

CHESAPEAKE AIRPORT AUTHORITY

**MINUTES
November 18, 2020**

The regular meeting of the Chesapeake Airport Authority was held on Wednesday, November 18, 2020 at 7:00 p.m., after required notice and pursuant to the rules adopted by the Virginia General Assembly allowing the governing board of a public body to meet by electronic communication means without a quorum of the members physically assembled in one location when the Governor has declared a state of emergency. This meeting was conducted through ZOOM. C.T. Cowling, Chair, presided.

Present by electronic means:

MEMBERS: Don Britt, Paul Chappell, Richard Chileras, C. T. Cowling,
Chad Diederich, Wynn Dixon, Meredith Kennedy,
Richard McMillan, and Steve Morien

AIRPORT MANAGER: Chris Schrantz

AIRPORT STAFF: Mary Cover

LEGAL COUNSEL: Anita Poston, Vandeventer Black LLP

Other attendees: John Beaulieu; George Hrichak

CALL TO ORDER:

Chairman Cowling called the meeting to order at 7:00 P.M. with roll call.

Mr. Britt	Yes
Mr. Chappell	Yes
Mr. Cheliras	Yes
Mr. Diederich	Yes
Mr. Dixon	Yes
Ms. Kennedy	Yes
Mr. McMillan	Yes
Mr. Morien	Yes
Mr. Cowling	Yes

RESOLUTION Certifying and Approving Meeting Remotely:

Mr. Dixon made a motion to adopt the Resolution attached hereto to acknowledge and certify that the meeting complies with the required procedures for a remote meeting during an emergency declared by the Governor. The motion was seconded and adopted by roll call vote as follows:

Mr. Britt	Yes
Mr. Chappell	Yes
Mr. Cheliras	Yes
Mr. Diederich	Yes
Mr. Dixon	Yes
Ms. Kennedy	Yes

Mr. Morien Yes
Mr. Cowling Yes
Mr. McMillan Yes

MOTION TO APPROVE THE MINUTES FROM AUGUST/OCTOBER MEETING

A motion was made and duly seconded to accept the minutes from the August/October meeting. The motion passed unanimously.

MOTION TO APPROVE FINANCIAL STATEMENTS

Mr. Britt briefly advised that he had reviewed the financial statements and made a motion to approve the financial statements as presented for August/October 2020. The motion was duly seconded and passed unanimously.

REVIEW AND APPROVAL OF INVOICES OVER \$1,000 PREVIOUSLY DISTRIBUTED.

Mr. Schrantz reviewed all invoices over \$1,000. A motion to approve was made, duly seconded and approved unanimously.

OLD BUSINESS

STATUS OF REVENUE BOND

Mr. Cheliras discussed the status of the proposed revenue bond financing of a new hangar and moved that the Authority authorize the airport manager to proceed to seek a revenue bond for \$3.5 million and to use our additional debt service funds to make up the difference in the total projected cost previously presented as option 2. Mr. Schrantz gave additional background on the status of a revenue bond. Ms. Cover went over a PowerPoint presentation discussing the building option choices and the anticipated revenue streams (attached). Discussion ensued among the members. The motion was seconded and approved.

COMMITTEE REPORTS

BYLAWS COMMITTEE

Mr. Diederich discussed his work with Mr. Morien on the bylaws and the changes that they proposed. Members requested the comparisons from the original to the changed document. Mr. Diederich will work with Mrs. Poston and Mr. Schrantz to prepare a redlined version of the proposed changes to the bylaws.

ENGINEERS REPORT

The Report was previously distributed and is attached to these Minutes.

MANAGER'S REPORT

The Report was previously distributed and is attached to these Minutes. Mr. Schrantz had some additional items to report:

RFP FOR FBO. These draft documents have been delivered and the FBO committee is reviewing them.

NEXTERA SOLAR FARM. Mr. Schrantz discussed the NEXTERA project and discussed the letter that Mr. Schrantz sent to the City Planning Commission.

ACIP MEETING. This is set for December 10TH.

DIXON REPORT

Mr. Dixon discussed his recent visits to several airports around Virginia and what he observed.

CHAIRMAN'S REPORT

Chairman Cowling thanked the members of the Authority for their time and contributions to the Authority.

ADJOURNMENT

There being no further business, the meeting was adjourned at approximately 8:30 pm.

C.T. Cowling,
Chairman

CHESAPEAKE AIRPORT AUTHORITY BOARD MEETING
CHESAPEAKE AIRPORT AUTHORITY ROLL CALL

November 18, 2020

Mr. Britt

Mr. Chappell

Mr. Cheliras

Mr. Cowling

Mr. Diederich

Mr. Dixon

Ms. Kennedy

Mr. McMillan

Mr. Morien

Resolution

Certifying and Approving Meeting Remotely

The Chesapeake Airport Authority Board is meeting at 7:00 PM on November 18, 2020 pursuant to the Operating Policies adopted by the Virginia General Assembly to allow the governing board of a public body to meet by electronic communication means without a quorum of the members physically assembled in one location when the Governor has declared a state of emergency;

Whereas, the Governor has declared a state of emergency due to the COVID-19 pandemic the nature of which makes it impractical and unsafe for the Members and staff of the Authority to assemble in a single location; and

Whereas, the purpose of the meeting is to discuss and transact the business necessary to continue operations of the Authority and the Chesapeake Regional Airport which it owns and operates; and

Whereas, the Authority shall make available a recording or transcript of the meeting following the meeting; and

Whereas, the Authority has given notice to the public of its meeting all as required in accordance with the law; and

Whereas, the public has access to this meeting through electronic means through an audio connection provided by Zoom Meeting Platform; and

Whereas this Resolution shall be filed in the minutes of the meeting.

Now therefore, the Authority hereby finds and certifies that the aforesaid conditions for the holding of this meeting remotely have been satisfied, and the holding of the meeting by electronic means is hereby approved.

In witness whereof, I have hereunto set my hand and cause the seal of the Chesapeake Airport Authority to be affixed hereto this eighteenth day of November, two thousand and twenty.

CT Cowling
Chairman

Chesapeake Airport Authority

Invoices Pending CAA Board Approval

November 18, 2020

Date	Vendor	Memo	Open Balance	
10/1/2020	Land & Coates	Tractor	68,096.00	Grant
11/9/2020	Talbert & Bright	AIP3-51 Inv 3 Rehab Rnwy Taxiwy	32,030.50	Grant
Total			\$ 100,126.50	

Operating Invoices Already Paid or Previously Approved over \$1,000

8/17/2020	Talbert & Bright	AIP6-P Inv 2 (Runway Light Design)	5,112.25	
8/18/2020	Talbert & Bright	CS6-53 Inv 11 (Taxiway Lane Rehab)	4,101.94	
9/9/2020	DEQ	Annual Fee	2,080.00	
9/9/2020	US Flag & Signal	Replacement Flags	1,126.04	
9/18/2020	REI	Explored Lobby Leak	2,300.36	
9/28/2020	Talbert & Bright	CS6-53 Inv 12 (Taxiway Lane Rehab)	4,513.20	
10/2/2020	Vandeventer Black	General Matters	3,461.34	
10/5/2020	US Bank	Bond Payment	9,732.00	
10/14/2020	Dominion Power	Utility	2,078.36	
10/14/2020	Oessco	Fuel Farm	1,339.62	
10/16/2020	Dominion Power	Utility Bill	1,102.73	
11/9/2020	US Bank	Bond Payment	9,732.00	
11/10/2020	Dominion Power	Utility Bill	1,623.55	
10/26/2020	Pender & Coward	Easement Acquisition	1,644.82	
10/26/2020	Pender & Coward	Easement Acquisition	4,108.73	
10/26/2020	Pender & Coward	Easement Acquisition	5,267.88	
10/26/2020	Pender & Coward	Easement Acquisition	13,322.23	
Total			\$ 72,647.05	

PROJECT COSTS AND BOND PROJECTIONS

INITIAL PROJECT DESCRIPTIONS

- Option 1 –
- 2 – Community Hangars with office space. Hangars are 12,000 Sq. Ft each: 100'x120'. Office space 1,800 Sq. Ft.
- 1 – Community Hangar: 10,000 Sq. Ft: 100'x100'
- FBO Terminal Bld/Flight School 2,400 Sq. Ft.
- Option 2 –
- 2 – Community Hangars with office space. Hangars are 12,000 Sq. Ft each: 100'x120'. Office space 1,800 Sq. Ft.
- 3 – Phase Power
- 1 – Community Hangar: 10,000 Sq. Ft: 100'x100'
- FBO Terminal Bld/Flight School 2,400 Sq. Ft.

AMCG RENT STUDY AND BOND REPORT

- The AMCG rent study report that we had commissioned was based on some incorrect assumptions where revenues were concerned. Also, the AMCG study numbers were based on the project standing alone as a revenue maker covering the debt service and any related expenses incurred within the project. The study seemed to suggest that all projects would be worthwhile and that after a certain amount of years, they would be self-sustaining.
- We eliminated the incorrect assumptions and redid their bond, market, and cost analysis. Analysis of each option and the related spread sheets suggested that none of the projects would make any money as a stand-alone.

SOLUTIONS AND RECOMMENDATIONS

- When Chris and I met with Jimmy Sanderson, we discussed these issues and decided that we should include the project revenues and expenses with the regular operating revenues and expenses. Mr. Sanderson also reminded us that we will still be operating under the same debt amount of \$200,000 a year as we are now. With these new assumptions, the projects show that we are actually adding to our revenues and that we still meet the requirement of the 1.25 times debt service coverage as required by the bond master indenture. The adjusted numbers show that both options are viable.
- (See Excel Spreadsheet provided)

INITIAL COST SUMMARIES

OPTION 1

- Construction Cost - \$3,776,640
- Engineering Cost - 159,587
- Total Costs \$3,936,227

OPTION 2

- Construction Cost - \$3,776,640
- Engineering Cost - 159,587
- Electrical Cost - 60,000
- Total Costs \$3,996,227

UPDATED PROJECT DESCRIPTIONS

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • Option 1 – • 2 – Community Hangars with office space. Hangars are 12,000 Sq. Ft each: 100'x120'. Office space 1,800 Sq. Ft. • FBO Terminal Bld/Flight School 2,400 Sq. Ft. | <ul style="list-style-type: none"> • Option 2 – • 2 – Community Hangars with office space. Hangars are 12,000 Sq. Ft each: 100'x120'. Office space 1,800 Sq. Ft. • 3 – Phase Power • FBO Terminal Bld/Flight School 2,400 Sq. Ft. |
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UPDATED COST SUMMARIES

OPTION 1

- Construction Cost - \$3,776,640
- Engineering Cost - 359,587
- Total Costs \$4,136,227

OPTION 2

- Construction Cost - \$3,776,640
- Engineering Cost - 359,587
- Electrical Cost - 60,000
- Total Costs \$4,196,227

RECOMMENDATION

- Airport Manager recommends that the Authority authorize him to seek a revenue bond for 3.5 Million dollars and to authorize the use of our additional debt service funds to make up the difference in the total project costs.

**CHESAPEAKE AIRPORT AUTHORITY
TALBERT & BRIGHT REPORT**

November 18, 2020

T-Hangar Pavement Rehabilitation – Phase I (Construction)

Construction notice to proceed has been pushed to the spring of next year. The contractor has provided submittals and is working on their mix design for the reclamation. A pre-construction meeting is planned for early spring.

Runway and Taxiway Lighting Rehabilitation

The 35% submittal package has been submitted to the FAA, DOAV and Airport Manager. The plans are currently being reviewed. Comments are expected in the next couple of weeks. This project is currently show in FY22 of the federal fiscal year. This will mean that this project will be bid in April 2022.

T-Hangar Taxilanes Rehabilitation – Phase 2 (Design)

Sub-contractor notices to proceed were issued at the end of October for survey and geotechnical subsurface investigation. We are anticipating receipt of subs data in the next couple of weeks. This project is scheduled to be bid in the June 2021 for funding at the August Virginia Aviation Board meeting.

Chesapeake Airport Authority Manager's Report for November 18 2020

As you read in earlier email, we were chosen to receive a surplus street sweeper from Norfolk International Airport. The unit is very similar to the street sweepers in use and serviced by the City of Chesapeake. George Hrichak has offered to assist in the maintenance needs and training for the operation of the sweeper.

Due to the addition of the sweeper, a revised plan for the storage shed is needed. Consequently, the design and bidding project in pursuit of the maintenance equipment storage shed has been put on hold to determine what additional floor space is needed and to determine if there needs to be a modification to work already performed.

COVID-19 update - No further reports of illness or cases.

I want to reiterate that the Virginia Department of Aviation is reviewing regular maintenance requests on a weekly basis. They were able to approve the repair of the precision approach path indicator "PAPI" lights for Runway 23. We are waiting on their review of a request to repair the runway end identifier lights "REIL" for Runway 23. If the contractor can do both repairs at the same time it would save mobilization costs.

A commercial painting provider has been invited to estimate the painting of the segmented circle, the ILS transmitter antenna, the AWOS Sensor and broadcast tower, the fuel farm and the beacon tower. Those items are all eligible projects and will be requested of the DOAV for funding consideration.

The work has begun for the T-hangar taxi lane phase 2 – design. The geotechnical crew was on site today taking core samples and compaction readings at 24 locations on the airport. They sampled the parking lot and aircraft ramp. The streetside or vehicle parking lot is an eligible item and is being included as part of the ramp – phase 2 project.

As a reminder, Talbert & Bright have offered their services to host a "Master Plan Work Session" to discuss the long term plan opportunities for Chesapeake Regional Airport. They hosted a similar event at another airport and said it was quite productive. In any case, I believe that a meeting aside from normal business will be constructive. If you believe retreat would be beneficial, I would like to suggest Ms. Suzanne Puryear. Our last retreat was held in January of 2017 and was very helpful. I am confident that we could accomplish the retreat via ZOOM.

END OF REPORT