

REGULAR MEETING
ASHEVILLE REGIONAL AIRPORT AUTHORITY
October 11, 2013

The Asheville Regional Airport Authority ("Authority") met on Friday, October 11, 2013 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: David R. Hillier, Chairman; Jeffrey A. Piccirillo, Secretary-Treasurer; Bob Roberts; Douglas Tate; and Carol Peterson

MEMBERS ABSENT: Bill Moyer

STAFF AND LEGAL COUNSEL PRESENT: Victor Buchanan, Authority Legal Counsel; Lew Bleiweis, Executive Director; Michael Reisman, Deputy Executive Director of Development and Operations; C. Jeffrey Augram, Chief of Public Safety; David Nantz, Director of Operations and Maintenance; Royce Holden, IT Director; Suzie Baker, Director of Administration; Vickie Thomas, Director of Finance and Accounting; Tina Kinsey, Director of Marketing and Public Relations; Kevan Smith, Public Safety Captain; and Ellen Heywood, Recording Secretary

ALSO PRESENT: Ken Moody, Delta Airport Consultants; Mike Reiter, Michael Baker Engineering; Mike Darcangelo, AVCON; John Valas, Enterprise Holdings; Mike Coneys, Enterprise Holdings; April Norket, Enterprise Holdings; Nate Otto, RS&H; Brian Lee, Martin Starnes & Associates, CPAs, P.A.

CALL TO ORDER: The Chairman welcomed everyone in attendance and called the meeting to order at 8:30 a.m. The Chairman also welcomed Carol Peterson as a new Board member.

CONSENT ITEMS:

A. Approval of the Asheville Regional Airport Authority October 12, 2012 Closed Session Minutes Part A and Part B:

B. Approval of the Asheville Regional Airport Authority June 21, 2013 Special Meeting Minutes:

The Chairman stated that there were two Consent Items on the agenda and legal counsel has advised that four votes would be required to approve the minutes. The minutes have been reviewed by all members of the Authority and the Chairman

suggested approval by unanimous consent would be appropriate. Consent Items A and B were approved by unanimous consent.

NEW BUSINESS:

A. Resolution to Impose and Use a Passenger Facility Charge (PFC): The Director advised the Board that staff has worked with Newton and Associates to pursue an amendment to PFC Application No. 5 and a new Application No. 6. The amendment to PFC No. 5 and PFC No. 6 relate to the Airfield Redevelopment Project and both were approved by the FAA. The FAA requires the Authority adopt a resolution acknowledging the applications and responsibilities of the PFC program. The Authority Board has not adopted a PFC resolution in quite some time and staff feels it would be prudent to adopt the following resolution to maintain compliance with FAA regulations:

**RESOLUTION
OF THE
ASHEVILLE REGIONAL AIRPORT AUTHORITY
TO
IMPOSE AND USE A PASSENGER FACILITY CHARGE**

WHEREAS, the Asheville Regional Airport Authority ("Authority") is owner and operator of the Asheville Regional Airport ("Airport"); and

WHEREAS, the Authority has approved a program of capital improvements for the Airport ("Capital Improvements") for the purposes of, among other things: preserving or enhancing safety, security or capacity of the Airport and the national air transportation system; reducing and mitigating noise impacts of Airport operations; and furnishing opportunities for enhanced competition between or among air carriers; and

WHEREAS, pursuant to the authority granted by the United States Congress the FAA has promulgated a Federal Aviation Regulation ("Regulation") allowing owners, operators and sponsors, operating commercial airports such as the Airport, to impose a Passenger Facility Charge ("PFC") on passengers enplaning commercial passenger aircraft at the airports and to use the proceeds thereof to fund the Allowable Costs (as defined in the Regulation) of Eligible Projects (as defined in the Regulation) as provided and described in the Regulation; and

WHEREAS, the Authority believes certain costs of the Capital Improvements would be so allowable and eligible; and

WHEREAS, the Authority believes a PFC would be an equitable means to raise revenues to fund some or all of the said Allowable Costs of Eligible Projects of the Capital Improvements.

NOW, THEREFORE, the Authority hereby resolves that:

1) The Executive Director is authorized and directed to apply to the FAA, for and in the name of the Authority, for approval to impose a PFC at the Airport of \$4.50 per enplaning passenger and to use the resulting net revenues to pay the Allowable Costs of the Eligible Projects of the Airport's Capital Improvements; and the Executive Director is authorized and directed to take all such reasonable actions as necessary or desirable to obtain approval of said application.

2) Said PFC shall be collected by the commercial air carriers on behalf of and remitted monthly to the Authority for so long as may be necessary to pay the Allowable Costs of Eligible Projects, or such shorter period as may be required by the Regulation.

3) With respect to that class of air carriers comprising only those air carriers operating under FAR Part 135 and which provide only on-demand non-scheduled service and do not sell tickets to individual passengers enplaning their aircraft at the Airport ("Air Taxis") the Authority finds that:

a) requiring Air Taxis operating at the Airport to collect the PFC would not generate a substantial amount of PFC revenues for the Authority and would be an undue burden to the Air Taxis;

b) said Air Taxis enplane less than one percent (1%) of all passengers enplaned at the Airport; and

c) said Air Taxis, therefore, should be exempted from the requirement of collecting the PFC at the Airport and the Executive Director is hereby directed to include in said application a request that Air Taxis be so exempted.

SO RESOLVED, this the 11th day of October, 2013.

ASHEVILLE REGIONAL AIRPORT AUTHORITY

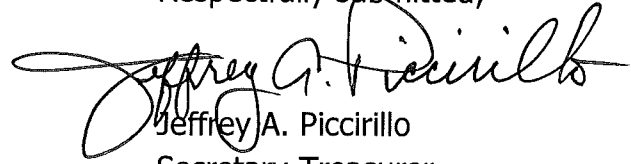
BY: _____
Chairman

The Chairman questioned if approval of a resolution such as this would be approved by the Greater Asheville Regional Airport Authority once the Asheville Regional Airport Authority was extinct. The Director responded affirmatively and that it was uncertain how the FAA would transfer such items to the Greater Asheville Regional Airport Authority once the full transition has occurred. The Director further stated that a discussion on such items would be held with the FAA at the appropriate time.

Mr. Tate moved to approve the Resolution as presented by staff. Mr. Roberts seconded the motion and it carried unanimously.

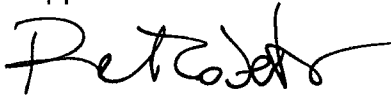
ADJOURNMENT: At 8:35 a.m. Mrs. Peterson moved to adjourn the meeting. Mr. Piccirillo seconded the motion and it carried unanimously.

Respectfully submitted,



Jeffrey A. Piccirillo
Secretary-Treasurer

Approved:



Robert C. Roberts
Chairman