

**MINUTES OF THE MEETING OF THE MEMBERS
OF THE CAPITAL REGION AIRPORT COMMISSION
July 26, 2022**

I. CALL TO ORDER

Vice Chairman James M. Holland called the regular monthly meeting of the members of the Capital Region Airport Commission to order at 8:00 a.m. on July 26, 2022. The meeting was conducted in the Commission Boardroom in the Terminal Building. A quorum was present.

The following members were present: Commissioners Carroll, Holland, Hinson, Trammell, Ukrop, Williams, and Winslow. Present by invitation were Perry J. Miller, President and Chief Executive Officer; John B. Rutledge, Chief Operating Officer; Basil O. Dosunmu, Chief Financial Officer; Troy Bell, Director – Marketing and Air Service Development; Regina Crocket, Manager – Accounting; Steve Owen, Director – Finance; Russ Peaden, Director – Properties and Concessions; Susan Joy Linn, Recording Secretary; and W. David Harless from Christian & Barton, LLP.

Commissioners Dibble, Hazzard, Heston, Macfarlane, Nelson, and Thornton were absent.

At Vice Chairman Holland's request, Commissioner Winslow provided the invocation, and Vice Chairman Holland led the Pledge of Allegiance to the flag of the United States.

II. CLOSED MEETING

The Commission convened in closed meeting at 8:03 a.m. Vice Chairman Holland entertained a motion made by Commissioner Hinson and seconded by Commissioner Winslow, to go into closed meeting pursuant to Virginia Code § 2.2-3712 (A), to consider the following matters:

1. Consultation with legal counsel retained by the Commission regarding actual litigation involving claims by former Commission employee, Richard L. Miles, where such consultation in open meeting would adversely affect the negotiating and litigating posture of the Commission as permitted by Virginia Code § 2.2-3711 (A)(7); and
2. Consultation with legal counsel retained by the Commission to advise the Commission regarding specific legal matters related to the Commission's indemnification of

Commissioners, officers, employees and agents of the Commission as permitted by Virginia Code § 2.2-3711 (A)(8).

The motion passed unanimously.

III. OPEN MEETING

The Commission reconvened in open meeting at 8:12 a.m. Vice Chairman Holland entertained a motion made by Commissioner Winslow and seconded by Commissioner Hinson, pursuant to Virginia Code § 2.2-3712 (D) that (i) only public business matters lawfully exempted from open meeting requirements, and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered by the Commission and that a statement to this effect will appear in the minutes of this meeting.

The motion passed unanimously.

A. COMMISSION CHAIRMAN'S COMMENTS

Vice Chairman Holland welcomed the newest member of the Commission, Kevin Carroll, Chesterfield County Board of Supervisors member from the Matoaca District and former police officer.

Commissioner Carroll voiced looking forward to working with the Commission on its mission.

1. Certificate of Achievement for Excellence in Finance Reporting

Vice Chair Holland presented the 32nd consecutive Certificate of Achievement for Excellence in Financial Reporting to Mr. Owen, Finance Director and Mrs. Crockett, Accounting Manager. This award is for the Commission's Comprehensive Annual Financial Report for the previous fiscal year that ended June 30, 2021.

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States & Canada to government units and public employee retirement systems whose comprehensive annual financial reports achieve the highest standards in government accounting and financial reporting.

2. Standing Committee Assignments

Vice Chair Holland reviewed the Committee assignments by Chairman Hazzard with the Commission.

PLANNING & CONSTRUCTION COMMITTEE

- Harvey L. Hinson, Chair – Henrico County
- Reva M. Trammell, Vice Chair – City of Richmond
- Susan P. Dibble – Hanover County
- Charles S. Macfarlane – City of Richmond
- Frank J. Thornton – Henrico County
- C. James Williams, III – Chesterfield County

FINANCE & AUDIT COMMITTEE

- Christopher M. Winslow, Chair – Chesterfield County
- Robert S. Ukrop, Vice Chair – Henrico County
- Kevin P. Carroll – Chesterfield County
- Wayne T. Hazzard – Hanover County
- Grant J. Heston – City of Richmond
- James M. Holland – Chesterfield County
- Tyrone E. Nelson – Henrico County

EXECUTIVE COMMITTEE

- Wayne T. Hazzard, Chair – Hanover County
- James M. Holland, Vice Chair – Chesterfield County
- Harvey L. Hinson, Planning & Construction Chair – Henrico County
- Reva M. Trammell, Planning & Construction Vice Chair – City of Richmond
- Christopher M. Winslow, Finance & Audit Chair – Chesterfield County
- Robert S. Ukrop, Finance & Audit Vice Chair – Henrico County

B. CONSIDERATION OF AGENDA AMENDMENTS

At Vice Chair Holland's request, Commissioner Hinson moved to add items:

- **III.E.3.a.** – Adoption of Bylaw Authorizing the Commission to Hire Counsel For and Indemnify Its Commissioners, Officers, Employees and Agents.
- **III.E.1.b** – Granting of Utility Easement to County of Henrico – Dominion Hangar Facility.

Commissioner Winslow seconded the motion, and the motion passed unanimously.

C. APPROVAL OF June 28, 2022, MINUTES

At Vice Chairman Holland's request, Commissioner Williams moved to approve June 28, 2022, minutes, and Commissioner Hinson seconded the motion.

The motion passed with one abstention from Commissioner Carroll.

D. PRESIDENT’S REPORT

1. Aviation Activity Report

At Mr. Miller’s request, Mr. Bell presented the following:

Passenger Traffic: For June 2022, Richmond International Airport (RIC) reports total passenger traffic of 367,807, an increase of 15.2 percent over the total (319,174) for the same month a year ago. American Airlines was the month’s market leader with a 31.3 percent share, followed by Delta (27.8%) and United (14.5%).

For fiscal year 2022, passenger traffic increased 98.4 percent (3,882,141 versus 1,956,628) year over year.

Cargo: In June, total cargo (the sum of freight and mail) decreased to 13.4 million pounds, a 9.0 percent drop over June 2021. For FY22, total cargo of 159.3 million pounds represents an 11.8 percent decrease compared to the same period a year ago.

Operations: Aircraft operations increased 9.6 percent in June. For FY22, RIC reports 94,763 operations, a 27.5 percent increase over FY21.

Additional Comments

- **COVID-19** has affected airport activity since March 2020, a span of **28 months**.
- **June 2022 was the third busiest June in RIC’s history** and represented a **95.9 percent recovery** of June 2019 (record) passenger traffic.
- **JetBlue suspended LAX service** and the route no longer appears on the 2022 schedule. The airline cites resource constraints, primarily available crew time.
- In June, airlines **cancelled 218 flights** at RIC, about **5.1 percent** of the scheduled total.
- So far in **July**, airlines **have cancelled 46 flights**, only about **1.8 percent** of the schedule.
- Scheduled seat capacity via Airline Data, Inc., as of July 18, 2022:

Month	Monthly	Change from Previous Year
June 2022	458,088	+19.6%
July 2022	454,576	+10.6%
August 2022	456,986	+10.1%
September 2022	451,764	+11.9%
October 2022	492,620	+9.5%

2. Other

Mr. Miller introduced Mr. Basil Dosunmu, the Commission’s new Chief Financial Officer.

Mr. Dosunmu thanked the Commission for the opportunity and looked forward to serving in his new role.

E. COMMISSION STANDING COMMITTEE REPORTS

1. Finance and Audit Committee

Committee Chair Winslow stated that the Finance and Audit Committee did not meet.

a. Monthly Financial Update June 30, 2022

Mr. Owen reviewed the following:

Month-to-date operating revenues for June were \$6.4 million, \$2.5 million or 63.2% greater than budgeted, mainly due to parking and concessions revenues attributed to increased enplanements. Year-to-date operating revenues were \$55.0 million, greater than budgeted by \$12.1 million or 28.2%.

June's enplanements were 21.3% greater than budgeted projections, and year-to-date enplanements were 22.7% greater than budgeted.

Month-to-date operating expenses were \$2.4 million, less than budgeted by \$109 thousand or 4.4%, primarily due to personnel and maintenance expenses. Year-to-date operating expenses were \$24.7 million, \$2.6 million, or 9.4% less than budgeted.

Mr. Owen also reviewed the quarterly cash flow which shows a \$21.8 million increase or 24% from the previous year.

Vice Chair Holland stated that Chairman Hazzard, Mr. Owen, and he met with the Commission's auditor, Robinson Farmer Cox, for the Fiscal Year 22 audit in lieu of having a Finance & Audit Committee meeting last month. Mr. Owen added that besides reviewing the audit's status, the new GASB 87 is well underway in meeting its requirements for this year's audit. Preliminary fieldwork has been done and final fieldwork will be done the week of Labor Day.

b. Granting of Utility Easement to County of Henrico – Dominion Hangar Facility

Commission staff recommends that the Commission adopt the following resolution:

WHEREAS, the Capital Region Airport Commission (the “Commission”) was created by and pursuant to Chapter 537 of the Acts of Assembly of 1975, as amended, and continued by Chapter 380 of the Acts of Assembly of 1980, as amended (the “Enabling Act”) for the purpose of operating the Richmond International Airport (the “Airport”); and

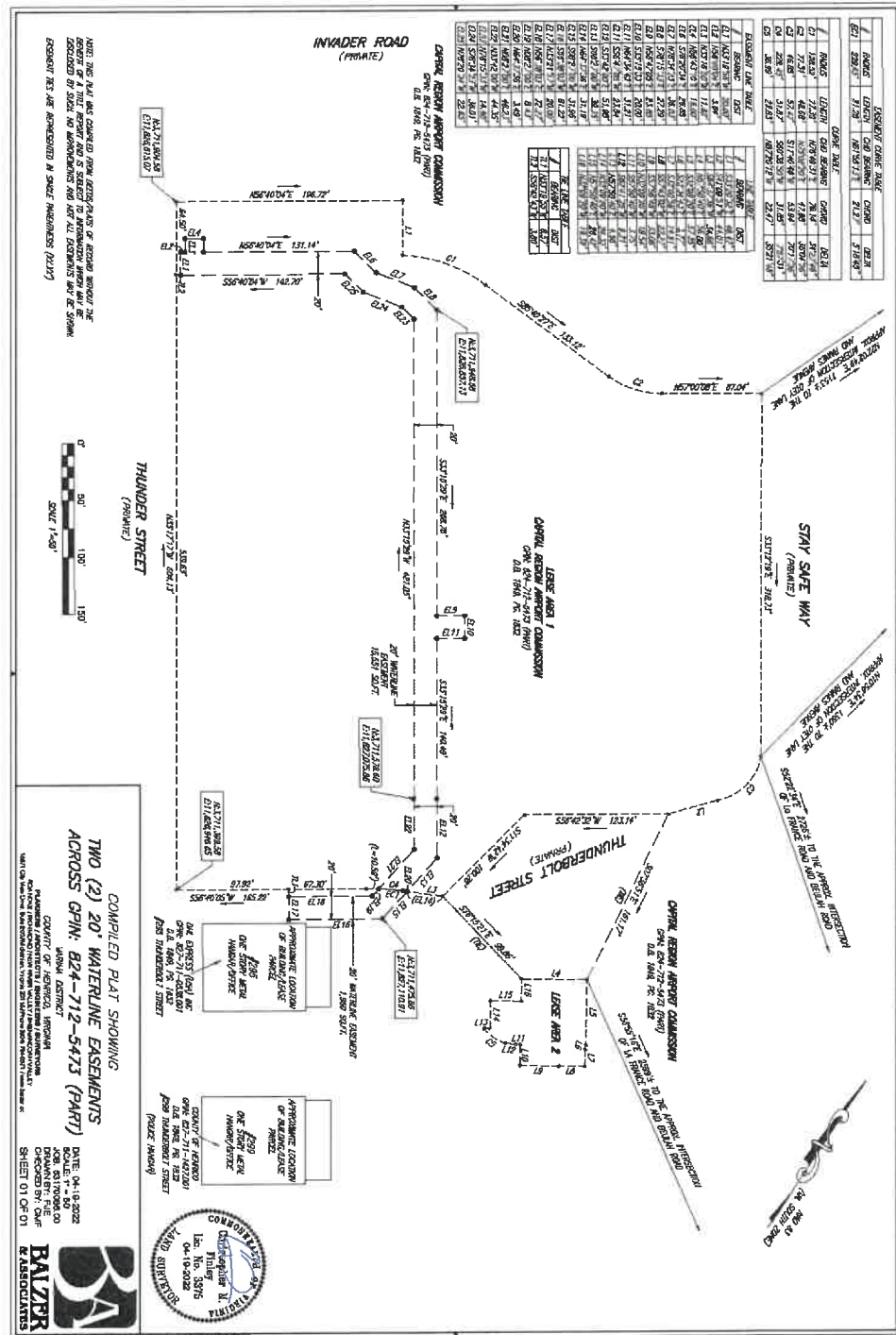
WHEREAS, the Commission granted to the County an easement to maintain, operate and repair the subsurface potable water transmission system at the Airport (the “Water System”) pursuant to that Deed of Easement and Agreement dated September 6, 2019, recorded September 20, 2019, in the Clerk’s Office in Deed Book 5897, page 583; and

WHEREAS, in connection with the construction of a hangar and fuel farm facility located at 320 Stay Safe Way on the east side of the Airport (the “Dominion Facility”) under that ground lease entered into by and between Virginia Electric and Power Company, a Virginia public service corporation doing business in Virginia as Dominion Energy Virginia (“Dominion Energy”) and the Commission (the “Dominion Facility Lease”), the County of Henrico has requested an easement or easements upon Commission property to allow the County to maintain, operate and repair constructed extensions of the Water System in the locations shown on the attached plat; and

WHEREAS, the granting of the requested easement or easements will benefit the Commission by allowing the County to maintain, operate and repair those newly constructed extensions of the Water System serving the Dominion Facility.

NOW, THEREFORE, BE IT RESOLVED BY THE CAPITAL REGION AIRPORT COMMISSION, in accordance with Chapter 380, Virginia Acts of Assembly of 1980, as amended, that the President and CEO is hereby authorized to approve and execute, for and on behalf of the Commission, upon advice of legal counsel, such deed or deeds of easement, plats, and/or such other instruments or amendments to existing instruments necessary to grant to the County of Henrico an additional easement or easements upon Commission-owned property necessary to allow the County to operate, maintain and repair such extensions to the Water System as contemplated hereinabove, at no cost to the Commission.

Location of Henrico Waterline Easements to Serve Dominion Facility at 320 Stay Safe Way



At Vice Chairman’s Holland’s request, Commissioner Winslow motioned to Grant the Utility Easement to the County of Henrico – Dominion Hangar Facility. Commissioner Williams seconded the motion, and the motion passed unanimously.

2. **Planning & Construction Committee**

Committee Chair Hinson stated that the Planning & Construction Committee did not meet.

3. **Executive Committee**

a. **Adoption of Bylaw Authorizing the Commission to Hire Counsel For and Indemnify Its Commissioners, Officers, Employees and Agents**

Mr. Harless reviewed the following:

WHEREAS, the Capital Region Airport Commission (the “Commission”) was created by and pursuant to Chapter 537 of the Acts of Assembly of 1975, as amended, and continued by Chapter 380 of the Acts of Assembly of 1980, as amended (the “Enabling Act”); and

WHEREAS, pursuant to Section 6 of the Enabling Act, the Commission’s powers are vested in the Commissioners thereof who are appointed to their office by the Commission’s participating political subdivisions; and

WHEREAS, pursuant to Section 8, subsection 11 of the Enabling Act, the Commission is empowered to appoint, employ or engage, among other persons, such officers, employees, and agents as may be necessary or appropriate, and to fix their duties and compensation; and

WHEREAS, Section 8, subsection 19, of the Enabling Act, amended effective July 1, 2022, authorizes the Commission to purchase and maintain insurance on behalf of and to indemnify any person who is or was a Commissioner, officer, employee or agent of the Commission against any liability asserted against him or incurred by him in any such capacity or arising out of his status as such; and

WHEREAS, the Commission wishes to adopt an amendment to its Bylaws that expressly sets forth those circumstances under which the Commission may exercise its discretionary power and right to employ counsel for and to indemnify a Commissioner, officer, employee or agent of the Commission against any liability asserted against him or incurred by him in any such capacity or arising out of his status as such, including the investigation and prosecution of criminal matters.

WHEREFORE, BE IT RESOLVED by the Capital Region Airport Commission, in accordance with Chapter 380, Virginia Acts of Assembly of 1980, as amended, that the following bylaw be and hereby is adopted:

ARTICLE VII-HIRING OF COUNSEL AND INDEMNIFICATION

The Commission shall have the power to retain counsel for and to indemnify its Commissioners, officers, employees and agents who were or are parties or are threatened to be made parties to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative, arising from or related to any actions or omissions undertaken in furtherance of their duties in serving the Commission, or by reason of the fact that they are or were Commissioners, officers, employees or agents of the Commission or that they are or were serving at the request of the Commission as directors, officers, employees or agents of another entity. Indemnification may be authorized against all reasonable expenses, including without limitation attorney's fees, and settlements or judgments reasonably incurred in connection with such action, suit or proceeding.

At Vice Chairman's Holland's request, Commissioner Winslow motioned to the adoption of Bylaw Authorizing the Commission to Hire Counsel For and Indemnify Its Commissioners, Officers, Employees, and Agents. Commissioner Williams seconded the motion, and the motion passed unanimously.

IV. NEXT MEETINGS

The next meeting of the **Capital Region Airport Commission** will be held on Tuesday, August 30, 2022, at 8:00 a.m.

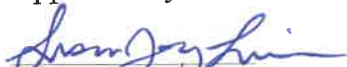
The **Finance & Audit Committee** meeting will be held on Tuesday, August 16, 2022, at 8:00 a.m.


The **Planning & Construction Committee** meeting will be held on Thursday, September 15, 2022, at 8:00 a.m., all in the Commission Boardroom in the Terminal Building.

V. ADJOURNMENT

Vice Chairman Holland adjourned the meeting at 8:52 a.m.

Approved by the Commission:


Recording Secretary


Wayne T. Hazzard, Chairman

Date 8-30-22