Board of Commissioners Meeting Packet

Thursday, February 24, 2022, 1:00 p.m.
Human Resources Conference Room A

Norfolk Airport Authority

Norfolk International Airport
2200 Norview Avenue
Norfolk, Virginia 23518
757-857-3351

Malcolm P. Branch, Chair, NAA
Board of Commissioners

Robert S. Bowen, A.A.E.,
Executive Director & Secretary of the Board of Commissioners
CALL TO ORDER

REGULAR AGENDA

• Approval of Board Meeting Minutes January 27, 2022

• Becker / Capital Results Legislative Update
  (Anthony Bedell, Clarence Williams, Robert Shinn)

• Air Service Presentation
  (Charles W. Braden, Director of Market Development)

EXECUTIVE DIRECTOR’S REPORT

CHAIRMAN’S REPORT

OLD BUSINESS

NEW BUSINESS

CLOSED MEETING (Required)

RECONVENE OPEN MEETING (Required)

ADJOURNMENT
REGULAR AGENDA
Norfolk Airport Authority
Board of Commissioners Meeting Minutes | Thursday, January 27, 2022, 1:00 p.m.

The January Norfolk Airport Authority (NAA) Board of Commissioners Meeting was held on Thursday, January 27, 2022, at the Norfolk International Airport (NIA), Human Resources Conference Room A, Main Passenger Terminal. Malcolm P. Branch, Chair, Presided.

Commissioners Present: Malcolm P. Branch
                        Peter G. Decker III, Esquire
                        Paul D. Fraim, Esquire
                        Mekbib Gemeda
                        William Nusbaum, Esquire
                        Deborah H. Painter
                        Bruce Smith

Commissioners Absent: John R. Broderick
                        Michael B. Burnette, CCIM
                        Dr. Harold J. Cobb, Jr., Emeritus Commissioner

Staff Present: Robert S. Bowen, A.A.E., Executive Director and Secretary of the Board
               Jarred Roenker, Director of Finance
               Steven C. Sterling, Deputy Executive Director
               Administration and Operations and Assistant Secretary of the Board
               Sheri Watts, Executive Administrative Assistant and
               Assistant Secretary of the Board

Others Present: Thomas W. Bruno, Partner, McGuireWoods LLP
                Scott Kennedy, Head of School and President, Norfolk Collegiate
                Anita O. Poston, Esquire, NAA General Counsel,
                Cary Sawyer, Director of Finance & Operations, Norfolk Collegiate

Welcome, and Call to Order (Malcolm P. Branch, Chair):
Malcolm P. Branch, Chair, determined that a quorum was present as noted above and called the meeting to order at 1:00 p.m.
PUBLIC HEARING

**Public Hearing on Norfolk Collegiate School Bond Refinancing**

Chairman Branch called the Public Hearing to order and stated that the Public Hearing was being held pursuant to a notice posted in *The Virginian-Pilot* on January 13 and 20, 2022. T.W. Bruno, Bond Counsel, was introduced and presented the proposed bond financing for the benefit of Norfolk Collegiate School and requested approval of two resolutions by the Authority. He was joined by Messrs. Kennedy and Sawyer from the School. Copies of the proposed resolutions and the bond documents were distributed before the meeting to the Commissioners.

After the presentation, Chairman Branch invited public comments and questions. There being none, the public hearing was closed.

REGULAR AGENDA

**Approval of Minutes for the Board of Commissioners Meeting held on December 9, 2021:**
Chairman Branch entertained a motion by Commissioner Decker III to approve the minutes for the meeting on Thursday, December 9, 2021. Vice-Chair Painter seconded the motion, and the Commissioners unanimously approved.

**Government Lobbying Update for January 2022:**
The Lobbying Team could not attend the meeting due to a scheduling conflict but submitted written reports to the Commissioners before the meeting. Mr. Bowen offered to take questions.

**R-1 Recommendation to Approve the Issuance of the Bonds for Norfolk Collegiate School (Peter G. Decker III, Commissioner):**
Commissioner Decker III moved to approve the two resolutions attached to these minutes authorizing the issuance by the Authority of refunding revenue bonds up to $5,700,000 for Norfolk Collegiate School. Commissioner Fraim seconded the motion, and the resolutions were unanimously approved.

**R-2 Recommendation to Approve Award of Concession for Main Lobby Coffee Shop (William L. Nusbaum, Esquire, Chair, Concessions Committee):**
Concessions Committee Chair Nusbaum presented the recommendation by staff for operation of the main lobby coffee shop. Proposals were received from HMSHost and Hudson-NIA to operate the facility. After careful consideration of the proposals, staff recommended selection of the HMSHost proposal; Committee Chair Nusbaum moved to accept the staff recommendation for the HMSHost proposal and to award a concession to HMS Host to operate a Starbucks in the Main Lobby. After discussion, the Commissioners unanimously approved the Committee recommendation.
R-3 Recommendation to Approve a Mid-Year Adjustment to the Fiscal Year 2022 Budget (Deborah H. Painter, Chair, Finance Audit Committee):

Committee Chair Painter reported that the projected operating revenues in the approved Fiscal Year 2022 Budget have exceeded the projected amount. The excess provides the opportunity to resume necessary capital expenditures and implement new policies. Chairman Painter submitted a motion for approval of a Mid-Year Adjustment to the Fiscal Year 2022 Budget as recommended in the staff report submitted to the Commissioners with the agenda.

Chairman Branch welcomed comments or questions. After discussion, the motion for a Mid-Year Adjustment to the Budget as recommended was unanimously approved.

Executive Director’s Report (Robert S. Bowen, A.A.E., Executive Director):

Mr. Bowen supplemented the Capital Projects Update, distributed with the materials before the meeting. In addition, Mr. Bowen commended Airport staff for their excellent performance during the recent snowstorm, specifically mentioning the off-duty Authority Fire Department personnel who assisted during the storm.

Chairman Report: None

Old Business: None

New Business: None

Closed Meeting:

Treasurer Gemeda moved that the Board of the Norfolk Airport Authority convene in a closed session, according to the following provisions of the Virginia Code:
(i) Section 2.2-3711. A 1 for the purpose of discussion and consideration of the retirement of the Executive Director and candidates for employment of a successor; and
(ii) Section 2.2-3711. A. 8 for the purpose of consultation with legal counsel regarding specific legal matters requiring the provision of legal advice by such counsel.

Vice-Chair Painter seconded the motion, and the Commissioners unanimously approved. The closed meeting convened at 1:33 pm.

Reconvene Open Meeting:

Following the Closed Meeting, Chairman Branch reconvened the Open Meeting at 2:09 pm. Treasurer Gemeda moved the adoption of the following Resolution:
Now, therefore, be it resolved that the Board of the Norfolk Airport Authority hereby certifies that to the best of each member’s knowledge (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Code, 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 in the closed meeting.

Vice-Chair Painter seconded the motion.
The motion was approved by a roll call vote as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Vote</th>
<th>Name</th>
<th>Vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malcolm P. Branch</td>
<td>Yes</td>
<td>Deborah H. Painter</td>
<td>Yes</td>
</tr>
<tr>
<td>Mekbib Gemeda</td>
<td>Yes</td>
<td>John R. Broderick</td>
<td>Absent</td>
</tr>
<tr>
<td>Michael B. Burnette</td>
<td>Absent</td>
<td>Peter G. Decker III</td>
<td>Yes</td>
</tr>
<tr>
<td>Paul D. Fraim</td>
<td>Yes</td>
<td>William L. Nusbaum</td>
<td>Yes</td>
</tr>
<tr>
<td>Bruce Smith</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Adjournment:**

There being no further business, Treasurer Gemeda moved that the meeting adjourn. Vice-Chair Painter seconded the motion which was unanimously approved. The meeting adjourned at 2:11 pm. The next scheduled meeting is on Thursday, February 24, 2022, at 1:00 p.m.

________________________
Malcolm P. Branch
Board Chair

________________________
Robert S. Bowen, A.A.E.
Executive Director and Secretary of the Board of Commissioners
Passenger Traffic is Recovering:

ORF:
2021 is 83% of 2019

Nationally:
2021 is 73% of 2019 (DOT)

Source: Airport Records
ORF Airline Passenger Market Share
January - December 2021

SEVEN AIRLINES

Allegiant
American*
Breeze
Delta*
Frontier
Southwest*
United*

*The “Big 4” carry 93% of ORF passengers.

Source: Airport Records
Number of Destinations Served Nonstop from ORF

Nonstop Destinations are increasing.

Source: Airline Data Inc.
## Cities Served Nonstop by Airline at ORF (2022)

<table>
<thead>
<tr>
<th>Allegiant</th>
<th>American</th>
<th>Breeze</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Boston</td>
<td>• Charlotte</td>
<td>• Charleston</td>
<td>• Atlanta</td>
</tr>
<tr>
<td>• Cincinnati</td>
<td>• Washington (DCA)</td>
<td>• Columbus (CMH)</td>
<td>• Boston</td>
</tr>
<tr>
<td>• Ft. Lauderdale</td>
<td>• Dallas</td>
<td>• Hartford</td>
<td>• Detroit</td>
</tr>
<tr>
<td>• Jacksonville</td>
<td>• New York (JFK)</td>
<td>• Islip, NY</td>
<td>• New York (JFK)</td>
</tr>
<tr>
<td>• Columbus (LCK)</td>
<td>• New York (LGA)</td>
<td>• Louisville</td>
<td>• New York (LGA)</td>
</tr>
<tr>
<td>• Punta Gorda</td>
<td>• Miami</td>
<td>• New Orleans</td>
<td></td>
</tr>
<tr>
<td>• St. Pete/Clearwater</td>
<td>• Chicago (ORD)</td>
<td>• Palm Beach</td>
<td></td>
</tr>
<tr>
<td>• Pittsburgh</td>
<td>• Philadelphia</td>
<td>• Pittsburgh</td>
<td></td>
</tr>
<tr>
<td>• Orlando (SFB)</td>
<td></td>
<td>• Providence</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Frontier</th>
<th>Southwest</th>
<th>United</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Denver</td>
<td>• Baltimore</td>
<td>• Denver</td>
</tr>
<tr>
<td>• Orlando (MCO)</td>
<td>• Nashville</td>
<td>• Newark</td>
</tr>
<tr>
<td>• Miami</td>
<td>• Dallas (DAL)</td>
<td>• Washington (IAD)</td>
</tr>
</tbody>
</table>

### 37 Distinct Airport Destinations

*Source: Airline Data Inc.*
ULCCs Increasing Market Share

Mainline
- American
- Delta
- Southwest
- United

ULCC
- Allegiant
- Breeze
- Frontier

Source: Airline Data Inc.
Seat Capacity Recovery

ORF Seats Fiscal Years 2022/2021/2020
(As of February 9, 2022 subject to change)

Source: Airline Data Inc.
Load factors are returning.

Source: Airline Data Inc.
ORF is #1 ranked among 9 commercial service airports in Virginia in terms of load factor
(January-August 2020)

Source: Airline Data Inc.
ORF is #3 ranked among 9 commercial service airports in Virginia in terms of load factor
(January-November 2021)

<table>
<thead>
<tr>
<th>Airport</th>
<th>Load Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>LYH</td>
<td>79.0%</td>
</tr>
<tr>
<td>PHF</td>
<td>78.5%</td>
</tr>
<tr>
<td>ORF</td>
<td>78.1%</td>
</tr>
<tr>
<td>RIC</td>
<td>77.3%</td>
</tr>
<tr>
<td>CHO</td>
<td>76.6%</td>
</tr>
<tr>
<td>DCA</td>
<td>75.9%</td>
</tr>
<tr>
<td>ROA</td>
<td>71.1%</td>
</tr>
<tr>
<td>IAD</td>
<td>64.5%</td>
</tr>
<tr>
<td>SHD</td>
<td>40.5%</td>
</tr>
<tr>
<td>Total</td>
<td>69.4%</td>
</tr>
</tbody>
</table>

Source: Airline Data Inc.
Resident/Visitor mix shifted and then returned

Source: Airline Data Inc.
Overall avg airfares have shifted.

Source: Airline Data Inc.
Airline revenues at ORF have declined and resumed.

Source: Airline Data Inc.
Realities/Threats

*From Airlines For America, 2/16/2022:*

- New ticket sales are rising but demand for corporate and long-haul international air travel continues to lag, leaving revenues depressed.
- Average fares remain well below 2019 levels.
- Air cargo demand, which reached a record high in 2020, rose further in 2021.
- As with numerous other industries, airlines are facing inflationary pressures across several cost categories.
- Airlines are expected to lose money in 2022.
- Debt (and interest expense) will remain elevated through at least 2024.
ORF Outlook

• Fundamentals are good.
• ORF faring relatively well amongst peers.
• Regional population size is a benefit
• Service by 7 major, low cost and niche airlines represents ORF revenue opportunity.
• Local tourism economy is a benefit
• Military economy is a benefit
• We may see more growth in the ULCC segment than the majors.
Executive Director's Report

Robert S. Bowen, A.A.E.
Executive Director and Secretary of the Board of Commissioners
Parking Revenue Control System Replacement
- General Contractor – HUB Parking Technology USA
- This project will replace the entry and exit terminals at all the public parking lots and garages.
- All Authority employees, tenants and Non-Domiciled Airline Employees have been issued the new parking access card for the new system.
- All lanes in Garage complex are operational.
- The online prebooking/reservation platform is now operational.
- We are reviewing punch-list items and anticipate closing out the project upon HUB’s completion of a software upgrade, which is intended to fix several issues. Anticipated closeout is June 2022.

General Aviation Fuel Farm Replacement
- General Contractor – Oil Equipment Sales and Service Co., Inc. (OESSCO)
- Project will replace the Underground Aviation Fuel Tank at the General Aviation Facility with an above ground tank at the fuel farm.
  - Tank delivery is pending. Contractor will set the construction schedule once all materials are on site.
- Project will also replace the original electrical panel which supplies power the fuel farm equipment.
  - All parts are on site and scheduled to be installed by the end of March 2022.

HVAC Renovation
- General Contractor is Virtexco
- Project started September 1st with completion scheduled for June 2, 2022.
- This project will replace a cooling tower, an air handler, two tug bay heaters and provide HVAC duct cleaning in the Departures Terminal.
- Replacement of this equipment will increase the reliability of our HVAC system and provide additional energy efficiencies.

Garage ‘A’ Elevator Modernization
- Contractor is ThyssenKrupp
- The existing elevators will have their electronic controls, motors and cabling modernized.
- This will allow for increased reliability since the major components will be better supported by the manufacturers after the update.
- ThyssenKrupp is awaiting delivery of a control board in order to return the final elevator to service. Once delivered and installed final inspection can be rescheduled with the City.

Runway 5/23 Rehabilitation of Concrete Extensions
- Currently in design by Kimley-Horn and Associates
- The project will rubblize the concrete extension of Runway 5/23 and overlay with asphalt
- Estimated cost of construction is $30 million to be funded with sources below:
  - $10 million in AIP Entitlements
  - $10 million in Bipartisan Infrastructure Law Funds
  - $10 million in Passenger Facility Charges
- Construction Phase 1 is scheduled for April 2023 through November 2023.
- Construction Phase 2 is scheduled for April 2024 through November 2024.
- Nightly runway closures anticipated from 0015 to 0515 seven days a week.
- Runway length available during construction will be reduced from 9,000' to 7,400'.
**Passenger Facility Charge Application #7**

- Notice to air carriers issued February 9, 2022.
- Air Carrier Consultation Meeting to be held March 16, 2022.
- The application includes 9 projects totaling $33 million in PFC revenue.
- Major projects include:
  - Runway 5/23 Rehabilitation - $10 million in PFCs
  - Ticket Lobby Baggage Screening Improvements - $13 million in PFCs
  - Passenger Loading Bridge Replacement - $6 million in PFCs
- Estimated charge effective date is February 2, 2023.
- Estimated charge expiration date is May 1, 2027.

**Dollar Tree Corporate Hangar**

- Hangar and site improvements to be privately constructed and funded by Dollar Tree.
- General Contractor is WM Jordan.
- The Authority will provide oversight of the construction with particular interest in the airside scope of work.
- Contractor expects to mobilize to the site the first week of March 2022.
- Anticipated completion date is November 25, 2022.

**FUNDING SUMMARY**

- 35 total projects in various stages of planning, design and construction.
- Completion of Garage D and Taxiway ‘C’ North projects greatly reduces the amount of funding required for open capital project certificates.

<table>
<thead>
<tr>
<th>Open Certificates</th>
<th>Certificate Balances</th>
<th>Fund Balances</th>
</tr>
</thead>
<tbody>
<tr>
<td>$17,522,000</td>
<td>Totals</td>
<td>$11,092,965</td>
</tr>
<tr>
<td>$4,426,444</td>
<td>Parking</td>
<td>$2,033,142</td>
</tr>
<tr>
<td>$2,920,000</td>
<td>AIP</td>
<td>$2,686,783</td>
</tr>
<tr>
<td>$4,200,000</td>
<td>State Entitlements</td>
<td>$2,465,843</td>
</tr>
<tr>
<td>$1,100,000</td>
<td>FBO Reserve</td>
<td>$817,519</td>
</tr>
<tr>
<td>$1,350,000</td>
<td>Capital Reserve</td>
<td>$837,661</td>
</tr>
<tr>
<td>$150,000</td>
<td>CFC</td>
<td>$10,741</td>
</tr>
<tr>
<td>$3,375,556</td>
<td>Renewal</td>
<td>$2,241,277</td>
</tr>
</tbody>
</table>
To: Property Representative/PFC Administrator  
(See Appendix A for Distribution List)

From: Robert Bowen  
Executive Director  
Norfolk Airport Authority

Re: Notice of Proposed Passenger Facility Charge Application and Air Carrier Consultation Meeting for PFC Application #7 at Norfolk International Airport

Date: February 9, 2022

This letter constitutes written notice to the carriers at Norfolk International Airport (Airport) that the Norfolk Airport Authority (Authority) intends to submit an application to impose and use a Passenger Facility Charge (PFC). The Authority will host an air carrier consultation meeting regarding the planned application on March 16, 2022. This letter provides the air carriers with the thirty (30) to forty-five (45) days advance notice of that meeting as required by Section 158 of the Code of Federal Regulations (14CFR Part 158), “Passenger Facility Charges” (effective June 28, 1991).

The Authority requests that each air carrier provide the Authority with a written acknowledgement that it received this notice. If an air carrier does not provide written acknowledgement of this notice, it will be assumed that is has received notification. Such written notification should be sent to Anthony Rondeau at arondeau@norfolkairport.com or via mail to:

Anthony Rondeau, P.E., C.M.  
Deputy Executive Director  
Engineering and Facilities  
Norfolk Airport Authority  
2200 Norview Avenue  
Norfolk, VA 23518

Pursuant to Section 158.23(a) of 14 CFR Part 158, this notice is being sent to air carriers with significant business interest at the Airport. This notice includes the following:

1. History of the PFC Program at the Airport
2. Description of the proposed application and projects, pursuant to Section 158.23(a)(1)
3. PFC level, proposed charge effective date, estimated charge expiration date, and estimated total PFC revenue, pursuant to Section 158.23(a)(2)
4. Class of carrier not required to collect the PFC, pursuant to Section 158.23(a)(3)
5. Date, time and location of air carrier consultation meeting, pursuant to Section 158.23(a)(4)

HISTORY OF THE PFC PROGRAM AT THE AIRPORT

In 1996, the Authority received approval from the FAA to impose a PFC of $3.00 per eligible enplaned passenger at the Airport and began collection in 1997. With FAA approval of Application #2, the PFC level was increased to $4.50 as of June 2010. The Authority has received approval to collect a total of $150,029,994 under the terms of six approved PFC application and associated amendments.

Table 1 sets forth the status of the previously approved PFC applications. The Authority is currently collecting PFC revenues under its sixth PFC application that was approved on November 26, 2019. Table 1 presents an overview of the PFC program at the Airport.

<table>
<thead>
<tr>
<th>Approved PFC Application #</th>
<th>Total Use Collection Authority</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>96-01-C-00-ORF</td>
<td>$64,951,249</td>
<td>Closed</td>
</tr>
<tr>
<td>10-02-C-00-ORF</td>
<td>$21,508,856</td>
<td>Closed</td>
</tr>
<tr>
<td>10-03-C-00-ORF</td>
<td>$9,640,166</td>
<td>Closed</td>
</tr>
<tr>
<td>14-04-C-00-ORF</td>
<td>$16,066,184</td>
<td>Open</td>
</tr>
<tr>
<td>18-05-C-00-ORF</td>
<td>$22,081,355</td>
<td>Open</td>
</tr>
<tr>
<td>19-06-C-00-ORF</td>
<td>$15,782,184</td>
<td>Open</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$150,029,994</strong></td>
<td></td>
</tr>
<tr>
<td>Collections through December 31, 2021</td>
<td>$138,573,308</td>
<td></td>
</tr>
<tr>
<td>Remaining approved collections</td>
<td>$11,456,686</td>
<td></td>
</tr>
</tbody>
</table>
DESCRIPTION OF PROPOSED APPLICATION AND PROJECTS

The Authority intends to include eight (8) projects in its proposed application:

Project 1 Rehabilitation of Runway 5/23
Project 2 South Lobby Baggage Screening Improvement Projects
Project 3 Passenger Loading Bridge Replacement
Project 4 Consulting Services – Prior PFC Application
Project 5 Consulting Services – Current PFC Application
Project 6 North Lobby Baggage Screening Improvement Projects
Project 7 Interior Wayfinding Improvements
Project 8 Arrivals Terminal Restroom Renovations
Project 9 Concourse Public Stairwell to Ramp Refurbishment

A detailed description of all of the projects is included in Appendix B to this notice. The project costs and proposed funding sources for all the projects is included in Appendix C to this notice.

PFC LEVEL, PROPOSED CHARGE EFFECTIVE DATE, ESTIMATED CHARGE EXPIRATION DATE, AND ESTIMATED TOTAL PFC REVENUE

PFC Level: $4.50 per eligible enplaned passenger is being requested for all projects

PFC Revenue to be collected: $33,143,422

Charge effective date: The proposed PFC application will become effective upon the expiration of PFC Application #6 which is estimated to be February 1, 2023 (FY 2023) which is one month later than the approved expiration date of January 1, 2023 based on slower than expected collections. The estimated charge effective date for this new PFC is February 2, 2023 (FY 2023).

Estimated charge expiration date: May 1, 2027 (FY 2027)

CLASS OF CARRIER NOT REQUIRED TO COLLECT PFC

For previous applications, the Authority has received FAA approval to exclude from the requirement to collect PFCs the class of carriers titled On-Demand Air Taxi Commercial Operators (ATCO’s) at the Airport. Per Section 158.11(a)(1), the Authority intends to again request this exclusion in the current proposed application. The number of passengers enplaned by this class of carrier was 31 in
CY 2020, representing significantly less than one percent of total annual enplanements at the Airport. These carriers are excluded because the burden of collecting the fees is greater than the revenue that would be collected.

Carriers belonging to this class and operating at the Airport in CY 2020 included:

Cobalt Air LLC
Meridian Air Group, Inc.

DATE, TIME AND LOCATION OF AIR CARRIER CONSULTATION MEETING

The Authority will hold the air carrier consultation meeting on:

Date: March 16, 2022
Time: 2:00 pm Eastern Time
Location: The Authority will hold this meeting virtually at the following zoom link: https://us02web.zoom.us/j/81588450702.

After the Air Carrier Consultation Meeting, each air carrier will have thirty (30) days to provide the Authority with a written certification of its agreement or disagreement with each proposed project pursuant to Section 158.23. If an air carrier fails to provide the Authority with timely certification of agreement or disagreement with each project, the air carrier is considered to have certified its agreement.

Air carriers that have any questions about the meeting should address them to Anthony Rondeau at arondeau@norfolkairport.com or at (757) 857-3351.
Appendix A
DISTRIBUTION LIST

Air Wisconsin Airlines Corporation
W6390 Challenger Drive
Suite 203
Appleton WI 54914

Allegiant Air LLC
1201 N. Town Center Drive
Las Vegas NV 89144

American Airlines, Inc.
4333 Amon Carter Blvd
Fort Worth TX 76155

Boutique Air
340 Pine Street
Suite 503
San Francisco CA 94104

Cobalt Air LLC
36 Airline Avenue
Portsmouth NH 03801

Commutair a/k/a Champlain Enterprises, Inc.
24950 Country Club Blvd
Suite 300
North Olmstead OH 44070

Delta Air Lines, Inc.
Box 20706
Hartsfield Atlanta Int'l Airport
Atlanta GA 30320

DFM INC d/b/a Contour Airlines
808 Blue Angel Way
Smyrna TN 37167

Eastern Airlines f/k/a Dynamic Airways LLC
550 E. Swedesford Road
Suite 220
Wayne PA 19087

Elite Airways LLC
50 Portland Pier
Portland ME 04101-5016

Endeavor Air Inc.
7500 Airline Drive
Minneapolis MN 55450

Envoy Air
4301 Regent Blvd
Irving TX 75063

Expressjet Airlines INC
990 Toffie Terrace
Atlanta GA 30354

Frontier Airlines, Inc
Frontier Center One
4545 Airport Way
Denver CO 80239

GoJet Airlines, LLC
11495 Navaid Road
Suite 303
Bridgeton MO 63044

Jetblue Airways Corporation
27-01 Queens Plaza North
Long Island NY 11101

Meridian Air Group, Inc.
12539 Beverly Ford Rd
Brandy Station VA 22714

Mesa Airlines, Inc.
410 N. 44th St.
Suite 700
Phoeniz AZ 85008
Omni Air International LLC
P.O. Box 582527
3303 N. Sheridan Road
Tulsa OK 74158

Piedmont Airlines
5443 Airport Terminal Road
Salisbury MD 21804-1700

PSA Airlines Inc.
3400 Terminal Drive
Vandalia OH 45377

Republic Airways
8909 Purdue Road
Suite 300
Indianapolis IN 46268

SkyWest Airlines, Inc.
444 South River Road
St. George UT 84790

Southwest Airlines Co.
2702 Love Field Drive
HQB-1EO
Dallas TX 75235

Sun County Airlines
1300 Corporate Center Curve
Eagan MN 55121

Swift Air, LLC
2710 East Old Tower Road
Phoenix AZ 85034

Tradewind Aviation LLC
5 Juliano Drive
Oxford CT 06478

United Air Lines, Inc.
233 South Wacker Drive
Chicago IL 60606

Vistajet Limited
120 Wooster Street
6th Floor
New York NY 10012
Appendix B
Description of Projects

**Project 1  Rehabilitation of Runway 5/23 - Construction**

**Description:** The proposed project consists of pavement rehabilitation on Runway 5-23 of the existing Portland cement concrete (PCC) sections on both the 5 and 23 ends of the existing runway to consist of PCC joint treatment followed by placement of an asphalt concrete overlay. The runway pavement rehabilitation improvements will occur on the existing 1500 foot PCC sections at each end of the runway plus an additional length of milling and asphalt overlay for pavement tie-in. Based on proposed changes to runway pavement elevations, pavement transitions will be required at connecting taxiways (C1, C2, J, A (East), A (West), H, and C (North). Pavement rehabilitation will occur on existing pavement – no additional paved surfaces will be constructed with this project.

This project will also adjust runway centerline lights in asphalt pavement, runway edge lights, and taxiway edge lights to accommodate overlay thickness at both the Runway 5 and Runway 23 ends. The in-pavement Runway 5 MALSR light bars will be replaced and the 1000’ MALSR bar (in blast pad) will be adjusted. All remaining MALSR light fixtures beyond the blast pad may require elevation/light plane adjustments.

**Objective:** This project will maintain capacity at ORF by extending the useful life of the existing Runway 5/23.

**Justification:** This project will rehabilitate the nearly 50 year old PCC pavements at both ends of Runway 5/23. These pavements have performed well over a long service life, but are now in poor condition and in need of resurfacing. The Runway 23 extension was constructed in 1972. This section of pavement has a PCI of 46 or Poor. The Runway 5 extension was constructed in 1981. This section of pavement has a PCI of 45 or Poor.

**Estimated Project Implementation Date:** April 2023

**Estimated Project Completion Date:** December 2023

**Project 2  South Lobby Baggage Screening Improvements**

**Description:** The purpose of this project is to relocate the CBIS machines from the Terminal Lobby to the tug area. There will be an enclosed, secure room for TSA operations to occur in the tug area. This will require modifications to the lobby side for the airlines. The airline ticket counters require relocating in some areas and the wall separating the lobby and the tug area will be shifted to allow for more space on the tug side.
Objective: The ticket lobby was not designed to accommodate the growing needs of the TSA and the associated space requirements of their equipment. This project reclaims valuable queuing area in the ticket lobby that is required to maintain operational efficiencies.

Justification: This project relocates the equipment from the terminal checkpoint area and will modernize and update the process for screening checked bags at the airport. Currently the passenger queuing area is reduced due to the location of the TSA equipment. Additionally, passengers are required to handle their bags twice when checking bags. This project will allow for the passengers to only handle their baggage once at the airline ticket counter. The TSA has provided a letter of support for this project.

Estimated Project Implementation Date: March 2020
Estimated Project Completion Date: December 2023

Project 3 Passenger Loading Bridges Replacement

Description: This project consists of the removal of four existing passenger loading bridges at Gates 1, 16, 25 and 27 and replacing them with four new passenger loading bridges to include bag lifts, preconditioned air and ground power units. All four gates are leased on preferential basis.

Objective: This project will maintain capacity by allowing continued use of passenger loading bridges for passenger traffic.

Justification: The four passenger loading bridges being replaced are aging and obsolete. They have exceeded their useful life. The following table shows the original installation year and age of each loading bridge.

<table>
<thead>
<tr>
<th>Gate #</th>
<th>PLB Installation Year</th>
<th>PLB Age in 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1999</td>
<td>23</td>
</tr>
<tr>
<td>16</td>
<td>1999</td>
<td>23</td>
</tr>
<tr>
<td>25</td>
<td>1997</td>
<td>25</td>
</tr>
<tr>
<td>27</td>
<td>1990</td>
<td>32</td>
</tr>
</tbody>
</table>

Estimated Project Implementation Date: July 2020
Estimated Project Completion Date: December 2023
Project 4  Consulting Services – Prior PFC Application

Description: This project consists of professional fees for services provided from consultants in preparing PFC 19-06-C-00.

Objective: The assistance provided to the airport preserves and/or enhances the capacity, safety and/or security at the airport.

Justification: The project is PFC eligible in accordance with the definition of an allowable PFC cost and is necessary to provide ORF with additional assistance in the preparation of the PFC application.

Estimated Project Implementation Date: October 2018

Estimated Project Completion Date: December 2019

Project 5  Consulting Services – Current PFC Application

Description: This project consists of professional fees for services provided from consultants in preparing the proposed new PFC application.

Objective: The assistance provided to the airport preserves and/or enhances the capacity, safety and/or security at the airport.

Justification: The project is PFC eligible in accordance with the definition of an allowable PFC cost and is necessary to provide ORF with additional assistance in the preparation of the PFC application.

Estimated Project Implementation Date: August 2021

Estimated Project Completion Date: December 2022

Project 6  North Lobby Baggage Screening Projects

Description: The purpose of this project is to relocate the CBIS machines from the Terminal Lobby to the tug area. There will be an enclosed, secure room for TSA operations to occur in the tug area. This will require modifications to the lobby side for the airlines. The airline ticket counters require relocating in some areas and the wall separating the lobby and the tug area will be shifted to allow for more space on the tug side.

Objective: The ticket lobby was not designed to accommodate the growing needs of the TSA and the associated space requirements of their equipment. This project reclaims valuable queuing area in the ticket lobby that is required to maintain operational efficiencies.
Justification: This project relocates the equipment from the terminal checkpoint area and will modernize and update the process for screening checked bags at the airport. Currently the passenger queuing area is reduced due to the location of the TSA equipment. Additionally, passengers are required to handle their bags twice when checking bags. This project will allow for the passengers to only handle their baggage once at the airline ticket counter. The TSA has provided a letter of support for this project.

Estimated Project Implementation Date: January 2019
Estimated Project Completion Date: December 2020

Project 7  Interior Wayfinding Improvements

Description: This project entails the complete replacement of the terminal wayfinding signage system at the Airport. New wayfinding signs will be designed and installed throughout the publicly accessible areas of Airport. The proposed signage would replace existing signs which were installed in the early 2000s. The updates reflect the guidance and best practices established in Advisory Circular 150/5360-12F entitled Airport Signing and Graphics. All signage is located in public areas.

Objective: This project enhances the terminal building by updating wayfinding signage to meet current standards.

Justification: This project seeks to both preserve capacity and enhance safety at the Airport. Replacing terminal wayfinding signage will maintain the capacity of the Airport, as accurate, legible signage and access to the terminal is crucial for the movement of passengers and their baggage.

Estimated Project Implementation Date: July 2018
Estimated Project Completion Date: December 2024
**Project 8  Arrivals Terminal Restroom Renovations**

**Description:** This project will renovate three women’s rooms, three men’s rooms and one family room in the Arrivals Terminal. The restrooms have not been renovated in the past 20 years and need to be reconstructed in order to meet the needs of today’s traveling public. Restrooms will provide larger stalls for easier use.

**Objective:** This project will preserve capacity at the airport by updating the restroom facilities to meet current standards.

**Justification:** This project seeks to both preserve capacity and enhance safety at the Airport. Updating aging restroom infrastructure will maintain the capacity of the Airport, as functioning restrooms are crucial for the movement of passengers.

**Estimated Project Implementation Date:** July 2017

**Estimated Project Completion Date:** June 2024

**Project 9  Concourse Public Stairwell to Ramp Refurbishment**

**Description:** This project will rehabilitate the interiors of the existing stairwells that provide public access to the commercial apron for the loading and unloading of passenger. The stairwell flooring, handrails and lighting will be replaced.

**Objective:** This project will preserve the capacity at the airport by ensuring that each concourse gate area has safe and usable apron access for the traveling public.

**Justification:** This project is required to ensure the public use spaces of the airport are properly maintained and safe for use by the public.

**Estimated Project Implementation Date:** July 2022

**Estimated Project Completion Date:** December 2023
# Appendix C - Plan of Finance

## Project Costs and Proposed Funding Sources

<table>
<thead>
<tr>
<th>Project</th>
<th>Item #</th>
<th>Fiscal Year</th>
<th>Project Costs</th>
<th>AIP Grants</th>
<th>State</th>
<th>PFC #7</th>
<th>Authority Funds</th>
<th>Total</th>
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<td>North Lobby Baggage Screening Improvement Projects</td>
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Source: Authority
## Calculation of PFC Revenues

### February 7, 2022

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>TAF as of May-21</th>
<th>% PFC Charge (a)</th>
<th>Net PFC Charge (a)</th>
<th>Estimated PFC Revenues</th>
<th>Revenues for PFC #19-06-C-00 (b)</th>
<th>PFC Revenue Available for PFC #7</th>
<th>Cumulative</th>
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<tbody>
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<td>Actual</td>
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<td>2027 (d)</td>
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<td><strong>CAGR</strong></td>
<td><strong>2022-2027</strong></td>
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<td></td>
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<td>$44,600,108</td>
<td>$11,456,686</td>
<td><strong>$33,143,422</strong></td>
</tr>
</tbody>
</table>

(a) PFC of $4.50 less airline collection fee of $0.11.
(b) Represents reimbursement for State funds used to fund PFC eligible projects included in PFC #19-06-C-00. Charge expiration date for PFC #19-06-C-00 is 1/1/23; however, it is estimated that the funds will be collected by 2/1/23.
(c) Reflects an estimated expiration date of 2/1/23 for PFC #19-06-C-00, and therefore, a charge effective date of 2/2/23 for PFC #7.
(d) Calculates to an estimated expiration date of 5/1/27 for PFC #7, which is 11 months into FY 2027.

Sources:
- Authority records, actuals
- FAA Terminal Area Forecast issued in May 2021, 2022 through 2027
## PFC Cash Flows

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Attachment I-2</th>
<th>Attachment I-2</th>
<th>Attachment I-1</th>
<th>Net PFC</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Sources</td>
<td>Cumulative</td>
<td>Uses</td>
<td>Revenues</td>
</tr>
<tr>
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<td>PFC #19-06-C-00</td>
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<td>PFC #7</td>
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<tr>
<td>Prior</td>
<td>$5,120,700</td>
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<td>($11,456,686)</td>
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<td>Total</td>
<td>$11,456,686</td>
<td>$33,143,422</td>
<td>$44,600,108</td>
<td>($11,456,686)</td>
</tr>
</tbody>
</table>
CLOSED MEETING, RECONVENE MEETING AND ADJOURNMENT DOCUMENTS
I move that the Board of the Norfolk Airport Authority convene in a closed session, pursuant to:

(i) the personnel exemption of Virginia Code Section 2.2-3711. A 1, for the purpose of discussion and consideration of the retirement of the Executive Director, the employment and possible salary of a successor, prospective candidates for employment, and the selection and engagement of a search firm;

(ii) the public contract exemption at Section 2.2-3711. A. 29, for the purpose of discussion of the award of a public contract involving the expenditures of public funds and discussion of the scope and terms of the contract where discussion in open session would adversely affect the bargaining position or negotiating strategy of the Authority; and

(iii) Section 2.2-3711. A. 8, for the purpose of consultation with legal counsel regarding legal matters pertaining to the contract with the search consultant and perspective candidates for employment.
SCRIPT:

Now, therefore, be it resolved that the Board of the Norfolk Airport Authority hereby certifies that to the best of each member’s knowledge (i) only public business matters lawfully exempted from open meeting requirements under the Virginia Code, 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 in the closed meeting.
I, MOVE THAT THE BOARD ADJOURN AND THAT THE NEXT REGULAR PUBLIC SESSION OF THE BOARD BE HELD AT 1:00 P.M., ON MARCH 24, 2022 IN THE HUMAN RESOURCES CONFERENCE ROOM A, MAIN PASSENGER TERMINAL, NORFOLK INTERNATIONAL AIRPORT OR AS OTHERWISE DETERMINED AND NOTICED.