



City of Corpus Christi

1201 Leopard Street
Corpus Christi, TX 78401
cctexas.com

Meeting Minutes - Final

Airport Board

Wednesday, August 30, 2023

3:30 PM

International Airport Board Room
1000 International Blvd. C.C., TX. 78406

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A. Call To Order

The meeting was called to order by Chairman Hicks at 3:36 p.m.

B. Roll Call

Roll was called and a quorum was present.

Present: 7 - Paul A. Cameron Jr., John LaRue, Kusumakar Sooda, Jeremy Taylor, Randall Hicks, Rey Saenz, and Ricardo Talavera

Absent: 5 - Hans Schumann, Rosie Collin, Rick Barrera, Brett Oetting, and Jon Reily

C. Public Comment

There was no public comment.

D. Approval of Minutes and Action on Absences

1. **23-1285** Approval of the Absences for the July 26th, 2023 Regular Airport Board Meeting

Attachments: 2023 AIRPORT BOARD ATTENDANCE

Chairman Hicks called for a motion to excuse Board member Ricardo Talavera's absence from the July 26th 2023 Regular Airport Board Meeting. First Vice-chairman LaRue moved to excuse Board member Talavera's absence. Board member Cameron seconded and the motion carried.

2. [23-1286](#) Approval of the Minutes for the July 27th, 2023 Regular Airport Board Meeting

Attachments: [07262023 - July Airport Board Minutes - Unpublished](#)

Chairman Hicks called for approval of the July 26th 2023 Airport Board meeting

minutes. Board member Taylor moved to approve the minutes for the July 26th Airport Board meeting. Board member Talavera seconded and the motion carried.

E. New Business for Discussion and Possible Action

3. [23-1452](#) Introduction of the new Airport Marketing Manager

Director Smith introduced Lacey Guzman, the Airport's new Marketing Manager, to the Board. Ms. Guzman briefed the members on her background, experience and education.

4. [23-1453](#) Presentation, Discussion and Possible Action to Recommend City Council Approve Amending the Code of Ordinances, Chapter 9, Aviation, Section 9-35 - Parking Rates, by revising the parking rate for Long Term Parking and other rate changes at the Corpus Christi International Airport

Attachments: [08302023 - Chapter 9 Parking Revisions](#)

Director Smith informed the members of the changes to the Code of Ordinances increasing parking fees. He presented revenue data from 2022 through 2027 indicating a \$2.2M increase in future revenue from the parking fees increase as well as several additional areas including fuel flowage fees, auxiliary terminal revenue, new leases and business development agreements. He also presented data showing a five-year plan on raising the parking fees incrementally. He indicated these increases are comparable to other same size airports in Texas. Deputy Director Miller reminded the members that this action was to support lowering the Airport's CPE (Cost Per Enplanement) in order to attract an increase in air service. Discussion was heard on this item. Chairman Hicks called for a motion. Board member Cameron moved to approve the increase in Parking Fees. Board member Talavera seconded and the motion carried.

5. [23-1454](#) Presentation, Discussion and Possible Action to Recommend City Council Approve a Contract with Coastal Bend Demolition to Demolish the Gault Hangar

Attachments: [08302023 - Gault Hangar Demo Contractor](#)

Deputy Director Miller briefed the members on this item with some of the background leading to date. He updated the members on the six bids with data showing the vendor names and bid amounts. All bidders were local. He stated that Coastal Bend Demolition, Inc. was selected as it was the lowest bidder at \$2.26M. He was pleased that the bid was within the Airport's expectations. Discussion was heard on this item. Chairman Hicks called for a motion. First Vice-chairman LaRue moved to approve the item. Board member Cameron seconded and the motion carried.

6. [23-1455](#) Presentation and Discussion on Type A Tax Change Impacting CCIA

Attachments: [08302023 - Airport Board-Expand Type A Funding](#)

Heather Hurlbert, the Airport's Assistant City Manager, made the presentation to the

Board of the Type A Expansion Proposition. She began with some background information on the current Type A allocations. She continued with the proposed changes in the Type A allocation indicating how much would go to the Airport along with other City departments. She also informed the members that the amount allotted to the Airport would be up to 5% of the total revenue annually. The funds would be used specifically for the attraction and support of new destinations to and from the City; specifically, the Minimum Revenue Guarantee (MRG) for new routes, as well as, Capital Improvements needed to support new destinations. She then informed the members of the process in getting this passed at the next election in November, 2023. She also clarified that these taxes are currently being collected; however, this proposition is expanding the use of the funds. Discussion was heard on this item.

F. Staff Reports

7. [23-1456](#) Air Service Update

Attachments: [08302023 - Air Service Update](#)

Director Smith informed the members that July was a good month with increases in passenger count and seats available almost to pre-Covid numbers. He added that Southwest has now returned to their regular number of flights. He added that there would be some drop for the coming months; however, he was hopeful of a big increase in October.

Deputy Director Miller informed the members of his recent trip to Atlantic City NJ for the TakeOff North America Air Service Conference. He reported it was a productive conference and he met with four airlines. The carrier he had hoped to meet with, Avelo, did not attend the conference giving a last minute notice. He felt that the Airport has developed a good relationship with Avelo and is hopeful to hear from them in the future. He added that Southwest was pleased with their status at CCIA and is looking at Denver non-stop service for long-term and Dallas-Love non-stop service for medium term. He also stated that Southwest Airlines representatives would be visiting Corpus Christi on September 5th and board members will be invited to attend the events.

American Airlines is happy with their current Dallas service but they are looking on a possible route to Phoenix. Staff will be working with them as their interests expand.

He continued by stating that staff is holding weekly meetings with Southern Airways Express in the efforts of looking at schedules for proposed future routes. This service will help with flights to Austin which is a huge leaked market; and, if successful, could develop into other connections possibly to Laredo, Brownsville or San Antonio. Deputy Director Miller felt that this service could begin as early as 2024.

He continued by letting the members know of their discussions with Allegiant. He felt that the relationship with this Airline would benefit future growth.

8. [23-1457](#) Business Development Report

Attachments: [08302023 - Business Development Report](#)

Deputy Director Miller informed the members on the Texan Lease which should be ready for signatures within the next 30 days. The lease will be brought to the Board for their approval. The hotel RFP has been issued and closes in 60 days. Staff's goal is to get both items to City Council by the end of the calendar year. He continued that the TAMU-CC lease will be going to City Council in September.

9. [23-1458](#) Financial Report

Attachments: [08302023 - Financial Reports](#)

Finance Manager, Kimberly Miller, briefed the members on the Airport's financials. She began by reporting that parking fees were up to \$274,000 which was up from June's revenue by 4%. Also included in parking fees are collections with the TNCs (Uber, Lyft, etc.) Data has not been recorded for a full year of TNC collections which began in October 2022 with only Lyft reporting at that time. She continued by reporting on Food & Beverage Concession revenues which are at \$236,000 which was up by 7% from July 2022. Overall, the July financials for the Airport at 83% of the projected budget, revenue is at 89% with expenses at 69% with a net revenue of \$1.2M.

10. [23-1459](#) Capital Planning Report

Attachments: [08302023 - Capital Planning Report](#)

Deputy Director Miller reviewed the on-going projects including the Master Plan Study; the Rental Car Return Lot Configuration; Airport Business Center; Terminal Rehab Project; EV Charging Stations; Cooling Towers Replacement; and, West Side Generator Replacement. Potential talks have begun for the development of hangars leading to more movement on the landside area of the Airport. Director Smith interjected staff would be working on setting up the Airport as an Foreign Trade Zone. Staff would bring any further developments to the Board as they occur.

G. Future Agenda Items

Items of interest to the Board: Airport VIP Lounge (Director Smith stated that it was already under consideration with the new Tailwind agreement.); a local artist was looking to display artwork (Director Smith said he would contact that artist); Shoeshine vendor to come back to the Airport (Staff asked that the vendor reach out to staff as they did not have any contact info for them).

H. Adjournment

As there was no further business, Chairman Hicks adjourned the meeting at 5 p.m.