

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
June 14, 2019**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, June 14, 2019 at 8:30 a.m. in the Conference Room at the Authority's Administrative Offices, Asheville Regional Airport ("Airport"), 61 Terminal Drive, Suite 1, Asheville, NC 28732.

MEMBERS PRESENT: Matthew C. Burrell, Chair; K. Ray Bailey, Vice-Chair; Stephanie Pace Brown; George H. Erwin, Jr.; Brad Galbraith; and Carl H. Ricker, Jr.

MEMBERS ABSENT: William L. Moyer

STAFF AND LEGAL COUNSEL PRESENT: Cindy Rice, Authority Legal Counsel; Lew Bleiweis, Executive Director; Michael Reisman, Deputy Executive Director of Development and Operations; Kevan Smith, Chief of Public Safety; Tina Kinsey, Director of Marketing and Public Relations; Janet Burnette, Director of Finance and Accounting; Shane Stockman, IT Director; John Coon, Director of Operations and Maintenance; Christina Madsen, Airport Properties and Contracts Manager; Samuel Sales, Public Safety Captain; and Ellen Heywood, Clerk to the Board

ALSO PRESENT: Nick Loder, RS&H; James Moose, Avcon; Jon McCalmont, Parrish & Partners; Patrick Pettit, Haskell; Charlie Rocheleau, Haskell; Claudio Frescas, FuelRod

CALL TO ORDER: The Chair called the meeting to order at 8:30 a.m.

PRESENTATIONS: None

FINANCIAL REPORT: The Director reported on the airport activity for the month of April which included enplanements, aircraft operations, and general aviation activity. Janet Burnette reported on the financial activity for the month of April.

CONSENT ITEMS: The Chair stated that Consent Items B and D, Approval of the Greater Asheville Regional Airport Authority May 10, 2019 Closed Session Minutes and Approval of the Greater Asheville Regional Airport Authority May 14 Closed Session Minutes, would be pulled for review in Closed Session.

A. Approval of the Greater Asheville Regional Airport Authority May 10, 2019 Regular Meeting Minutes:

C. Approval of the Greater Asheville Regional Airport Authority May 14, 2019 Special Meeting Minutes:

Mr. Bailey moved to approve the May 10, 2019 Regular Meeting Minutes and the May 14, 2019 Special Meeting Minutes. Ms. Brown seconded the motion and it carried unanimously.

E. Approval of Resolution Accepting Grants:

Greater Asheville Regional Airport Authority

~ Resolution ~

A RESOLUTION CONFERRING STANDBY AUTHORITY TO ACCEPT GRANTS BY THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY DURING THE FISCAL YEAR 2019-2020

WHEREAS, the Greater Asheville Regional Airport Authority ("Authority") is a body corporate and politic organized and created by the North Carolina General Assembly pursuant to Session Law 2012-121, House Bill 552 known as the Greater Asheville Regional Airport Authority Act ("Act"); and

WHEREAS, the Authority operates the Asheville Regional Airport ("Airport"); and

WHEREAS, the Authority has the right under the Act to accept grants of money and/or materials or property of any kind for any existing or future airport facilities from the State of North Carolina, the United States, or any agency, department, or subdivision of either of them: and

WHEREAS, the Federal Aviation Administration ("FAA"), a division under the United States Department of Transportation, annually awards entitlement grants and discretionary grants to airports throughout the United States in support of airport capital improvement projects; and

WHEREAS, the Airport is eligible for such grants; and

WHEREAS, the window of time to accept such grants from the FAA is usually relatively short and may not fall within the schedule of Authority board meetings; and

WHEREAS, the Executive Director recommends that the Authority adopt this resolution so as not to be in a position whereby a grant is forfeited or denied.

NOW, THEREFORE, BE IT RESOLVED and Adopted by the Authority as follows:

Lew Bleiweis, A.A.E., Executive Director of the Greater Asheville Regional Airport Authority, Michael Reisman, Deputy Executive Director, the Chair of the Authority, and/or the Vice Chair of

the Authority, or any of them or their successors in office (each an "Authorized Officer") be, and they hereby are, authorized to accept, on behalf of the Authority, any and all grant offers made to the Authority by the State of North Carolina, the United States, or any agency, department, or subdivision of either of them; to execute and deliver, for and on behalf of the Authority, any and all instruments necessary to accept such grant offers; to ratify, accept, and adopt all assurances, statements, representations, warranties, covenants and agreements contained in any project application submitted by the Authority in connection with such grants; and to agree, on behalf of the Authority, to comply with any and all such assurances.

Adopted this 14th day of June, 2019

Matthew C. Burrell, Chair

Attested by:

Ellen M. Heywood, Clerk to the Board

Mr. Erwin moved to approve the Resolution Accepting Grants. Mr. Galbraith seconded the motion and it carried unanimously.

F. Approval of Business Insurance Renewal: The Director stated that there was an update to this item. At budget time, the numbers presented were lower than the actual renewals. Since the Board received the memo on this item, staff has received word from the broker that the property insurance has been reduced by \$10,000 by moving coverage from Alliant to Chubb. The Director called the Board's attention to the revised spreadsheet that was available at their seats and advised the Board that the total for the insurance will be \$287,396 vs. the \$275,600 that was budgeted. There will be a shortfall of just under \$12,000 in the budget. The Director questioned if the Board wanted to leave the budget amendment for the \$30,000 as presented in the agenda package and end up with a surplus within that line item or change the budget amendment to a lower amount.

The consensus of the Board was to leave the budget amendment as presented in the agenda package for the \$30,000.

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2020:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Administration Department		\$30,000
Totals		\$30,000

This will result in a net increase of \$30,000.00 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash		\$30,000
Totals		\$30,000

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Greater Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 14^h day of June, 2019.

Matthew Burrell, Chair

Attested by:

Ellen Heywood, Clerk to the Board

Mr. Erwin moved to approve the renewal of the Authority’s insurance coverages in an amount not to exceed premiums presented by staff; authorize the Executive Director to execute the necessary documents; and amend the FY2019/2020 budget by adopting the following budget ordinance amendment. Mr. Ricker seconded the motion and it carried unanimously.

G. Approval of Amendment to the FY18/19 Budget:

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2019:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Executive Department	_____	\$25,000
Totals	=====	\$25,000

This will result in a net increase of \$25,000 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash	_____	\$25,000
Totals	=====	\$25,000

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Greater Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 14th day of June, 2019.

Matthew C. Burrell, Chair

Attested by:

Ellen Heywood, Clerk to the Board

Ms. Brown moved to amend the FY18/19 budget by adopting the budget ordinance amendment as presented by staff. Mr. Bailey seconded the motion and it carried unanimously.

OLD BUSINESS: None

NEW BUSINESS:

A. Approval of a New Concession Agreement with Tricopian, Inc., dba FuelRod: The Director informed the Board that Claudio Frescas of FuelRod was in attendance and available for any questions. Christina Madsen provided the Board with a description of the FuelRod product, the locations in which they will be found in the terminal building, as well as a review of the key business terms including the percentage of gross receipts and the projected revenue staff anticipates.

There was a brief discussion on the product's cost and charge capacity, as well as the ability for customers to exchange their FuelRods for a fully-charged battery.

Mr. Bailey moved to approve the agreement with Tricopian Inc., dba FuelRod, and authorize the Executive Director to execute the necessary documents. Mr. Ricker seconded the motion and it carried unanimously.

B. Approve Non-Federal Reimbursable Agreement with Federal Aviation Administration for Air Traffic Control Tower Siting Study:

Mr. Reisman informed the Board that the air traffic control tower is owned by the Authority and leased to the FAA. The tower is original to the airport and no longer meets FAA tower siting requirements which includes its location atop the terminal building and its limited height. The location will also restrict the Authority's ability to design and expand the terminal building in the future. FAA requirements specify that a formal study be performed by the FAA to determine the most appropriate location and height for a new tower. The FAA has a research and lab facility that builds models of the airport and a control tower simulator moves the tower around airport property to find the ideal location and height for the tower. Mr. Reisman advised the Board that the Agreement provided in the agenda package is a standard FAA reimbursable agreement. It's typical with a navigation aid facility for an airport to build the facility and then turn it over to the FAA for the FAA to own and operate it. As a result, a provision is included in the agreement stating anything built will become property of the FAA free and clear. Mr. Reisman advised the Board that this will not happen, this has been discussed with the FAA, and the amendment is pending. Approval of the agreement will be contingent upon that provision.

Mr. Reisman advised the Board that staff intends to seek a commitment from the FAA to fund and build their new control tower, but in the interim, is requesting approval to cover the cost of the study and will request reimbursement from the FAA. Mr. Reisman stated that the not-to-exceed cost of the Agreement is \$453,248.19 and will require the following budget amendment:

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2019:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Capital Improvements		\$453,248.19
Totals		\$453,248.19

This will result in a net increase of \$453,248.19 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash		\$453,248.19
Totals		\$453,248.19

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Greater Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 14th day of June, 2019.

Matthew Burril, Chair

Attested by:

Ellen Heywood, Clerk to the Board

The Board questioned the likelihood of the FAA funding construction of the tower. The Director responded that staff was not yet sure what would happen, but it was staff's intent to have the FAA build and pay for construction of the control tower. The FAA has stated that construction of a new tower would be PFC eligible, however, funds from the PFC collections are needed for the terminal building. The FAA has allowed airports to build the towers and then lease them back to the FAA for amortization of the investment. Staff will have these discussions with the FAA.

Mr. Erwin moved to approve the Non-Federal Reimbursable Agreement with the FAA contingent upon the provision outlined by staff; authorize the Executive Director to execute the necessary documents; and amend the FY2018/2019 budget by adopting the budget ordinance amendment as presented by staff. Mr. Galbraith seconded the motion and it carried unanimously.

DIRECTOR'S REPORT:

A. NCDOT Grant: The Director reported that a grant in the amount of \$500,000 was received from the NCDOT STIP for the terminal apron expansion project. This is in addition to the regular state grant the airport receives. The Director further stated that the FAA had \$1 billion in discretionary funding for which small airports had to apply. Staff applied for \$7.5 million of those funds in the second round of funding. Unfortunately, the airport did not receive any funding, however, staff will continue to work on requesting funds from this grant for the terminal apron project.

B. Snow Removal Equipment: The airport recently received the new snow broom and blower that was ordered a year ago. In the current fiscal year budget, staff went out for bid for three dump trucks: two with plows and one with a spreader. The award went to Quality Truck Care Center in the amount of \$858,767.00. The bid is in the process of being reviewed by the FAA and staff will move forward with the contract after FAA approval. There is likely a 10 to 12-month delivery time on this equipment.

C. Parking Info Update: Michael Reisman briefed the Board on the status of the expansion of parking areas for passengers. Staff will bring a contract for construction of the new parking areas to the Board for approval at a future date.

D. Airfield Construction Update: Michael Reisman reported that the paving contractor was not yet onsite. Staff recently received asphalt mix designs and the Authority's engineers returned it within a couple of days for some corrections as all of the supporting documentation was not included. A pre-paving meeting was held earlier in the week and the contractor is talking about working nights and weekends to make up time.

E. Jumpstart Update: A high-level summary of the recent ACI Jumpstart conference was provided by Tina Kinsey. Mrs. Kinsey stated that new information was gathered, valuable data was shared with the airlines, and some next steps have been identified.

F. Director of Administration: The Director reported that an offer has been made to a candidate for the Director of Administration position. The individual will be giving notice to their current employer and plans to begin employment at the airport in mid-July.

INFORMATION SECTION: No comments

PUBLIC AND TENANTS COMMENTS: None

CALL FOR NEXT MEETING: The Director stated that he did not believe there was a need for a meeting on July 12, 2019 but requested that the Board leave their calendars open.

CLOSED SESSION: At 9:21 a.m. Mr. Bailey moved to go into Closed Session Pursuant to Subsection 143-318.11 (a)(3) and (4) of the General Statutes of North Carolina to Consult with Legal Counsel in Order to Preserve the Attorney-Client Privilege; and to Discuss Matters Relating to the Location and/or Expansion of Industries or Other Businesses in the Area Served by the Greater Asheville Regional Airport Authority, Including Agreement on a Tentative List of Economic Development Incentives that may be Offered by the Greater Asheville Regional Airport Authority in Negotiations. Mr. Erwin seconded the motion and it carried unanimously.

The Chair indicated they would break for five minutes at which time the Board would resume in closed session.

Open Session resumed at 10:50 a.m.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY JUNE 14, 2019

CLOSED SESSION MINUTES: Mr. Bailey moved to seal the minutes for the Closed Session just completed and to withhold such Closed Session minutes from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Erwin seconded the motion and it carried unanimously.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY MAY 10, 2019 CLOSED SESSION MINUTES:

Mr. Bailey moved to approve the minutes for the May 10, 2019 Closed Session and to seal and withhold the minutes for the May 10, 2019 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Ms. Brown seconded the motion and it carried unanimously.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY MAY 14, 2019 CLOSED SESSION MINUTES:

Mr. Bailey moved to approve the minutes for the May 14, 2019 Closed Session and to seal and withhold the minutes for the May 14, 2019 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Ricker seconded the motion and it carried unanimously.

AUTHORITY MEMBER REPORTS: The Chair gave a brief summary of the ACI/AAAE Commissioners Conference he attended in May which included drone regulation, security, and funding.

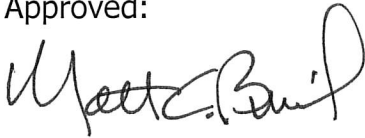
ADJOURNMENT: Mr. Bailey moved to adjourn the meeting at 11:00 a.m. Mr. Galbraith seconded the motion and it carried unanimously.

Respectfully submitted,



Ellen Heywood
Clerk to the Board

Approved:



Matthew C. Burril
Chair