



ROANOKE REGIONAL AIRPORT COMMISSION

November 12, 2024, 8:30 a.m.

Commission Meeting Minutes

The Roanoke Regional Airport Commission convened in the Airport Conference Room, Second Floor of the Terminal Building, on Tuesday, November 12, 2024, at 8:35 a.m. Chairman Fralin presided.

PRESENT: Fralin, Marko, Bishop. Powers, Guidry

ABSENT: Clements, but entered the meeting at 9:17 a.m..

A quorum was present for the conduct of business.

Mr. Powers moved to allow Mr. Gust, with a conflicting medical appointment, to participate remotely pursuant to Commission policy and Code of Virginia § 2.2-3708(B)(1).

The motion was seconded by Dr. Clements.

There was no further discussion of the motion.

The motion was adopted by the following roll call vote:

- AYES: Fralin, Marko, Bishop. Powers, Guidry 5.
- NAYS: None 0.
- NOT VOTING: Gust 1.

(Mr. Gust could not vote upon the motion to allow his own participation.)

APPROVAL OF MINUTES

Mr. Powers moved that the minutes of the meetings conducted October 15 & 22, 2024 be approved without amendment.

Mr. Guidry seconded the motion.

The motion passed unanimously by voice vote.

COMMENTS BY THE EXECUTIVE DIRECTOR

Mr. Stewart was absent due to a family matter; Mr. Monday delivered Mr. Stewart’s report, which is appended to these Minutes.

FINANCIAL REPORT

Director of Finance presented the monthly financial report for October.

Ms. Marko moved adoption of the report.

Dr. Clements seconded the motion.

There was no further discussion of the motion.

The motion passed unanimously by voice vote.

Mr. Jeavons presented the FY 23-24 Audit Report.

Mr. Guidry moved adoption of the report.

Ms. Marko seconded the motion.

Mr. Gust commended the Finance Department for their performance.

The motion passed unanimously by voice vote.

PROCUREMENT REPORT

Mr. Philpott was on vacation; Mr. Monday reported on an extension of the RS&H on-call architecture and engineering contracts., a contract with Johnson Controls for maintenance of HVAC in the Terminal, a season lease of lot 18 by UPS, a three-year agreement with Segra to upgrade bandwidth to 1 gigabyte, and the posting of an RFQ for de-icing fluid.

MARKETING & PUBLIC RELATIONS REPORT

Ms. Briehl reported on meetings with PR firm Access.

HUMAN RELATIONS REPORT

Ms. Graybeal was absent; Mr. Monday reported on three new hires in Building Services.

ROA IMPROVEMENTS UPDATE

Mr. Kotchou reported on parking lot progress, design work for terminal improvements, and runway 6-24 rehabilitation.

ACTION ITEMS

None.

PUBLIC COMMENT

No comments were submitted in advance or delivered at the meeting.

NEW BUSINESS

The Commission reviewed potential dates for Commission meetings for 2025.

Mr. Guidry moved adoption of the schedule as presented.

Ms. Marko seconded the motion.

There was no further discussion of the motion.

The motion passed unanimously by voice vote.

COMMENTS BY COMMISSION MEMBERS

None.

A quorum was present at all times for the conduct of business.

The meeting was adjourned at 9:04 a.m.

The agenda packet for this meeting, containing staff reports as referenced above is attached to and incorporated as a part of these Minutes of the Commission meeting conducted November 12, 2024.

ATTEST:



Eric H. Monday
RRAC Secretary

Stewart remarks 11/12/2024

- It has been a busy few weeks since we last met...and as if I didn't have enough challenges, I drew a short straw and have been on call for Circuit Court Jury Duty the entire month of November
- Following our last meeting, Kevin Schorr and I met with the AccessU team to evaluate the various types of data and analytic tools that each has available, and to begin discussing how we might be able to utilize their combined resources for the benefit of ROA's Marketing initiatives and our Air Service Development presentations. Looking forward to continued discussions. (will really help optimize and customize targeting of marketing efforts)
- I also want to thank those of you who were able to join us for ACI-NA CEO & President Kevin Burke's visit to ROA. Kevin really enjoyed his time here and appreciated hearing more about our challenges. ACI does a great job of representing the concerns of all the nation's Airports, and his time certainly gets monopolized by larger airports so I believe this visit will help keep ROA closer to front of mind with one of our strongest advocates in Washington
- October 23-25 I was in Green Bay for Takeoff North America at Lambeau Field. I met with several airlines during the scheduled 20 minute speed meetings and the primary theme we heard was – "we just don't have aircraft available". But a brief summary:
 - American – We presented our case for DFW service again, I also gave them a copy of the Torc CEO letter we received the day before I left and I gave them a verbal summary of Torc's plans. It felt like we received a somewhat "cooler" reception than we had the past several meetings, the bottom line is that ROA-DFW is still on their radar but longer term (2 – 3 years), the delays in aircraft deliveries and construction which has DFW down a few gates are current hurdles. In a call with the head of AA Domestic Network Planning after I returned to the office, he clarified that

while there are 11 potential DFW markets with larger populations than Roanoke, that does not mean we are 12th in line.

They are very happy with CLT loads, said this summer was gold and they plan to keep frequency of 6x-8x daily through the winter. They are currently evaluating the CLT hub structure to avoid overloading it. PHL is doing well and it helps them with aircraft maintenance rotations so plans are to stay at 2x-3x daily. LGA has been "OK" and is better YoY. They are also re-growing ORD to pre-Covid levels, and could definitely make ROA-ORD work with a 50-seater but like LGA they would prefer a 2 cabin aircraft if they decide to enter the competitive ORD market.

- Breeze – Had a very good meeting with them, they have noticed how well the existing carriers are performing at ROA and the region keeps coming up in their discussions. They have interest in a New England market as well as Florida. They asked about incentives and SCASD grant potential. We are pulling some additional information together for them and will be discussing possible incentives with our stakeholders in the very near future.
- Delta – Another strong meeting. Very pleased with ATL obviously and will be watching the load factor with the 4th daily starting. They are also pleased with LGA, achieved a 75% load factor in Sept which is about what they expect on a primarily local (O&D) type market. Discussed possibilities for BOS, BOS is constrained for gates, airspace and facilities. They are currently focused on the "top" unserved markets from BOS's perspective and corporate needs in Boston. RIC-BOS (3x daily) is performing well and that helps our case, but they pretty much said that Delta's Boston Sales team pushing for it would be the only way for ROA to move up on the list. We also discussed DTW, provided them with a copy of the TORC letter also. They like seeing automotive synergies, like GSP with BMW and others. Would not look at DTW seriously until ATL 4x is performing strongly, but we will be providing them with additional information on our automotive parts industry, as well as Volvo/Mack.

- Southern Airways Express – Has orders for 100 smaller Caravan turboprop aircraft over the next 5 years. First 10 aircraft will replace older aircraft in their fleet and go to EAS markets they are bidding on, then they'll be looking at expansion. We pitched ROA-BNA as a sure win and suggested they consider a base at ROA with service to a number of smaller markets in our top 50 destinations, as well as, current “strong but long” drive markets such as RIC, ORF, MYR, CHS, SAV, SDF, CMH, CLE and PIT. It seems that we got their attention so we will be following up to gauge interest.
- Southwest – They have interest but net ^{fleet} count will shrink this year and probably next. Had been expecting 100 new aircraft this year and may get 20 if lucky. They hope to stabilize in 2026 and begin growing again in 2027. Encouraged us to keep talking with them.
- Parking Rates - We anticipate the current phase to reopen in a week or so (hopefully before the Thanksgiving rush begins), at that time we will separate Preferred Parking from Standard Parking and we will increase Preferred to \$16-day, Standard will remain \$12 and Economy \$8, for the time being. First 30 minutes in all lots will remain free and each half hour after will be \$4 up to the daily max for the lot. We will continue to evaluate utilization of each lot with all spaces open and adjust the rates in the spring if needed to maximize revenues. When was the last time we raised rates?
- Parking Operations Management – We have provided Interflight Parking with notice that we are ending their contract and will bring the management of our parking operations in-house. After closely evaluated what we were receiving in exchange for the monthly revenue share we have been giving them, this should be an immediate positive impact on revenues. We are currently working with Interflight on a termination date that will ensure a smooth transition. We anticipate hiring their local General Manager and several of their employees to ensure continuity

- With that Mr. Chairman I will conclude my remarks and I am happy to answer any questions. or (If I'm not reading this -I'm sorry that I could not be with you this morning and will be happy to answer any questions when I return).