

TRANSPORTATION COMMITTEE AGENDA

October 3rd, 2019 –2:00 P.M.

County Council Conference Room

Members:

Paul Prince, Chairman

Gary Loftus

Johnny Vaught

Tyler Servant

I. Call to Order..... Paul Prince

II. Invocation

III. Public Input

IV. Review and Approval of Agenda Contents

V. Approval of Minutes – September 11th, 2019

VI. Resolutions

VII. Ordinances

A. Airport

- Republic Parking Shuttle Contract.....Judi Olmstead

VIII. Committee Discussion

A. Airport

- MYR FAA Grant Project & Update

IX. Old Business/New Business

X. Executive Session

XI. Adjourn

Approved _____
Paul Prince, Committee Chairman

Approved _____
Steve Gosnell, County Administrator

ATTACHMENTS: Airport Department Reports (for information only)

**MINUTES
HORRY COUNTY COUNCIL
Transportation Committee Meeting
Council Conference Room
September 11, 2019
2:00 p.m.**

MEMBERS PRESENT: Johnny Vaught and Gary Loftus

MEMBERS ABSENT: Paul Prince; Tyler Servant

OTHERS PRESENT: Steve Gosnell; Chairman Johnny Gardner; Councilman Danny Hardee; Pat Hartley; Randy Haldi; Scott Van Moppes and Kelly Moore

In accordance with the FOIA, notices of the meeting were provided to the press stating the time, date, and place of the meeting.

CALL TO ORDER: Mr. Loftus called the meeting to order at approximately 9:00 a.m.

Mr. Loftus noted that it was a serious day and asked that the Committee observe a moment of silence for 9/11 before Mr. Vaught gave the invocation.

INVOCATION: Mr. Vaught gave the invocation.

PUBLIC INPUT: None.

REVIEW AND APPROVAL OF AGENDA CONTENTS: Mr. Vaught moved to approve the agenda contents and the motion was unanimously passed.

APPROVAL OF MINUTES: Mr. Vaught moved to approve minutes for July 17, 2019 as submitted and the vote was unanimous.

RESOLUTIONS: None

ORDINANCES: None

OLD / NEW BUSINESS:

Coast RTA FY20 Budget Review: Mr. Brian Piascik stated he had three things to discuss. He wanted to get the budget through the approval process since by contract Horry County had to approve their budget. He hoped to get it on the next Council Meeting's agenda. Ms. Hartley stated it was 400 pages and would be a process to get through and was not certain it could be ready for the next Council meeting. There was some discussion on whether it had to go through three readings or could be passed by resolution. Ms. Hartley stated it could probably be added to the October 1 agenda.

The second item he wanted to discuss was that they had about \$170,000.00 left in their Capital contract and he wanted to lay out how they wanted to spend those dollars. They would be finishing them up at the end of

the current fiscal year. The final thing he wanted to discuss was Coast RTA's future and he would expound on that later. They had spent capital funding on key investments to improve operational efficiency and safety. He noted that they had some pretty aggressive goals for the FY19 budget, one of which was to aggressively pay down liabilities. The largest one they had was at Conway National Bank that they had pulled for cash flow reasons in 2018. He summarized some of their goals and how they were addressing each of them. He included fare-box prevention maintenance, video storage system for video collected from the bus cameras and changing to a fully automated fuel management system. They were also in the process of implementing new maintenance software that would improve some of their weak spots that included tracking for their inventory. He noted that the fleet had a rough summer due to a lot of parts being on back order but hoped to start taking deliveries in October through January.

For FY20 they planned to continue streamlining staffing / operations and had begun to take a hard look at everyone that was not behind a wheel. They had consolidated a few roles, outsourced payroll and reviewed their retirement process and had managed to reduce the staffing of the retirement. He noted that the budget for FY20 was \$168,000.00 less than it was for FY19. The new budget included wage increases, would eliminate their short term note and they would assume a 2.8% road use fee increase. They were about \$82,000.00 ahead of where they thought they would be.

He presented a slide showing expenses/revenues and pointed out the line showing the payments on the note they had. The previous year they had agreed to a \$207,000.00 balloon payment in FY21. With their current budget and what they had been able to put down on the note during the past year they were going to be able to finish it out by their FY20. Most of their extra revenue had been applied to paying down the note. He presented another slide showing the revenue expense history for 2017-2020 noting that 2017 and 2018 were for comparison. He listed the different percentages for admin, operations and maintenance and noted the admin percentages were down to 20.2%. He added that they were at about 26-27% when he started about four years ago. The slide showing capital purchases was just a rundown of what he wanted to do with the remaining \$170,000.00. There were three of the new flyers (buses) ordered but were back ordered so he wasn't sure when they would get them. There were also three smaller ones (transits) on order.

He stated that his top priority was replacing the maintenance facility. He wanted to get started putting together a plan on where they could move. He was going to need support, from County, City and any other support that he could get. Early indications of replacing the current building and finding another location that would be a little more useful showed they would need to move a little closer to the coast. He hoped to start a study in the fall to determine the optimum location. They would need bus facility money and FTA was well aware of the condition of the facility and would be helping them but they would need assistance locally as well. It was probably going to be approximately a \$10 million project. Their study would also include new passenger facilities to replace the facility on 3rd Avenue. They also had a doublewide in Myrtle Beach that would have to be replaced as well as two shelters on the side of the road in Georgetown. They had \$800,000.00 from FTA set aside and had a match from Georgetown County.

Mr. Loftus noted that insurance and overhead had dropped considerably in their 2020 budget especially over their 2018 budget and was curious as to what the reason was. Mr. Piascik stated there were a couple of things associated with that. They had made some changes to their policy such as increasing their deductible from \$500.00 to \$1,000.00 as well as cleaning up their inland marine policy. He explained that it covered the fare boxes and was separate from their other policy as it was a separate item because it was not part of the vehicle at the time of manufacture. There were fifty on the policy but they were operating only thirty four vehicles. Revising that policy and changing the deductible had made the most difference. Mr. Loftus also questioned the \$100,000.00 drop in operating revenue from 2018-2019. Mr. Piascik stated that 2018 included \$100,000.00 from FC Works for a small contract that was used to start the Bucksport and Loris runs. Mr. Loftus then referred to column H (MB/others local funds) on the proposed FY20 budget and questioned the \$250,000.00

amount and asked how much of it was for Conway. Mr. Piascik noted none was from Conway as they had not kicked in last year but had kicked in about \$15,000.00 the year before. He also added that they would be going out on the street. The end of the note was in sight and contractually they were not allowed to put any more service on the street until the note was paid. They wanted to start a conversation with all the areas in their service area that were not currently served to determine where they could increase their services. They would also need to increase the commitment of each municipality. Mr. Vaught and Mr. Loftus commended him on the good job he had done.

COMMITTEE DISCUSSION: None

ANNOUNCEMENTS: None.

EXECUTIVE SESSION: None

ADJOURNMENT: With no further business, Mr. Vaught moved to adjourn at approximately 2:28 p.m. The motion was unanimously passed.

September 18, 2019

To: Transportation Committee

From: Scott Van Moppes, A.A.E., Director of Airports 

Subject: Republic Parking Shuttle Contract Extension

History:

Republic Parking, with oversight from the Department of Airports, is responsible for the safe and efficient operation of our airport Parking Lots, to include a courtesy passenger shuttle service and valet. The primary parking contract commenced on August 1, 2016 and terminates on July 31, 2021. The courtesy passenger shuttle agreement commenced on July 1, 2012 and terminates on June 30, 2020. Both contracts are attached for your convenience and review.

Proposal:

Republic Parking has proposed that the airport amend the courtesy passenger shuttle contract by adding thirteen (13) months to the term, so that its termination date coincides with the primary parking contract. If approved, both contracts would terminate on July 31, 2021.

Legal:

The Horry County Code of Ordinances, Section 3-3 (e), subsection (1-5), provides that an original term of a commercial concession agreement can be extended prior to expiration under certain circumstances and with a recommendation from the Director of Airports. In compliance with the provisions of the Code of Ordinances, the Director of Airports hereby certifies that:

1. Republic Parking is a tenant in good standing and has complied with the terms of the existing agreement and has not been in default of any material provisions during the term of the agreement.
2. The rentals payable by Republic Parking during the extension period meet the requirements of all applicable provisions of the Horry County Code of Ordinances.
3. No other entity has made a written proposal or written unsolicited registration of interest on terms that would provide greater revenues to the County or would provide a more valuable service to aviation and the public at large than the proposed extension.
4. The extension of the agreement is necessary to avoid commercial hardship to the incumbent concessionaire and provides for the continuity of business.

5. The proposed extension is in the best interest of Myrtle Beach International Airport, the Horry County Department of Airports, and Horry County.

Recommendation:

It is my recommendation that we amend the courtesy passenger shuttle contract's termination date to July 31, 2021. Republic Parking meets all certification requirements as stated in Section 3-3 (e), subsection (1-5). This will allow for procurement efficiencies at the time of termination, and will assist with timing for the new parking contract solicitation.

Attachment:

Horry County Ordinance to be presented for first reading on Tuesday, October 29, 2019.



AMENDMENT NUMBER ONE

**COURTESY PASSENGER SHUTTLE AGREEMENT
MYRTLE BEACH INTERNATIONAL AIRPORT**

EFFECTIVE _____, 2019

This modification amends that certain Courtesy Passenger Shuttle Agreement dated July 1, 2012, by and between the parties to this modification (the "Agreement"). This modification extends the current contract termination date from June 30, 2020 to July 31, 2021 and is issued exclusively to incorporate into the Agreement.

All other provisions of the Agreement remain the same.

ACCEPTED:

HORRY COUNTY

REPUBLIC PARKING

By: _____

By: _____

Name: Steven S. Gosnell

Name: _____

Its: Administrator

Its: _____

Date: _____

Date: _____

COUNTY OF HORRY)
)
STATE OF SOUTH CAROLINA)

AN ORDINANCE APPROVING AND AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE A SHUTTLE CONTRACT AGREEMENT AMENDMENT WITH REPUBLIC PARKING, TO EXTEND THE CONTRACT TERMINATION DATE TO JULY 31, 2021.

WHEREAS, Horry County Council is empowered by section 4-9-30(2) of the South Carolina Code of Laws “to lease, sell, or otherwise dispose of real and personal property”, and by Section 4-9-30(14) to enact ordinances for the implementation and exercise of that power; and

WHEREAS, Republic Parking (“Republic”) has operated public parking facilities at the Myrtle Beach International Airport (“MYR”) pursuant to agreement since 1975, with whose performance and financial return the Department of Airports has been pleased; and

WHEREAS, County currently has a courtesy passenger shuttle agreement with Republic which is due to expire on June 30, 2020; and

WHEREAS, the Department of Airports wishes to extend the shuttle contract termination date to July 31, 2021 in order to coincide with parking lot contract termination date.

NOW, THEREFORE, by the power and authority granted to the Horry County Council by the Constitution of the State of South Carolina and the powers granted to the County by the General Assembly of the State, the following hereby is ordained and enacted:

- 1. AUTHORIZATION:** The Horry County Administrator, for and on behalf of Horry County and its Department of Airports, is hereby authorized and directed to execute a shuttle contract agreement amendment substantially similar to the attached hereto and incorporated herein by reference.
- 2. SEVERABILITY.** If any Section, Subsection, or part of this Ordinance shall be deemed or found to conflict with a provision of South Carolina law, or other pre-emptive legal principle, then that Section, Sub-section or part of this Ordinance shall be deemed ineffective, but the remaining parts of this Ordinance shall remain in full force and effect.
- 3. CONFLICT WITH PRECEDING ORDINANCES.** If a Section, Sub-section or provision of this Ordinance shall conflict with the provisions of a Section, Sub-section or part of a preceding Ordinance of Horry County, unless expressly so providing, then the preceding Section, Sub-section or part shall be deemed repealed and no longer in effect.
- 4. EFFECTIVE DATE.** This Ordinance shall become effective on Third Reading.

AND IT IS SO ORDAINED, ENACTED AND ORDERED, this _____ day of _____, 2019.

HORRY COUNTY COUNCIL

Johnny Gardner, Chairman

- | | |
|------------------------------|----------------------------|
| Harold G. Worley, District 1 | Orton Bellamy, District 7 |
| Bill Howard, District 2 | Johnny Vaught, District 8 |
| Dennis DiSabato, District 3 | W. Paul Prince, District 9 |
| Gary Loftus, District 4 | Danny Hardee, District 10 |
| Tyler Servant, District 5 | Al Allen, District 11 |
| Cam Crawford, District 6 | |

Attest:

Patricia S. Hartley, Clerk to Council

First Reading:
Second Reading:
Third Reading:

HORRY COUNTY DEPARTMENT OF AIRPORTS
STATEMENT OF REVENUES AND EXPENSES (UNAUDITED)
FOR PERIOD ENDING August 31, 2019

	FY20			FY19		
	Annual Budget	Actual YTD	% Actual YTD To Budget	Budget	Actual YTD	% Actual YTD To Budget
OPERATING REVENUES:						
Landing Fees	3,321,355	686,196	20.7%	2,937,628	714,539	24.3%
Airline Terminal Rents	7,495,204	1,280,949	17.1%	6,881,114	1,258,749	18.3%
Security Fees	364,528	60,688	16.6%	321,274	54,117	16.8%
Baggage Handling System Reimbursement	939,000	135,364	14.4%	920,000	147,675	16.1%
Terminal Concessions						
Rental Car	4,638,103	1,328,876	28.7%	4,565,387	1,373,718	30.1%
Parking	4,920,000	731,984	14.9%	4,300,000	736,517	17.1%
Concessions	1,605,000	236,145	14.7%	1,460,000	230,091	15.8%
Ground Transportation	309,000	48,905	15.8%	253,000	44,512	17.6%
Terminal Rent - Other	289,759	42,140	14.5%	191,747	32,074	16.7%
Leases/MBIA	843,433	172,883	20.5%	818,260	162,342	19.8%
MBIA/Other	89,000	20,211	22.7%	78,000	17,803	22.8%
Airline Services	627,000	197,765	31.5%	557,000	185,770	33.4%
Federal Revenue-TSA LEO Reimbursement Program	130,000	23,560	18.1%	116,280	23,560	20.3%
FBO/General Aviation Fuel Services	8,309,734	1,550,367	18.7%	5,906,084	1,380,757	23.4%
FBO/Other	774,685	133,800	17.3%	768,676	136,675	17.8%
Loris/Misc Revenue	540	180	33.3%	900	-	0.0%
Leases/Conway	27,614	4,641	16.8%	26,914	4,845	18.0%
Leases/Grand Strand	80,190	9,416	11.7%	85,414	10,726	12.6%
Total Operating Revenues	34,764,145	6,664,072	19.2%	30,187,678	6,514,470	21.6%
OPERATING EXPENSES:						
Salaries and Benefits	11,875,762	1,802,354	15.2%	10,747,841	1,577,510	14.7%
Utilities	2,142,480	381,925	17.8%	2,003,157	378,228	18.9%
Outside/Professional Services	1,751,495	294,487	16.8%	1,304,718	174,107	13.3%
Maintenance and Supplies	2,217,639	315,066	14.2%	2,164,063	305,321	14.1%
Equipment	346,660	56,702	16.4%	330,300	71,134	21.5%
Baggage Handling System	939,000	143,355	15.3%	920,000	148,310	16.1%
Insurance	497,823	78,055	15.7%	436,528	70,572	16.2%
Cost of Fuel Sales	5,614,557	1,032,013	18.4%	3,763,791	941,303	25.0%
Office Supplies	44,600	7,164	16.1%	49,150	6,282	12.8%
Business and Travel	459,037	76,141	16.6%	395,496	84,165	21.3%
Vehicle Expense	192,000	36,482	19.0%	222,000	36,612	16.5%
County Allocation	400,000	66,667	16.7%	400,000	66,667	16.7%
Bad Debt Expense		-			-	
Total Operating Expenses	26,481,053	4,290,411	16.2%	22,737,044	3,860,211	17.0%
Operating Income before Depreciation and Airline Credits	8,283,092	2,373,661		7,450,634	2,654,259	
Depreciation	12,000,000	2,200,000	18.3%	11,494,000	2,200,000	19.1%
Airline Credits/Fee Waivers/Recalculation	(1,300,000)	(281,465)	21.7%	(1,300,000)	(384,893)	29.6%
Operating Income	(5,016,908)	(107,804)	2.1%	(5,343,366)	69,366	-1.3%
Non-Operating Revenues (Expenses):						
Interest Income	1,100,000	342,507	31.1%	850,000	260,813	30.7%
Interest Income - Bond		19,514	0.0%		14,364	0.0%
Sale of Assets	-	-	0.0%	-	-	0.0%
Other Non-Operating Income (Expenses)	(100,000)	(3,086)	3.1%	(100,000)	-	0.0%
Prior Period Income(Expenses)		-			-	
AIP Federal Revenue	41,499,000	1,474,329	3.6%	18,000,000	-	0.0%
State Revenue	-	-		-	-	
Insurance proceeds		-			-	
Intergovernmental Revenues - City of MB	2,200,000	-	0.0%	2,200,000	-	0.0%
Interest Subsidy on the Recovery Zone Economic Bonds	300,654	50,269	16.7%	298,400	50,109	16.8%
Interest Expense	(2,772,086)	(461,848)	16.7%	(2,831,937)	(471,768)	16.7%
CFC'S	3,563,000	949,702	26.7%	3,623,000	902,564	24.9%
PFC'S	6,209,600	1,382,888	22.3%	6,400,000	1,412,510	22.1%
Total Non-Operating Revenues (Expenses)	52,000,168	3,754,275	7.2%	28,439,463	2,168,592	7.6%
NET INCOME	46,983,260	3,646,471		23,096,097	2,237,958	

Horry County Department of Airports															
Myrtle Beach International Airport															
Myrtle Beach, South Carolina															
Revenue and Non-Revenue															
Passenger Enplanements															
Year	Airline	January	February	March	April	May	June	July	August	September	October	November	December	Total	
2015	Allegiant	0	0	0	1,489	5,452	18,778	24,658	18,856	8,197	0	0	0	77,430	
	Charters	0	116	307	48	53	0	50	47	0	459	0	30	1,110	
	United	0	0	1,488	2,357	2,869	2,548	3,597	2,675	0	0	0	0	15,534	
	Delta	6,622	6,805	11,367	12,310	15,872	16,743	17,868	17,903	14,513	13,101	10,237	8,426	151,767	
	Porter		160	1,159	1,078	329	0	0	0	0	0	0	0	2,726	
	Spirit	14,029	19,769	35,245	46,457	58,919	51,828	58,757	61,777	49,096	46,480	24,501	18,305	485,163	
	USAirways	10,724	8,933	12,974	14,481	16,390	16,708	17,550	18,039	15,972	15,693	13,574	12,453	173,491	
	WestJet		0	533	761	999	618	794	986	687	701	0	0	6,079	
	Via							2	49	0	0	0	0	51	
		Monthly Totals	31,375	35,783	63,073	78,981	100,883	107,223	123,276	120,332	88,465	76,434	48,312	39,214	913,351
	Cumulative Totals	31,375	67,158	130,231	209,212	310,095	417,318	540,594	660,926	749,391	825,825	874,137	913,351		
2016	Allegiant	0	0	0	2,588	7,430	22,135	29,277	22,150	15,060	2,083	0	0	100,723	
	Charters	0	18	51	85	122	290	30	30	380	105	296	91	1,498	
	United	0	0	1,716	3,248	2,571	2,588	5,561	5,868	641	0	0	0	22,193	
	Delta	6,873	7,387	12,342	13,086	15,896	16,560	18,081	16,758	15,828	14,563	11,945	9,073	158,392	
	Porter	0	210	1,026	755	460	0	0	0	0	0	0	0	2,451	
	Spirit	16,102	23,949	40,090	48,113	57,942	52,310	58,930	60,753	49,056	39,757	26,264	20,734	494,000	
	American	9,963	9,518	12,161	14,845	17,902	18,155	19,596	19,750	17,899	15,347	15,653	13,122	183,911	
	Elite						70	356	380	228	76	0	0	1,110	
	WestJet	0	0	589	782	995	676	811	779	777	696	364	0	6,469	
	Via	0	0	22	13	18	65	21	0	0	0	0	0	139	
	Monthly Totals	32,938	41,082	67,997	83,515	103,336	112,849	132,663	126,468	99,869	72,627	54,522	43,020	970,886	
	Cumulative Totals	32,938	74,020	142,017	225,532	328,868	441,717	574,380	700,848	800,717	873,344	927,866	970,886		
2017	Allegiant	0	360	1,075	5,268	12,495	24,164	29,758	29,231	12,156	8,876	0	0	123,383	
	Charters	123	87	744	171	91	204	86	143	563	822	592	108	3,734	
	United	0	0	2,807	4,616	3,795	4,591	5,927	4,838	3,258	3,314	3,669	3,993	40,808	
	Delta	6,938	7,632	12,881	13,142	15,553	15,753	18,682	17,897	13,800	15,806	12,258	8,396	158,738	
	Porter	0	114	460	476	298	0	0	0	0	0	0	0	1,348	
	Spirit	15,625	24,414	42,905	50,932	69,245	67,084	73,922	78,378	54,591	59,757	30,037	20,985	587,875	
	American	11,522	10,941	14,550	16,324	17,455	20,734	23,289	24,311	20,582	22,671	20,188	19,089	221,656	
	WestJet	0	0	859	872	644	601	583	667	499	658	0	0	5,383	
		Monthly Totals	34,208	43,548	76,281	91,801	119,576	133,131	152,247	155,465	105,449	111,904	66,744	52,571	1,142,925
		Cumulative Totals	34,208	77,756	154,037	245,838	365,414	498,545	650,792	806,257	911,706	1,023,610	1,090,354	1,142,925	
2018	Allegiant	0	0	0	6,974	11,055	26,412	33,709	26,873	10,068	9,208	0	0	124,299	
	Charters	209	270	190	118	179	59	91	215	346	803	695	71	3,246	
	United	2,886	2,852	3,219	7,726	5,125	5,720	5,960	5,723	3,373	3,485	0	0	46,069	
	Delta	8,319	8,925	14,773	14,466	15,169	16,814	17,973	20,353	11,786	15,475	12,348	9,618	166,019	
	Frontier	0	0	0	0	2,661	7,890	9,109	9,257	4,485	6,359	3,132	0	42,893	
	Porter	0	151	491	411	247	0	0	0	0	0	0	0	1,300	
	Spirit	15,300	22,152	49,962	63,469	73,214	71,667	87,308	89,564	47,962	56,442	29,719	21,045	627,804	
	Sun Country	0	0	0	738	819	207	0	0	0	0	0	0	1,764	
	American	14,169	13,600	16,622	21,889	20,518	21,399	23,661	23,075	16,686	21,956	23,229	20,775	237,579	
	Elite	0	0	0	250	250	152	231	225	115	0	0	0	1,223	
WestJet	0	0	0	69	519	585	622	659	239	512	0	0	3,205		
	Monthly Totals	40,883	47,950	85,257	116,110	129,756	150,905	178,664	175,944	95,060	114,240	69,123	51,509	1,255,401	
	Cumulative Totals	40,883	88,833	174,090	290,200	419,956	570,861	749,525	925,469	1,020,529	1,134,769	1,203,892	1,255,401		
2019	Allegiant	0	0	0	3,977	11,149	28,748	33,132	22,879					99,885	
	Charters	192	179	236	241	301	199	214	139					1,701	
	United	0	0	210	5,450	5,901	8,425	9,764	8,287					38,037	
	Delta	8,995	8,677	16,132	15,788	16,394	18,209	18,492	18,785					121,472	
	Frontier	0	0	0	3,773	5,763	6,113	8,783	7,947					32,379	
	Porter	0	104	457	390	288	0	0	0					1,239	
	Spirit	16,115	23,364	44,623	49,255	80,982	74,951	84,135	88,357					461,782	
	Sun Country	0	0	0	1,051	1,199	1,162	145	0					3,557	
	American	18,407	18,217	22,994	25,251	26,218	25,993	26,984	28,208					192,272	
	WestJet	0	0	0	60	554	481	486	610					2,191	
	Monthly Totals	43,709	50,541	84,652	105,236	148,749	164,281	182,135	175,212	0	0	0	0	954,515	
	Cumulative Totals	43,709	94,250	178,902	284,138	432,887	597,168	779,303	954,515	954,515	954,515	954,515	954,515		
% Change vs. Prior Year															
	Monthly Total	6.91%	5.40%	-0.71%	-9.37%	14.64%	8.86%	1.94%	-0.42%						
	Cumulative Totals	6.91%	6.10%	2.76%	-2.09%	3.08%	4.61%	3.97%	3.14%						