



KAITLIN MCKEOWN/STAFF

Because of the pandemic, dozens of staff members have been laid off at the Newport News/Williamsburg International Airport.

## Coronavirus leads to deep cuts at Newport News airport

**\$398,000 lost in April and 36 workers laid off**

BY PETER DUJARDIN  
Staff writer

Reeling from drastically reduced air travel caused by the coronavirus, the Newport News/Williamsburg International Airport is slashing its budget and cutting workers to make ends meet.

Thirty-six airport employees — 29 part-time and seven full-time — have been let go, including several in up-

per management ranks.

Assistant Executive Director Melissa Cheaney and Director of Finance and Administration Renee Carr are among those who have lost their jobs. Both have worked at the airport for more than 10 years, but were conspicuous by their absence at an electronic Peninsula Airport Commission on Thursday.

“We’re under fiscal distress right now,” Executive Director Mike Giardino said in an interview this week. “There’s absolutely no

doubt about it. We’re bleeding cash like every other organization.”

The airport lost \$398,000 in April, he said, and was on an “unsustainable” track to lose \$1 million in operations by June 30.

“The results of this pandemic have been catastrophic,” he said. No matter how you slice the numbers, “We need to run a very lean airport for a sustained period of time.”

The job cuts leave the airport with 52 employees, nine of whom are part-time. That’s down from 88 employ-

ees — 50 full time and 38 part time — less than two months ago.

The layoffs also included the airport’s director of business development, Viveca Munger, and its director of strategic initiatives and government relations, Kevin Knapp, as well as a restaurant manager, civilian public safety worker and receptionist.

The 29 part-timers who were let go include parking lot attendants, shuttle bus drivers, custodians, restaurant employees and a firefighter trainee.

“This was a budget decision only” and the result of “the emergency situation that we’re under,” Giardino said. “COVID-19 did this.”

“It’s a very difficult situation because it has to do with individuals,” he said.

“Thirty-six people are no longer working at the airport. All with important roles. All have skills that added value to the airport ... All 36 deserve respect and our thanks for their dedicated service.”

The cuts don’t count employees of airlines and car rental companies at the airport who also lost their jobs.

Cheaney and Carr did not return phone calls left for them Tuesday.

In early March, with lots of packed flights last year and into this year, the airport was \$750,000 in the black on its \$8.7 million annual budget, which ends June 30.

“We were having a great fiscal year,” Giardino said, saying the airport was “on the cusp of getting even better” with good prospects for new flights.

But now, passenger traffic on the airport’s two airlines — Delta Air Lines and American Airlines — only number a few dozen people a day, down from upwards of 600 daily at this time last year.

The low point came April 21, when the airport had only eight outbound passengers.

The sharp reduction translates into far less money coming to the airport from parking fees, car rental revenue, and plane landing fees — all among the airport’s biggest money

generators.

“I’m running a completely different organization than the one I ran two months ago,” Giardino said. He told board members he’s cutting the airport’s proposed budget for the year that begins July 1 to \$5.8 million — down 32% from this year.

“Irrevocable damage could occur if we did not contemplate these kinds of measures,” Giardino told the six-member board of the cost cutting.

With the job cuts, he’s reduced pay and benefits by 35% — or \$1.7 million — lower than the current budget.

Airport finance manager Jessica Minor told the board that the airport has also budgeted less money for supplies — in part because of a closed restaurant and lower cleaning needs — and is looking to save on utility bills, grass cutting and carpet cleaning.

“We’re putting all optional repairs on hold for now,” she said.

The slashing is coming despite the fact that the airport got a \$4.1 million grant from the federal stimulus package a few weeks ago. Though that grant amounts to nearly half the airport’s current annual operating budget, Giardino said it won’t last long without significant cuts.

Without sharp budget reductions, he said, the airport could expect significant monthly losses going out many months.

“How fast we burn into the grant,” Giardino said, will depend on how big those monthly losses are. If they’re \$300,000 a month, for example, the grant would be used up far more quickly than if the losses are half that size.

Airport commission Chairwoman Sharon Scott asked Giardino at Thursday’s meeting for further details on the job cuts.

“We appreciate all the sacrifices that everyone is making — and even the ones who were terminated, furloughed or otherwise not at the airport anymore,” she said. “We would like some details on how that’s being handled,

just to make sure that we are in compliance with labor laws that everyone’s departure is handled properly.”

Airport board member Jay Joseph added that he and Commissioner George Wallace, who didn’t attend the electronic meeting, wanted to know the airport’s terms with the departing workers.

“What types of discussions were had about future employment prospects, and was there any consideration about benefits, specifically health insurance going forward?” Joseph asked.

Giardino said he was recommending that the board provide health benefits at least partially into the fiscal year that begins in July.

“We are extending benefits to those who are eligible for as long as we can,” he told the Daily Press later.

Giardino said he can’t speak to the opportunities for “future employment” to bring the workers back, because “it’s a much different environment than where we were running,” and it’s not clear when things will pick up again.

The airport will be “lucky,” he said, if this year’s traffic is half that of 2019. An 80% recovery is “a long way off.” It took nearly three years, he said, for air traffic to come back after Sept. 11, 2001.

Giardino also cautioned that the same stimulus package that gave the airport \$4.1 million also contains a provision that allows Delta and American to abandon Newport News and consolidate local flights in Norfolk.

The airport likely hasn’t hit bottom yet, Giardino said, so he didn’t want to “offer false hope to anyone.”

“The numbers for the rest of this fiscal year will be horrible,” he said. “There would be no excuse on the planet to continue bleeding cash, as tragic as it is. And it is tragic. It’s terrible.”

But, Giardino added, there’s a path forward. “I took bold, swift action to ensure we have a tomorrow,” he said.

Peter Dujardin, 757-247-4749, pdujardin@dailypress.com

6666052-1

Ad Number:

Client Name:

Insertion Number:

Advertiser:

Size: 3 x 10.5000

Section/Page/Zone: NEWS/A010/ALL

Color Type: B&W

Description: May 2020

This E-Sheet(R) is provided as conclusive evidence that the ad appeared in Daily Press on the date and page indicated. You may not create derivative works, or in any way exploit or repurpose any content.

Daily Press

Publication Date: 05/02/2020

Mom...  
Need we say more?



Mother’s Day is Sunday, May 10<sup>th</sup>

Visit us online for great ideas for Mom...Flowers, jewelry, candles and scents, gift certificates...



Curbside pickup and touchless delivery on all floral orders and showroom items.

www.shopatseasons.com

1308 Jamestown Road • 757-565-4600

Monday - Friday 10:00 - 3:00

