

RICHLAND-LEXINGTON AIRPORT DISTRICT
Commission Meeting
Draft Minutes
February 21, 2022 @ 4 p.m. Carolina Room

Attendance

Dan Bell, Chair; Carol Fowler, Vice Chair; Hazel Bennett (Zoom); James Whitmire; David Jordan; Duane Cooper; Breon Walker; Pat Smith; Jim Wellman; LaJoia Broughton; Sarah Johnson

Absent

Hank Jibaja

Staff

Mike Gula; Gregg Hornsby; Eddie Martin; Frank Murray; Ryan Kreulen; Joel Livingston; Kim Crafton; Tamie Head; Josh Davis; Roger Allen; Nicole Huffman; John Fisher (Attorney); Lynne Douglas (Secretary)

Guests

Dave Carpenter (Foth IE); Robert Moore (Mead & Hunt); Herbert and Sandra Sims (Carolina Concessions); Doug Lever, Tabatha Lever, Jason Gauntt (Solid Structures); Lisa Hammersla, Lee Hammersla, Jason Prouse (Hammer Construction); Betty Price, Carmen Jordan, Dallas Jordan, Cedric Gaymon (Carbra Construction and Design Inc.); Brian Boyer (Boyer Construction)

Chair Bell greeted the guests and thanked them for coming. Mr. Whitmire offered the Invocation.

1. **Approval of Agenda**

Mr. Jordan made the motion to approve the agenda. Mr. Whitmire seconded the motion.
Motion carried.

2. **Approval of Commission Minutes of January 24, 2022**

Mr. Jordan made the motion to approve the minutes. Mr. Wellman seconded the motion.
Motion carried.

3. **Committee Reports**

a. **Finance Committee Report – David Jordan**

i. **Contract Amendment for MAG Parking System**

Mr. Hornsby reported that, in August 2020, the airport entered into an agreement with Manchester Airport Group (MAG) to manage the discounted parking function in the public parking facilities. The contract amendment is to change the method of compensation to MAG based on two changes that have occurred since the contract was executed: (1) the original contract contemplated MAG purchasing bar code readers; however, CAE is now going to procure this equipment; (2) the daily maximum rates have increased in both the garage and surface parking and these

rates would have compensated MAG for more than what was intended. MAG concurs with this amendment change.

Mr. Wellman made the motion to accept the committee's recommendation to amend the current monthly fee to MAG from a 29.9% of total incremental parking revenue to a 29.9% of online parking revenue only, \$2,000 per month for website support and analytics, plus previously approved transaction fees. Mr. Whitmire seconded the motion. Motion carried.

ii. **Columbia Aviation Agreement**

Mr. Gula reported that Columbia Aviation has requested a five year extension to the ten years left on their current contract. This extension would allow for a lower bank interest rate for approximately \$50,000 to be used for capital improvements. Mr. Jordan put forth the motion to accept staff's recommendation to the committee not to extend the Columbia Aviation agreement beyond the remaining ten years at this time. Mr. Smith seconded the motion. Motion carried.

iii. **Indefinite Delivery Contractors Introduction**

- CARBRA Construction and Design, Inc.
- Solid Structures
- Boyer Commercial Construction
- Hammer Construction

Mr. Murray explained that representatives of each of the IDC companies were in attendance to provide introductions of their companies to the Commission. A representative of each took a few moments to introduce themselves and their team members in attendance. Mr. Murray said they would be available for questions following the meeting.

iv. **DBE Goal/Definition for Non-AIP Projects**

Mr. Smith put forth a motion for the committee's recommendation to accept the definition for DBE as recognized by the state of South Carolina and as stated by the S.C. Division of Small and Minority Business Contracting and Certification (SMBCC). After some discussion, Mr. Cooper suggested that this discussion go back to the Finance Committee for additional discussion to include researching what comparison airports to CAE are doing on this topic. Ms. Bennett reminded everyone that CAE has an approved Affirmative Action Plan, which defines DBE. She expressed concerns over creating a new document defining DBE without legal counsel's advice. Mr. Fisher, Airport Attorney, stated he was prepared at this meeting to speak to the Commission in Executive Session about the legalities of this topic to define DBE and to answer questions.

After some discussion, Mr. Smith withdrew his motion as stated above. Mr. Cooper made the motion to re-commit the discussion for the DBE definition for non-AIP

projects back to the Finance Committee for further discussion. Ms. Broughton seconded the motion. Motion carried.

Per committee recommendation, Mr. Smith made a motion to adopt a minimum goal of 10% for DBE for non-AIP projects. After discussion, Mr. Cooper made the motion to move the conversation regarding adopting a minimum DBE goal back to the Finance Committee for additional discussion. Ms. Walker seconded the motion. Motion did not carry.

Mr. Cooper made the motion to amend the original recommendation and motion from the Finance Committee to adopt a minimum DBE goal of 15% instead of 10% for non-AIP projects. Ms. Walker seconded the motion. Following discussion, Mr. Fisher reminded that the percentage goal is for non-AIP contracts and that it seemed nonsensical to discuss a percentage when the definition for DBE has not been determined. He advised to consider withdrawing the current motion and to re-visit the goal of 10% until DBE has been defined. Mr. Jordan stated CAE cannot discriminate against any socially disadvantaged businesses as no minority group may be handicapped over another minority group.

Vice Chair Fowler made the motion, that on advice of legal counsel, to table the discussion of the numerical goal until we have a definition of DBE. Mr. Cooper seconded the motion. Motion carried. Ms. Bennett reminded all of her earlier statement that the Airport Affirmative Action Plan be reviewed in reference to the DBE definition.

4. **January 2022 Financial Report – Gregg Hornsby, CPA**

Mr. Hornsby reported that cash has increased by \$218,000. For the last several months, staff has been comparing the YTD enplanements to YTD 2019 as 2019 has been a benchmark reflecting the level of improvement in enplanement numbers. Enplanements are 65% of January 2019 and are consistent with the average of all of 2021. Mr. Hornsby said that January is always a low month traffic-wise. He went on to report that days cash on hand is at 577 days. YTD January 31, 2021, we were at 330 days cash on hand. The difference between 577 and 330 reflects the CARES money drawn down to reimburse operating expenses last year, which was primarily payroll. Mr. Hornsby continued his report by saying that Total Net Operating Revenue compared favorably to budget. In total, we were about 32% ahead of budget. PFCs look good and CFCs are in line with where they were expected to be. There were no CARES draws in January. Expenses are at about \$35,000 below budget in total. Mr. Hornsby concluded by advising Ms. Bennett that he will review the Affirmative Action Plan, per her request, and report back.

5. **Staff Reports**

a. **Chairman's Report – Commission Chairman Dan Bell**

Chair Bell thanked staff and Mr. Fisher for providing an excellent new Commissioner orientation for Ms. Broughton and Ms. Johnson. He went on to say that the Airport

Commission has spent several months addressing DBE concerns and that much headway has been made to resolve issues. Some of those ways include the new software program allowing staff to easily track DBE expenditures, the detailed report provided by Mr. Hornsby highlighting the last eleven years of DBE spends on non-AIP purchases, the re-organization of staff to include Tamie Head's promotion to Director of Business Diversity and Terminal Services, and LaKisha Darby's promotion to management level. It's important that we establish long term relationships with DBEs. He highlighted the matrix that Mr. Murray developed and used in the Indefinite Delivery Contractors bid as a good tool. He said these are all positives that we did not have a year ago.

Chair Bell concluded his remarks by saying that now is the time to focus on growth, air service, and economic development. He said that a low enplanement cost should be maintained, we need to develop our properties, and increase funds. He said that his last two years as Chair have been quite a ride. He concluded by commending staff and highlighting several of CAE's accomplishments.

b. Director's Report – Mike Gula, AAE

Mr. Gula reported that McEntire's relocation of aircraft to CAE, for six to eight months as they refurbish their runway, is on track to commence April 15. He and Ms. Crafton met with McEntire's public relations staff last week. He went on to report that the 803 Industrial Park property has been sold to Magnus Development Group. They are awaiting a final permit from DHEC before work begins at the site. Mr. Gula continued his report by reminding of an earlier discussion at January's meeting regarding the effort by the state's six commercial service airports to seek funding from the state for construction projects. He said there is a sub-committee meeting on Tuesday which he plans to attend. Up until 2022, no commercial service airport in South Carolina has received funding from the state for infrastructure and capital needs. A coalition has been formed of the six airports, with the assistance of S.C. Aeronautics, to push for the approval of \$50 million added to the state's budget for these airports.

Mr. Gula reported that CAE will host Leadership Lexington County all day on Thursday. Ms. Johnson is assisting with an economic development panel along with Magnus and Mr. Murray. Ron Harvey will also present a Leadership 360 session. Ms. Crafton recently returned from an Airport Roundtable event that provided good sessions and information.

Mr. Gula concluded his report by saying that Silver Airways recently announced they were discontinuing service at CAE. After staff had a conversation with their Vice President, they have decided to move to a seasonal operation. They will return in August with service to Orlando and Tampa.

6. Executive Session, if required

There was no need for Executive Session.

7. **Election of Officers**

For Commission Chair, Mr. Smith nominated Carol Fowler. Mr. Cooper seconded the motion. Motion carried.

For Commission Vice Chair, Mr. Cooper nominated Hazel Bennett. Mr. Whitmire seconded the motion. Motion carried.

For Commission Secretary, Mr. Cooper nominated Lynne Douglas. Mr. Wellman seconded the motion. Motion carried.

Mr. Jordan thanked Mr. Bell for serving as Chair. He expressed that Mr. Bell has done an excellent job and he appreciated all that Mr. Bell has done.

8. **Discussion & Suggestions**

a. **Comments from Public**

Ms. Bennett noted that the Friday Update reported that Ms. Crafton is working on the 2021 Year in Review. She suggested that, as in past years, consideration be given to hosting the Delegations to present this information as well as other updates.

Ms. Bennett also asked Ms. Crafton to provide her with a list of colleges which CAE is marketing with to include the amount of marketing dollars. Ms. Crafton advised she would be happy to provide this information. She also reported that Newberry College reached out to CAE regarding their interest in advertising at the airport and has now entered an in-door advertising agreement with CAE.

Mr. Bell reminded Commissioners to coordinate with Nicole Huffman regarding travel arrangements as well as computer-related issues.

Mr. Gula shared that the S.C. Aeronautics Commission will host a legislative luncheon on March 3. He will send out the details.

9. **Next Meeting is March 21, 2022**

10. **Adjournment**

Mr. Bell adjourned the meeting.

Respectfully Submitted,



Lynne Douglas, Commission Secretary