

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
March 11, 2022**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, March 11, 2022 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. Burril, Chair; Brad Galbraith, Vice-Chair; George H. Erwin, Jr.; Carl H. Ricker, Jr.; Thomas M. Apodaca; and Susan Russo Klein

MEMBERS PRESENT VIA VIDEO: Britt Lovin

MEMBERS ABSENT: None

STAFF AND LEGAL COUNSEL PRESENT: Cindy Rice, Authority Legal Counsel; Lew Bleiweis, Executive Director; Michael Reisman, Deputy Executive Director; Tina Kinsey, Director of Marketing, Public Relations & Air Service Development; 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; Jared Merrill, Airport Planning Manager; Samuel Sales, Chief of Public Safety; Michael Merideth, Systems Administrator; and Ellen Heywood, Clerk to the Board

PRESENT IN PERSON: Paul Puckli, CHA Consulting;

ALSO PRESENT VIA TELEPHONE: James Moose; Avcon; Sandra Kilgore, Asheville City Council; John Kasuda, Siemens; Jeff Kirby, Parrish and Partners; and Jon McCalmont, Parrish and Partners

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

PRESENTATIONS: None

FINANCIAL REPORT: A review of enplanements, aircraft operations, and general aviation activity for the month of January was provided by the Director. Janet Burnette reported on the financial activity for the month of January.

CONSENT ITEMS: The Chair stated that Consent Item C, Approve the Greater Asheville Regional Airport Authority February 18, 2022 Closed Session Minutes, would be pulled for review in Closed Session.

A. Approve the Greater Asheville Regional Airport Authority February 18, 2022 Regular Meeting Minutes: Mr. Erwin moved to approve the Greater Asheville Regional Airport Authority February 18, 2022 Regular Meeting Minutes. Ms. Russo Klein seconded the motion and it carried unanimously.

B. Approval to Amend the Lease and Agreement between DreamCatcher Broadmoor, LLC and the Greater Asheville Regional Airport Authority to Change the Date for Disbursement of the Tenant Allowance and Completion Dates for Capital Repairs: Mr. Erwin moved to approve amending the Lease and Agreement between DreamCatcher Broadmoor, LLC and the Greater Asheville Regional Airport Authority to Change the Date for Disbursement of the Tenant Allowance and Completion Dates for Capital Repairs. Ms. Russo Klein seconded the motion and it carried by a 6 to 0 vote with Mr. Apodaca abstaining.

OLD BUSINESS: None

NEW BUSINESS:

A. Preliminary Approval of Authority's Amended Ordinance of Airline Rates, Fees and Charges for the Asheville Regional Airport Authority: Janet Burnette informed the Board that in preparation for the upcoming FY2022/2023 Budget, a new Schedule of Airline Rates, Fees and Charges for FY2022/2023 has been developed for Ordinance No. 201601-8 using the same rate methodology as in the past. A meeting was held with the airlines on February 24, 2022 to present the new proposed airline rates, fees and charges.

The Director stated that the meeting with the airlines went well, and that the airlines understood and did not have any issues with the rates and charges.

Mr. Apodaca moved to consider and approve the proposed Airline Rates, Fees and Charges; schedule a public hearing and accept public comment on the proposed Airline Rates, Fees and Charges; and following the minimum period for public comment and public hearing, adopt the Airline Rates, Fees and Charges for FY2022/2023 at the next scheduled Authority Board meeting. Mr. Ricker seconded the motion and it carried unanimously.

B. Approval of Authority's Preliminary Fiscal Year 22/23 Budget: Janet Burnette presented the proposed preliminary Fiscal Year 2022/2023 Budget including the proposed operating revenues as well as the proposed operating expenses which included a 6% salary adjustment pool, the addition of 7 FTE's, an increase in contractual services as well as an increase in travel and training. Mrs. Burnette highlighted the proposed capital budget as well as the capital funding sources. Also reviewed was the estimated cash balance and Mrs. Burnette advised the Board that the negative cash balance shown on the schedule would be covered once the bond funding was received.

The Director reminded the Board that the construction contract for the terminal expansion project would still need Board approval, so if the bond funding was not received, staff would not move forward with the construction of the terminal.

Mrs. Burnette spoke about the proposed changes to the supplemental fee schedule, specifically labor rates as well as the addition of a PIN reset fee for the double authentication for the access control system. The Director stated that staff has been discussing the possibility of an increase in parking rates, but will bring that to the Board for consideration at a later date.

Mr. Erwin moved to approve the proposed Preliminary Fiscal Year 2022/2023 Budget and to accept public comment on the Proposed Fiscal Year 2022/2023 Budget during the next 10 days. Mr. Apodaca seconded the motion and it carried unanimously.

C. LGC Preliminary Findings Resolution: The Director gave a brief explanation for the following preliminary findings resolution. The Director stated that he was required to read the title: Resolution Making Certain Findings and Determinations, Authorizing the Filing of an Application with the Local Government Commission and Requesting the Local Government Commission to Sell Bonds at a Private Sale in Connection with the Issuance of Airport System Revenue Bonds by the Authority. The Director reported that the resolution identifies an aggregate principal amount not to exceed \$275,000,000 worth of bonds. The Director informed the Board of the bond team and reported that a meeting will be held at the end of March with the LGC to go over the documentation that will be submitted to them. The LGC will have a meeting the first week of May to review and approve all applications and the LGC has already given approval to the Authority to sell bonds on May 19. The bond team has recommended a two series issuance of bonds, one in May for a smaller amount and one later in the summer. The Director stated that the reason for this schedule is that the Authority is waiting to find out how much grant money the airport will receive from the infrastructure bill that was passed.

A regular meeting of the Board of Directors of the Greater Asheville Regional Airport Authority was held in the Board Room of the Greater Asheville Regional Airport Authority Offices, located on the second floor of the Airport, 61 Terminal Drive, Suite 1, Fletcher, North Carolina, the regular place of meeting, at 8:30 a.m. on March 11, 2022.

Present: _____

Absent: _____

Also Present: _____

* * * * *

_____ introduced the following resolution the title of which was read and copies of which had been previously distributed to each Member:

RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS, AUTHORIZING THE FILING OF AN APPLICATION WITH THE LOCAL GOVERNMENT COMMISSION AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO SELL BONDS AT A PRIVATE SALE IN CONNECTION WITH THE ISSUANCE OF AIRPORT SYSTEM REVENUE BONDS BY THE AUTHORITY

BE IT RESOLVED by the Board of Directors (the "Board") of the Greater Asheville Regional Airport Authority (the "Authority"):

Section 1. The Board does hereby find and determine as follows:

(a) There exists a need at the Asheville Regional Airport for various capital improvements including, without limitation, (i) the expansion and modernization of its existing terminal, (ii) expansion and modernization of ticket lobby, TSA screening, baggage claim and concessions areas, (iii) improvements to existing supporting infrastructure, (iv) construction of a centralized energy plant, (v) renovation of the remaining portion of the existing terminal building, and (vi) construction of a new air traffic control tower (the "Project").

(b) In order to go forth with the necessary capital improvements, the Authority will issue one or more series of revenue bonds in an aggregate principal amount not to exceed \$275,000,000 (the "Bonds").

(c) The issuance of the Bonds is necessary and expedient.

(d) The amount of the Bonds is adequate and not excessive for financing the portion of the Project intended to be financed thereby.

(e) The Project is feasible.

(f) The Authority's debt management procedures and policies are good.

(g) The Bonds can be marketed at a reasonable interest cost to the Authority.

Section 2. The Chair, the Clerk to the Board, the Executive Director and the Director of Finance and Accounting of the Authority are hereby authorized and directed to file an application with the Local Government Commission for approval of the issuance of revenue bonds in an aggregate principal amount not to exceed \$275,000,000 for the purpose of providing funds, together with any other available funds, to (a) pay costs of the Project, (b) pay capitalized interest with respect to the Bonds, (c) fund a debt service reserve fund or purchase a debt service reserve fund policy for the Bonds, and (d) pay certain other fees and expenses associated with the issuance of such revenue bonds including, without limitation, a bond insurance premium.

Section 3. The Chair, the Clerk to the Board, the Executive Director and the Director of Finance and Accounting of the Authority are hereby authorized and directed to take all action necessary to obtain the approvals of local government units required under the rules and regulations under the Internal Revenue Code of 1986, as amended, to approve the issuance of the Bonds after a public hearing.

Section 4. The Local Government Commission is requested to sell the Bonds at a private sale without advertisement.

Section 5. The following professionals are serving in the following capacities in connection with the issuance of the Bonds:

Bond Counsel:	Womble Bond Dickinson (US) LLP
Financial Advisor:	PFM Financial Advisors LLC
Airport Consultant:	Landrum & Brown, Incorporated
Senior Underwriter:	Raymond James & Associates, Inc.
Counsel to Underwriter(s):	Butler Snow LLP
Trustee/Registrar:	The Bank of New York Mellon Trust Company, N.A.
Authority Counsel:	Patla, Straus, Robinson & Moore, P.A.

The Executive Director is hereby authorized to engage additional firms to act as underwriters for the Bonds to the extent the Executive Director concludes that such engagement is in the best interests of the Authority.

Section 6. This resolution shall take effect immediately upon its passage.

Upon motion of _____, seconded by _____, the foregoing resolution entitled "RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS, AUTHORIZING THE FILING OF AN APPLICATION WITH THE LOCAL GOVERNMENT COMMISSION AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO SELL BONDS AT A PRIVATE SALE IN CONNECTION WITH THE ISSUANCE OF AIRPORT SYSTEM REVENUE BONDS BY THE AUTHORITY" was passed by the following vote:

Ayes: _____

Noes: _____

* * * * *

I, Ellen Heywood, Clerk to the Board of Directors of the Greater Asheville Regional Airport Authority, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of the Board of Directors of the Authority at a regular meeting held on March 11, 2022 as it relates in any way to the passage of the foregoing resolution and that said proceedings are recorded in the minutes of the Board.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the corporate seal of the Authority this 11th day of March, 2022.

Secretary

[SEAL]

Mr. Ricker moved to approve the Resolution Making Certain Findings and Determinations, Authorizing the Filing of an Application with the Local Government Commission and Requesting the Local Government Commission to Sell Bonds at a Private Sale in Connection with the Issuance of Airport System Revenue Bonds by the Authority. Mr. Apodaca seconded the motion and it carried unanimously.

D. Approval of Audit Contract for Fiscal Year Ending June 30, 2022: Janet Burnette reported that Martin Starnes & Associates was approved by the Board in 2021 to provide audit services for up to five years. Staff was pleased with their services and recommended contracting for a second year for the annual audit for the fiscal year ended June 30, 2022. Mrs. Burnette advised the Board that the fee for their services is \$31,950 and was included in the FY2023 budget.

Mrs. Russo Klein moved to approve the contract for audit services with Martin Starnes & Associates in the amount of \$31,950 and authorize the Executive Director to execute the necessary documents. Mr. Erwin seconded the motion and it carried unanimously.

E. Approval of Contract with Independence Excavating, Inc. for the South General Aviation Apron Reconstruction Project: Jared Merrill informed the Board that on March 3, 2022 bids were received from only two contractors for the rehabilitation of the south general aviation apron project. The project was re-advertised for the required seven days and on March 10, 2022 bids were received from two contractors with the apparent low bid submitted by Independence Excavating, Inc. in the amount of

\$6,746,800.00. The project budget will include a 10% allowance of \$674,680.00 and would bring the project total to \$7,421,480.00. Mr. Merrill stated that the project would be paid for with FAA AIP funding in the amount of \$3,475,168.00 and the remaining balance of \$3,946,312.00 with airport funds. This will necessitate 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, 2022:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Capital Improvements	_____	\$7,421,480.00
Totals	_____	<u>\$7,421,480.00</u>

This will result in a net increase of \$7,421,480.00.00 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Federal AIP Grant Funds		\$3,475,168.00
Transfer from GARAA Cash	_____	<u>\$3,946,312.00</u>
Totals	_____	<u>\$7,421,480.00</u>

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 11th day of March 2022.

Matthew C. Burrell, Chair

Attested by:

Ellen Heywood, Clerk to the Board

Mr. Merrill stated that the low bid came in within 3% of the engineer's estimated probable cost and that concrete will be used for this project rather than asphalt to better handle commercial aircraft that park in that area.

Mr. Apodaca moved to approve a budget for the reconstruction of the South General Aviation Apron in the amount of \$7,421,480.00 (\$6,746,800.00 and 10% allowance of \$674,680.00), subject to FAA review and approval, approve the contract with Independence Excavating, Inc. in the amount of \$6,746,800.00, authorize the Executive Director to execute the necessary documents, and amend the FY21/22 budget as presented by staff. Mr. Ricker seconded the motion and it carried unanimously.

DIRECTOR'S REPORT: The Director stated that he had a few additional items to address that were not included on the agenda.

A. Washington, DC Update: The Director reported that he had an opportunity to meet with several legislators at the recent ACI/AAAE legislative conference he attended in Washington, DC. The Director gave an update on topics discussed at the conference.

B. TEFRA Hearing: The Director stated that in conjunction with the bond issuance, a TEFRA Hearing was a requirement so that members of the public could learn how government entities will be using non-taxable bonds. The hearing was scheduled for March 17th at 3:00 pm.

C. TSA Mask Mandate: TSA's mask mandate has been continued to April 18th. The United States is one of the few countries that has not lifted the testing requirement to enter the country.

D. Annual Report: A copy of the 2021 Annual Report was available at the Board Members' seats.

E. Purchasing Policy: The Director reminded the Board that at the February Authority Board meeting, the Board approved an amendment to the purchasing policy. Ms. Rice put together an update to the purchasing policy which was reviewed by the Chair and Vice-Chair. This policy is now in place.

INFORMATION SECTION: No comments

PUBLIC AND TENANTS COMMENTS: None

CALL FOR NEXT MEETING: The Director stated that the March 23, 2022 meeting would not be necessary since the Preliminary FY22/23 Budget was approved by the Board earlier. The Chair stated that next regular meeting of the Board will be held on April 8, 2022.

AUTHORITY MEMBER REPORTS: None

CLOSED SESSION: At 9:43 a.m. Mr. Erwin moved to go into Closed Session Pursuant to Subsections 143-318.11 (a) (3) and (4) of the General Statutes of North Carolina to Consult with Legal Counsel regarding, among other things, that Buncombe County Lawsuit entitled Christopher McFalls vs. The Greater Asheville Regional Airport Authority; 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. Ms. Russo Klein seconded the motion and it carried unanimously.

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

Open Session resumed at 11:11 a.m.

Mr. Galbraith left the meeting during the closed session.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY MARCH 11, 2022

CLOSED SESSION MINUTES: Mr. Erwin 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. Apodaca seconded the motion and it carried by a 6 to 0 vote.

APPROVAL OF THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

FEBRUARY 18, 2022 CLOSED SESSION MINUTES: Mr. Erwin moved to approve the minutes for the Greater Asheville Regional Airport Authority February 18, 2022 Closed Session and to seal and withhold the minutes for the February 18, 2022 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Ms. Russo Klein seconded the motion and it carried by a 6 to 0 vote.

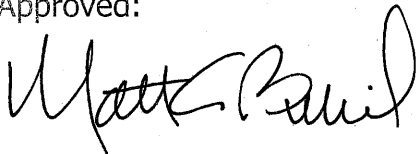
ADJOURNMENT: Mr. Apodaca moved to adjourn the meeting at 11:13 a.m. Mr. Erwin seconded the motion and it carried by a 6 to 0 vote.

Respectfully submitted,



Ellen Heywood
Clerk to the Board

Approved:



Matthew C. Burril
Chair