



MEETING MINUTES

NORTH CAROLINA GLOBAL TRANSPARK BOARD OF DIRECTORS

DATE: September 14, 2022 **TIME:** 1:00 pm **LOCATION:** Kinston, NC--Hybrid Meeting (In-person or on Microsoft Teams)

MEMBERS PRESENT	Mr. Norris Tolson (Chair), Mr. John McNairy (Vice-Chair), Ms. Mary Beth Fennell, Mayor Dontario Hardy, Mr. Steve Mayo, Ms. Leanna Radford, Mr. Tom Hendrickson, Mr. Jack Best, Mr. Danny Smith, Mr. George Andrew, Mr. Billy Lamm, Mr. Keith Wheeler, Mr. Troy Gilleland
MEMBERS PRESENT VIA PHONE	Dr. Rusty Hunt, Mr. N. David Smith, Mr. Kevin Jones, Mr. Scott Clontz, Mr. Jordan Whichard
MEMBERS ABSENT	Mr. Dale Folwell, Treasurer and Mr. Bob Wicker

AGENDA TOPICS

1. CALL TO ORDER AND ROLL CALL	
DISCUSSION SUMMARY	<p>Chairman Tolson welcomed everyone to the September 14, 2022, GTP Board meeting. He introduced Mr. Troy "Gil" Gilleland, the new member to the GTP Board.</p> <p>Chairman Tolson asked Board member Gilleland to provide some information about himself. Board member Gilleland is a native of Hickory, North Carolina. He was drafted in the Army in 1971 and retired as a Colonel after serving 34 years in the military. He has worked with the Defense Department in various roles. Board member Gilleland is looking forward to working on the GTP Board.</p> <p>Chairman Tolson welcomed and introduced Brian Clark, Executive Director of the North Carolina Ports and stated he would be making a presentation about the Ports shortly.</p> <p>Chairman Tolson called the meeting to order at 1:00 p.m. Ms. Dishong conducted roll call to establish members present at the meeting.</p>
ACTIONS TAKEN	No actions were taken.

2. DECLARATION OF QUORUM, ETHICS STATEMENT, ANNUAL ETHICS REMINDER, CONSIDERATION OF JUNE 15, 2022, MEETING MINUTES—CHAIRMAN NORRIS TOLSON	
DISCUSSION SUMMARY	<p>Following the roll call, Chairman Tolson declared a quorum was met based upon the number of members participating.</p> <p>Chairman Tolson asked Ms. Dishong to read the ethics statement. Ms. Dishong read the ethics statement. Chairman Tolson asked Mr. Daniel Johnson, General Counsel for the NCDOT, to provide information about the annual ethics reminder.</p> <p>Mr. Johnson stated that each year in August or in this case September an ethics reminder to members on all NCDOT's four boards is provided. There is not a compliance issue with our NCDOT boards. Mr. Johnson directed members to the booklet provided at their seat titled, <i>GTP Board of Directors Ethics Education and Applicable Statutes</i>. He encouraged all members to familiarize themselves with the information in the booklet as it outlines the ethical considerations and laws that apply to board member service. He pointed out the individualized compliance cards as well. The cards detail the ethics education due dates for each member as well as the SEI requirements. Mr. Johnson asked members to contact him if there were any questions regarding ethics. Chairman Tolson asked the Board members to contact Ms. Ann Dishong, who, in turn would contact Mr. Johnson about any questions or concerns the Board member may have. After the brief reminder, Chairman Tolson asked the members to ensure they provided their Ethics Declarations and Recusals, if appropriate, to the Board Secretary, Gloria Blake.</p> <p>Chairman Tolson stated the June 15, 2022, meeting minutes had been distributed previously for review and if there were no additions or corrections, he would entertain a motion to approve the June 15, 2022, minutes as presented.</p>
ACTIONS TAKEN	<p>Mayor Hardy made the motion to approve the June 15, 2022, minutes as presented. Board member Danny Smith seconded the motion. The minutes were approved unanimously as presented.</p>

3. AN UPDATE ON THE NORTH CAROLINA STATE PORTS AUTHORITY--BRIAN CLARK, EXECUTIVE DIRECTOR	
DISCUSSION SUMMARY	<p>Chairman Tolson invited Mr. Brian Clark, the Executive Director of the North Carolina State Ports Authority to come forward. Mr. Clark thanked Chairman Tolson and the Board for allowing him to be present today.</p> <p>Mr. Clark began his presentation by explaining the operations of the Ports; the Ports are operated as a business. There are two deep water ports—Wilmington and Morehead City and an inland port in Charlotte. The North Carolina Ports do not receive funding from the State for general day to day operations. However, the Ports receive \$45 million for capital projects. The annual revenue is \$68 million with \$3.7 in profit.</p> <p>The Port of Wilmington is the largest port of the two with just under 300 acres. All types of cargo are handled there. The Port of Morehead City is a bit smaller at 128 acres, plus 150 acres on Radio Island, currently undeveloped. The Charlotte Inland Port (CIP) is about 20 acres. The CIP serves as staging areas for empty and loaded containers. Inland ports are becoming more popular within a geographic area because these ports support deep water ports by taking trucks off the highway and utilizing rail.</p>

	<p>The Ports have intermodal services. The Queen City Express provides direct rail service moving double-stacked containers between the Port of Wilmington and Charlotte. Service is provided by CSX. Norfolk Southern serves the Morehead City Port. In January 2022, the Wilmington Midwest Express was launched utilizing the Rocky Mount facility.</p> <p>The Wilmington Harbor Navigation Improvement Project is underway and includes additional environmental and initial impact studies for deepening the Cape Fear River. The selected depth is 47 feet, which compliments other ports. The deepening project will allow the NC Ports to remain competitive along the eastern coast.</p> <p>The key pillars for the focus of the Ports for the future are:</p> <ul style="list-style-type: none"> • Continued growth of cargo volumes • Expand the global coverage of vessel services • Engage and support state-wide economic development projects • Develop the talent pipeline • Build the NC Ports Brand <p>Chairman Tolson thanked Mr. Clark for being present today and for the information regarding the ports.</p>
ACTIONS TAKEN	No actions were taken.

4. GLOBAL TRANSPARK UPDATE--PRESTON HUNTER, EXECUTIVE DIRECTOR	
DISCUSSION SUMMARY	<p>Mr. Preston Hunter introduced new staff members, Mr. Marty Morris, the GTP Airport Operations Superintendent and Ms. Kendi Davis, GTP Accounting Specialist. In addition to new GTP staff, Mr. Hunter introduced the new members of the NC GTP Economic Development Region, Mr. Trey Cash, Greene County Economic Development Director and Ms. Julie Graham, Wayne County Existing Industry Director.</p> <p>Mr. Hunter then provided updates on the various projects occurring at the GTP. He reviewed the results of the annual FAA 139 Inspection. Out of 72 airports in NC, only 14 are 139 Certified and of those only 4 are General Aviation like the GTP. This is a significant statistic as this means the GTP is ranked on a commercial flight standard, which is a higher rating. This factor is significant as a marketing tool for the GTP. Mr. Hunter explained staff were very pleased with the results of the inspection. Five items were identified as deficient. Two of those were corrected during the inspection. Two others are being addressed within a current capital project. The last deficiency is signage inside of the fence. Mr. Barkes is in the process of applying for a NC Division of Aviation Grant to fund this issue.</p> <p>Mr. Hunter reviewed the Capital Projects for the Board:</p> <ul style="list-style-type: none"> • Fuel Farm Modernization: AVCON, Engineer on Record, hired Robert and Company for the design of the Fuel Farm. After review of the design, the decision was made to have three vertical tanks, which allows for storage of 500,000 gallons of jet fuel on site. The Fuel Farm will be built to U.S.C. Standard, a military standard, thus allowing the FBO to sell fuel directly to the military. The Fuel Farm project is funded through the State Budget. • New Hangar for Draken: HDR Engineering is currently developing design plans and a contract for advertisement of a 30,000 sq. ft. hangar. The advertisement should be late fall with anticipation of construction to begin 2023. This project is also funded though the State Budget.

- **North Cargo Upgrade:** At the Board of Transportation meeting last week, the NC Division of Aviation awarded a \$900,000 grant for upfits to North Cargo for 11,000 sq. ft. previously leased by MJE. Draken is interested in that space but needs the upfits, including a hangar door. HDR Engineering is working on a Design-Build Contract to advertise in the fall of 2022. Chairman Tolson inquired if having the new hangar will create new jobs. Mr. Hunter explained that Draken currently has 19 planes here but has committed to 30 planes, and the staffing will increase with 90 additional jobs.
- **General Aviation Parking Lot:** The project is also funded through a grant from the NC Division of Aviation and includes the apron space of the last hangar Fly Exclusive built. The project began in August and is expected to be completed in late October. The grant funding for the parking lot is a result of the work force development of Fly Exclusive.
- **Rehabilitation of the Parallel Taxiway:** This project was identified during the FAA 139 inspection. This is funded through a NC Division of Aviation Grant. There is a 10% match by the GTP. The total project cost is \$7 million. Barnhill Contracting was the low bid. The expected completion date of the project is February 2023.
- **Airport Rescue and Fire Fighting Facility (ARFF):** Mr. Hunter explained the ARFF facility has been reviewed to see what is necessary to upfit the facility for the growing needs of the GTP. An additional truck was recently purchased from Albert J. Ellis Airport. To upgrade the building, the Authority will be utilizing Airport Infrastructure Grants (AIG) which is funding from the Bipartisan Infrastructure Bill passed in Washington. The anticipated funding is \$295,000/year for five years. AIG funds are designated for specific needs at the airport.
- **Kinston Railroad Spur:** Jaguar Transportation Holdings from Joplin, Missouri acquired the leasehold rights of the six-mile rail spur that serves the GTP. Jaguar operates nine short line railroads and multiple other rail-served sites across the US, including one in the Charlotte area.
- **NTIA Broadband Grant—**The GTP is currently working with Atkins Global, an engineering/project management company to draft a subrecipient agreement with InfinityLink and to create a scope of work for Atkins Global to serve as the administrator of the broadband grant. The project is in the initial environmental assessment phase. The \$30 million grant will serve the last mile fiber for Lenoir County.
- **FRC East Update:** FRC East is still coordinating the approval process for both projects. The Maintenance Repair Operation production facility for C-130 Aircraft workload at the GTP is the priority currently. HDR Engineering is working with FRCE on preliminary designs for the C-130 hangar. FRCE is in the final stages of approval for the DSOR (Designated Source of Repair) for the C-130 workload. This has been approved by all branches of the military and is being reviewed in Washington.

Following the update on the Capital Projects, Mr. Hunter reviewed the general updates for the GTP:

- **Fly Exclusive:** The 33,000 sq. ft. maintenance hangar is complete and operational. The Board will be invited to the upcoming ribbon cutting at the facility. The 9,500 sq. ft. hangar is currently under construction. There are additional expansion efforts being planned.
- **Draken** currently has 19 planes operating out of Kinston—14 A-4 Fighters and 5 F-1 Mirages.
- **FRCE** is researching leasing approximately 40,000 sq. ft. in GTP-7 for storage of V-22 Osprey parts.
- **Lenoir Community College—**The Authority has secured a lease for the property for the Aviation Center of Excellence. LCC has hired an architectural firm. Staff from LCC will be here later this month meeting with Partners here to seek their input on current and future training needs.

	<p>Mr. Hunter reviewed the ongoing GTP initiatives, including a Customs Office. He and Mr. Barkes have spoken with the US Customs and Border Patrol about an office located at the GTP. The representative for Customs provided a copy of the specifications that are required for the office as well as contacts of other airports with Customs, including some of which received grants. Chairman Tolson inquired about the cost of a facility. Mr. Hunter stated he really does not know but would think approximately three to four million. There are two types—small and large. The small is built for a maximum of 20 people.</p> <p>Mr. Hunter explained building a "large" office at the GTP allows for future growth. In addition to the number of people, the large office can be used for general aviation. Chairman Tolson asked for Mr. Hunter to provide a list of the resources needed. Board Member Danny Smith inquired what type of grants are available and the length of time for the grants. Mr. Hunter did not have those answers but did state some of the grants may be competitive grants. The GTP does not have international traffic currently therefore, the GTP would not be able to apply or compete for some grants. During the discussion, Board member Tom Hendrickson asked about the use of the Terminal for a Customs Office. Mr. Hunter explained the Terminal may be used temporarily, but the requirements are for a stand-alone building. Board member Hendrickson asked about staffing. Mr. Hunter explained that these are all our costs. The employees are federal employees, but the funds are ours. The office does not have to be staffed full-time. Vice-Chair McNairy remarked the Finance Committee had discussed a Customs office in their meeting but were unable to determine sustainability. Board Member Wheeler commented that having a Customs Office would have indirect income and used the example of the sale of fuel. Board member Leanna Radford asked Mr. Clark his opinion of a Customs Office if the GTP was classified as an inland port. Mr. Clark answered that the Office would be a benefit to the GTP.</p>
ACTIONS TAKEN	No actions were taken.

5. REGIONAL ECONOMIC DEVELOPMENT UPDATE—MARK POPE, SENIOR VICE PRESIDENT	
DISCUSSION SUMMARY	<p>Mr. Pope provided on update on the GTP Economic Development Region. Much like the Ports, the Region has been extremely active since its inception in 2020. There have been 17 announcements, which brought more than 2,000 jobs and \$292,000,000 in capital investments. During a 10-year period, these investments will generate over \$12,000,000 revenues for the three counties. There are currently nine projects reviewing the GTP and what it has to offer. These nine projects have 1,726 jobs and \$636,000,000 in investment opportunity. In the region there, are an additional nine projects which have potential for 2,146 jobs and \$969,000,000 in investments. Mr. Pope explained the issue for all three counties is the lack of product.</p> <p>Besides the lack of product, another challenge for EDR is marketing. EDR has begun to work with Lawrence Bevins. He has written an article about the GTP that has been on social media sites. Mr. Pope stated Mr. Tim Moore has been updating the GTP website to provide a more modern visual.</p>
ACTIONS TAKEN	No actions were taken.

6. BOARD COMMITTEES AND MEMBERSHIP/BOARD BY-LAWS—CHAIRMAN TOLSON AND ANN DISHONG, GOVERNANCE DIRECTOR	
DISCUSSION	<p>Chairman Tolson explained the Executive Committee reviewed and approved the structural changes to the GTP Board Committees in its July 2022 meeting. The new committee definitions and membership assignments were distributed to the Board in August. These changes require a change to the By-Laws and approval by the Board. Chairman Tolson asked Ms. Dishong to review the action item for the Board. Ms. Dishong explained the purpose in the descriptions and how they are now a part of the updated By-Laws. A copy of the resolution accepting the changes is included in the meeting packets.</p> <p>Chairman Tolson asked if there were any questions, or any recusals regarding the Restated and Amended By-Laws. Chairman Tolson stated since there were no recusals or points of discussion that he would accept a motion to approve the resolution titled, <i>Resolution to Amend and Restate the By-Laws</i>.</p>
ACTIONS TAKEN	Vice Chairman McNairy made the motion to approve. Board member Tom Hendrickson seconded the motion. The resolution titled, <i>Resolution to Amend and Restate the By-Laws</i> , was approved unanimously.

7. GTP POLICY OVERVIEW AND NEXT STEPS—JAMIE KEITH, GOVERNANCE POLICY MANAGER			
DISCUSSION	<p>Chairman Tolson asked Ms. Jamie Keith, Policy Manager in the Governance Office, to review the policy changes for the GTP. Ms. Keith explained the changes had been brought to the Board during the June 15, 2022, meeting. The Executive Committee reviewed and approved the policy changes at its July 19, 2022, meeting. The changes include five new policies, nine policy revisions and two repealed policies. Ms. Keith explained there will be an update at the December 14, 2022, meeting. She plans to have all phases, including the training of staff, completed before the next Board meeting.</p> <p>Chairman Tolson stated that the Executive Committee recommended the policy changes to the full board for consideration. He asked if there were any recusals needed or any questions before asking the Board to act. Chairman Tolson stated since there were no recusals or points of discussion, he would accept a motion to approve the GTP policy changes, as presented.</p>		
	<ul style="list-style-type: none">• Creation (5 policies)<ul style="list-style-type: none">○ Mobile Phone○ Travel Management○ Uniforms○ Ethics (Board members)	<ul style="list-style-type: none">• Revision (9 policies)<ul style="list-style-type: none">○ Budget○ Project Management○ Capital Asset Management○ Grant Management	<ul style="list-style-type: none">• Repeal (2 policies)<ul style="list-style-type: none">○ Code of Conduct○ Conflict of Interest

	<ul style="list-style-type: none"> ○ Ethics (Staff) 	<ul style="list-style-type: none"> ○ Month End-Reporting ○ Month End-Closing ○ Year End-Closing ○ Cash Handling ○ Cash Management 	
ACTIONS TAKEN	Board member Mary Beth Fennell made the motion to accept the GTP policy changes. Mayor Don Hardy seconded the motion. The GTP policy changes were approved unanimously as presented.		

8. FINANCIAL UPDATE—JOHN MCNAIRY, CHAIR OF FINANCE COMMITTEE /DAVID TYERYAR, GTP FINANCIAL CONSULTANT	
DISCUSSION	<p>Vice Chair McNairy stated the Finance Committee had met monthly since the Board Meeting in June. They reviewed the expenditures and the new budget. He then asked Mr. David Tyeryar to provide the Finance Committee update. Mr. Tyeryar stated the first thing to review is an error found in the last meeting, the Budget Revision #6 agenda item and the Budget Revision #6 presentation did not match. Mr. Tyeryar stated this is an administrative matter that needs Board approval to correct the error. The correct increase in revenues is "from \$23,838,807 to \$23,900,747." The June 15, 2022, meeting minutes, as mentioned earlier, were distributed prior to the meeting, and reflect that change.</p> <p>Mr. Tyeryar continued the Financial Committee update and reviewed the guidance that is followed by the Committee for the reporting. Mr. Tyeryar reviewed the budget activity since July 31. The updated Capital Plan is \$26,300,000. Mr. Tyeryar explained that these projects are not self-administered. Each project has an administrator hired for the projects. The Broadband Project is at no cost to the GTP Authority. GTP is working with Atkins Global to draft a subrecipient agreement with InfinityLink and to create a scope of work so that Atkins Global can serve as the administrator of this grant. The agreement will include bonding requirements for the protection of the GTP. The initial six-month expenditure plan has been approved and NTIA has released \$6.7 million of the \$29 million in grant funds. No funds have been drawn down.</p> <p>Chairman Tolson thanked Mr. Tyeryar for his update. He explained the Board is clarifying the action taken by the Board at its June 15, 2022, meeting. The Board is being asked to reconsider Budget Revision # 6. Budget Revision #6 is to increase revenue from \$23,813,807 to \$23,900,747 and to increase expenditures from \$31,240,919 to \$31,332,322.</p> <p>Chairman Tolson asked if any recusals were needed or any questions. Chairman Tolson stated since there were no recusals or points of discussion regarding Budget Revision # 6, he would accept a motion to approve the clarification.</p>

ACTIONS TAKEN	Board member Jack Best made the motion to approve the Budget Revision #6. Board member Danny Smith seconded the motion. The Budget Revision #6 was re-approved unanimously as presented.
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9. COMMITTEE REPORTS—COMMITTEE CHAIRS	
DISCUSSION	<p>Chairman Tolson explained that we are planning for the Committees to convene on the morning of each Board meeting to have a set schedule and to be convenient for members. The 2023 meeting dates were distributed for planning purposes.</p> <p>Chairman Tolson called on each of the Committee Chairs for an update:</p> <p>Vice Chairman McNairy stated the Finance Committee has been meeting monthly and will begin to meet every other month beginning in 2023. Monthly reports are reviewed and approved by the Committee.</p> <p>Board member and Land Use Committee Chair Tom Hendrickson stated the Committee will be meeting on October 4, 2022.</p> <p>Board member and Business Development Committee Chair Jack Best stated the Business Development Committee will meet at 10:00 am on the day of the Board Meetings. The first meeting was earlier today. Board member Best reported that Mr. Hunter and Mr. Pope are going to provide the Committee with both a three-year and a five-year plan of obtainable projects by November 1. The next meeting is December 14, 2022, at 10:00 am.</p> <p>Board member and GTP Military Affairs Committee Chair Keith Wheeler stated that they have not met but have been having discussions via email. He stated the very broad aspect of the Military Affairs Committee will focus on the MRO, workforce challenges, product (building and land) challenges; all three are concerns for continued growth at the GTP. Chairman Tolson encouraged Board member Wheeler and Board member Gilleland to have some discussions regarding the existing military work force and how we can utilize them in our efforts.</p> <p>Chairman Tolson stated the Executive Committee will be meeting via telephone and teams meetings.</p>
ACTIONS TAKEN	No actions were taken.

10. CLOSING COMMENTS/ADJOURNMENT—CHAIRMAN NORRIS TOLSON	
DISCUSSION	<p>Chairman Tolson thanked everyone for their attendance and for the work completed and scheduled by the Committees. He thanked DOT and DIT for having worked diligently on upgrades to the meeting room.</p> <p>Chairman Tolson stated the 2023 Board Meeting dates have been distributed. The next Board Meeting is scheduled for December 14, 2022, at 1:00 pm.</p>

	Chairman Tolson stated if there are no additional items to come before the Board, he will accept a motion to adjourn.
ACTIONS TAKEN	A motion was made by Mayor Don Hardy to adjourn. The motion was seconded by Board member Radford. The board approved the adjournment unanimously.