

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
August 12, 2022**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, August 12, 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: Brad Galbraith, Chair; Carl H. Ricker, Jr.; Britt Lovin; Nathan Kennedy; and Robby Russell

MEMBERS PRESENT VIA VIDEO: Susan Russo Klein

MEMBERS ABSENT: George H. Erwin, Jr., Vice-Chair

STAFF AND LEGAL COUNSEL PRESENT: Cindy Rice, Authority Legal Counsel; Lew Bleiweis, President & CEO ("president"); Tina Kinsey, VP - Marketing, Public Relations and Air Service Development; Janet Burnette, Chief Financial Officer; Shane Stockman, VP – Information Technology; John Coon, VP - Operations and Maintenance; Christina Madsen, VP – Business Development and Properties; Jared Merrill, VP – Planning; Samuel Sales, Chief of Public Safety; Angela Wagner, VP - Administration and Human Resources; Michael Merideth, Systems Administrator; and Ellen Heywood, Clerk to the Board

PRESENT IN PERSON: Jason Sandford, Ashevegas; Paul Puckli, CHA Consulting; Patrick Pettit, Haskell

ALSO PRESENT VIA TELEPHONE/VIDEO: Jon McCalmont, Parrish and Partners; Nick Loder, RS&H

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

PRESENTATIONS:

A. Master Plan Update: Paul Puckli with CHA presented an overview of the master plan project that is currently underway. Mr. Puckli reviewed information on public participation, areas of focus, consideration for land use, as well as enplanement, operations and general aviation forecasts and next steps. The Board thanked Mr. Puckli for his presentation.

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

CONSENT ITEMS: The Chair stated that Consent Item C, Approval of the Greater Asheville Regional Airport Authority July 8, 2022 Closed Session Minutes, would be pulled for review in Closed Session.

A. Approval of the Greater Asheville Regional Airport Authority July 8, 2022 Regular Meeting Minutes: Mr. Lovin moved to approve the Greater Asheville Regional Airport Authority July 8, 2022 regular meeting minutes. Mr. Russell seconded the motion and it carried unanimously.

B. Ratify Approval of Grant of Easement to Duke Energy Progress, LLC., Inc. for Electric Service to Airport Terminal Building and Central Energy Plant: Mr. Russell moved to ratify approval of the grant of an Easement to Duke Energy Progress, LLC., Inc. for electric service to the airport terminal building and central energy plant. Mr. Lovin seconded the motion and it carried unanimously.

OLD BUSINESS: None

NEW BUSINESS:

A. Approval of Partnership to Apply for Port of Entry Designation: The president stated that Land of Sky Regional Council ("Land of Sky") was in the process of establishing an Inland Port in Buncombe County. Staff was approached about creating a Port of Entry to be located on Authority property for the Inland Port. Land of Sky has been working on grants for the Inland Port and Port of Entry and has requested confirmation from the Authority on the partnership. The president stated that staff worked with Cindy Rice on the Letter of Interest included in the agenda package that confirms the Authority's interest in moving forward with a partnership with Land of Sky on the Port of Entry.

The Board inquired if a facility would be required for the Port of Entry. The president confirmed that a building in which to operate would be necessary.

Ms. Russo Klein stated that she would recuse herself from voting on this matter due to a conflict of interest.

Mr. Kennedy moved to authorize staff to explore whether applying for the customs Port of Entry designation is in the best interest of the Authority as well as the Land of Sky Regional Council; to authorize the Land of Sky to research the application process, develop and submit an application to the Authority for the Authority Board's approval;

and to give authority to Land of Sky to advocate for funding to support construction. Mr. Russell seconded the motion and it carried by a 5 to 0 vote with Ms. Russo Klein abstaining from the vote.

B. Approval of Modification to Reimbursable Agreement AJW-FN-ESA-19-SO-003464 with the Federal Aviation Administration for Relocation of Airport-Owned Air Traffic Control Tower Project:

Jared Merrill reminded the Board that a reimbursable agreement with the FAA was approved in August of 2021 for sighting and other support services associated with the design of the new air traffic facility in an amount not to exceed \$177,504.34. At the July 2022 meeting, the Board approved an amendment to the agreement for an additional \$85,296.17 for support services associated with an increase in the size of the facility requested by the FAA. The design of the facility is nearing completion and the FAA is planning for electronic equipment needs as well as inspection and administration services during construction of the facility. Mr. Merrill stated that the Reimbursable Agreement amendment for these services needs to be in place prior to the start of construction at the end of the calendar year. The estimated cost for modification to the Reimbursable Agreement is \$11,591,394.27 and was included in the overall cost of construction for the new air traffic facility and was also included in the FY23/23 Authority Budget. This increases the total modified Reimbursable Agreement not to exceed cost to \$11,854,194.78. The provisions of the amendment require payment in the amount of \$3,771,430.50 at document execution, with the remaining balance of \$7,819,963.77 due before October 1, 2023. Mr. Merrill stated that conditional approval of the amendment is requested since staff has been working with the FAA on some minor items in the amendment.

Mr. Ricker moved to approve the Modification to Reimbursable Agreement AJW-FN-ESA-19-SO-003464 with the Federal Aviation Administration for Relocation of Airport-Owned Airport Traffic Control Tower Project in a form that is acceptable to the president and CEO in the amount not to exceed \$11,591,394.27; authorize the president and CEO to execute the necessary documents; and authorize the first estimated payment of \$3,771,430.50 to be made by October 1, 2022 and the second estimated payment of \$7,819,963.77 by October 1, 2023. Mr. Lovin seconded the motion and it carried unanimously.

C. Approval of Agreement Amendment No. 2 and a Memorandum of Understanding between Signature Flight Support Corporation and the Greater Asheville Regional Airport Authority:

Christina Madsen advised the Board that the Signature Flight Support Corporation ("Signature") leasehold contains 64,915 sf of space referred to as the former fuel farm and is no longer utilized by Signature. A construction lay down area for the terminal expansion project is needed, therefore, Agreement Amendment No. 2 removes the 64,915 sf former fuel farm from the Signature leasehold effective July 1, 2022 for use as the construction lay down area. An environmental Phase

1 and Phase 2 site assessment with soil borings of the former fuel farm was completed by Signature and concluded no findings.

In addition to removal of the 64,915 sf from Signature's leasehold, a Memorandum of Understanding ("MOU") with Signature temporarily removes approximately 112,000 sf of aircraft parking ramp from Signature's leasehold. This area will be used temporarily for passenger vehicle parking to ease the shortage of parking during times of peak travel. The Authority will make improvements to secure the area for passenger parking and will come back to the Board for approval once plans are complete.

Mrs. Madsen stated that exhibits depicting the areas referenced in Agreement Amendment No. 2 and the MOU were provided to the Board in the agenda package. Mrs. Madsen reported that Amendment No. 2 and the MOU will reduce the rent paid from Signature to the Authority by approximately \$51,000 per year, however, that amount will be recouped with additional passenger parking fees paid to the Authority under the MOU.

The Board inquired if additional shuttle vans would be required to service the additional parking lot. The president responded that the shuttle van services the overflow parking lot near the observation area when that parking lot is utilized. The shuttle would then circle around to the general aviation ramp to accommodate the passengers that are parked in that lot. Staff is also looking at additional shuttle vans to complement the fleet as the vans have been in use for three years.

The Board expressed their appreciation to Signature Flight for their cooperation in working with the Authority on both matters.

Mr. Lovin moved to approve Agreement Amendment No. 2 and the Memorandum of Understanding with Signature Flight Support Corporation and authorize the president & CEO to execute the necessary documents. Mr. Kennedy seconded the motion and it carried unanimously.

D. Virtual Attendance of Authority Board Meetings: The president stated that this item was included on the agenda due to the governor's pending lift of the state of emergency restrictions. Cindy Rice informed the Board that the Authority's by-laws stress in-person attendance for Authority Board meetings. Due to the pandemic, a state of emergency was declared by the governor and temporary measures were enacted in April of 2020 for electronic participation of the Board as well as members of the public. Ms. Rice further stated that since the state of emergency will be lifted, the Authority needs to address the temporary measures that were taken and recommended terminating the temporary measures that allowed for remote attendance as well as public comments to be submitted electronically. Ms. Rice further stated that with the open meetings law there is an amount of participation involved in-person, and based the recommendation upon the UNC School of Government's guidance for open meetings.

A question was raised about attendance at Special Meetings and Ms. Rice confirmed that virtual attendance for Special Meetings would be permitted.

A brief discussion took place with regards to the UNC School of Government's recommendations for participation in open meetings as well as public comments.

Mr. Lovin moved to terminate the temporary allowance of electronic and remote participation at regular meetings by Board Members. Mr. Ricker seconded the motion and it carried by a 5 to 1 vote with Ms. Russo Klein voting against the motion.

PRESIDENT'S REPORT: The president stated that he had a couple of additional items to address that were not included on the agenda.

A. Farnborough Airshow: The president gave a brief update on the airshow that he had attended in England along with members from the Buncombe County Economic Development Coalition, the NC secretary of commerce as well as leadership from the Economic Development Partnership of North Carolina and NC Department of Transportation Aviation Division.

B. Cell Phone Lot and Gravel Parking Lot: The president reported that both the cell phone lot and the additional gravel parking lot across NC280 have been opened and were being used.

C. Property Exchange: The president informed the Board that the City of Asheville has approved the Authority's property exchange with Minkles, LLC. the owner of the property leased by Electrolux. The Authority will exchange land adjacent to the Electrolux facility for the land next to the Wingate Hotel across NC280. Minkles, LLC. allowed the Authority to gravel the land and start using for passenger parking prior to the real estate closing. The closing will take place in the near future.

D. North Carolina Airports: The FAA recently released its passenger statistics and of the 10 commercial service airports in the state, Asheville has now been ranked the 3rd busiest airport in the state, surpassing Greensboro. A press release will be sent out later in the day.

E. Terminal Building Modernization Project: Jared Merrill gave a brief update on the project. Mr. Merrill advised the Board that bidding for the final phase, CGMP3, will be delayed by 90 to 120 days due to design of the temporary security checkpoint. Bidding on this phase is expected to take place in early 2023. Mr. Merrill stated that the construction schedule for the project should remain as planned. The president provided a detailed review of the temporary security checkpoint.

F. Bonds for Terminal Building Modernization Project: The president informed the Board that with the delay of the bidding for CGMP3, the Authority will not be able to go to the bond market until next spring. The Local Government Commission ("LGC") now

requires a completed audit to be submitted 60 days prior to their board meeting for their review of a project. The Authority's audit is currently underway but will not be completed until the November time frame. The president stated that between the LGC's new requirement and the delay of the bidding for CGMP3, the Authority will need to wait until spring to go to the bond market. The president further remarked that the \$195 million in the bank will be enough to carry the Authority through on the project until staff can go to market for the 2nd series of bonds. Staff has been working with the bond consultant on these changes, and the Board will be kept informed of the process over the next few months.

INFORMATION SECTION: No comments

PUBLIC AND TENANTS COMMENTS: None

CALL FOR NEXT MEETING: The Chair stated that the next regular meeting of the Board will be held on September 9, 2022.

AUTHORITY MEMBER REPORTS: None

CLOSED SESSION: At 10:06 a.m. Mr. Lovin 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 and that Buncombe County Lawsuit Entitled Shannon Greenwood vs. Spirit Airlines, Inc. and 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. Mr. Ricker 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 11:25 a.m.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY AUGUST 12, 2022

CLOSED SESSION MINUTES: Mr. Lovin 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. Russell seconded the motion and it carried unanimously.

APPROVAL OF THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

JULY 8, 2022 CLOSED SESSION MINUTES: Mr. Lovin moved to approve the minutes for the Greater Asheville Regional Airport Authority July 8, 2022 Closed Session and to seal and withhold the minutes for the July 8, 2022 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Kennedy seconded the motion and it carried unanimously.

ADJOURNMENT: Mr. Ricker moved to adjourn the meeting at 11:27 a.m. Mr. Kennedy seconded the motion and it carried unanimously.

Respectfully submitted,



Ellen Heywood
Clerk to the Board

Approved:



Brad Galbraith
Chair