

SMITH REYNOLDS AIRPORT BOARD
3801 NORTH LIBERTY STREET
WINSTON-SALEM, NORTH CAROLINA 27105
MINUTES OF MEETING

A remote meeting of the Smith Reynolds Airport Board was held on Tuesday, September 15, 2020, at 4:00 p.m. with a quorum present.

Smith Reynolds Airport Board Members Present:

Mr. Scott G. Piper, Chairman
Mr. Tom McKim, Secretary/Treasurer
Mr. Ted Kaplan, Board Member and County Commissioner
Mr. Perry Hudspeth, Board Member
Mrs. Gayle Anderson, Board Member
Mr. Nicholas Pierce, Board Member
Mr. Michael Baughan, Board Member

Also Present:

Mr. Mark Davidson, A.A.E, Airport Director, Forsyth County
Mr. Charlie Creech, North State Aviation Holdings
Mrs. Becca Colangelo, Signature Flight Support
Mr. Jim Hopkins, Signature Flight Support
Mr. David Mounts, Piedmont Flight, Inc.
Mr. Kyle Mounts, Piedmont Flight, Inc.
Ms. Tara Connell, Piedmont Flight, Inc.
Mr. Andy Dale, AOPA
Mr. Gordon Watkins, Attorney, Forsyth County
Mr. Philip Vogler, Forsyth County
Mr. Shoaib Quader, Forsyth County
Mrs. Shanna Smith, Forsyth County

Purpose of Meeting: To review the following agenda items and pass the necessary motions for conducting airport business.

1. Call to Order

Chairman Piper called the September 15, 2020, Smith Reynolds Airport Board (SRAB) meeting to order at 4:00 p.m. and read the following statement:

It is the duty of every Smith Reynolds Airport Board member to avoid conflicts of interest. If any Board Member has a conflict of interest or appearance of conflict with respect to any matters coming before the Smith Reynolds Airport Board today, they should identify the conflict, refrain from any participation in the matter involved, and leave the meeting room during Board consideration of such matter.

2. Approval of Minutes

A motion was made to approve August 18, 2020, regular minutes.

Motion	Anderson
Second	McKim
Result	Approved
Vote	Unanimous

3. Public Comments

Due to the current economic environment, David Mounts encouraged the Smith Reynolds Airport Board to aggressively seek opportunities depicted in the Future of Flight report.

4. Airport Governance

Mr. Davidson announced that on September 10, 2020, the Forsyth County Commissioners approved a Resolution changing the capacities of the non-voting members of the Smith Reynolds Airport Board and appointed Mr. Nicholas Pierce to serve as a voting member of the Airport Board for the remaining term of a vacant position.

5. Financial Review

Mr. Davidson gave an overview of the Airport Department's financial statements which were developed from the County's Performance software for August 2020. Mr. Davidson summarized the financial statements using a scorecard which included notes and insight into the budget.

6. Signature Flight Support – Market Rent

Mr. Davidson gave an overview of the current Signature Flight Support Lease in regards to the process for determining fair market rental value (FMRV) for the leasehold. Both the County and Signature Flight Support decided to hire their own appraiser and Airport Business Solutions determined the FMRV to be \$1,051,930 while Aviation Management Consulting Group determined a FMRV of \$1,300,000. If the appraisals were within 15%, the final rent would be the arithmetic average of the two. But since the difference is 24%, both parties propose a rent that is in the middle range (\$1,173,396). The County and Signature evaluated both appraisals and agreed upon the measurements and market rents for unimproved land, ramp, facilities, and fuel farms. A summary will be attached to the amendment which will increase rent from \$235,859 to \$1,173,396. Signature will still be responsible for the maintenance of their leasehold until the agreement expires on December 31, 2040. In addition, the appraisals will allow the County and Signature Flight Support to move forward in regards to developments such as the new corporate hangars, Quonset hangar renovation and terminal building renovation.

A motion was made to approve the rent increase based upon fair market rental value of the Signature Flight Support leasehold.

Motion	McKim
Second	Hudspeth
Result	Approved
Vote	Unanimous

7. Sky Aviation Holdings

Mr. Davidson announced that Sky Aviation Holdings, LLC is interested in a three-year lease with one (1) three-year renewal options at the facility located at 3820 N. Liberty Street. Mr. Davidson summarized the lease terms which included an initial rent of \$26,740 for 12,320 square feet of shop space and 6,000 square feet of ramp. Sky Aviation would hire four employees to disassemble aircraft from the leasehold.

A motion was made to approve a new lease with Sky Aviation Holdings, LLC for ramp and shop space at 3820 N. Liberty Street.

Motion	McKim
Second	Anderson
Result	Approved
Vote	Unanimous

8. Piedmont Flight Training- Counter Proposal

Mr. Piper advised that Piedmont Flight Training submitted a counter-proposal for an 18-month lease and be responsible for any up-fit costs of the facility. Mr. Baughan supported the revised terms and stressed the importance of the Flight School to the Airport. Mr. Kyle Mounts gave an overview of the Flight School progress and goals and emphasized the importance of the Flight School for economic growth for the Airport.

A motion was made to discuss the counter-proposal for the new lease term of 18 months including up-fit cost.

Motion	Piper
Second	McKim
Result	Approved
Vote	5 to 1

The SRAB voted five (5) to one (1) in favor of the counter proposal from the Flight School.

9. Economic Development Update

Mr. Davidson announced that the Aerotropolis Task Force meeting was delayed due to COVID and a new meeting has been scheduled. Mr. Davidson advised that the Mayor's Office and Chairman Plyler both agreed to co-chair the remote meeting on October 20, 2020, at 2 pm. Greater Winston-Salem, Inc. will be sending out the invite and proposed agenda.

Mr. Davidson reported that the Smith Reynolds Airport / Whitaker Park Strategic Plan passed in the City Council unanimously on September 8, 2020. Mr. Davidson advised that the next step is to implement the strategic plan.

Mr. Davidson advised that he is still waiting to hear back on the grant for the EDA's Care Act Recovery Program. Mr. Davidson advised that funds will go towards the up-fit at 4001 N. Liberty Street. Mr. Davidson announced that the NCDOT has hired Ben Spain to replace Basil Yapp with the UAS Program.

Mr. Davidson announced that Kirby Robinson briefed the County Commissioners on September 10, 2020, of a plan to sell 30 acres of County-owned property located at 4897 Lansing Drive. Mr. Davidson advised that the County Commissioners will vote on this item on September 24, 2020. Mr. Davidson reported that Front Street Capital made an offer of \$1,551,059 to the County. The County is required to publish notice of the offer for upset bids which is still depending upon FAA approval to release the land. Mr. Davidson also advised that funds would have to be reinvested in the Airport. Mr. Davidson announced that there is an article on September 11, 2020, Winston-Salem Journal naming the company as TW Food Company, the maker of Texas Pete hot sauce.

10. Airport Operations Update

Mr. Davidson gave an update on operations and fuel volumes at the airport.

Mr. Davidson reported that North State Aviation is working on American Airlines B737s and will be bringing approximately 20 more aircraft for storage and maintenance. Mr. Davidson advised that Shoaib Quader is working with the planning committee on a parking plan.

Mr. Davidson announced the Piedmont Advantage Credit Union agreement is fully executed and has started construction of the ATM.

Mr. Davidson reported that County Commissioners approved the \$1,150,000 in Pay-Go Funds on August 27, 2020, to be spent at Smith Reynolds Airport. A part of the Pay-Go Funds was designated to get a start on the RFQs for the Terminal Renovations, Corporate Hangar Development, and Quonset Hangar Renovations. The staff is working on the bidding process.

Mr. Davidson reported receiving 14 proposals for the Terminal renovations and the Evaluation Team selected Walter Robbs Architectural Planning and Interior Design Firm. The next step is for General Services to negotiate terms with the firm for design and construction management on a percentage basis.

Mr. Davidson announced that Forsyth Tech is proceeding but is behind schedule due to COVID impacts.

Mr. Davidson shared photos of the Air Force One visit.

The next Smith Reynolds Airport Board will have its next meeting on October 20, 2020 at 4pm.

11. Adjourn

A motion was made to adjourn the meeting at 4:46 pm

Motion	Hudspeth
Second	Mckim
Result	Approved
Vote	Unanimous

Composed by Shanna K. Smith

Respectfully Submitted:

Mark Davidson - Director A.A.E.

Mark R. Davidson, A.A.E., Airport Director

Received: *Scott Piper*
Scott G. Piper, Chairman