

**REGULAR MEETING**  
**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY**  
**February 16, 2018**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, February 16, 2018 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:** Robert C. Roberts, Chair; K. Ray Bailey; William L. Moyer; Stephanie Pace Brown; and George H. Erwin, Jr.

**MEMBERS ABSENT:** Matthew C. Burrell, Vice-Chair; David Gantt

**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; Suzie Baker, Director of Administration; Tina Kinsey, Director of Marketing and Public Relations; Janet Burnette, Director of Finance and Accounting; Shane Stockman, IT Director; John Coon, Director of Operations; David Nantz, Safety Manager; Samuel Sales, Public Safety Captain; and Ellen Heywood, Clerk to the Board

**ALSO PRESENT:** Eric Rysdon, RS&H; Jason Sandford, Ashvegas; Mike Darcangelo, Avcon

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

**SERVICE AWARD PRESENTATION:** The Chair reported that Mark Williams was not able to attend due to a family situation and requested that Mr. Williams be made aware of the Board's appreciation for his 10 years of service with the Authority.

**RECOGNITION OF BOARD MEMBER:** The Chair was happy to report that the State Board of Community Colleges recently named Mr. Bailey the winner of the 2018 I.E. Ready Award, the highest honor bestowed by that board. The Board congratulated Mr. Bailey on this significant achievement.

**PRESENTATION:** Shane Stockman began his presentation with brief backgrounds and the responsibilities of the Information Technology staff. Mr. Stockman reviewed all of the systems and equipment that is managed by the department for the Authority as well as tenants. Mr. Stockman pointed out that the department generates \$50,000 in revenue

from the IT services provided to tenants. Mr. Stockman spoke about server virtualization that was completed in 2016, the digital display network that was recently upgraded, cyber security for the airport as well as best practices for avoiding attacks, and also reviewed upcoming projects. The Board thanked Mr. Stockman for his presentation.

**FINANCIAL REPORT:** The Director reported on the airport activity for the month of December which included enplanements, aircraft operations, and general aviation activity. The Director was pleased to note that the airport saw four consecutive years of record growth. Janet Burnette reported on the financial activity for the month of December.

**CONSENT ITEMS:** The Chair stated that Consent Item B, Approval of the Greater Asheville Regional Airport Authority December 8, 2017 Closed Session Minutes, would be pulled for review in Closed Session.

**A. Approval of the Greater Asheville Regional Airport Authority December 8, 2017 Regular Meeting Minutes:** Mr. Bailey moved to approve the Greater Asheville Regional Airport Authority December 8, 2017 Regular Meeting Minutes. Ms. Brown seconded the motion and it carried unanimously.

**OLD BUSINESS:** None

**NEW BUSINESS:**

**A. Approval to Unseal Closed Session Minutes:** The Director advised the Board that the policy for Closed Session Minutes provides for the review of the preceding year's Closed Session Minutes at the first Authority Board meeting of each calendar year. The Director stated that he has reviewed the minutes and has provided a recommendation for those certain minutes relating to a business matter that has come to fruition, is no longer of a confidential nature, and can be unsealed.

Mr. Moyer moved to unseal those portions of Closed Session Minutes as designated and recommended by the Executive Director. Mr. Erwin seconded the motion and it carried unanimously.

**B. Approval of Change Order No. 9 to Contract with American South General Contractors:** The Director advised the Board that this item was being pulled from the agenda. Originally the change order was in the amount of \$87,000, however, allowances that were out for construction, but not used on this project, were added and resulted in a credit of \$52,427.83 to the Authority.

**C. Approval of Award of Contract with NHM Constructors, LLC for Expanded Air Carrier Apron Project and Approve Fee for Construction Administration:**

Michael Reisman stated that the Board previously approved design work for this project and at that time, the engineers estimated a cost of approximately \$750,000 for construction for this apron expansion. Staff opened bids in June of 2017 and the low bid substantially exceeded the budgeted funds, so the bids were rejected and the project postponed. Mr. Reisman advised the Board that Commercial Service Funds from the NCDOT have since become available and the project was re-bid in early 2018. Less than three bids were received on January 11, 2018, therefore under North Carolina procurement law the project was re-advertised. Two bids were then received on January 22, 2018 which met the state re-advertisement rules. The responsive low bid was received from NHM Constructors, LLC in the amount of \$1,043,073.50. The bids received in January were consistent with the bids received in June of 2017 and led staff to the conclusion that the engineers' original estimate was low. Staff recommends a 10% allowance of \$104,307.35. Staff is also seeking approval for an additional \$97,500 for construction administration and on-site engineer inspection services by Delta Airport Consultants bringing the project total to \$1,244,880.85. Mr. Reisman advised the Board that this project will be funded entirely with NCDOT Commercial Service Funds.

Mr. Moyer questioned how the engineers could be off almost 50% on the project estimates. Mr. Reisman responded that it is hard to predict what happens in the contractor world. Staff made sure the project was out for bid prior to the NCDOT project bids being opened in order to avoid contractors becoming too busy to take on the airport project, which can drive up the bid amounts. Mr. Reisman further stated that this project consists of a fair amount of underground utility work and is a small complex project requiring a contractor to mobilize for a 60-day project for a small amount of money. Mr. Moyer asked if the engineers thought more reasonable estimates would be received if the project were to be delayed a year. Mr. Reisman responded that the engineers believed this was the case last June, however staff did not receive lower bids in January. The bids received in June of last year were consistent with the numbers received in January with no significant difference.

Mr. Bailey moved to approve a project budget of \$1,244,880.85; approve the expand air carrier apron construction project with NHM Constructors, LLC in the amount of \$1,147,380.85 (\$1,043,073.50 plus \$104,307.35 allowance); approve construction administration fee not to exceed \$97,500.00 with Delta Airport Consultants; authorize the Executive Director to execute the necessary documents; and amend the FY2017/2018 Budget by adopting the following budget ordinance amendment. Mr. Moyer seconded the motion and it carried unanimously:

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, 2018:

Section 1. To amend the appropriations as follows:

**EXPENDITURES:**

	<u>Decrease</u>	<u>Increase</u>
Capital Improvements		\$844,880.85
Totals	<u>\$0</u>	<u>\$844,880.85</u>

This will result in a net increase of \$844,880.85 in the appropriations. Revenues will be revised as follows:

**REVENUES:**

	<u>Decrease</u>	<u>Increase</u>
Federal Grants – AIP Entitlement Funds	<u>\$ 360,000.00</u>	
Federal Grants – AIP Discretionary Funds		
NC Department of Transportation Funds		<u>\$ 1,244,880.85</u>
Transfer from GARAA Cash	\$ 40,000.00	
Totals	<u>\$400,000.00</u>	<u>\$ 1,244,880.85</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 16<sup>th</sup> day of February, 2018.

\_\_\_\_\_  
Robert C. Roberts, Chair

Attested by:

\_\_\_\_\_  
Ellen Heywood, Clerk to the Board

**D. Approval of Actions Necessary for Completion of Bid Package 4 Construction Project:** The Director informed the Board that this item would be discussed in closed session.

The Chair stated that New Business Items E and F would be a joint discussion:

**E. Approval of Administration Policies and Procedures Section 117.00 (Revised) – Commercial Ground Transportation Regulation:** Mr. Reisman advised the Board that the former rental car ready return lot is being transitioned to a ground transportation lot from which all ground transportation operators will pick up passengers. New procedures and regulations are necessary to ensure proper operation by the ground transportation operators. The new procedures in the policy include provisions for ingress and egress from the lot, establishment of trip fees, references to the adoption of the Airport Ordinance which had not previously been incorporated into the policy, an operational directive, and inclusion of transportation network companies (TNC's).

**F. Amendment to Supplemental Fees and Charges Schedule:** The Director informed the Board that the fees charged to the ground transportation operators are incorporated in the supplemental fees and charges schedule that is adopted by the Board each year during the budget process. Staff will have the ability to charge a per trip fee with the new ground transportation lot, and is seeking the Board's approval to change the ground transportation fee structure. The new per trip fee will be equitable for those ground transportation operators who are only on site a few times a year, as well as for TNC's who operate nationally on a per tip method. The Director advised the Board that the airport currently charges an annual \$300 permit fee for limousines and taxis, \$4,000 a year for charter bus companies, and a flat fee of \$8,000 for TNC's. Staff is proposing an annual \$50 permit fee for limousines and taxis as well as a per trip fee of \$2.50. TNC's would not have an annual permit fee, but would be assessed a per trip fee of \$3.50. Charter bus companies would continue with the current annual permit fee.

Ms. Brown questioned if this would fall under Rates by Ordinance and if a public hearing would be required. Cindy Rice responded that this did not fall under Rates by Ordinance with the way it is currently structured. The Ordinance is limited to airline rates and charges.

Mr. Moyer remarked that he believed this was the direction in which the Board should move forward provided staff believes they can make it work with the staff and equipment available. The Director reported that the drivers would be issued ID badges to access the gate in the ground transportation lot. All of the operators would also need to put money on account with the airport, a minimum of \$25.00 increments, from which the per trip fees would be deducted when the ID badge is used to access the ground

transportation lot. Anyone trying to pick up a passenger without going through the gate will be fined. The gate arm will have an intercom system to the communication center should a problem arise with a driver's ID badge. The Director felt this new system will be much more organized and would not put too much of a burden on staff.

Ms. Brown asked if a driver would receive a refund of any balance on their account if they were to decide to no longer operate at the airport. The Director responded that they would receive a refund of the balance on their account if they decide not to operate. The Director further stated that a pro-rated portion of the current \$300 annual permit fee that has been paid by the operators will be put on their account for use towards the per pick up fees. Staff will work with the TNC's to determine how a portion of the flat permit fee can be included on the individual drivers' accounts.

Mr. Moyer moved to approve the revised Administration Policies and Procedures Section 117.00 – Commercial Ground Transportation Regulation, and to approve the amended changes to the FY2017/2018 Annual Budget Supplemental Fees and Charges Schedule. Ms. Brown seconded the motion and it carried unanimously.

**DIRECTOR'S REPORT:** The Director advised the Board that he had a couple of additional items to include that were not on the agenda.

**A. Discussion of Key Priorities:** The Director advised the Board that Tina Kinsey would provide an update on Community Outreach. Mrs. Kinsey presented an overview of the approach staff takes to reach out to the community. Practicing good corporate citizenship is a strategic goal that has been identified, and Mrs. Kinsey provided examples of the steps staff takes to address this goal. These include bringing the community into the airport through the various events held at the airport, the methods used by staff to communicate with community groups, as well as the aviation-related organizations supported or sponsored by the airport, and the initiatives staff undertakes to stay involved in the community.

Mr. Erwin expressed his appreciation for all the airport does for the community. Mr. Erwin offered a suggestion for staff consideration whereby students from the community who have excelled in academics or athletics are recognized through an honor roll section. This would demonstrate that the community appreciates the young people and would like to see them stay in or return to the area upon completion of their education.

**B. Snow Removal Equipment:** The Director reported that staff is in the process of making an award for the purchase of snow removal equipment. Four bids were received and the low bidder was J.A. LaRue in the amount of \$663,948. This was a budgeted item and does not need Board approval. The Director further stated that there



could be protests from the higher bidders since this company is a Canadian company and the FAA funding requires purchases include a "Buy American" provision. It is common to have protests with equipment purchases, however the FAA approves the bid documents before they go out, and the low bidder met all of the FAA's bid requirements, including the "Buy American" provision, with the amount of materials and/or assembly their company does in the United States.

**C. Enterprise Resource Planning (ERP):** The new ERP (financial system) has been installed on the Authority's servers. Staff will begin training in a couple of weeks.

**D. Lower Parking Lot:** The Director advised the Board that the lower parking lot would be closed in the near future and that complaints may be received from passengers forced to park in the garage. The garage was built to accommodate more cars than is currently needed, so plenty of parking is available in the garage.

**INFORMATION SECTION:** No comments

**PUBLIC AND TENANTS COMMENTS:** None

**CALL FOR NEXT MEETING:** The next regular meeting of the Authority Board will be held on March 9, 2018.

**CLOSED SESSION:** At 9:49 a.m. Ms. Brown 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 Lawsuit Entitled Tricor Construction, Inc. vs. RS&H Architects-Engineers-Planners, Inc., Thalle Construction Co., Inc. and Liberty Mutual Insurance Company and vs. Defendant & Third-Party Plaintiff, Greater Asheville Regional Airport Authority, vs. Third-Party Defendant, Avcon, Inc. d/b/a Avcon Engineers and Planners, Inc. 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. Moyer 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 11:04 a.m.

**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY FEBRUARY 16, 2018**

**CLOSED SESSION MINUTES:** Ms. Brown 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. Moyer seconded the motion and it carried unanimously.

**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY DECEMBER 8, 2017**

**CLOSED SESSION MINUTES:** Ms. Brown moved to approve the minutes for the December 8, 2017 Closed Session, and to seal and withhold the minutes for the December 8, 2017 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof including one correction of the year 2018 to the year 2017. Mr. Bailey seconded the motion and it carried unanimously.

**NEW BUSINESS**

**D. Approval of Actions Necessary for Completion of Bid Package 4**

**Construction Project:** The Director advised the Board that staff is withdrawing this item from the agenda for discussion at a future date.

**ADJOURNMENT:** Mr. Moyer moved to adjourn the meeting at 11:05 a.m. Mr. Bailey seconded the motion and it carried unanimously.

Respectfully submitted,



Ellen Heywood  
Clerk to the Board

Approved:



Robert C. Roberts  
Chair