

Board of Commissioners Meeting Packet

Thursday, March 23, 2023, 1:00 p.m.

2023

Norfolk Airport Authority



2200 Norview Avenue
NAA Board Room
Norfolk, Virginia 23518
(757) 857-3351

Deborah H. Painter
Chair

Mark A. Perryman, Assoc.
AIA President & CEO and
Board Secretary

Norfolk Airport Authority

Board of Commissioners Meeting
Thursday, March 23, 2023
1:00 p.m.

AGENDA

CALL TO ORDER

REGULAR AGENDA

- *Approval of Board Meeting Minutes, January 19, 2023*

PUBLIC COMMENTS

CEO & STAFF REPORT

NAA BOC CHAIR REPORT

COMMITTEE REPORT

Finance and Audit Committee Report

- Preliminary Budget Review

OLD BUSINESS

CLOSED MEETING *(Required)*

RECONVENE MEETING *(Required)*

NEW BUSINESS

- Resolution of the Norfolk Airport Authority Approving the Modification of Certain Revenue Bonds Previously Issued as a Conduit Issuer on behalf of St. Mary's Home for Disabled Children, Incorporated

ADJOURNMENT



Regular Agenda

**Board Meeting Minutes
Thursday, January 19, 2023**

Norfolk Airport Authority

Board of Commissioners Meeting Minutes | Thursday, January 19, 2023, 1:00 pm.

The Norfolk Airport Authority (NAA) Board of Commissioners Meeting was held on Thursday, January 19, 2023, at the Norfolk International Airport (NIA), the NAA Board of Commissioners Room, Main Passenger Terminal. Deborah H. Painter, Chair presided.

Commissioners Present: Michael D. Burnette, CCIM
Paul D. Fraim, Esquire
Mekbib Gemed
Peggy H. Newby, RN, BSN, CAOHC, CPC-A
Deborah H. Painter
Susan C. Pilato
Charles ‘Chip’ W. Rock, Rear Admiral, USN, Retired
Bruce B. Smith

Commissioners Absent: Peter G. Decker III, Esquire

Staff Present: Charles W. Braden, Associate Vice President,
Market Development
Everett Stieff, Manager, Field Maintenance
Mark A. Perryman, Assoc. AIA, President & CEO
and Board Secretary
Jarred M. Roenker, CPA, Vice President &
Chief Financial Officer
Anthony Rondeau, Executive Vice President &
Chief Development Officer
Steven C. Sterling, Executive Vice President &
Chief of Staff and Board Assistant Secretary
Shelia D. Ward, Ph.D., Vice President & Chief Operations
Officer
Sheri Watts, Executive Administrative Assistant and Board
Assistant Secretary

Others Present: Anita O. Poston, Esquire, Woods Rogers Vandeventer
Black, Counsel

Welcome and Call to Order (Deborah H. Painter, Chair):

Deborah H. Painter, Chair, determined that a quorum was present and called the meeting to order at 1:00 pm.

REGULAR AGENDA

Approval of Minutes:

Chair Painter entertained a motion by Vice Chair Gameda to approve the minutes for the meetings on Thursday, September 22, 2022, and Tuesday, December 13, 2022. Commissioner Burnette seconded the motion which was then unanimously approved.

Public Comments:

Public comments were welcomed but no one from the public was in attendance.

CEO & Staff Report (Mark A. Perryman, President & CEO):

Mr. Perryman's presentation included the following:

Featured Department Manager:

Upon the request of the Chair, Mr. Perryman initiated the introduction of senior staff leaders with the presentation by Dr. Ward of Mr. Everett Stieff, Field Maintenance Manager. On behalf of the Board, Ms. Painter expressed gratitude for Mr. Stieff's expertise and years of service to the Authority.

Public Comment Response:

Mr. Perryman responded to the request by Mr. John Atkinson at an earlier meeting for long-term parking privileges for employees of airlines without direct service from the Airport. The staff reviewed the parking program and modified it to include employees of domestic airlines such as JetBlue and Alaska who have an alliance with an airline having scheduled service at the Airport. Employees of airlines with such alliances will pay a higher rate than employees of airlines with scheduled service. Mr. Atkinson will be notified regarding the modified parking program.

Air Service/Marketing:

- The ORF market share continues to grow. The year 2022 was the best in ORF's 85-year history, with 4.1M passengers served. In addition, July 2022 set an all-time monthly record.
- ORF is the only airport in Virginia to surpass pre-pandemic 2019 airline seat capacity.
- ORF seat capacity has outpaced the US system in 2022.

Capital Development:

Updates were provided for the following capital projects:

- The design for the Runway 5/23 Concrete Extensions project is being finalized. Phase 1 completion is anticipated in November 2023, and Phase 2 in November 2024. The total projected cost for both phases is \$30 million. There are cost savings of \$5 million in each phase due to the reduction in the runway length from 7,400 to 6,800. The runway length reduction will also reduce night work and overnight closures.
- The Dollar Tree Corporate Hangar project is completed.
- The Moving Sidewalk project: The plans for the moving sidewalk are progressing.
- Future Capital Program: The staff has identified Airport improvements and categorized them into three Priority Projects as outlined in the meeting packet.
- Concourse A Project: Additional design/preconstruction activities and funding are needed to maintain the current momentum on the improvements to Concourse A.

Mr. Perryman presented the staff recommendation to proceed with the *Construction Manager Solicitation and Pre-Construction Fee* option described in the meeting packet and requested additional funds not to exceed \$4M. After discussion, Chair Painter entertained a motion by Commissioner Fraim to approve the staff recommendation and the request for additional funding up to \$4M. The motion was seconded by Commissioner Rock and unanimously approved.

- TSA Security Checkpoint Project: The project is being designed with an estimated construction budget of \$40M.
- The Consolidated Checked Bag Inspection Screening (CBIS) Facility Project: The Construction will begin in FY25 with an estimated construction budget of \$55M.
- The Consolidated Ticketing Lobby Project: Staff is seeking funding sources for the estimated construction budget of \$200M.
- Gate 1 Federal Inspection Service Facility Project: The Airport's current design does not meet the standard for passengers accessing baggage before screening. With the proposed redesign, an expansion may require a 2,900 addition to meet the standard requirement.
- Corporate Hangar at GRE Site: The project involves constructing two corporate hangars, aprons, and vehicle parking.

Finance/Administration:

Financial highlights include:

- The November 2022 Financial Report: Operating Revenues are over budget, and Expenses are under budget.
- New Airline Use & Lease Agreement: The current agreement expires on June 30, 2023. Meetings with the airlines regarding the new agreement are continuing.
- Parking improvements include the new discount reservation parking and parking loyalty program. Parking is free for the first 30 minutes in all lots and garages.
- A cell phone lot has been established to prevent parking on the arrivals curb.
- A cashless payment system for parking began in January.

Community Outreach:

Mr. Perryman continues his community outreach. Further details are described in the meeting packet.

Strategic Plan:

Mr. Sterling provided a current overview of the Strategic Plan and each of the four goals. He will continue to update the Commissioners on progress.

Old Business:

Approval of Policy for All-Virtual Meetings:

Chair Painter recommended approval of the *Policy for All-Virtual Meetings* presented at a prior meeting and entertained a motion by Vice Chair Gameda to approve the recommended policy. The motion was seconded by Commissioner Fraim and unanimously approved.

Approval of Policy for Remote Participation in Meetings:

Chair Painter recommended approval of the revised *Policy for Remote Participation in Meetings* which was also presented at an earlier meeting and entertained a motion by Vice Chair Gemeda to approve the recommended policy. The motion was seconded by Commissioner Burnette and unanimously approved.

Board Chair Report:

Chair Painter outlined the new committee responsibilities and descriptions described in the meeting packet. Each Commissioner has been assigned to at least one committee which includes a chair and staff representative. Committee involvement is crucial to meeting the goals established by the staff. Committee appointments follow:

Executive Committee		NAA Staff Representative
Chair Deborah H. Painter		Mark A. Perryman, Assoc. AIA President & CEO and Board Secretary
Mekbib Gemeda		
Peter G. Decker III		
Nominating and Strategy Committee		NAA Staff Representative
Chair Paul D. Fraim		Steven C. Sterling Executive Vice President, Chief of Staff
Mekbib Gemeda		
Charles 'Chip' W. Rock		
Finance and Audit Committee		NAA Staff Representative
Chair Susan C. Pilato		Jarred M. Roenker, CPA Vice President & Chief Financial Officer
Paul D. Fraim		
Peggy H. Newby		
Deborah H. Painter		
Facilities Development Committee		NAA Staff Representative
Chair Bruce B. Smith		Anthony E. Rondeau Executive Vice President, Chief Development Officer
Michael B. Burnette		
Susan C. Pilato		
Charles 'Chip' W. Rock		
Commercial and Business Committee		NAA Staff Representative
Chair Michael B. Burnette		Shelia D. Ward, Ph.D. Vice President & Chief Operations Officer
Peter D. Decker		
Peggy H. Newby		
Bruce B. Smith		

Closed Meeting:

The Chair advised that a closed meeting is required and Vice Chair Gameda moved that the Board of the Norfolk Airport Authority convene in a closed meeting pursuant to the following:

Section 2.2-3711. A.3 of the Code of Virginia to discuss the acquisition of real property by the Authority and disposition of real property owned by the Authority where discussion in an open meeting would adversely affect the Authority’s bargaining position or negotiating strategy.

Commissioner Burnette seconded the motion, and the Commissioners unanimously approved. Following the vote, the Authority convened in closed meeting.

Reconvene Open Meeting:

Following the closed meeting, Chair Painter reconvened the open meeting. Vice Chair Gameda moved for the adoption of the following Resolution and Certification:

Now, therefore, be it resolved that the Board of the Norfolk Airport Authority hereby certifies that to the best of each Commissioner’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.

Commissioner Burnette seconded the motion. The motion was approved by roll call vote as follows:

Commissioner	Vote	Commissioner	Vote
Michael B. Burnette	Yes	Peter G. Decker III	Absent
Paul D. Fraim	Yes	Mekbib Gameda	Yes
Peggy H. Newby	Yes	Deborah H. Painter	Yes
Susan C. Pilato	Yes	Charles ‘Chip’ W Rock	Yes
Bruce B. Smith	Yes		

New Business:

Approval of Employee Bonus Plan:

Staff recommended that the Board approve the Employee Bonus Plan described in the meeting packet. After discussion, Chair Painter entertained a motion by Commissioner Burnette to approve the recommended Bonus Plan; the motion was seconded by Vice Chair Gameda and unanimously approved.

Approval of Revised Air Service Development Policy:

Staff recommended approval of a revised Air Service Development Policy described in the meeting packet. After discussion, Chair Painter entertained a motion by Commissioner Burnette to approve the revised Air Service Development Policy; the motion was seconded by Commissioner Newby and unanimously approved.

Acceptance of 2022 Annual Financial Statements:

On behalf of the Finance and Audit Committee, Chair Painter recommended approval and acceptance of the 2022 Annual Financial Statements presented earlier by the Authority's auditor. The motion was unanimously approved.

Adjournment:

There being no further business, Vice Chair Gameda moved that the meeting adjourn. Commissioner Smith seconded the motion which was unanimously approved. The next meeting is scheduled for Thursday, March 23, 2023, at 1:00 pm.

Deborah H. Painter
Chair

Mark A. Perryman, Assoc. AIA
President & CEO and Board
Secretary



Committee Report

Finance and Audit Committee

- Preliminary Budget Review

Norfolk Airport Authority
Norfolk International Airport
Budgeted Income Statement

	Actual FY 2022	Projected FY23	Budget FY23	Budget FY24	Variance FY24 Budget vs FY23 Budget
Operating Revenues:					
Parking	18,418,315	20,746,124	20,325,000	23,150,000	2,825,000
Landing fees	7,890,044	8,207,164	8,633,500	10,272,000	1,638,500
Rent	6,799,802	7,622,311	8,029,803	12,474,000	4,444,197
Concessions	3,535,816	3,970,780	3,582,000	4,224,000	642,000
Rental Cars	8,761,848	8,665,713	9,000,000	9,800,000	800,000
Other	1,017,232	1,247,179	1,017,000	1,427,000	410,000
Total Operating Revenues	46,423,056	50,459,270	50,587,303	61,347,000	10,759,697
Operating Expenses:					
Salaries, wages and benefits	19,505,012	19,766,501	22,068,585	23,757,285	1,688,700
Advertising and promotion	873,274	812,594	1,127,000	1,157,000	30,000
Utilities	2,943,672	3,557,717	3,038,390	3,457,788	419,398
Insurance	1,090,412	1,034,703	1,250,000	1,250,000	-
Payment to City of Norfolk	2,650,000	2,650,000	2,650,000	2,650,000	-
Stormwater and Sanitation	1,100,977	1,148,685	1,100,000	1,136,200	36,200
Professional services	547,325	558,969	700,500	907,500	207,000
Maintenance and repairs	3,136,427	2,907,480	3,214,600	3,367,200	152,600
Administrative expenses	713,991	804,104	830,780	1,037,030	206,250
Services	3,817,861	4,305,781	4,226,020	4,724,589	498,569
Other	462,511	532,235	734,900	995,950	261,050
Total Operating Expenses	36,841,463	38,078,769	40,940,775	44,440,542	3,499,767
Operating Income	9,581,593	12,380,501	9,646,528	16,906,458	7,259,930

Summary of Revenues

Exhibit A

	Actual FY 2022	Projected FY23	Updated Budget FY23	Budget FY24	Variance from PY Budget	%	Variance from Projected	%
Landing Fees	7,890,044	8,207,164	8,633,500	10,272,000	1,638,500	19.0%	2,064,836	25.2%
Airline Space	3,774,716	4,432,066	5,138,594	8,719,000	3,580,406	69.7%	4,286,934	96.7%
Common Use	430,538	601,207	350,000	900,000	550,000	157.1%	298,794	49.7%
Passenger Loading Bridges	111,030	120,013	138,209	272,000	133,791	96.8%	151,987	126.6%
Airline Rent	4,316,284	5,153,285	5,626,803	9,891,000	4,264,197	75.8%	4,737,715	91.9%
Building Rent	1,981,448	1,907,250	1,955,000	2,021,000	66,000	3.4%	(1,038)	-17.2%
Ground Rent	112,928	158,472	103,000	207,000	104,000	101.0%	113,750	6.0%
Conference Rooms	6,768	6,038	5,000	5,000	-	0.0%	48,528	30.6%
Non-Airline Rent	2,101,144	2,071,760	2,063,000	2,233,000	170,000	8.2%	161,240	7.8%
Food/Beverage Concessions	1,322,014	1,665,935	1,300,000	1,800,000	500,000	38.5%	134,065	8.0%
Retail Concessions	1,377,159	1,408,934	1,500,000	1,550,000	50,000	3.3%	141,066	10.0%
Advertising	279,621	311,390	250,000	300,000	50,000	20.0%	(11,390)	-3.7%
Vending Machines	20,656	22,339	22,000	22,000	-	0.0%	(339)	-1.5%
ATMs	21,506	23,055	20,000	22,000	2,000	10.0%	(1,055)	-4.6%
Concession Fees	3,020,957	3,431,653	3,092,000	3,694,000	602,000	19.5%	262,347	7.6%
Parking Revenue	18,062,934	20,253,746	20,000,000	22,500,000	2,500,000	12.5%	2,246,254	11.1%
Employee & Tenants	355,381	492,378	325,000	650,000	325,000	100.0%	157,622	32.0%
Parking	18,418,315	20,746,124	20,325,000	23,150,000	2,825,000	13.9%	2,403,876	11.6%
Rental Cars Commission	8,761,848	8,665,713	9,000,000	9,800,000	800,000	8.9%	1,134,287	13.1%
Carshare Commissions	-	33,935	-	90,000	90,000	#DIV/0!	56,065	165.2%
Rental Car	8,761,848	8,699,647	9,000,000	9,890,000	890,000	9.9%	1,190,353	13.7%
Rideshare Commissions	779,710	962,159	850,000	1,125,000	275,000	32.4%	162,841	16.9%
Taxicabs	16,440	18,805	15,000	20,000	5,000	33.3%	1,195	6.4%
Vehicle Access Privilege Fee	1,230	994	1,000	1,000	-	0.0%	6	0.6%
Ground Transportation Services	797,380	981,958	866,000	1,146,000	280,000	32.3%	164,042	16.7%
Gourmet Gang - Catering	93,367	107,193	75,000	105,000	30,000	40.0%	(2,193)	-2.0%
Signature Flight Support (FBO)	421,493	431,934	415,000	425,000	10,000	2.4%	(6,934)	-1.6%
Concessions	514,859	539,127	490,000	530,000	40,000	8.2%	(9,127)	-1.7%
Fuel Farm	382,373	397,266	340,000	350,000	10,000	2.9%	(47,266)	-11.9%
Cargo Terminal	278,585	290,386	250,000	275,000	25,000	10.0%	(15,386)	-5.3%
Miscellaneous	67,041	96,513	10,000	60,000	50,000	500.0%	(36,513)	-37.8%
SIDA Fees	69,484	72,875	50,000	80,000	30,000	60.0%	7,125	9.8%
Security Reimbursements	69,632	78,933	80,000	123,000	43,000	53.8%	44,067	55.8%
Telephone Reimbursements	13,695	16,899	11,000	18,000	7,000	63.6%	1,101	6.5%
Other	880,810	952,872	741,000	906,000	165,000	22.3%	(46,872)	-4.9%
OPERATING REVENUE	46,701,641	50,783,590	50,837,303	61,712,000	10,874,697	21.4%	10,928,410	21.5%
Rental Cars-CFC	2,724,476	2,982,332	2,880,000	3,200,000	320,000	11.1%	217,668	7.3%
State Grants	35,000	35,000	35,000	35,000	-	0.0%	-	0.0%
TSA - Canine Grants	151,500	151,500	151,500	151,500	-	0.0%	-	0.0%
Interest/Investments	111,851	643,688	20,000	500,000	480,000	2400.0%	(143,688)	-22.3%
Off Airport Property Rent	323,455	404,214	300,000	400,000	100,000	33.3%	(4,214)	-1.0%
CARES/CRRSA/ARPA Grants	14,176,031	7,694,575	7,694,575	-	(7,694,575)	-100.0%	(7,694,575)	-100.0%
NON-OPERATING REVENUE	17,522,313	11,911,309	11,081,075	4,286,500	(6,794,575)	-61.3%	(7,624,809)	-64.0%
TOTAL REVENUE	64,223,954	62,694,899	61,918,378	65,998,500	4,080,122	6.6%	3,303,601	5.3%

* Projected FY23 represents the 12 months ended December 2022

Expense Summary

Exhibit B

	Actual FY 2022	Projected FY 2023	Budget FY 2023	Budget FY 2024	Variance from PY Budget	%	Variance from Projected	%
Salaries & Wages	14,477,107	14,368,068	16,246,205	17,743,095	1,496,890	9.2%	3,375,027	23.5%
Advertising & Promotion	873,274	812,594	1,127,000	1,157,000	30,000	2.7%	344,406	42.4%
Consultant Fees	363,014	392,839	483,000	674,500	191,500	39.6%	281,661	71.7%
Sick Time Redeemed	101,993	137,585	130,000	136,900	6,900	5.3%	(685)	-0.5%
Education & Tuition	54,263	66,348	150,600	228,000	77,400	51.4%	161,652	243.6%
Electricity	2,175,052	2,591,957	2,271,000	2,534,000	263,000	11.6%	(57,957)	-2.2%
Employee & Comm Relations	48,656	65,385	85,400	127,550	42,150	49.4%	62,165	95.1%
Equip & Office Rental	13,959	8,844	24,000	9,500	(14,500)	-60.4%	656	7.4%
Fuel & Lubricants	160,696	187,187	190,300	225,400	35,100	18.4%	38,213	20.4%
Heating	270,875	377,745	260,000	314,500	54,500	21.0%	(63,245)	-16.7%
Health Insurance	1,817,679	2,070,393	2,337,780	2,253,990	(83,790)	-3.6%	183,597	8.9%
Insurance	1,090,412	1,034,703	1,250,000	1,250,000	-	0.0%	215,297	20.8%
Laundry and Uniform Cleaning	59,493	71,358	60,000	69,000	9,000	15.0%	(2,358)	-3.3%
Legal Fees	173,759	147,510	200,000	200,000	-	0.0%	52,490	35.6%
Employee Allowances	577	64,731	-	10,000	10,000	#DIV/0!	(54,731)	-84.6%
Miscellaneous	-	26,934	600	600	-	0.0%	(26,334)	100.0%
Postage	4,249	5,584	4,850	5,350	500	10.3%	(234)	-4.2%
Publications & Dues	72,886	90,021	73,230	118,630	45,400	62.0%	28,609	31.8%
Safety Apparel & Equipment	40,692	44,151	68,500	78,350	9,850	14.4%	34,199	77.5%
Sanitation & Stormwater	1,100,977	1,148,685	1,100,000	1,136,200	36,200	3.3%	(12,485)	-1.1%
Services	3,817,861	4,305,781	4,226,020	4,724,589	498,569	11.8%	418,809	9.7%
Social Security	1,059,516	1,055,384	1,160,900	1,287,000	126,100	10.9%	231,616	21.9%
State Insurance	172,509	180,301	210,900	209,300	(1,600)	-0.8%	28,999	16.1%
State Retirement	1,876,208	1,954,769	1,982,800	2,127,000	144,200	7.3%	172,231	8.8%
Telephone	146,624	161,194	139,190	183,328	44,138	31.7%	22,134	13.7%
Tools & Equip	202,816	216,423	269,750	380,750	111,000	41.1%	164,327	75.9%
Travel	47,101	65,392	93,600	148,000	54,400	58.1%	82,608	126.3%
Uniforms	41,078	29,677	47,850	71,750	23,900	49.9%	42,073	141.8%
Unemployment Insurance	3,109	3,109	20,000	10,000	(10,000)	-50.0%	6,891	221.7%
Water	190,426	239,634	177,900	200,560	22,660	12.7%	(39,074)	-16.3%
Signs	10,552	18,620	17,500	33,000	15,500	88.6%	14,380	77.2%
Maint & Repair	2,893,769	2,650,158	2,934,600	3,087,200	152,600	5.2%	437,042	16.5%
Maint & Repair - Fuel Farm	242,658	257,321	280,000	280,000	-	0.0%	22,679	8.8%
Supplies	588,200	643,113	667,300	785,500	118,200	17.7%	142,387	22.1%
Total	34,192,040	35,493,500	38,290,775	41,800,542	3,509,767	9.2%	6,307,042	17.8%
Capital Expenditures - Not Amortized	-	-	829,000	1,052,150	223,150	26.9%	1,052,150	100.0%
Total Operating Expenditures	34,192,040	35,493,500	39,119,775	42,852,692	3,732,917	9.5%	7,359,192	20.7%
Enplaned Passengers	1,970,887	2,055,192	2,250,000	2,250,000				
Operating Expenditures per Enplanement	17.35	17.27	17.39	19.05				
	Budget FY 2022	Budget FY 2023						
Debt Service - Bonds	7,695,169	7,859,405						
Payment to City	2,650,000	2,650,000						
Capital Expenditures - Amortized	1,151,516	1,355,897						
Total Other	11,496,685	11,865,302						

Summary of Capital Expenditures

Exhibit C

Item	PROJECT	Department	Total Estimated Cost	Federal Funding Entitlements	BIL AIG Funds	BIL ATP Funds	State Funding Entitlements	PFC Funds (Interim Financing)	Rental Car CFC Funds	FBO Reserve Funds	Local Funding Amortized	Local Funding Expensed
1	Alpha Concourse Terminal Expansion - Design and Construction	Terminal	\$28,000,000		\$8,500,000			\$19,500,000			\$0	
2	Ticket Lobby & CBIS / Consolidated Checkpoint - Design Development & CMR Fees	Terminal	\$8,000,000					\$5,600,000			\$2,400,000	
3	Pedestrian Bridge People Movers - Construction	Terminal	\$6,000,000			\$5,400,000		\$600,000			\$0	
4	Arrivals Terminal Restrooms Rehabilitation - Construction	Terminal	\$4,000,000					\$4,000,000			\$0	
5	Alpha Concourse Roof Replacement - Construction	Terminal	\$4,000,000				\$1,360,000	\$2,640,000			\$0	
6	Mill and Overlay Taxiway C - Mid-field - Design and Construction	Field	\$3,500,000				\$2,800,000				\$700,000	
7	Mill and Overlay General Aviation Aprons - Design and Construction	Field	\$3,000,000				\$2,400,000			\$600,000	\$0	
8	Interior Wayfinding Improvements - Construction (PFC 7)	Terminal	\$3,000,000					\$2,000,000			\$1,000,000	
9	Rental Car Ready / Return Combination Improvements - Garage A and Ticket Lobby - Design	Rental Car	\$2,000,000						\$2,000,000		\$0	
10	Holdroom seating per New ULA - Year 1 Allowance	Terminal	\$2,000,000								\$2,000,000	
11	Stairwell Refurbishment - Construction (PFC 7)	Terminal	\$1,500,000					\$1,500,000			\$0	
12	Administrative Offices Consolidation - Design	Administrative	\$1,500,000								\$1,500,000	
13	Concourse SARAs per ADA audit - Design and Construction	Terminal	\$750,000					\$750,000			\$0	
14	Stormwater Master Plan	Field	\$500,000								\$500,000	
15	AOA Automatic Gate Modernization	Field	\$500,000								\$500,000	
16	Build Out of Discover Hampton Roads Shell	Terminal	\$500,000								\$500,000	
17	Arrivals Terminal Curbside Accessibility Improvements - Concept Development and Schematic Design	Terminal	\$350,000								\$350,000	
18	Safety Management System	Field	\$350,000								\$350,000	
19	Remove Underground Storage Tanks at FBO	Field	\$300,000							\$300,000	\$0	
20	IT Network Component Replacement (Switches, One Server, hardware updates)	Administrative	\$300,000								\$300,000	
21	Mill and Overlay ARFF Training Facility Pavement - Construction	Field	\$250,000								\$250,000	
22	Property Acquisition	Field	\$250,000								\$250,000	
23	Upgrade Chiller Control Panels	Terminal	\$200,000								\$200,000	
24	Switchgear Modernization - Design	Terminal	\$150,000								\$150,000	
Total Major Capital Expenditures			\$70,900,000	\$0	\$8,500,000	\$5,400,000	\$6,560,000	\$36,590,000	\$2,000,000	\$900,000	\$10,950,000	\$0
		Department	Total Estimated Cost	Federal Funding Entitlements	BIL AIG Funds		State Funding Entitlements	PFC Funds (Interim Financing)	Rental Car CFC Funds	FBO Reserve Funds	Local Funding Amortized	Local Funding Expensed
25	IT Network Evaluation and Master Plan	Administrative	\$150,000									\$150,000
26	Bay Ceiling Insulation	Field	\$120,000									\$120,000
27	Personal Protective Equipment	Fire	\$102,000									\$102,000
28	Office buildout and furniture for additional staff	Administrative	\$100,000									\$100,000
29	Ventrac Tractor and Attachments	Terminal	\$75,000									\$75,000
30	IT Upgrades in Board Room	Terminal	\$75,000									\$75,000
31	Vehicle Replacement- AP-80	Police	\$64,500									\$64,500
32	Vehicle Replacement- AP-73	Canine	\$62,000									\$62,000
33	Network Video Recording (DVR) Upgrade (3 Needed)	Police	\$60,000									\$60,000
34	Refurbish the Field Maint Facility - Replace Floors/Cabinets	Field	\$45,000									\$45,000
35	2 Parking Ambassador golf cart style vehicles	Parking	\$44,000									\$44,000
36	Vehicle Replacement - AP 50	Parking	\$40,000									\$40,000
37	Ops Center Workstation expansion and Supervisor Office	Parking	\$37,000									\$37,000
38	Furniture for the Field Maint. Facility and Sleeping Quarters	Field	\$32,650									\$32,650
39	Janitorial Department Floor cleaning equipment - Two Units	Terminal	\$30,000									\$30,000
40	Copy Machine Replacement	Police	\$15,000									\$15,000
Total Minor Capital Expenditures			\$1,052,150	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,052,150
Total			\$71,952,150	\$0	\$8,500,000	\$5,400,000	\$6,560,000	\$36,590,000	\$2,000,000	\$900,000	\$10,950,000	\$1,052,150

Summary of Capital Expenditures - FY24 NAA Budget

2/27/2023

Item	PROJECT	DESCRIPTION
1	Alpha Concourse Terminal Expansion - Design and Construction	Enplanements, as projected by the Airlines, in FY24 exceed the Planning Activity Level 2 enplanements within the Master Plan Update. Per the Master Plan Update we require 4 additional gates to accommodate this amount of passengers. A study effort conducted in FY23, combined with discussions between the Airlines and the Authority has resulted in a conceptual design which includes 3 gates with common holdrooms which are serviced by 4 passenger loading bridges. The concept also includes a second set of restrooms for the concourse. This project will fund the design and construction of these improvements.
2	Departures Terminal Expansion - Design Development and Construction Manager Fees	This effort will continue to develop the design option that is selected from the FY23 terminal study. The primary elements to be designed include the Ticket Lobby Expansion and the Consolidated Checked Baggage Inspection Services facility improvements. The secondary element will be the Consolidated Security Screening Checkpoint. This effort will also initiate procurement of a Construction Manager for further development of design and input on construction techniques and phasing. Construction expenses for the Ticket Lobby and CBIS improvements will be requested in FY25. The consolidated checkpoint construction expenses will be requested in a future year to be determined.
3	Pedestrian Bridge Moving Walkways - Construction	Installation of Moving Walkways on the pedestrian bridge connecting the Arrivals Terminal/Parking Garage complex with the Departures Terminal Building. This effort addresses many customer complaints regarding in-terminal walking distances.
4	Arrivals Terminal Restrooms Renovations - Construction	Renovation of the three sets of Men's and Women's restrooms to complement the new restrooms on the concourses and in the Departures Main Lobby. The Arrivals restrooms have not been updated since they were constructed 20 years ago.
5	Alpha Concourse Roof Replacement - Construction	The existing roof system was installed in 1994 and is approaching 30 years in age. The roof is out of warranty and has developed numerous leaks in recent years which require many expensive repairs. This project will replace the modified asphalt built-up roof with a PVC membrane system.
6	Mill and Overlay Taxiway C - Mid-field - Design and Construction	The sections of TWY C that were not rehabilitated with recent airfield projects will be milled and overlaid. The 2019 Pavement Management Plan rated the mid-field area of Taxiway C as being in Fair condition. However, projected deterioration rates per the PMP place much of the pavement in the Poor category in 2024.
7	Mill and Overlay General Aviation Aprons - Design and Construction	The 2019 Pavement Management Plan rated the General Aviation Facility apron and taxiway pavements as being in Fair condition. However, projected deterioration rates per the PMP place much of the pavement in the Poor category in 2024.
8	Interior Wayfinding Improvements - Construction	This project will fund construction related expenses for the replacement of the existing interior wayfinding with improved signage that provides consistent and efficient messaging for passengers within the terminal and concourse complex. Signage will move away from the bronze standard that exist today and will become the Authority's previously selected blue standard to allow for increased visibility.
9	Rental Car Ready / Return Combination Improvements - Garage A and Ticket Lobby - Design	As an alternative to the construction of a large consolidated rental car facility, this project will design individual floors within Garage A for each of the of rental car families. It is anticipated that dedicated entrance and exit helixes will be used to access three levels of Garage A. This project will also allow for the cobranding of ticket counters in the Arrivals Terminal lobby.
10	Holdroom Seating per Airline Use and Lease Agreement	Under the proposed conditions of the new Airline Use and Lease Agreement the Authority will own and maintain all holdroom furniture. This project will purchase and install new holdroom seating in 18 holdrooms.
11	Stairwell Refurbishment - Construction	Holdroom stairwells need painting, and the risers, treads and handrails need replacing. Lighting upgrades will also be provided.
12	Administrative Offices Consolidation and Relocation - Design	The Authority's administrative offices are in multiple locations throughout the Departures Terminal Main Lobby. This project will combine all administrative office spaces into a single space intended to promote improved communication, cooperation and efficiencies amongst the Authority's administrative staff.
13	Concourse Service Animal Relief Areas - Design and Construction	The Authority has identified locations for SARA facilities on the Alpha and Bravo Concourses. This project will cover design and construction expense related to the SARA facilities.
14	Stormwater Master Plan	This document will determine onsite and offsite strategies to address the Authority's water quality and water quantity requirements for proposed future development as shown in the Master Plan Update. The plan will take into consideration both airside and landside projects.
15	Automatic Vehicle Gate Upgrades	Replacement of the airfield access gate controllers and vehicle loops. The existing equipment is nearing the end of its useful life and the reliability of these gates has decreased in recent years. This project will add emergency power heaters in each controller which will result in increased operational reliability during inclement weather conditions.
16	Buildout of Vacant Main Lobby Concession Shell	The future use of the concession space previously occupied by Hudson News has yet to be determined. This project will cover buildout expenses once the best use of the space is determined by the Authority.
17	Arrivals Terminal Curbside Accessibility Improvements - Schematic Design	This effort will identify improvements needed to provide passenger loading zones that meet current accessibility standards. Options will be presented with costs estimates and phasing requirements. Staff will select the preferred option for design and construction in FY25.
18	Safety Management System	The FAA issued a final ruling at the national level in February 2023 that requires SMS at ORF. The SMS will be an organization-wide comprehensive approach to managing safety and will include a safety policy with formal methods for identifying hazards and mitigating risk.
19	Remove Underground Storage Tanks at General Aviation Facility	The underground tanks which previously stored aviation gas for piston powered general aviation aircraft have recently been replaced by an above ground storage tank adjacent to the Fuel Farm. This effort will decommission and remove the underground tanks that are no longer required.
20	IT Network Components Replacement	This project will replace one network server and multiple network switches that are nearing the end of their useful life.
21	Mill and Overlay Fire Training Facility Pavement - Construction	The Fire Training Facility parking lot pavement is in poor condition and requires rehabilitation.
22	Property Acquisition	Properties in the vicinity of the airport routinely become available for acquisition. This project services as a budget placeholder for such opportunities should one arise in the fiscal year.
23	Main Terminal Electrical Switchgear Modernization - Design	This project will evaluate and design electrical switchgear replacement for the main terminal and concourses. Much of the existing equipment is becoming obsolete and it is very difficult to obtain parts.
24	Upgrade Chiller Control Panels	Upgrade to the chiller control panels for one unit in the Departures Terminal and two units in the Arrivals Terminal. The parts and programming for the current controls are being phased out which is making it more difficult to purchase parts and download programming.
25	IT Network Master Plan	This effort will develop detailed mapping of existing network infrastructure and plan for the long term replacement and development of the Authority's information and technology system.
26	Field Maintenance Equipment Bay Ceiling Insulation Repairs	The existing insulation is deteriorating and falling to the floor in numerous locations. The insulation will be repaired where possible and replaced where required.
27	Personal Protective Equipment Replacement	Personal protective equipment (PPE) is required by National Fire Protection Association to be replaced every 10 years. The Fire Department's current PPE will expire in June of 2024.
28	Office Buildout and Furniture for Additional Staff	Purchase of office furniture and equipment for four new administrative positions. Construction expenses for the buildout of three positions requiring new office spaces.
29	All-Weather Utility Vehicle	To be used for year round exterior terminal building maintenance.
30	Videoconferencing Upgrades in Board Room	Installation of a permanent videoconferencing system in the new Authority Board Room which currently only has a projector and laptop. Upgrades will add camera and microphones.
31	Vehicle Replacement- AP-80	Replace 2017 model year, high mileage, full-size SUV that is nearing the end of its service life with a current model year vehicle.
32	Vehicle Replacement- AP-73	Replace 2016 model year full-size SUV that is nearing the end of its service life with a current model year vehicle.
33	Network Video Recording Upgrade	This project will replace video recording devices that are nearing the end of their useful life and are nearing storage capacity limits. New devices will provide additional storage.
34	Refurbish Field Maint Facility - Replace Floors/Cabinets	Facility is 25 years old and the existing floors and cabinets need to be replaced in numerous locations.
35	Parking Ambassador Vehicles	Provide two electric utility vehicles as part of the "Parking Ambassador" program rollout. These vehicles will be used throughout the parking facilities to perform various duties.
36	Vehicle Replacement - AP 50	Replace 2018 model year SUV that is reaching the end of its service life and has become costly to maintain. An electric vehicle will be considered for this replacement.
37	Operations Center Workstation Expansion and Supervisor Office	Additional computers and equipment necessary to expand the Operations Center and create the Supervisor's Office for the Parking Department.
38	Field Maintenance Facility and Sleeping Quarters Furniture	Replace the 15 year old furniture in the breakroom and training rooms. Install furniture in the new sleeping quarters as needed.
39	Replace Floor Cleaning Equipment - Janitorial Department	Replace two ride-on floor scrubbers that are 10 years old. These units are used daily to maintain the terrazzo throughout the terminals and concourses. The existing units have become difficult and expensive to maintain in recent years.
40	Copy Machine Replacement	Police Department copy machine is nearing the end of its useful life and requires replacement.

Landing Fee Rate Worksheet

EXHIBIT D

	Actual FY 2022	Final Budget FY 2023	Budget FY 2024
Airfield O&M Expenses	6,341,299	9,496,640	10,397,093
Airfield Debt Service	-	-	-
Airfield Payment to City	400,945	400,945	400,945
Airfield Capital Expenditures - Amortized	116,328	114,354	128,290
Total Requirement	6,858,572	10,011,939	10,926,328
Signatory Landed Weight	2,486,968	2,723,075	2,999,561
Weighted Nonsignatory Landed Weight	261,946	600,299	143,393
Total Weighted Landed Weight	2,748,914	3,323,374	3,142,954
Signatory Landing Fee Rate	\$ 2.50	\$ 3.01	\$ 3.48
Non-Signatory Landing Fee Rate	\$ 3.12	\$ 3.77	\$ 4.35
Signatory Landing Fees	6,205,013	8,203,489	10,427,830
Nonsignatory Landing Fees	653,559	1,808,450	498,497
Total Landing Fees	6,858,572	10,011,939	10,926,328
Landing Weights (in 000s)			
Signatory Carriers	2,486,968	2,723,075	2,999,561
Non-Signatory Carriers	209,557	480,239	114,714
Total Landing Weights	2,696,525	3,203,314	3,114,275

Terminal Rental Rate Worksheet

EXHIBIT E

	Actual FY 2022	Final Budget FY 2023	Budget FY 2024
Terminal O&M Expenses	13,515,622	18,157,892	21,058,635
Terminal Debt Service (Net of PFC's)	-	-	1,311,964
Terminal Payment to City	544,045	544,045	544,045
Terminal Capital Expenditures - Amortized	950,700	974,000	970,457
Total Requirement	15,010,367	19,675,936	23,885,101
Less Reimbursements:			
Telephones	13,695	11,000	18,000
Security	69,632	80,000	123,000
Net Requirement	14,927,039	19,584,936	23,744,101
Rentable Terminal Space (square feet)	485,890	485,890	285,339
Terminal Rental Rate (per square foot)	\$ 30.72	\$ 40.31	\$ 83.21
Abated Terminal Rental Rate (per square foot)	N/A	N/A	\$ 57.45
Airline Leased Terminal Space (square feet)	127,485	127,485	153,604
Airline Terminal Rents			12,781,950
Abated Rents			(3,956,811)
Airline Terminal Rents	3,916,479	5,138,594	8,825,140

Passenger Loading Bridge Rate Worksheet

	Actual FY 2022	Final Budget FY 2023	Budget FY 2024
Passenger Loading Bridge O&M Expenses	315,194	202,707	398,819
PLB Debt Service (Net of PFC's)	-	-	-
PLB Capital Expenditures - Amortized	-	-	-
Total Requirement	315,194	202,707	398,819
Number of NAA Passenger Loading Bridges	22	22	22
Rent per Passenger Loading Bridge	14,327.01	9,213.94	18,128.14
Airline Leased Passenger Loading Bridges	15	15	16
Airline Passenger Loading Bridges Rent	214,905	138,209	290,050

Headcount Analysis

	Current Employees	Open Positions	New FY24 Positions	Total
Parking	45	3	1	49
Police	43	3	1	47
Janitorial	27	2	2	31
Fire	23	-	-	23
Building Maintenance	16	-	1	17
Field Maintenance	15	-	2	17
Administration	9	1	3	13
Operations	7	-	2	9
Finance	5	-	-	5
Human Resources	4	-	1	5
Information Technology	3	-	1	4
Market Development	3	1	(1)	3
Passenger Loading Bridges	-	-	1	1
	200	10	14	224

Cash & Debt Analysis

Exhibit F

	<u>Operating</u>
Deposits	15,442,958
Cap Expenditures	(12,002,150)
Debt Service	(7,859,405)
Investment Income	900,000
Net Change	<u>(3,518,597)</u>

Current Unrestricted balance	65,093,466
Change in CY	<u>(3,518,597)</u>
	61,574,869
Budgeted Op Ex	44,974,945
Ratio	1.37
Days Cash on Hand after FY24	500
Current Days Cash on Hand	528
Change	(29)

Reconciliation to Operating Deposits

Operating income	16,906,458
CFC O&M offset	1,000,000
K9 Grant Income	151,500
VA Advertising Grant	35,000
City Payment	<u>(2,650,000)</u>
Operating Deposits	15,442,958

Debt Service Coverage **230.0%**

Norfolk Airport Authority
Rates and Charges Analysis

	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>Budget FY 2023</u>	<u>Budget FY 2024</u>	<u>Variance</u>
Signatory Landing Fee Rate	\$ 4.06	\$ 3.01	\$ 3.14	\$ 3.22	\$ 3.06	\$ 3.01	\$ 3.48	\$ 0.46
Average Terminal Rental Rate	\$ 46.43	\$ 36.25	\$ 37.93	\$ 27.64	\$ 29.62	\$ 40.31	\$ 57.45	\$ 17.14
	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>Budget FY 2023</u>	<u>Budget FY 2024</u>	<u>Variance</u>
Landing Fees	6,575,117	5,234,970	4,939,662	5,339,578	6,841,224	7,710,794	9,651,801	1,941,008
Airline Space Rental	4,741,853	3,851,880	4,327,923	2,981,513	3,774,715	5,276,803	9,115,190	3,838,387
Reimbursements	33,738	38,145	11,011	11,011	83,326	91,000	141,000	50,000
Total Airline Cost	<u>11,350,708</u>	<u>9,124,995</u>	<u>9,278,596</u>	<u>8,332,102</u>	<u>10,699,265</u>	<u>13,078,596</u>	<u>18,907,991</u>	<u>5,829,395</u>
Enplanements	1,741,125	1,928,129	1,471,918	1,100,972	1,970,887	2,250,000	2,250,000	
Cost Per Enplanement	\$ 6.52	\$ 4.73	\$ 6.30	\$ 7.57	\$ 5.43	\$ 5.81	\$ 8.40 *	

* Surplus returned to airlines is subtracted from the Total Airline Cost for years prior to FY22



Closed Meeting and Reconvene Meeting Documents

Norfolk Airport Authority

Board of Commissioners Meeting

Thursday, March 23, 2023

Closed Meeting and Reconvene Meeting Script and Certificate

Closed Meeting:

I move that the Executive Committee of the Board of the Norfolk Airport Authority convene in a closed meeting pursuant to Section 2.2-3711. A.3 of the Code of Virginia:

Subsection 3. Discussion of the acquisition of real property by the Authority for the benefit of the Norfolk International Airport and the related disposition of real property owned by the Authority, where discussion in an open meeting would adversely affect the bargaining position and negotiating strategy of the Authority;

Subsection 8. Consultation Staff and with Legal Counsel retained by the Authority regarding specific legal matters requiring the provision of legal advice by such Counsel; and

Subsection 29. Discussion of the award of a public contract involving the possible expenditure of public funds, and discussion of the scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the Authority.

This motion will need to be moved, seconded, and approved in the open meeting.

Reconvene Meeting:

Upon the conclusion of the closed meeting, the following certification must be taken in the open meeting and approved by roll call vote:

Now, therefore, be it resolved that the Board of the Norfolk Airport Authority hereby certifies that to the best of each Commissioner'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.



New Business

**Approval of the NAA Modification
of Revenue Bond - St. Mary's Home
for Disabled Children, Inc.**

**RESOLUTION OF THE NORFOLK AIRPORT AUTHORITY
APPROVING THE MODIFICATION OF CERTAIN REVENUE BONDS
PREVIOUSLY ISSUED AS A CONDUIT ISSUER ON BEHALF OF
ST. MARY’S HOME FOR DISABLED CHILDREN, INCORPORATED**

WHEREAS, the Norfolk Airport Authority (the “Authority”) previously issued and loaned to St. Mary’s Home for Disabled Children, Inc. (the “Company”) the proceeds of its (i) \$10,000,000 Revenue Bond (St. Mary’s Home for Disabled Children, Incorporated Project), Series 2002 (the “Series 2002 Bond”), and (ii) \$4,000,000 Revenue Bond (St. Mary’s Home for Disabled Children, Inc. Project), Series 2003 (the “Series 2003 Bond” and, collectively with the Series 2002 Bond, the “Bonds”);

WHEREAS, (i) the Series 2002 Bond is held by Bank of America, N.A. (the “Bondowner”), pursuant to a Bond Purchase and Financing Agreement dated as of October 1, 2002 (the “Series 2002 Agreement”), among the Authority, the Company, and the Bondowner, and (ii) the Series 2003 Bond is held by the Bondowner pursuant to a Bond Purchase and Financing Agreement dated as of February 1, 2003 (the “Series 2003 Agreement” and, collectively with the Series 2002 Agreement, the “Agreements”);

WHEREAS, the Company and the Bondholder intend to amend the Agreements and the Bonds to change the benchmark used to determine the interest rates borne by the Bonds from a LIBOR-based index to a SOFR-based index, and to include certain terms relating to the determination of such SOFR-based index;

WHEREAS, the Company has requested that the Authority approve and proceed with the amendments described above by the execution and delivery of Modification Agreements with respect to each series of the Bonds (collectively, the “Modification Agreements”), dated no later than June 30, 2023, among the Authority, the Bondholder, and the Company, and consented to by St. Mary’s Home for Disabled Children Foundation, as guarantor; and

WHEREAS, the Authority has been advised by Butler Snow LLP, as bond counsel (“Bond Counsel”), that no public hearing or elected official approval is required to implement the modifications of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE NORFOLK AIRPORT AUTHORITY:

1. The Authority agrees to proceed with the amendments and modifications set forth in the Modification Agreements, forms of which have been presented to this meeting.

2. The Chair, Vice Chair, or President and Chief Executive Officer of the Authority, any of whom may act (an “Authorized Signatory”), is hereby authorized and directed to execute the Modification Agreements in substantially the forms submitted to this meeting, with such changes, insertions or omissions which do not materially adversely affect the interests of the Authority as may be approved by such Authorized Signatory, which approval shall be evidenced conclusively by the execution and delivery of the Modification Agreements.

3. Each Authorized Signatory is authorized to execute and deliver on behalf of the Authority such further instruments, documents or certificates (including, without limitation, Tax Certificates or Tax Compliance Agreements of the Authority and the Company in forms approved by Bond Counsel), and to do and perform such other things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Modification Agreements; and all of the foregoing previously done or performed by such officers of the Authority are in all respects approved, ratified and confirmed.

4. All costs and expenses in connection with the modification of the Bonds, including the fees and expenses of the Authority and its counsel, shall be paid promptly by the Company. Following the execution and delivery of the Modification Agreement, the Company shall continue to pay the Authority's annual administrative fee in the amounts required by the Agreements. The Company agrees to continue to indemnify and save harmless the Authority, the Authority's members, employees, agents and counsel from and against all liabilities, obligations, claims, penalties, losses, costs and expenses in any way connected with the Bonds and the Agreements, as modified.

5. The Bonds, as amended by the Modification Agreements, and the interest thereon, shall continue to be a limited obligation of the Authority payable solely from the revenues and receipts of the Company. The Bonds and the interest thereon shall not be deemed to constitute a debt, liability or general obligation of the Commonwealth of Virginia nor of any political subdivision thereof, including the Authority and the City of Norfolk, and shall not constitute an obligation to pay the Bonds and the interest thereon or other costs incident thereto except from the sources provided in the Agreements, as modified by the Modification Agreements, and neither the faith and credit nor the taxing power of the Commonwealth of Virginia nor any political subdivision thereof, including the Authority and the City of Norfolk, is pledged to the payment of the principal of, or the interest on, the Bonds. The Authority has no taxing power. No covenant, condition or agreement contained in the Bonds or in any financing instrument executed and delivered in connection therewith shall be deemed to be a covenant, agreement or obligation of any present, past or future member, officer, employee or agent of the Authority in his individual capacity, and no officer of the Authority executing the Bonds or any other financing document or instrument shall be liable personally thereon or subject to any personal liability or accountability by reason of the issuance or execution thereof.

6. The adoption of this Resolution is not construed as an endorsement by the Authority of the creditworthiness of the Company, nor as a recommendation by the Authority to purchase or hold the Bonds. The Authority has made no evaluation of or investigation with respect to the suitability of the transaction contemplated by the Modification Agreements or of the Bonds for any party's purchase, investment or any other purpose.

7. This Resolution shall take effect immediately upon adoption.

CERTIFICATE

The undersigned hereby certifies that the above Resolution was duly adopted by the members of the Norfolk Airport Authority, at a regular meeting duly called and held on March 23, 2023, and that such Resolution has not been repealed, revoked or rescinded, but is in full force and effect on the date hereof.

Dated: March 23, 2023

[SEAL]

Secretary
Norfolk Airport Authority



Adjournment

Norfolk Airport Authority

Board of Commissioners Meeting

Thursday, March 23, 2023

Adjourn Meeting

Adjourn Meeting:

I move that the Board adjourn, and the next regular public meeting of the Board will be held at

1:00 p.m.

on

Tuesday, May 23, 2023

in the

NAA Board Room,

Main Passenger Terminal,

Norfolk International Airport

or as otherwise determined and noticed.



NORFOLK AIRPORT AUTHORITY