



Moore County Airport Special Authority Meeting

Wednesday, June 5, 2024

Public Meeting – 9:30 a.m.

Minutes

The Moore County Airport Authority Meeting for Wednesday, June 5, 2024, was in-person and via Zoom.

A quorum was present.

Authority Members Present:

Adam Kiker, Chair
Ken Haenlein, Vice Chair
Tom McPherson, Treasurer
Gene Horne, Secretary
Roland Gilliam, Member

Staff Present:

Rick Cloutier, Airport Director
Carol Oakley, Finance Administrator
Paul Puszynski, Operations Manager
Joy Cheechov, Administrative Manager

Guests Present:

Ronnie Fields (Sheriff's Office)
Eric Galaway (Sheriff's Office)
Tony Laws
Jack Penning
John Lewis
Stephen Bright (Zoom)
Steve Bright (Zoom)
Mike Jones (Zoom)

CALL TO ORDER: Chair Kiker called the Meeting to order at 9:30 a.m.

A. Pledge of Allegiance

Chairperson Kiker led the Pledge of Allegiance.

B. Public Comments

None

C. Additional Agenda Item(s) Requested

One Item requested - WO Amendment for TBI

D. Additional Agenda Items Added:

1. Work Authorization for TBI WA 20-03

E. Conflicts of Interest Inquiry

Chairperson Kiker asked if anyone had any conflicts of interest in any agenda item:

Vice Chair Heinlein discussed that consent agenda item 1 was associated with the payments of hangar 71. Since he is a principal in the hangar 71 contract, he asked to abstain from that conversation and the vote on this item.

F. Approval of (Revised) Agenda

The agenda for Wednesday, June 5, was presented.

Chairperson Kiker asked to move agenda item J to the beginning of the agenda.

The Moore County Airport Authority Meeting Agenda was approved for Wednesday, June 5, 2024.

M/S — Treasurer McPherson/ Secretary Horne

The motion passed by the following vote:

Yes: Member Gilliam, Secretary Horne, Treasurer McPherson, Chair Kiker, Vice Chair Haenlein

G. Approval of Previous Meeting Minutes

Chairperson Kiker asked for a motion to approve the May 8 2024, meeting minutes.

M/S – Treasurer Horne / Member Gilliam

The motion passed by the following vote:

Yes: Member Gilliam, Secretary Horne, Treasurer McPherson, Chair Kiker, Vice Chair Haenlein

H. Consent Approval

1. Budget Amendment-

The Airport Director discussed the payment process for hangar 71. He explained that hangar 71 was purchased at the end of last FY, and the payment was not included in this FY budget. He discussed transferring these monies out of the Truist bank account where they are being held. He explained that paying hangar 71 in one lump sum, the same payment, would save the airport interest and charges. The budget amendment also includes other items to clean up the budget for the end of the fiscal year.

Motion to approve the budget amendment and present to county commissioners for approval.

M/S- Secretary Horne/Member Gilliam

The motion passed by the following vote:

Yes: Member Gilliam, Secretary Horne, Treasurer McPherson, Chair Kiker

Abstain: Vice Chair Haenlein

Treasurer McPherson moved to authorize the airport director to sign all documents related to the transfer of funds and payment for hangar 71.

M/S – Treasurer McPherson/ Member Gilliam

The motion passed by the following vote:

Yes: Member Gilliam, Secretary Horne, Treasurer McPherson, Chairperson Kiker

Abstain: Vice Chair Haenlein

2. TBI Work Order authorization 20-03 \$48,960.

The airport director discussed this as the second amendment to this contract. Staff requests the airport authority to approve the amendment. This amendment would allow for the completion of all required investigations / due diligence to complete the RW 05 RPZ/ROFA improvements.

Motion to approve contract amendment.

M/S – Vice Chair Haenlein/Member Gilliam

The motion passed by the following vote:

Yes: Member Gilliam, Secretary Horne, Treasurer McPherson, Chairperson Kiker, Vice Chair Haenlein

I. Old Business

1. Agreement with Alliance Architects for Architectural services.

After a brief discussion, this item was tabled for a future meeting due to the need for further review and clarification.

2. Air Service Development Catchment Area Study

A presentation was made by Jack Penning – Volaire Aviation.

He discussed the outcome of the air service development study. He presented information that supports that over 1200 passengers daily each way (PDEW) travel to and from the Moore County area. Those numbers could support ten daily flights from Moore County Airport. He also indicated that even if you remove Sanford passengers from the study data, we have enough passengers for eight mainline jet flights daily.

He discussed that the study pulled all the tickets from this area using the credit card zip code. We then use the data from each zip code to determine the most substantial parts of the catchment and what we need to make the service work. He presented the top destinations of the identified passengers to the board. Mr. Penning discussed that with so many nearby airports and unique routes a short drive away, we must provide a value proposition that is more convenient than driving – that means nonstop flights with fares lower than the competing airports.

He presented to the board a vast opportunity to grow inbound passengers. Many are not coming because getting to the area is too hard. Mr. Penning also cautioned that with so few remaining network carriers, we have to look outside the traditional model for achievable and sustainable service. He discussed with the board that one way is to match our strategy to the established strategy of low-cost carriers. He presented a map that shows low-cost carrier pilot and flight attendant bases.

This is where we have a legitimate shot of securing service. He also discussed that many airlines require incentives to help attract service. He informed the board of what the best incentives that can be offered are: 1. Minimum Revenue Guarantees (MRG), 2. Marketing Assistance, 3. Fee and Rent Waivers, 4. Assisting with Start Up Costs, 5. Providing Ground Handling.

He also offered the board a list of incentives that the airport and others can provide, including: 1.

Marketing support 2. Financial assistance 3. Operational support 4. Infrastructure development.

Mr. Penning also explained and cautioned the board that FAA regulations do not allow the airport to use airport funds from aeronautical revenues for MRG's.

The next step is to apply for a Small Community Air Service Development Grant, a federal program that provides financial assistance to small communities to help them develop air service. The airport will strategize to develop an air service development plan, which will be a key component of the grant application.

Treasurer McPherson asked the consultant if he had any information on other communities that use visitor or occupancy taxes.

Mr. Penning responded yes; other examples of this are out there, such as Vail, CO, and many others.

Chair Kiker asked if there were any other questions from the board.

The Airport Director discussed the infrastructure improvements that would be needed, including runway expansion, terminal upgrades, and parking facilities. These improvements could be incremental and completed over numerous years.

The next steps were discussed, which include initiating conversations with airlines to gauge their interest in providing service to Moore County Airport. Additionally, the airport will respond to any notices for Small Community Air Service Development grants (SCASD), which could provide additional funding for air service development.

Chair Kiker asked the consultant and the airport director to collaborate on a contract for the SCASD grant development and initial airline meetings. This contract should be ready for review at the July Authority meeting.

J. New Business:

1. Moore County Sheriff's Proposal of Poverty Hill

The former Poverty Hill Nursery area is land owned by the county, purchased with airport improvement funding, and identified for airport use. It is located across the circle from the Poverty Hill Road airport and between Airport Rd and Mill Creek Village.

Sheriff Fields was introduced at the Meeting and gave a presentation on the Sheriff's Department's use of the old buildings at the property. The department has been using these buildings for training for the last few years. Sheriff Fields would like to make some minor improvements at the site, such as stabilizing the buildings and installing some fences and security cameras. The sheriff's office would fund the cost of the improvements.

Director Cloutier said this parcel does not interfere with the RPZ or ROFA areas.

Treasurer McPherson expressed his long-time concerns about the property's liability, and allowing some fence and security improvements might lessen the liability of empty structures.

Sheriff Fields stated that the sheriff's office would take responsibility for ensuring the area was used responsibly, that fences, signage, and security would be part of the improvements, and that no live ammunition was used during the training.

Director Cloutier informed the board that this does not impact on the airport's long-term plans for this property.

Chair Kiker asked for a motion to allow the Sheriff's Department to work with the Airport Director and make minor improvements to the site.

M/S-Secretary Horne/Member Gilliam

The motion passed by the following vote:

Yes: Member Gilliam, Secretary Horne, Treasurer McPherson, Chair Kiker, Vice Chairperson Haenlein

K. Project Reports, Summaries, and Updates

1. Spreadsheet Tracking: Management Projects, Capital Projects, and Grants Reviewed

2. Director Cloutier gave updates on hangar 72, US Open Preparation, Part 139 preparations, and the maintenance storage shed project.
3. Financials and Other Key Performance Indicators

L. Announcements/Comments

None.

M. Closed Session

1. Under N.C.G.S 143-318.11 (5) I, the Airport Authority will meet to consider and discuss the amount of compensation and other material matters of an employment contract or proposed employment contract.
2. Pursuant to N.C.G.S. 143-318.11(a)(5), the Airport Authority will meet to consider and discuss the negotiation of the price and terms of a contract for the acquisition of real property.

To enter a Closed Session.

M/S-Secretary Horne/ Treasurer McPherson–

Yes: Member Gilliam, Secretary Horne, Treasurer McPherson, Chair Kiker, Vice Chairperson Haenlein.

To return to Open Session:

M/S- Treasurer McPherson / Secretary Horne -

The motion passed by the following vote:

Yes: Member Gilliam, Secretary Horne, Treasurer McPherson, Chair Kiker, Vice Chairperson Haenlein

- No actions taken from the results of the closed session.

N. Adjournment

The next MCA Authority meeting will be in person and via Zoom at 9:00 a.m. on Wednesday, July 10, 2024.

Chair Kiker adjourned the Airport Authority Meeting at 11:40 am.

M/S- Secretary Horne/Member Gilliam

The motion passed by the following vote:

Yes: Member Gilliam, Secretary Horne, Treasurer McPherson, Chair Kiker, Vice Chairperson Haenlein



Adam Kiker, Authority Chair



Gene Horne, Authority Secretary