to $2 Billion. Other changes are expected from the original proposal. The bill has no yet been signed by the President as of 12/22/2020.)***