

HILTON HEAD ISLAND AIRPORT MASTER PLAN

STAKEHOLDER ADVISORY COMMITTEE MEETING REPORT

Meeting Date: July 30, 2025

Meeting Time: 10:00 AM - 12:00 PM

Location: Sonesta Resort - Hilton Head Island

Meeting Duration: 2 hours

EXECUTIVE SUMMARY

The Hilton Head Island Airport (HXD) convened its inaugural Stakeholder Advisory Committee meeting to launch a comprehensive master planning process that will guide airport development for the next 10-20 years. This community-driven initiative represents a significant departure from traditional top-down planning approaches, emphasizing stakeholder engagement and collaborative decision-making from the project's inception.

The meeting established a clear framework for balancing the airport's role as a critical economic engine—generating \$417 million in annual economic impact—with community concerns about growth, noise, and environmental stewardship. Key themes emerged around infrastructure modernization needs, regulatory compliance challenges, funding strategies, and the airport's unique position as the smallest commercial service airport in the National Plan of Integrated Airport Systems (NPIAS) serving America's premier resort destination.

The committee's formation signals a proactive approach to addressing anticipated challenges, including a mandatory \$150+ million taxiway relocation project, terminal expansion funding gaps, and complex dynamics of operating a commercial airport within a constrained island environment. The stakeholders committed to serving not only as advisors but as active community advocates for airport initiatives, recognizing that successful implementation will require broad-based support and strategic coordination across multiple governmental and private sector entities.

Key Outcomes:

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- Establishment of comprehensive stakeholder representation across all airport-affected constituencies
- Consensus on the airport's critical economic and transportation role for the region
- Identification of major infrastructure challenges requiring immediate attention
- Development of an advocacy framework for community engagement and political support
- Timeline establishment for 12–18-month master plan completion process

ATTENDEES AND STAKEHOLDER REPRESENTATION

Project Leadership Team

Jon Rembold - Airport Director (12 years of service, leading airport through transformational growth period)

Roy Johnson - Master Plan Process Facilitator (External consultant with extensive airport planning experience)

Carl Ellington - Principal, Talbert, Bright & Ellington (Lead design consultant)

Judy Elder - Senior Project Manager, Talbert, Bright & Ellington (Long-term collaborator with airport management, responsible for meeting documentation and transcription)

Anthony Scholer - Project Team Member, Talbert, Bright & Ellington

Rick Waters - Project Team Member, Talbert, Bright & Ellington

Steven Parry – Deputy Airports Director (Key operational leadership role)

Rocio Rexrode – Airports Senior Administrative Specialist

Stakeholder Advisory Committee Representatives

Government and Policy

Melinda Tunner – Town of Hilton Head Island Council Member, Palmetto Hall Resident

Rich Sells – Beaufort County Airports Board Member

Michelle Mealer - Community Planning Manager, Town of Hilton Head Island (14-year resident, critical liaison for land use compatibility and regulatory coordination)

Economic Development and Tourism

Steve Birdwell - Multi-role representative serving as Airport Terminal Development Committee Member and President of Sea Pines Resort, (providing unique perspective on airport governance, hospitality industry impacts, and municipal interests)

Kelli Brunson - Senior Project Manager, Beaufort County Economic Development Corporation (regional economic development perspective and inter-governmental coordination)

Ray Deal – Controller, Hilton Head Island Bluffton Chamber of Commerce (representing business community interests)

Aviation Industry and Operations

Thesmarie Thorpe - General Manager, American Airlines (representing legacy carrier perspective and operational requirements)

Derek Roth - Market General Manager | HXD & SAV, Signature Aviation (Fixed Base Operator representing general aviation services and infrastructure needs)

Bridget Gonchar - VP of Airport Strategic Programs - Signature Aviation (Corporate perspective on aviation service development)

Elliott Zeltzer - Property Owner and Airman (50 years of flying experience, participating remotely, representing private aircraft owner community, and providing historical operational perspective. Also serves as property owner, having visited the island for almost 40 years.)

Absent:

Thomas Reitz – Beaufort County Council Member

Bob Cosgrove – Sonesta Resort General Manager

The committee composition was deliberately structured to ensure representation across all major stakeholder categories: government entities, economic development organizations, tourism and hospitality industries, aviation service providers, and the general aviation community. This comprehensive representation is designed to capture diverse perspectives and ensure community buy-in for master plan recommendations.

MEETING OBJECTIVES AND METHODOLOGY

Primary Objectives

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1. **Initiate Transparent Community-Driven Process:** Establish precedent for inclusive planning that prioritizes stakeholder input over consultant-driven recommendations
2. **Comprehensive Situational Assessment:** Document current airport status, recent achievements, and operational context
3. **Stakeholder Perspective Integration:** Capture diverse viewpoints on airport significance, challenges, and opportunities
4. **Strategic Framework Development:** Create foundation for evaluating multiple development alternatives
5. **Advocacy Network Establishment:** Transform advisory committee into active community advocates for airport initiatives

Methodology Approach

The facilitator emphasized a collaborative methodology that explicitly rejects traditional engineering-driven planning, where "experts" develop solutions in isolation and present them to the community for approval. Instead, the process was designed around the principle that effective airport planning must emerge from community values and priorities, with technical expertise supporting rather than driving decision-making.

Roy, the facilitator, stated: "It is too easy, from a design standpoint—or for an engineer, architect, or anybody involved in design—to sort of think, 'I know what y'all need,' draw it up, bring it to you, tell you how long it's going to take, and have you approve it. That's not how we work. We want to hear from you."

The session employed a structured analysis examining what the airport means to the region, current issues needing to be addressed, future opportunities and expectations, and challenges that might affect future development. The facilitator's role was explicitly defined as documentation and facilitation rather than solution development, with community input driving the agenda and priorities.

COMPREHENSIVE HISTORICAL CONTEXT AND DEVELOPMENT TIMELINE

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Airport Evolution and Infrastructure Development

Jon Rembold provided extensive historical context, revealing the airport's remarkable transformation from a modest general aviation facility to a significant commercial operation serving one of America's premier resort destinations.

Pre-2013 Foundation Period

The airport's early history reflects typical development patterns for resort destination airports, with initial focus on general aviation services and limited commercial operations. The facility's location was strategically chosen to serve the developing Hilton Head Island resort community, though early planners likely could not have anticipated the scale of growth that would follow.

Historical imagery from 1979 showed the island in its early development phase, with Sea Pines just beginning development and Port Royal Plantation golf courses starting to take shape. The airport maintained the same basic configuration through decades of island growth.

Transformation Period (2013-2018)

Rembold's arrival in 2013 coincided with implementation of a previous master plan focused on runway extension—a project that proved to be transformational beyond original expectations. The runway extension from 4,300 feet to 5,000 feet was initially conceived to accommodate next-generation turboprop aircraft, as regional jets were not yet part of airline planning for secondary markets.

Rembold noted: "When the last master plan was being contemplated and developed, the airlines had not indicated that regional jets were the next aircraft coming in. At that point, it was the next generation of turboprops. So, thank goodness we had the runway expansion because if not, we would not currently have commercial service."

The timing proved fortuitous, as the aviation industry was simultaneously shifting toward regional jet operations for routes like Hilton Head's. The completion of the runway extension on June 30, 2018, was immediately followed by the transition from turboprop to regional jet service, with the last Dash-8 turboprop departing on July 4, 2018, at 4:00 PM, and the first regional jet arriving July 5, 2018, in the morning—demonstrating the project's critical timing precision.

Passenger Growth Explosion

The transformation's impact is best illustrated through passenger statistics that demonstrate exponential growth:

2017 (Final Turboprop Year): 54,000 annual passengers

- Single carrier (American Airlines) operating turboprop service
- Limited schedule and capacity constraints
- Seasonal operation challenges

2018 (Transition Year): 79,000 annual passengers

- Six months turboprop operations (January-June)
- Six months regional jet operations (July-December)
- Same carrier, same schedule, but double aircraft capacity
- 46% increase despite only partial year of jet service

2019 (Full Regional Jet Operations): 233,000 annual passengers

- United Airlines entered market following runway extension
- Delta Airlines followed, creating three-carrier competition
- 195% increase over 2018, 331% increase over 2017
- Full seasonal schedule development

2020 (COVID Impact): 158,000 annual passengers

- 32% decline from 2019 peak
- April 2020: 96% decline (demonstrating aviation industry vulnerability)
- Relatively resilient compared to many airports due to leisure travel focus

2021 (Post-COVID Surge): 310,000 annual passengers

- Highest passenger count in airport history
- 96% increase over 2020
- Demonstrated pent-up demand and market recovery strength
- Stressed existing terminal facilities beyond design capacity

2022-Present (Market Stabilization): ~230,000 annual passengers

- Market correction from 2021 surge
- Sustainable operational levels maintained

- Continued three-carrier service with American, United, and Delta
- Seasonal scheduling optimization

Infrastructure Investment Analysis

Federal Investment Through Airport Improvement Program (AIP)

- **Total AIP Grants Since 1984:** \$148+ million (updated figure provided during meeting)
- **Recent Acceleration:** 82.7% of total investment occurred in last eight years
- **State Matching Funds:** Approximately \$1.9-2 million in recent period
- **Local Airport Investment:** Estimated significant matching funds and additional projects

Rembold emphasized: "Since 1984, the airport's been receiving AIP grants, so federal grant assistance for infrastructure projects... 82.7% of that has happened in the last eight years."

This investment pattern reflects both the airport's growth trajectory and the Federal Aviation Administration's recognition of the facility's strategic importance. The concentration of investment in recent years indicates successful grant competition and project prioritization.

Major Infrastructure Accomplishments (2011-2025)

Runway Extension Project

- Extension from 4,300 to 5,000 feet (700-foot addition)
- Enhanced pavement strength for regional jet operations
- Installation of Engineered Material Arresting Systems (EMAS) at both runway ends
- Approach and departure obstacle clearance improvements

Taxiway System Enhancement

- Construction of two full parallel taxiways
- Significant safety improvement eliminating runway back-taxi operations
- Enhanced operational efficiency and capacity
- Compliance with FAA separation standards for current operations

Property Acquisition Program

- Multiple parcels acquired for safety area compliance, highlighted on development maps
- Business relocations required for operational safety
- Expensive land use compatibility investments

- Demonstrates challenges of operating in developed environment

Rembold explained: "These have all been acquired by the airport. And I would love to say that those were strictly for expansion reasons, but they're really land use compatibility issues. That's where the development was allowed to happen, literally right up to the property line of the airport."

Airspace and Obstacle Management

- Extensive tree removal for approach/departure path clearance
- Off-airport tree removal coordination (shown as dots on project maps)
- Ongoing vegetation management programs
- Navigation aid protection requirements

Economic Impact Evolution

The airport's economic significance has grown dramatically, with professional economic impact studies documenting the transformation:

2018 Baseline Study: \$166 million annual economic impact

- Pre-regional jet service baseline
- Limited to turboprop operations and general aviation
- Modest employment and business activity levels

2020 Updated Study: \$417 million annual economic impact

- 151% increase in just two years
- Reflects regional jet service implementation
- Accounts for increased passenger spending, airline operations, and induced economic activity
- Supporting 1,300-1,400 jobs directly and indirectly

Rembold noted: "When they redid that study right before I got to go to the statehouse and talk to folks about funding our terminal, that \$166 had climbed to \$417 in two years."

This economic impact places the airport among the most significant economic engines in the Lowcountry region, with multiplier effects extending throughout Beaufort County and beyond.

The \$417 million figure represents direct spending, indirect business activity, and induced economic impacts from wages and business purchases.

DETAILED STAKEHOLDER INPUT ANALYSIS

Airport's Regional and Community Significance

Transportation Infrastructure and Accessibility

Primary Access Benefits

Stakeholders consistently emphasized the airport's role in overcoming Hilton Head Island's geographic isolation. The Island's single bridge access point creates vulnerability and inconvenience that commercial air service directly addresses.

Melinda Tunner noted increasing travel time challenges: "I fly to visit my father on a monthly basis in Texas... I have noticed in the last year; I used to know how much time I needed to give myself. There have been so many serious accidents on the roads over a period of time... So, it's not just the normal time. Now you got to add an accident as well."

The facilitator observed: "Some years ago, one of the folks at one of these sessions made a comment about the mileage from Hilton Head to Savannah Airport hasn't changed, but the time to get from here to there has actually increased because of traffic signals and so on. So, it's getting further away effectively."

Emergency and Medical Access

Elliott Zeltzer, representing the property owner and aviation community perspective, highlighted the airport's role in emergency access, noting situations where medical emergencies or urgent business needs make air travel essential rather than optional. He described incidents where bridge closures due to accidents created hours-long delays, making air travel the only viable transportation option.

Competitive Advantage for Tourism

The hospitality industry representatives emphasized the airport's role in attracting high-value visitors, particularly for meetings, conferences, and corporate events. Thesmarie Thorpe from American Airlines noted that hotel sales directors specifically request airlift information when competing for group business, indicating the airport's direct impact on tourism revenue.

Kellii Brunson emphasized: "I think it really helps differentiate our island from some of the other sea islands. So competitive edge asset that we offer that a lot of destinations may not be able to offer."

Economic Development and Business Attraction

The airport's role extends beyond transportation to economic development catalyst. Kelli Brunson from Beaufort County Economic Development Corporation emphasized the airport's role in attracting businesses and supporting existing economic development initiatives. The availability of commercial air service influences corporate location decisions and supports business expansion plans.

The airport also supports the island's reputation as a luxury destination, with private aviation capabilities complementing commercial service to serve high-net-worth visitors and part-time residents.

Community Asset and Quality of Life

Resident Convenience and Lifestyle Support

Multiple stakeholders noted the airport's importance for residents who travel frequently for business or personal reasons. The convenience of local departure eliminates the need for potentially lengthy drives to Savannah or Charleston, particularly important given bridge traffic and potential weather-related delays.

One stakeholder mentioned: "A lot of times, when something happens—like someone needing to visit a relative or a baby being born—we're available, even on short notice, to help get them where they need to go."

Educational and Community Engagement Opportunities

Jon Rembold highlighted the airport's role in educational programs: "We have a lot of schools that come and visit the airport, and I think it's a good way to develop a good relationship with the future generations."

Comprehensive Strengths Assessment

Strategic Location and Market Position

"America's #1 Island" Advantage

Steve Birdwell emphasized that Hilton Head's eight consecutive years as America's top-rated island creates automatic market demand for air service: "We're location, you know, location and destination is a strength. The number one island in the country with the country's smallest commercial airport."

This recognition provides inherent marketing advantages and helps justify airline service that might not be sustainable at comparable markets without such recognition. The island's reputation attracts visitors specifically seeking luxury resort experiences, creating a customer base willing to pay premium prices for convenience.

Infrastructure and Operational Excellence

Recent Infrastructure Investments

The \$148 million in federal investment over recent years has created modern, efficient infrastructure that supports current operations and provides foundation for future growth. The runway extension and dual taxiway system create operational capabilities that match those of many larger airports.

Safety Record and Regulatory Compliance

Elliott Zeltzer, with 50 years of aviation experience, emphasized the airport's strong safety record and professional management approach. The facility meets or exceeds all applicable Federal Aviation Administration standards and maintains strong relationships with regulatory agencies.

Professional Management and Operational Efficiency

Stakeholders consistently praised the airport management team's professionalism and effectiveness. The successful navigation of rapid growth, infrastructure development, and airline relationship management demonstrates institutional capabilities that support continued development.

Financial Structure and Sustainability

Self-Sufficient Operations

Jon Rembold emphasized that the airport operates as an enterprise fund without requiring local tax support: "We don't receive any funds from the county or the town. We're financially self-sufficient."

This financial independence eliminates political concerns about local tax burden while demonstrating the airport's economic viability. The model also provides flexibility for reinvestment in facilities and services without requiring local government approval for operational decisions.

Successful Grant Competition

The airport's track record of securing competitive federal and state grants demonstrates institutional capability and project development expertise. Success in grant competition requires sophisticated planning, documentation, and advocacy capabilities that the airport has consistently demonstrated.

Critical Challenges and Constraints Analysis

Infrastructure and Compliance Imperatives

Taxiway F Relocation Project

The most significant near-term challenge involves relocating Taxiway F to meet Runway Design Code C-III separation standards. The airport's transition from serving turboprop aircraft (C-II standards) to regional jets (C-III standards) requires increasing runway-to-taxiway separation from 300 feet to 400 feet.

Rembold explained: "Probably the biggest near-term project that we have to do, again, in order to meet compliance requirements with the FAA, is that taxiway on the commercial side that's got to move 100 feet over... We'll have to buy entire properties, demolish buildings, relocate businesses, hopefully to somewhere else on the island, in order to just comply with the safety requirements."

This seemingly modest 100-foot adjustment requires acquiring and demolishing 12 existing businesses, at enormous cost and community disruption. Businesses are established operations that will need relocation assistance, with some potentially unable to relocate elsewhere on the island due to limited commercial space availability.

The project represents the type of hidden cost associated with airport growth—infrastructure requirements that are not immediately obvious but become mandatory as operations evolve. The Federal Aviation Administration provides no flexibility on safety standards, making the relocation unavoidable despite its significant cost and community impact.

Land Constraints and Geographic Limitations

Elliott Zeltzer noted that while the airport's operational levels are very low compared to similar facilities, the physical footprint constraints create unique challenges. Jon Rembold confirmed: "From a land perspective, the only airport smaller than we are is Friday Harbor, Washington, around the islands around Seattle. We are the smallest commercial carrier airport in the United States."

Property acquisition for safety compliance is particularly expensive on Hilton Head Island due to limited commercial land availability and high property values. Unlike airports in less developed areas, Hilton Head's airport must compete with premium commercial and residential development for land acquisition.

Operational and Service Limitations

Weather-Related Operational Constraints

Elliott Zeltzer, as an experienced pilot, highlighted the significant limitations imposed by current weather minimums: "We are limited because we have low ceilings and poor visibility... Jon and I have been trying to put traffic studies together about what this is impacting... The air carriers can't come in because the ceilings are too low, visibility is too low."

The installation of precision approach systems, enhanced lighting (including runway centerline lighting, touchdown zone lighting indicators, and approach light systems), and other weather mitigation technology could significantly improve operational reliability. However, it requires substantial investment and complex regulatory approval processes.

Capacity and Service Infrastructure Gaps

Multiple stakeholders noted limitations in hangar availability for general aviation, maintenance facilities, and support services. Dereck Roth from Signature Aviation highlighted challenges in providing comprehensive services within current space constraints.

Specific gaps identified include:

- Hangar space shortages for both large and small aircraft
- Limited transient aircraft parking
- Inadequate maintenance capabilities
- Need for additional business opportunities and commercial development space

Community Relations and Growth Management

Perception vs. Reality of Airport Activity

Jon Rembold emphasized a critical challenge: "Operations-wise, we are very, very, very low. But as people observe our normal operations—which are already extremely low—that starts to feel like a high level to them. And when you add to what they perceive as high... you've just gone from low to medium in their minds."

This disconnect creates challenges for growth initiatives and community support for expansion projects. The challenge is compounded by the fact that as residents become accustomed to very low activity levels, any increase appears dramatic even when remaining well below normal airport operational levels.

Growth vs. Community Character Balance

Elliott Zeltzer noted the challenge of balancing airport growth with community concerns: "Unfortunately or fortunately for me, I wear three hats... from the resident perspective, we have to balance the amount of traffic we create versus the angst in terms of owners and residents who feel the island is getting crowded."

External Competitive and Market Challenges

Savannah Airport Name Confusion Crisis

Steve Birdwell identified the "Savannah/Hilton Head International Airport" naming situation as a significant ongoing challenge: "Five to six times per week, somebody's landed at Hilton Head Island and they're at the wrong airport... they're paying in excess of \$150 to \$200 in an Uber or a taxi to get them as fast as they can from there to here."

This creates multiple problems:

- **Customer Satisfaction:** Passengers arriving at wrong airport face expensive taxi/Uber rides and schedule disruptions
- **Revenue Loss:** Travelers using Savannah airport contribute tax revenue to Georgia rather than South Carolina
- **Market Confusion:** Potential passengers may book flights to Savannah assuming it serves Hilton Head
- **Reputation Impact:** Airport and island reputation suffer from passenger confusion and negative experiences

Stakeholders acknowledged the challenge of addressing this situation, as Savannah/Hilton Head International Airport has no incentive to change its name, and legal or regulatory remedies appear limited.

Regional Competition for Funding and Services

Jon Rembold noted that South Carolina receives approximately \$16 million annually in discretionary federal airport funding, which must be shared among six commercial airports and 52 general aviation airports in the state. "When this airport wins a \$10 million discretionary grant, we took it away from everybody else."

This competition extends to airline service, where carriers make route decisions based on market potential, operational costs, and competitive factors.

Regulatory and Environmental Compliance

Tree Protection Ordinance Conflicts

Michelle Mealer highlighted potential conflicts between the Town of Hilton Head's tree protection ordinances and airport operational requirements. Aviation safety requires vegetation management that may conflict with environmental protection regulations.

One stakeholder noted, "Trees and aircraft don't mix, and they don't mix for a lot of different reasons. So, a challenge is to get some ease from the town and the county on some of those regulations because of an airport's unique operations."

The timing was noted as critical, with Michelle Mealer indicating: "The timing right now is perfect to have that conversation because the town is in a position where they're rewriting the Land Management ordinance... So now would be the time to get involved."

Comprehensive Opportunities Analysis

Service and Infrastructure Enhancement

Airlift Expansion Opportunities

Multiple stakeholders emphasized opportunities for expanded airline service, including:

- **Year-round Service:** Current seasonal operations could potentially expand with demonstrated demand
- **Additional Carriers:** Opportunities for new carrier entry or existing carrier expansion
- **New Destinations:** Route development to underserved markets
- **Frequency Improvements:** Existing routes could potentially support additional daily frequencies

Thesmarie Thorpe from American Airlines noted: "American Airlines runs year-round, summer season. We had United and Delta that run many more flights, but they get seasonal during the spring and fall seasons."

Weather and Operational Reliability Improvements

Elliott Zelzer emphasized opportunities for significant operational improvements through enhanced instrumentation and lighting: "Those include runway centerline lighting, touchdown zone lighting indicators, and then approach light system, which would allow both air carrier and general aviation aircraft to land in lower weather minimums."

These improvements would benefit both commercial airlines and general aviation operators, improving schedule reliability and customer satisfaction while potentially reducing operational costs.

General Aviation and Business Aviation Development

Significant opportunities exist for expanded general aviation services and facilities:

- Private hangar development and partnerships
- Aircraft maintenance and repair facilities
- Aircraft sales and dealership operations
- Enhanced business aviation services

Jon Rembold noted: "I get calls... on a weekly basis. There's not a shortage of people who want to come to Hilton Head, for example, to sell airplanes... They can't. We don't have the space for them."

Economic Development and Business Opportunities

Commercial Development Partnerships

Opportunities include:

- Aircraft sales and service operations
- Aviation-related manufacturing and suppliers
- Cargo and logistics services
- Conference and meeting facilities

Regional Economic Development Integration

Kelli Brunson emphasized opportunities for enhanced coordination with Beaufort County economic development initiatives, including business attraction, tourism development, workforce development, and supply chain support.

Educational and Workforce Development

The airport's educational programs could be expanded to support STEM education, aviation career development, community college partnerships, and youth engagement in aviation careers.

Advocacy and Political Opportunities

Federal and State Funding Advocacy

Stakeholders identified significant opportunities for enhanced advocacy efforts using the stakeholder committee as an advocacy network. Jon Rembold emphasized: "Y'all got to swing that bat for us... We do need those connections with local folks to our state delegation and our federal delegation to tell the story about the airport."

The approach would involve:

- Coordinated political engagement using stakeholder networks
- Enhanced communication with congressional representatives
- State-level advocacy and coordination
- Regional coalition building with other airports and organizations

Local Government Integration

Opportunities exist for enhanced coordination with local governments through joint economic development approaches, infrastructure coordination, regulatory streamlining, and community planning integration.

FUNDING MECHANISMS AND FINANCIAL STRATEGY ANALYSIS

Federal Aviation Administration (FAA) Funding Structure

Airport Improvement Program (AIP) Framework

The Airport Improvement Program represents the primary federal funding mechanism for airport infrastructure development, funded through user fees rather than general tax revenue. Jon Rembold explained: "It's a user-based system, so if folks don't take part in this then they're not paying for this system... if you are not involved in the aviation system buying a ticket and paying the taxes and fees that go on top of that, then you're not funding the system."

Funding Sources:

- **Passenger Facility Charges (PFC):** Collected on passenger tickets
- **Aviation Fuel Taxes:** Contribute to the Aviation Trust Fund
- **Aircraft Registration and Other Fees:** Various aviation-related fees

Grant Competition and Allocation Process

Entitlement vs. Discretionary Funding:

Jon Rembold detailed the funding structure: "There's what's called entitlement funds... You get a certain amount of funds to start out with for projects... But then there's discretionary funds. So those are the additional funds that everybody has to compete for."

For airports with more than 10,000 passengers annually, there's a minimum \$1 million entitlement, with additional discretionary funding requiring competitive applications.

State Competition Dynamics:

"In the state of South Carolina, there's typically about \$16 million a year for the entire state in discretionary funds that the FAA has available. So, when this airport wins a \$10 million discretionary grant, we took it away from everybody else."

Economic Impact as Funding Justification

The airport's \$417 million annual economic impact provides powerful justification for federal investment. Roy Johnson, the facilitator, explained the multiplier effect: "If you look at it for a \$2 million investment by the airport, we have a \$22 million investment in infrastructure at the airport. And then you think about what that means for jobs and rolling those dollars over the

economy that rolls three times. So, \$2 million from the airport turned into \$66 million for the community."

State and Local Funding Mechanisms

South Carolina Funding Support

The state has contributed approximately \$1.9-2 million in recent years as matching funds for federal projects, demonstrating recognition of the airport's statewide economic significance.

Airport Self-Sufficiency Model

Jon Rembold emphasized: "We're financially self-sufficient. We don't receive any funds from the county or the town." The airport operates as an enterprise fund, generating revenue through:

Aeronautical Revenue Sources:

- Landing fees paid by airlines
- Terminal rental charges
- Aircraft parking and tie-down fees
- Fuel flowage fees

Non-Aeronautical Revenue Sources:

- Concession revenue
- Rental car concession fees
- Parking fees
- Property rental and leasing revenue

Terminal Expansion Funding Challenge

The terminal expansion project illustrates funding complexity. Jon Rembold noted: "The FAA granted the airport \$20 million. The airport put in \$2 million. The state put in some money. On a \$50 million project. So where did the rest of the money come from?"

This funding gap represents an ongoing challenge requiring creative financing solutions and continued advocacy efforts. Roy Johnson emphasized: "We've only got funding for the first phase of the terminal. We don't have the money for Phase 2... that's critical to completing baggage claim, improving rental car areas, and providing better office space."

Financial Sustainability and Cost Management

Elliott Zeltzer emphasized the importance of controlling development costs: "You have to be very careful about spending money. Some major airports issue bonds, and they borrow money, but you have to pay that back. So, the challenge is not to spend so much that you price out the airlines."

The airport must balance infrastructure investment needs with rate competitiveness, ensuring that improvement costs don't drive airlines to reduce service or exit the market entirely.

STRATEGIC PRIORITIES AND IMPLEMENTATION ROADMAP

Immediate Critical Actions (Next 12-18 Months)

Master Plan Completion and FAA Approval

Roy Johnson outlined the master plan timeline: "The goals are being done with the effort somewhere between 12 to 18 months. I've promised Jon that I'm going to try for 12. But that does not include review from the FAA."

Key components include:

- Continued stakeholder engagement through regular meetings (approximately every six weeks)
- Alternative analysis and evaluation
- Preferred alternative selection with committee consensus
- FAA review and approval of Airport Layout Plan updates
- Public participation through community meetings

Taxiway F Relocation Project Development

Given the mandatory nature of this project and its significant cost and community impact, immediate priorities include:

- Detailed engineering and design development
- Property acquisition planning and business relocation strategies
- Environmental review and NEPA compliance
- Community engagement and public information programs

- Federal and state grant application development

Community Education and Advocacy Program

Stakeholders emphasized community education as foundational to all other initiatives. Roy noted, "All of this information will be ultimately available to anyone who wants to take a look at it on the website... similar to what we're doing with the terminal updates."

The program will include:

- Development of educational materials and presentations
- Training stakeholder committee members for advocacy roles
- Systematic outreach to community organizations and government entities
- Enhanced digital communication and website presence
- Proactive media relations strategy

Medium-term Strategic Objectives (2-5 Years)

Terminal Expansion Phase 2 Completion

Securing funding and completing the terminal expansion represents a critical medium-term objective, including:

- Phase 2 funding strategy coordination
- Baggage claim system installation
- Rental car facility enhancement
- Airline administrative space expansion
- Passenger amenity improvements

Weather and Operational Reliability Enhancement

Based on Elliott Zeltzer's emphasis on weather-related limitations, improvement opportunities include:

- Precision approach system installation
- Enhanced lighting systems (runway centerline, touchdown zone)
- Approach light system development
- Advanced weather monitoring capabilities
- Air traffic control technology improvements

General Aviation and Business Aviation Facility Development

Expanding general aviation capabilities through:

- Private hangar development partnerships
- Aircraft maintenance facility enhancement
- Fixed base operator service expansion
- Business aviation premium services
- Aircraft sales and service operations

Long-term Vision Implementation (5-20 Years)

Sustainable Service and Infrastructure Expansion

Long-term success requires sustainable growth, maintaining community support, and financial viability:

- Year-round service development where market supports
- Route network enhancement to additional destinations
- Service frequency optimization based on demand analysis
- Balanced carrier portfolio, reducing single-airline dependence

Regional Economic Integration and Leadership

The airport should serve as a catalyst for broader regional economic development, requiring sustained coordination with tourism development, business attraction initiatives, transportation infrastructure improvements, and educational partnerships.

COMMUNITY ENGAGEMENT AND ADVOCACY FRAMEWORK

Stakeholder Committee as Advocacy Network

The meeting established the committee's role extending beyond advisory functions to active community advocacy. Steve Birdwell emphasized: "I think this is a great opportunity for us to go one step further beyond planning, but to be advocates as appropriate in the appropriate location, whether it's the chamber, whether it's the government, whether it's the FAA."

Educational Mission and Public Outreach

Jon Rembold identified education as the primary strength and opportunity: "One thing for me is education to the masses... the more education that we can get out for people to understand all

the elements of the airport... if we can do a good job throughout this process to educate and get everybody on the same page."

Political Engagement and Funding Advocacy

The committee committed to systematic political engagement at multiple levels:

- **Federal Level:** Congressional delegation engagement and Washington advocacy
- **State Level:** Legislative and executive branch coordination
- **Local Level:** Town and county government partnership development
- **Regional Level:** Coalition building with other airports and economic development organizations

Public Participation and Transparency

Roy Johnson committed to full transparency: "All of this information will be available ultimately to anyone that wants to take a look at it on the website... It's a very public document so that everybody understands what the airport's intentions are."

The process will include public meetings at key milestones, with community input opportunities before final recommendations are developed.

MEETING CONCLUSION AND NEXT STEPS

Final Stakeholder Reflections and Assessment

Comprehensive Representation Achievement

Participants expressed strong satisfaction with the inclusive approach and diverse stakeholder representation achieved. Steve Birdwell summarized the collective sentiment: "Out of all the different perspectives, I love how there's literally someone from every corner of the island and industry, and I think this is going to be incredibly comprehensive."

The stakeholder composition successfully captured perspectives from:

- Government entities (town planning and airport board representation)
- Tourism and hospitality industries (resort management and chamber of commerce)
- Aviation operations (airlines, fixed base operators, and general aviation community)

STAKEHOLDER ADVISORY COMMITTEE MEETING REPORT

Meeting Date: July 30, 2025

- Economic development organizations (county-level and regional focus)
- Long-term residents and property owners with operational aviation experience

Process Validation and Methodology Endorsement

Stakeholders validated the collaborative approach as significantly superior to traditional consultant-driven planning processes. The emphasis on community input driving recommendations rather than technical experts presenting predetermined solutions received unanimous support.

Elliott Zeltzer, participating remotely with 50 years of aviation experience, emphasized the value of integrating multiple perspectives: "From the resident perspective, we have to balance the amount of traffic we create versus the angst in terms of owners and residents... My main focus for participation is enhanced safety and competitive access to services at the airport."

Commitment to Advocacy Beyond Advisory Role

The committee demonstrated clear commitment to serving as active community advocates rather than passive advisors. Steve Birdwell articulated this expanded mission: "I think this is a great opportunity for us to go one step further beyond planning, but to be advocates as appropriate in the appropriate location, whether it's the chamber, whether it's the government, whether it's the FAA, we as a group of this committee could take a role to get the message out."

This advocacy framework addresses Jon Rembold's emphasis that successful implementation requires broad community support: "Y'all are the best disciples to go out there and spread the gospel about the airport... if our elected officials are not constantly hounded by you, they're hounded by someone else."

Educational Mission Consensus

Participants reached consensus on education as both the primary strength and critical challenge for airport development. Jon Rembold emphasized: "Education is my biggest piece... the more education that we can get out for people to understand all the elements of the airport and bring to the table... if we can do a good job throughout this process to educate and get everybody on the same page."

This educational mission extends beyond community outreach to include elected officials, business leaders, and media representatives who influence public opinion and policy decisions.

Documentation and Communication Framework

Comprehensive Meeting Documentation

Judy Elder confirmed exhaustive documentation procedures: "There will be meeting minutes issued for this, so you will get copies of all of that... We have also been recording the meeting, and we'll transcribe it... and create exhaustive meeting minutes."

The documentation approach ensures:

- Complete transcription of all discussions and stakeholder input
- Professional meeting minutes summarizing key decisions and action items
- Preservation of detailed perspectives for future reference and analysis
- Transparent record-keeping supporting public accountability

Digital Transparency and Public Access

Jon Rembold committed to comprehensive digital transparency: "We are going to create on the airport's website a specific area page for the master plan. So, everything that we're doing here will go on there with transparency similar to what we're doing with the terminal."

The digital platform will include:

- All meeting minutes and transcriptions
- Project timeline updates and milestone achievements
- Technical studies and analysis reports
- Stakeholder input summaries and responses
- Visual representations of proposed alternatives
- Public comment opportunities and responses

This transparency model follows the successful terminal expansion communication strategy, which has maintained strong community support through regular updates and accessible information sharing.

Stakeholder Communication Protocols

The team established systematic communication protocols, ensuring consistent stakeholder engagement:

- Email distribution of all meeting materials and updates
- Advance notice of meeting schedules and agenda items
- Opportunity for stakeholder input between formal meetings
- Coordinated messaging for external advocacy efforts

Future Meeting Schedule and Timeline

Regular Meeting Cadence

The team committed to regular meetings approximately every six weeks, balancing the need for consistent progress with stakeholder schedule constraints. Roy Johnson noted: "We're supposed to meet every six weeks. I'm not sure that's going to work for everybody. So, John and I will talk about it. We'll put a calendar out and send dates and have everybody get, you know, let us know if they work."

The scheduling approach mirrors successful airport board practices, with three-month advance notification allowing stakeholders to prioritize attendance and maintain consistent participation throughout the planning process.

Master Plan Development Timeline

Overall Project Duration: 12-18 months for master plan completion

Roy Johnson established ambitious but realistic timeline expectations: "The goals are being done with the effort somewhere between 12 to 18 months. I've promised Jon that I'm going to try for 12. But that does not include review from the FAA."

Key Milestone Schedule:

- **Phase 1 (Months 1-3):** Continued stakeholder input and data collection
- **Phase 2 (Months 4-8):** Alternative development and analysis
- **Phase 3 (Months 9-12):** Preferred alternative selection and refinement
- **Phase 4 (Months 12-18):** Final documentation and FAA submission
- **Phase 5 (Timeline TBD):** FAA review and approval process

Critical Decision Points

The committee will formally approve key decisions at specific milestones:

- Alternative evaluation criteria and weighting factors
- Preferred alternative selection before public presentation
- Final master plan recommendations and priorities
- Implementation strategy and phasing recommendations

Federal Aviation Administration (FAA) Integration

Forecast Approval Requirements

Jon Rembold emphasized critical FAA coordination requirements: "One of the things that we will have to get is FAA approval of the forecasts. Please understand that the forecasts are done based on recent historical data. If you take a look at the other master plan, when we did it, it was based on turboprops, not jets. So that kind of went out the window in 2018."

The forecast development requires:

- Integration of recent passenger growth patterns reflecting regional jet operations
- Consideration of potential service expansion scenarios
- Analysis of general aviation growth trends
- Economic impact projections supporting infrastructure investment

Airport Layout Plan (ALP) Approval Process

The FAA must formally approve the Airport Layout Plan, which serves as the official development blueprint. Roy Johnson explained: "The FAA doesn't approve master plans. They accept master plans based on your methodology and putting them together. But the FAA has to approve the ALP, the airport layout plan."

This approval is essential for:

- Continued eligibility for federal grant funding
- Compliance with airspace and safety regulations
- Legal authorization for proposed development projects
- Integration with national airspace system planning

Public Participation and Community Engagement

Public Meeting Strategy

Roy outlined the public engagement timeline: "We probably have a public meeting where we will allow the public to come and take a look at the preferred alternative. But you guys will sign off on what the chosen alternative is before we have that meeting."

This approach ensures:

- Stakeholder committee maintains advisory leadership role
- Community receives comprehensive information about recommended approaches
- Public input opportunities are preserved while maintaining process efficiency
- Final decisions reflect both expert stakeholder guidance and community concerns

Community Education Campaign

The stakeholder committee committed to systematic community outreach between formal public meetings:

- Presentations to civic organizations and homeowner associations
- Chamber of Commerce and business community briefings
- Town and county government coordination meetings
- Media interviews and information sessions

Timing Coordination with Regulatory Processes

Michelle Mealer highlighted critical timing opportunities: "The timing right now is perfect to have that conversation because the town is in a position where they're rewriting the Land Management ordinance... So now would be the time to get involved and talk with the town manager about the airport overlay."

This coordination ensures master plan recommendations align with local regulatory development and maximize opportunities for streamlined implementation.

Immediate Action Items and Responsibilities

Project Team Deliverables

Documentation and Communication:

- Complete meeting transcription and professional minutes (Judy Elder - 2 weeks)
- Website development for master plan transparency (Jon Rembold - 4 weeks)
- Stakeholder contact database and communication protocols (Project Team - 2 weeks)

Technical Analysis:

- Current operational data compilation for baseline analysis (Airport Staff - 4 weeks)
- Forecast development coordination with FAA requirements (Consultants - 6 weeks)
- Alternative development framework preparation (Design Team - 8 weeks)

Stakeholder Committee Responsibilities

Individual Stakeholder Actions:

- Calendar coordination for future meeting schedule (All Members - 2 weeks)
- Identification of specific advocacy opportunities within respective organizations (Ongoing)
- Development of stakeholder-specific educational materials and presentations (4-6 weeks)

Collective Advocacy Initiatives:

- Coordination with elected officials at federal, state, and local levels
- Business community engagement through Chamber of Commerce and industry associations
- Community organization outreach and educational programming

Airport Tour and Facility Familiarization

Comprehensive Facility Tour Planning

Jon Rembold confirmed commitment to stakeholder facility tours: "Would you be able to arrange a tour for us? The whole airport, the new terminal and the county? Absolutely. Yeah, yes, yes, we'll work that out."

The tour will include:

- Current terminal facilities and operational areas
- New terminal construction progress (pending air conditioning installation)
- Airfield infrastructure including runway, taxiways, and safety systems
- General aviation facilities and services
- Operational control and maintenance areas

Educational Value and Stakeholder Preparation

The facility tour serves multiple strategic purposes:

- Enhanced stakeholder understanding of current capabilities and constraints
- Visual context for infrastructure improvement needs and opportunities
- Appreciation for operational complexity and safety requirements
- Foundation for informed advocacy and community education efforts

Long-term Success Factors and Sustainability

Institutional Commitment and Continuity

The master plan's success depends on maintaining stakeholder engagement throughout the implementation period, which may extend 10-20 years beyond plan approval. Key factors include:

- Maintaining stakeholder committee relationships beyond planning phase
- Regular communication and progress reporting
- Adaptation to changing market conditions and operational requirements
- Sustained political and community support for implementation

Performance Measurement and Accountability

The committee committed to establishing measurable outcomes and regular assessment:

- Annual progress reporting on master plan implementation
- Economic impact monitoring and verification

- Community satisfaction assessment and response
- Operational performance measurement against plan objectives

Financial Strategy Integration

Roy Johnson emphasized the critical integration of business planning with master plan development: "There's also a business plan component in this as well, which we have not yet addressed because we're still sort of working that part out... and then that will probably be the topic of discussion in the next meeting we have."

This business plan integration ensures:

- Financial feasibility of recommended improvements
- Sustainable funding strategies for implementation
- Rate structure impacts and airline relationship management
- Long-term operational viability and community benefit optimization

Conclusion and Commitment to Excellence

The inaugural Stakeholder Advisory Committee meeting successfully established a foundation for comprehensive, community-driven airport master planning. The diverse stakeholder representation, commitment to transparency, and emphasis on education and advocacy create conditions for developing and implementing a master plan that serves both aviation industry requirements and community values.

The committee's willingness to serve as active advocates beyond the planning phase addresses the critical challenge of maintaining community support through the complex and lengthy implementation process. By combining technical expertise with community engagement and political advocacy, the process is positioned to achieve the ambitious goal of balancing airport growth with community character preservation.

The next phase of work will focus on technical analysis and alternative development, while maintaining the collaborative approach and transparency that characterized this successful inaugural meeting. The committee's commitment to education, advocacy, and community

engagement provides the foundation for achieving the airport's potential as both a world-class aviation facility and a community asset that enhances rather than detracts from Hilton Head Island's character as America's premier island destination.

Success will ultimately be measured not only by the quality of the master plan document but by the community's sustained support for implementation and the airport's continued role as an economic catalyst and transportation asset serving the Lowcountry region for decades to come.



HILTON HEAD ISLAND

AIRPORT

Advisory Committee
Kick-off Meeting/Visioning Session
July 30, 2025

WELCOME

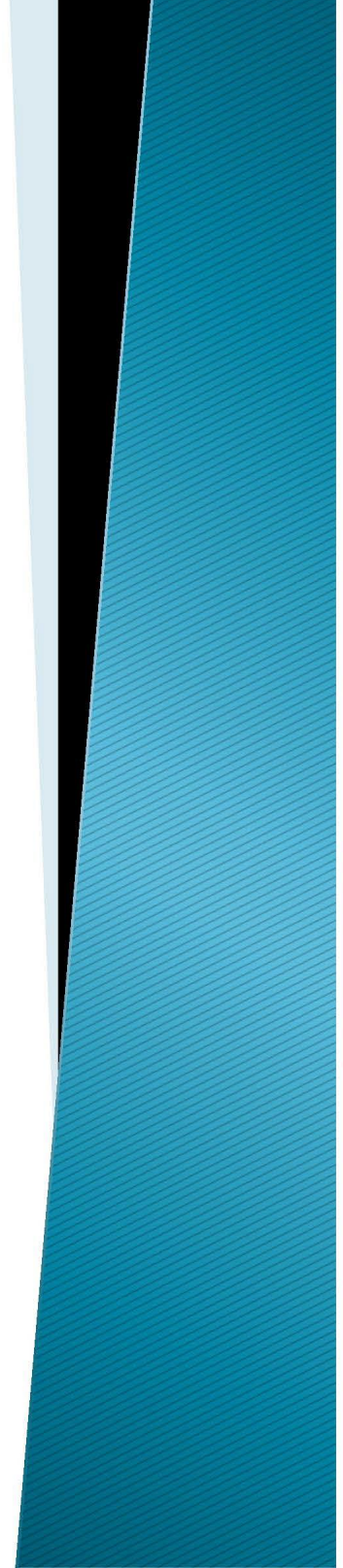


Clip from movie “Airport” (1970, starring Burt Lancaster [Mel Bakersfeld] and Larry Gates [Commissioner Ackerman])

AGENDA

- Introductions/Opening Remarks
- Purpose of Meeting
- What attendees want from the Airport
- What has Airport meant to Beaufort County and Hilton Head Island over the past 16 years
- Issues that need to be addressed
- Future opportunities
- Future challenges
- Final thoughts/what did you get out of the kick-off meeting/visioning session

What has Airport meant to Beaufort County and Hilton Head Island over the past 16 years



HXD HISTORY

- Airport opened in 1967
- Runway 03/21 – 4,300' x 100'
- US Airways (American Airlines) provided service using Bombardier Q200 and Q300 turboprop aircraft
- Delta Airlines provided seasonal service using Saab 340 turboprop aircraft beginning in March 2007 and ending in November 2010
- Runway 03/21 was extended and opened in July 2018 – 5,000' x 100'
- American Airlines transitioned to Embraer (E) 175 regional jets in July 2018
- United Airlines started seasonal (April through mid-September) service with Embraer 175 aircraft in late March 2019
- Delta Air Lines restarted seasonal (April through mid-September) service in May 2019 with Embraer 170 aircraft

HXD 1965



HXD 1979



HXD 1994



HXD 2008



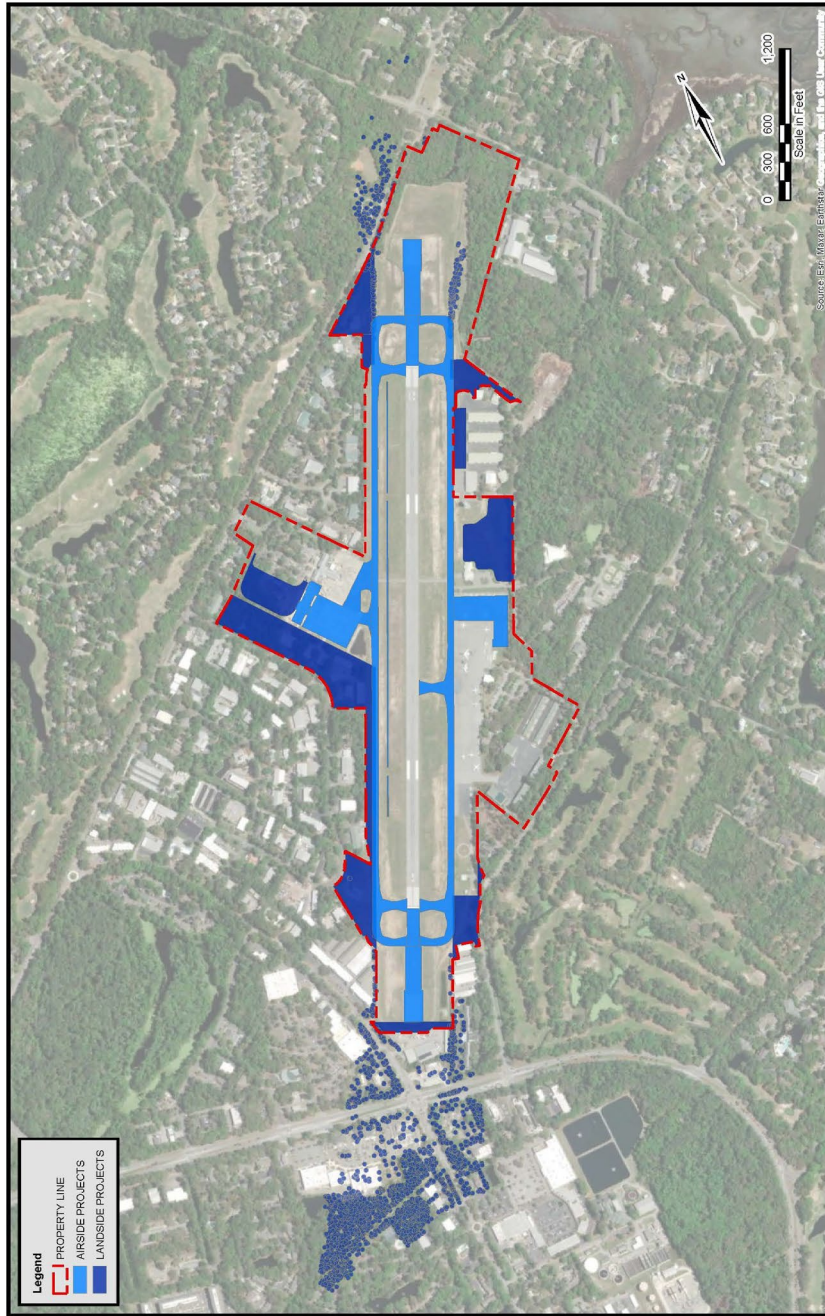
HXD 2011



HXD 2025



HXD IMPROVEMENT PROJECTS (2011-Present)



FEDERAL, STATE, AND LOCAL INVESTMENT SINCE 1984

Source	Amount
FAA	\$112,719,827.83
SCAC	\$19,061,611.00
Beaufort County	\$6,504,271.94
TOTAL	\$138,380,423.78



HXD RUNWAY EXTENSION INVESTMENT (2011-2017)

Source	Amount
FAA	\$43,066,966.00
SCAC	\$2,322,835.00
Beaufort County	\$2,194,819.00
TOTAL	\$47,584,620.00



HXD TERMINAL EXPANSION AND RENOVATION INVESTMENT (2019-PRESENT)

Source	Amount
FAA	\$33,046,900.10
SCAC	\$15,109,801.00
Beaufort County*	\$11,215,056.47
TOTAL	\$59,371,757.57
*includes 26-32 Hunter Road Properties	

HXD TOTAL ANNUAL STATEWIDE IMPACT (2018)

Activity		HXD
Employment	Direct	852
	Indirect/Induced	434
	Total	1,286
Payroll	Direct	\$28,021,260
	Indirect/Induced	\$16,165,740
	Total	\$44.187,000
Spending	Direct	\$71,014,640
	Indirect/Induced	\$51,029,800
	Total	\$122,044,440
Annual Economic Activity	Direct	\$99,035,900
	Indirect/Induced	\$67,195,540
	Total	\$166,231,440

Source: Jviation (2018), "Economic Impact Technical Report" prepared for South Carolina Aeronautics Commission.

AIRPORT LAYOUT PLAN UPDATE NARRATIVE REPORT CONTENTS

- Executive Summary
- Existing Conditions
- Aviation Forecasts
- Facility Requirements
- Alternatives Development and Evaluation
- Environmental Considerations
- Airport Layout Plans
- Capital Improvement Plan
- Public Involvement

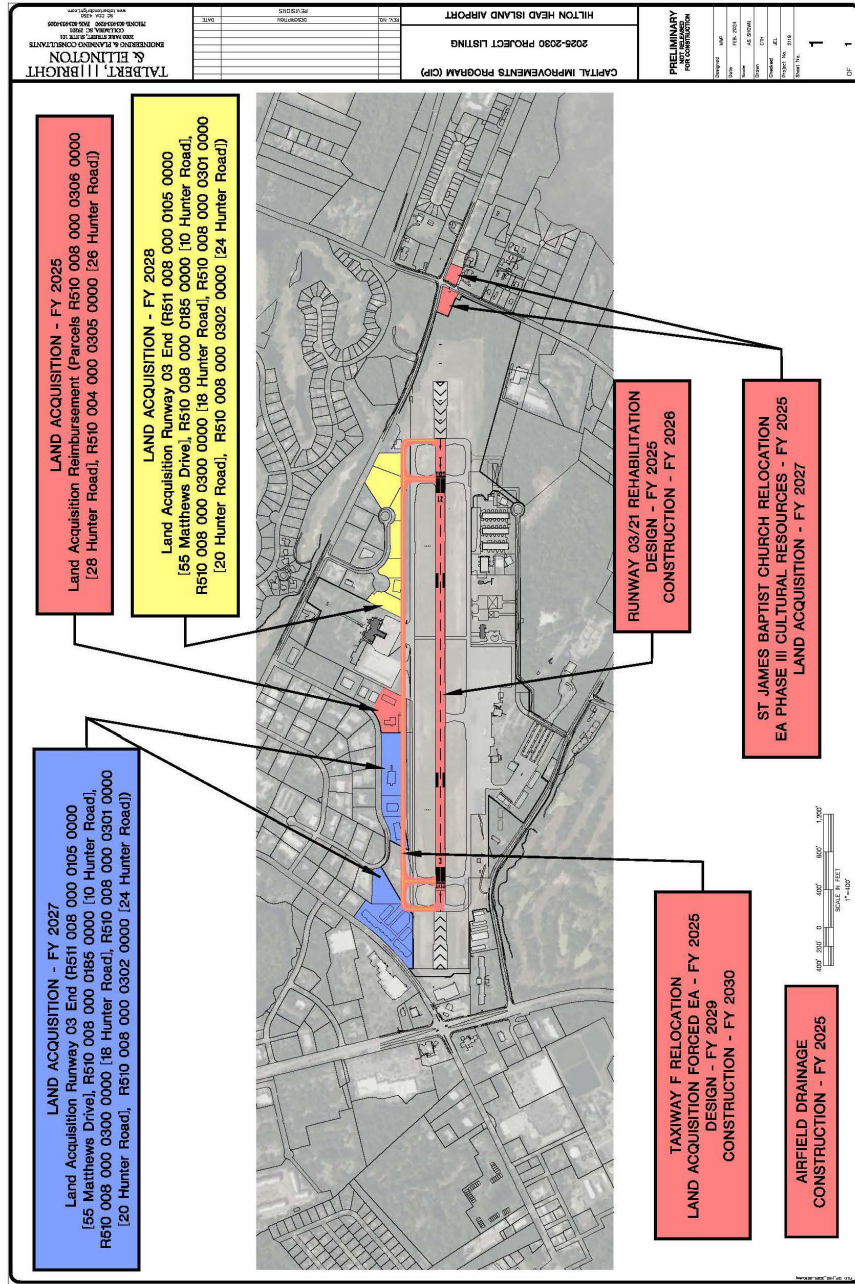
AIRPORT LAYOUT PLAN (ALP) DRAWING SET

- Cover Sheet
- Existing Conditions
- Airport Layout Plan
- Terminal Area Plan
- Airport Airspace Drawing (Part 77)
- Inner Portion Approach Surface
- Runway Departure Surface
- Runway Centerline Plan and Profile
- Land Use
- Exhibit "A" Property Map
- FAA Checklist

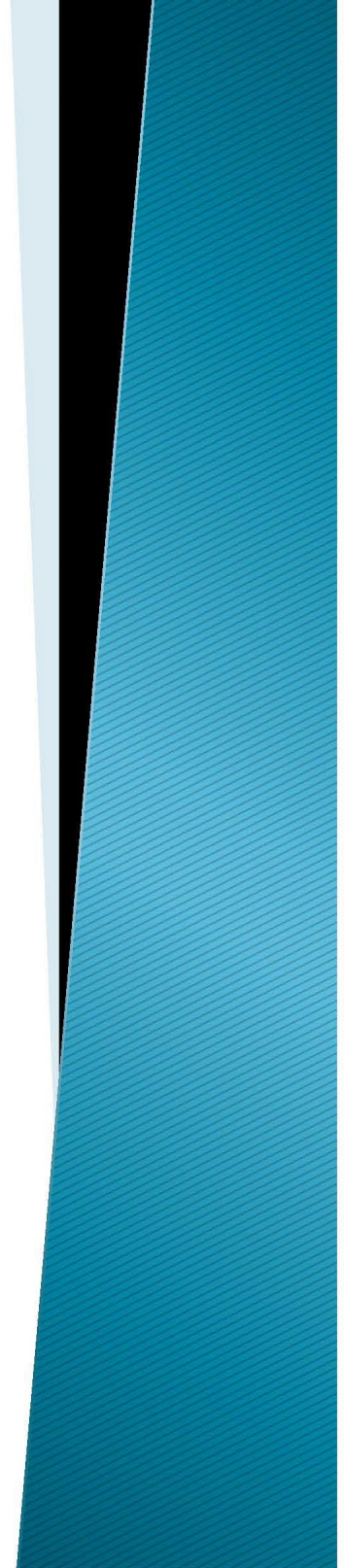
HXD CAPITAL IMPROVEMENT PLAN (2025-2030)

FAA Fiscal Year	Project Name and Brief Description	Total Project Cost	FAA	SCAC	Beaufort County
2025	St. James Baptist Church Relocation Environmental Documentation (Phase II and III Cultural Resources)	\$500,000	\$475,000	\$0	\$25,000
	Airfield Drainage (Construction)	\$979,151	\$930,193	\$48,958	\$0
	Runway 03/21 Rehabilitation (Design and Bidding)	\$300,000	\$285,000	\$15,000	\$0
	Land Acquisition Reimbursement (Parcels R510 008 000 0306 0000 [28 Hunter Road], R510 004 000 0305 0000 [26 Hunter Road])	\$5,529,081	\$5,252,627	\$245,588	\$30,866
	Taxiway F Relocation Land Acquisition Focused EA	\$250,000	\$237,500	\$12,500	\$0
2026	Runway 03/21 Rehabilitation (Construction)	\$8,175,000	\$7,766,250	\$250,000	\$158,750
2027	St. James Baptist Church Relocation Land Acquisition Land Acquisition Runway 03 End (R511 008 000 0105 0000 [55 Matthews Drive], R510 008 000 0185 0000 [10 Hunter Road], R510 008 000 0300 0000 [18 Hunter Road], R510 008 000 0301 0000 [20 Hunter Road], R510 008 000 0302 0000 [24 Hunter Road])	\$2,000,000	\$1,800,000	\$0	\$200,000
2028	Land Acquisition Runway 21 End (R510 004 000 0338 0000 [6 Blue Jay Way], R510 004 000 0339 0000 [3 Blue Jay Way], R510 004 000 0340 0000 [10 Finch Street], R510 004 000 0341 0000 [12 Finch Street], R510 004 000 0342 0000 [16 Finch Street], R510 004 000 0345 0000 [144 Beach City Road], R510 004 000 0343 0000 [148 Beach City Road])	\$13,025,518	\$11,722,966	\$250,000	\$822,286
2029	Taxiway F Relocation (Design and Bidding)	\$9,850,434	\$8,865,391	\$250,000	\$985,043
2030	Taxiway F Relocation (Construction)	\$816,717	\$735,045	\$81,672	\$0
		\$10,847,283	\$9,762,555	\$418,328	\$666,400
	TOTAL	\$52,273,184	\$47,832,527	\$1,572,046	\$8,885,945

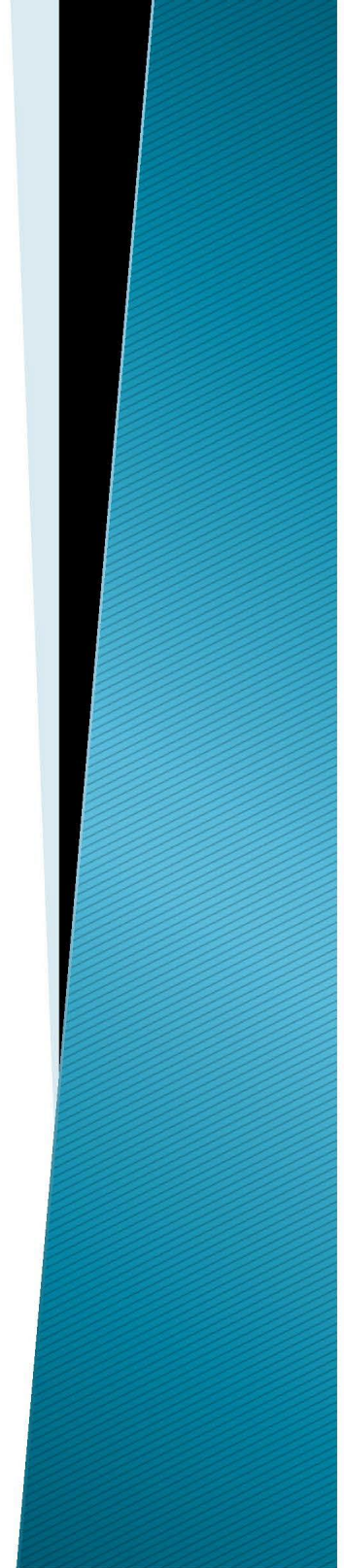
HXD CAPITAL IMPROVEMENT PLAN (2025-2030)



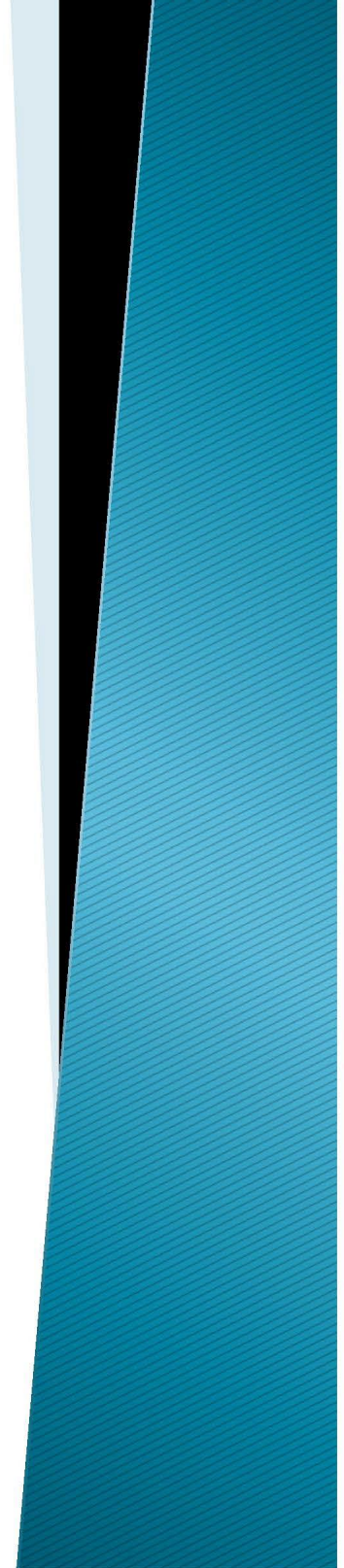
Issues that need to be addressed



Future opportunities



Future challenges



Final thoughts/what did you get out of the kick-off meeting/visioning session

