



AGENDA

Greater Asheville Regional Airport Authority Regular Meeting
Friday, April 26, 2013, 8:30 a.m.
Conference Room at Administrative Offices

NOTICE TO THE PUBLIC: The Airport Authority welcomes comments from the public on any agenda item. Comments are received prior to the Board's discussion of the agenda item. Comments are limited to five minutes. If you wish to comment on an agenda item, please deliver a request card (available in the meeting room) to the Clerk to the Board prior to the agenda item being called by the Chair.

- I. CALL TO ORDER.
- II. PRESENTATIONS:
 - A. Airport Master Plan – Roy Lewis, Delta Airport Consultants ([document](#))
- III. FINANCIAL REPORT ([document](#))
- IV. CONSENT ITEMS:
 - A. Approval of the Greater Asheville Regional Airport Authority March 22, 2013 Regular Meeting Minutes ([document](#))
 - B. Approval of the Greater Asheville Regional Airport Authority March 22, 2013 Closed Session Minutes
 - C. Approval of Assignment of Master Agreement for Professional Consulting Services to Michael Baker Engineering, Inc. ([document](#))
 - D. Ratify Amended Five Year Capital Improvement Program ([document](#))
 - E. Approval of Insurance Renewals ([document](#))
 - F. Resolution Designating Bank of America, N.A., Wells Fargo Bank, N.A., and First-Citizens Bank & Trust Company as Official Depositories ([document](#))



- G. Approval of Grant Agreement with the North Carolina Department of Transportation ([document](#))

- V. OLD BUSINESS:
 - A. Public Hearing and Final Adoption of the Authority's Fiscal Year 2013/2014 Budget ([document](#))

- VI. NEW BUSINESS:
 - A. Approval of Audit Contract with Martin Starnes & Associates, CPAs, P.A. for Fiscal Year Ending June 30, 2013 ([document](#))
 - B. Approval of Airline Incentives for Allegiant Air ([document](#))
 - C. Approval of Supplemental Agreement No. 1 to Agreement for Professional Services Between Greater Asheville Regional Airport Authority and Michael Baker Engineering, Inc. ([document](#))
 - D. Approve Supplemental Agreement No. 1 to Agreement for Professional Services Between Greater Asheville Regional Airport Authority and Avcon Engineers and Planners, Inc. ([document](#))
 - E. Approval of Scope of Services No. 14 and Fees for Construction Phase Services for the Westside Site Development Project with AVCON Engineers and Planners, Inc. ([document](#))

- VII. DIRECTOR'S REPORT:
 - A. IRS Approval of Authority Name Change
 - B. Privatization of Screening
 - C. Airport Ground Transportation Association Conference

- VIII. INFORMATION SECTION:
(Staff presentations will not be made on these items. Staff will be available to address questions from the Board.)
 - A. February 2013 Traffic Report ([document](#))
 - B. February 2013 Monthly Financial Report ([document](#))



- C. April 2013 Development/Project Status Report ([document](#))
- D. Potential Board Items for the Next Regular Meeting:
 - None identified at this time

IX. AUTHORITY MEMBERS' REPORTS.

X. PUBLIC AND TENANTS' COMMENTS.

XI. CALL FOR NEXT MEETING.

XII. CLOSED SESSION:

Pursuant to Subsections 143-318.11 (a) (3) and (6) of the General Statutes of North Carolina to Consult with Legal Counsel in Order to Preserve the Attorney Client Privilege and to Consider Personnel Matters.

XIII. ADJOURNMENT.

This agenda of the Greater Asheville Regional Airport Authority is provided as a matter of convenience to the public. It is not the official agenda. Although every effort is made to provide complete and accurate information in this agenda, the Airport Authority does not warrant or guarantee its accuracy or completeness for any purpose. The agenda is subject to change before and/or during the Board meeting.



Asheville Regional Airport Master Plan Update

Greater Asheville Regional
Airport Authority Board Meeting

April 26, 2013



Agenda

- **Recap/Overview of Project**
- **Public Information / Input**
- **Existing Conditions**
- **Forecast Summary**
- **Facilities Needs Summary**
- **Alternatives Evaluation**
- **Development Plan Overview**
- **Capital Improvement Plan**
- **Airport Layout Plan (ALP)**
- **Next Project Steps**
- **Questions / Discussion**



Recap / Overview of Project

- **Purpose: Develop a planning document to help guide future infrastructure development decisions**
- **Provide a 20-year planning document for federal, state, local, and Airport officials**
- **Update 2001 Airport Master Plan**
- **Develop alternatives to meet future anticipated demand**
- **Update Airport Layout Plan with development identified in Master Plan**



Public Information / Input

- **Public Open House #1**
 - **October 16, 2012**
 - **11 people signed in**
 - **Master Plan Overview and Development Alternatives reviewed with public**
 - **No comment forms submitted**
 - **Subsequent to meeting one question via email regarding future I-26/NC280 Interchange**



Public Information / Input

- **Public Open House Meeting #2**
 - **February 25, 2013**
 - **15 people signed in**
 - **Master Plan Overview and draft Airport Layout Plan drawing set**
 - **No comment forms submitted**

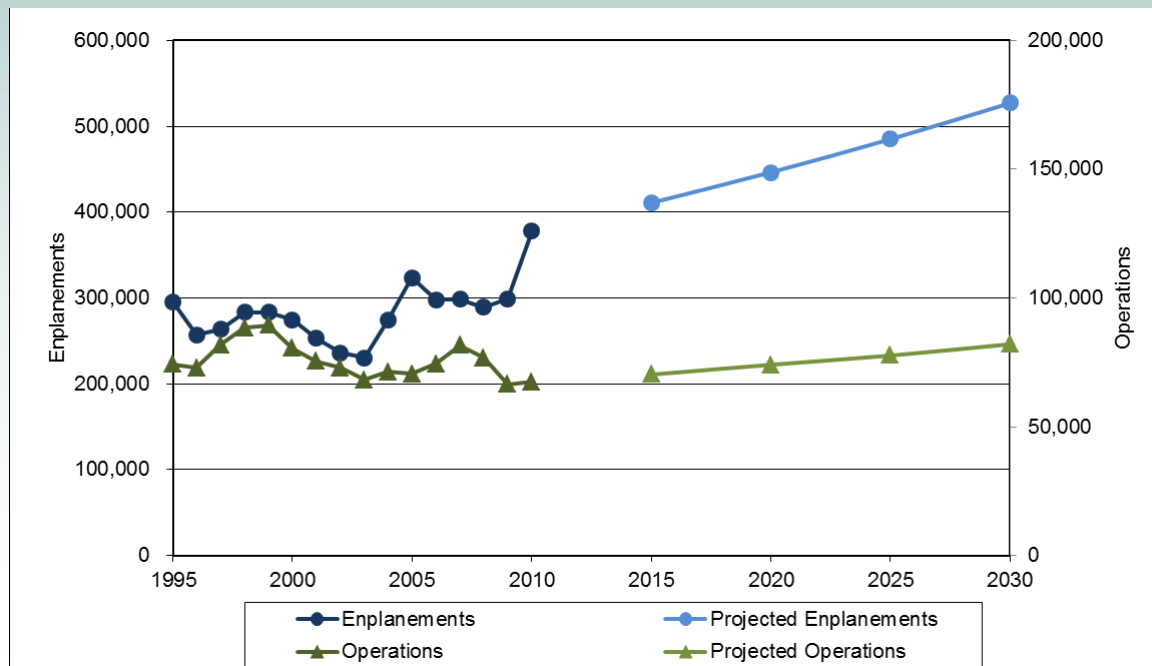


Existing Conditions



Forecast Summary

Year	Enplanements	Operations				Total Freight	Based Aircraft
		Commercial Air Carrier	General Aviation	Military	Total		
Historical							
2008	289,215	20,376	52,912	3,552	76,840	146,886	141
2009	298,865	17,597	45,125	3,715	66,437	133,768	160
2010	378,087	20,765	41,752	4,823	67,340	127,943	163
Projected							
2015	410,793	20,922	45,306	4,028	70,255	158,250	181
2020	446,328	21,780	48,285	4,028	74,093	178,087	200
2025	484,937	22,074	51,547	4,028	77,648	199,453	221
2030	526,886	22,922	55,097	4,028	82,047	221,680	245
<i>CAGR (2010-2030)</i>	1.67%	0.50%	1.40%	-0.90%	0.99%	2.79%	2.06%



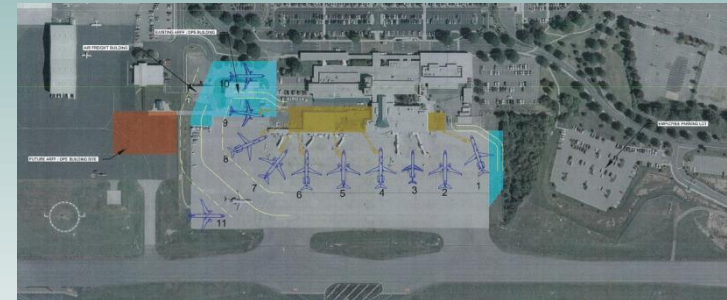
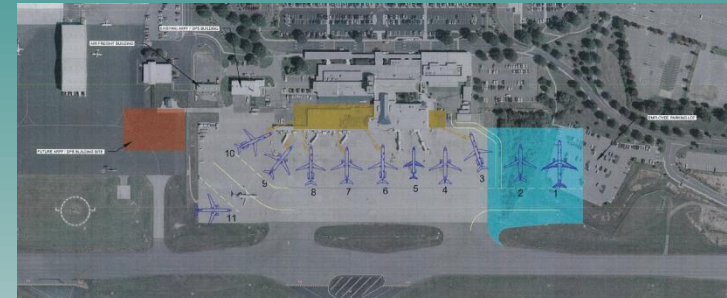
Facility Needs Summary

- Runway 16/34
- Taxiway system
- ATCT & NAVAIDs
- Terminal facilities
 - Terminal building
 - Terminal apron & gates
 - Terminal parking
- General aviation aircraft parking & storage facilities
- Air cargo facilities
- ARFF/public safety facilities & equipment
- Maintenance facilities & equipment
- Non-aeronautical land uses

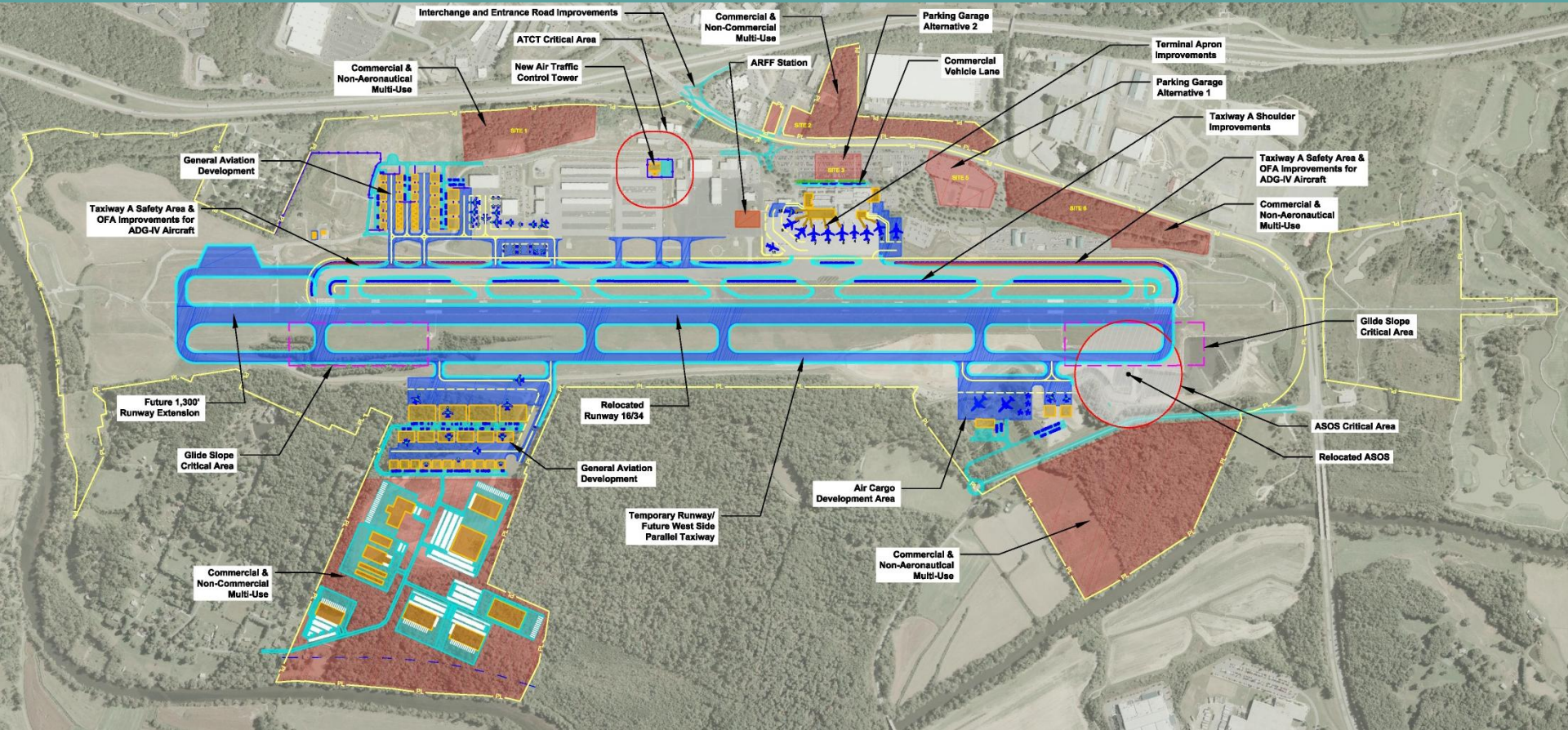


Alternatives Evaluation

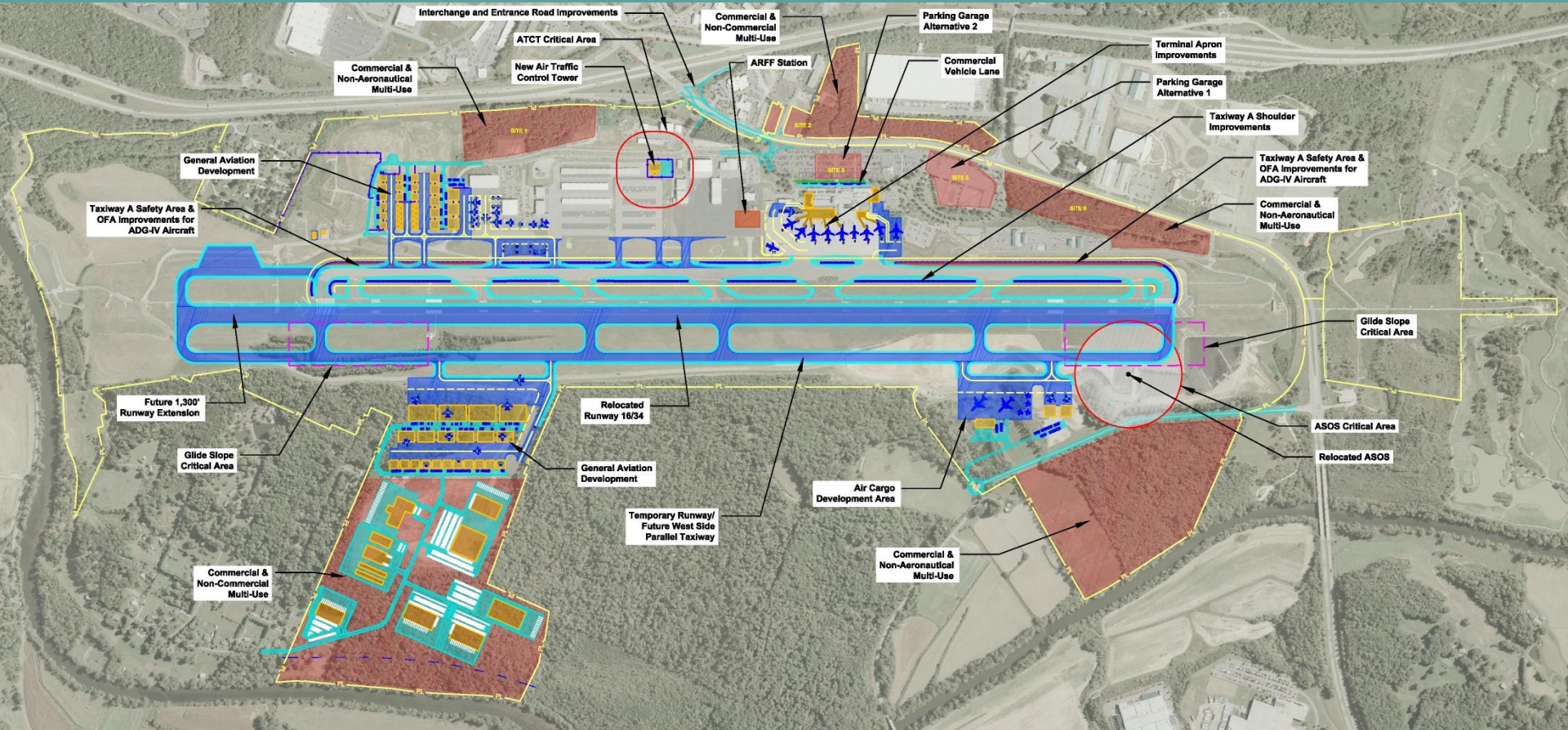
- Alternatives to meet the various facility needs were developed and presented
- Alternatives were evaluated based upon the following criteria:
 - Operational Factors
 - Economic Factors
 - Environmental Factors
 - Implementation Factors
- Preferred alternative for each facility need identified



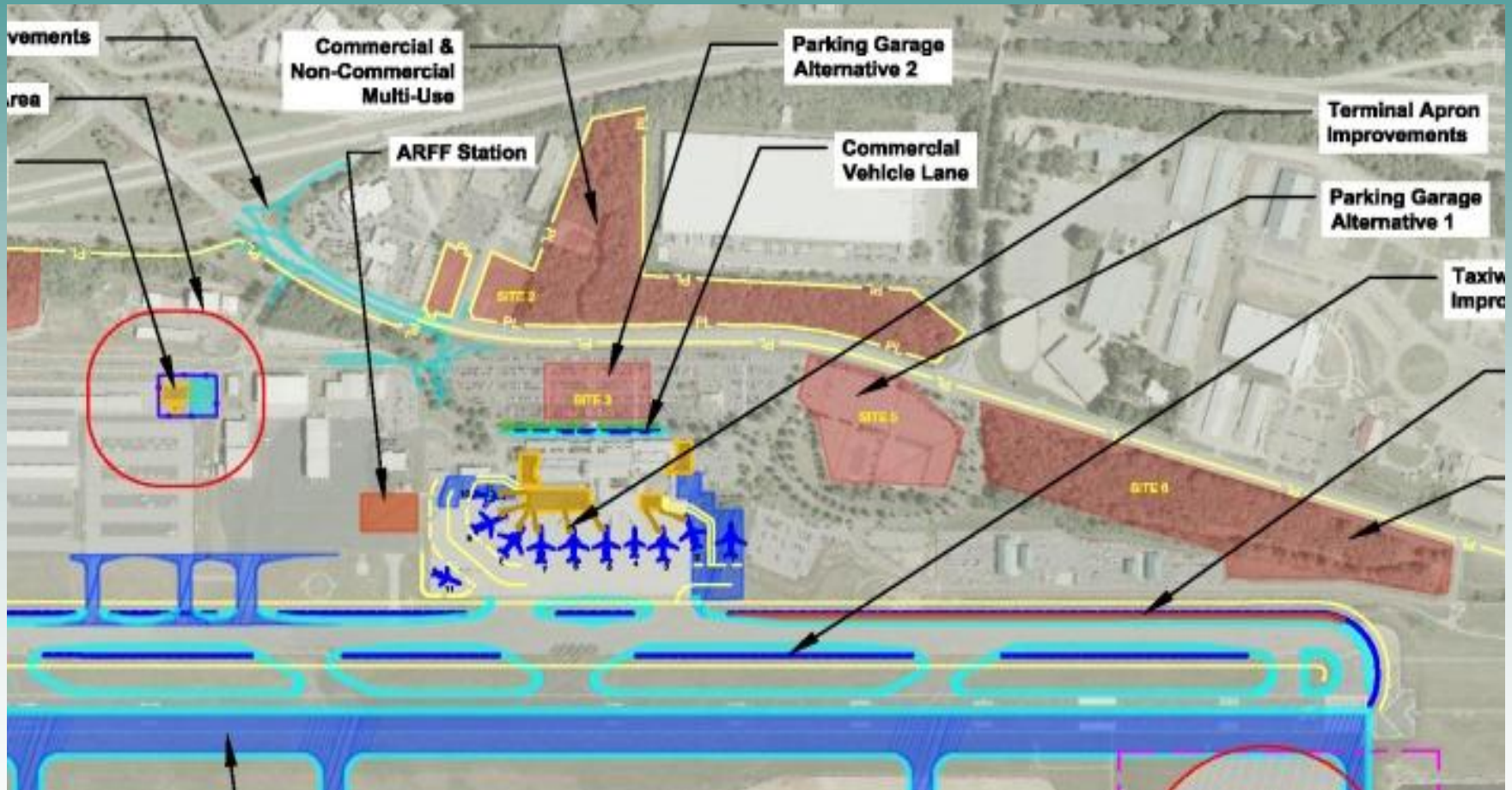
Development Plan Overview



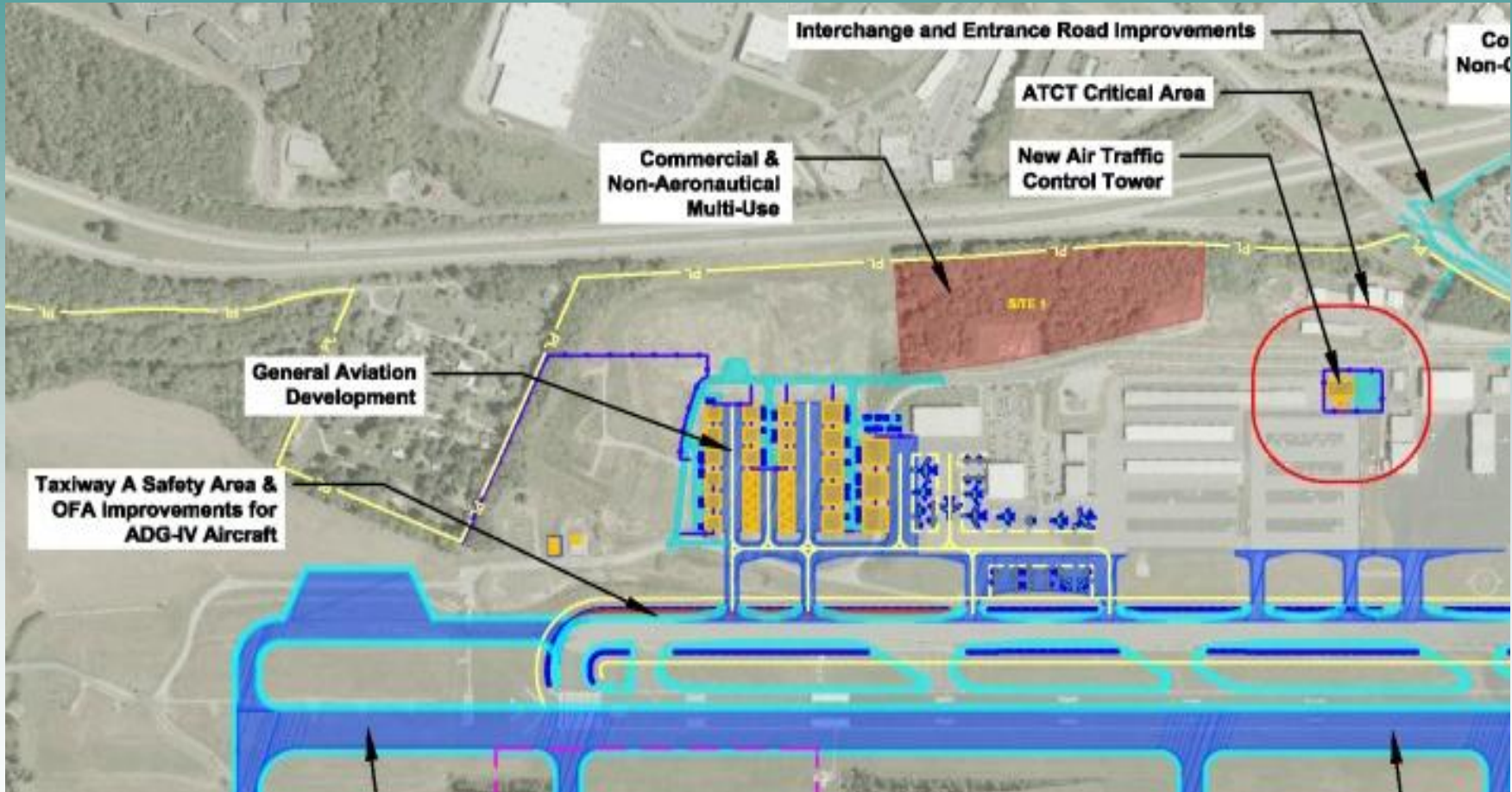
Runway Improvements



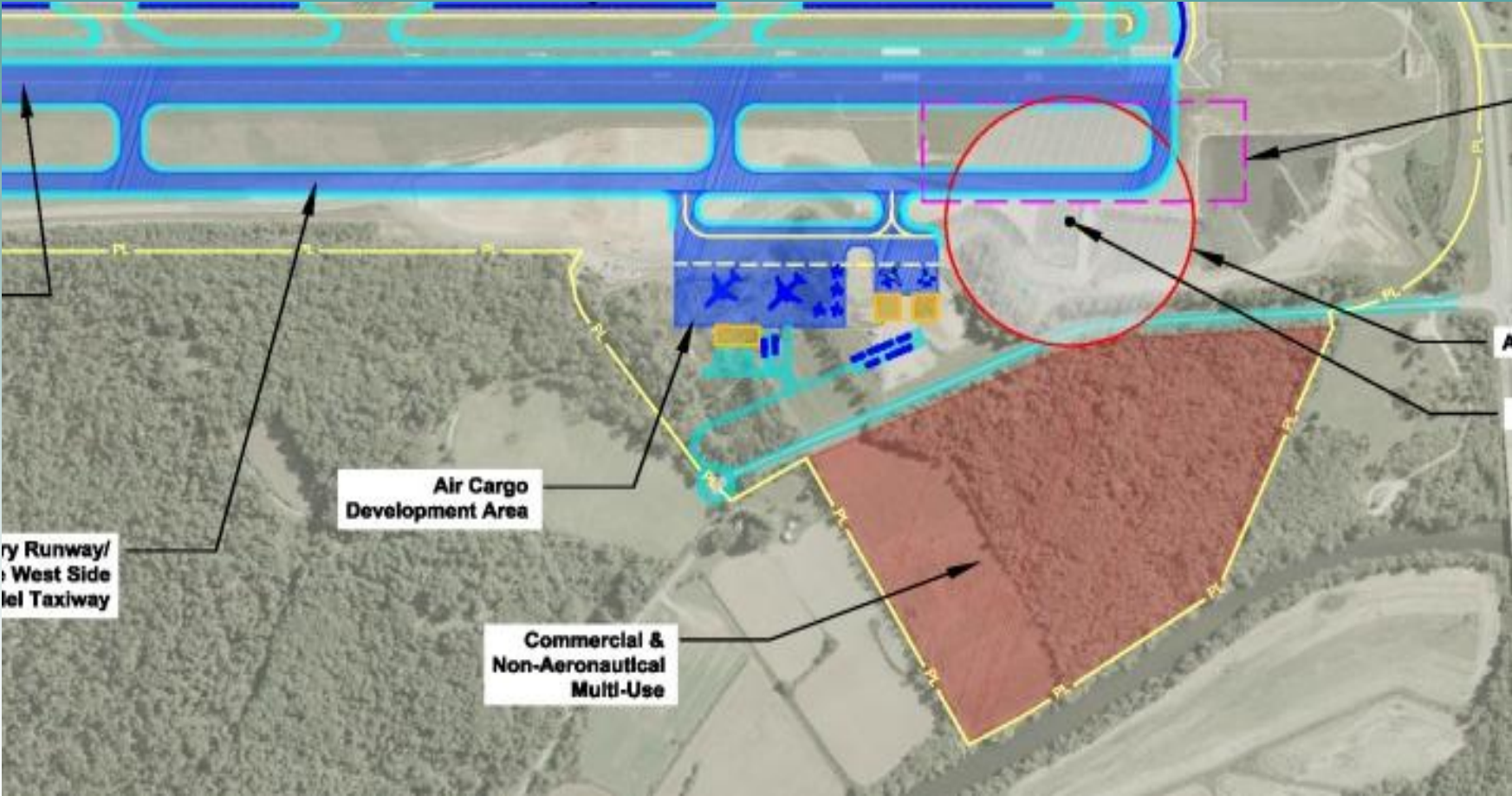
Terminal Area Improvements



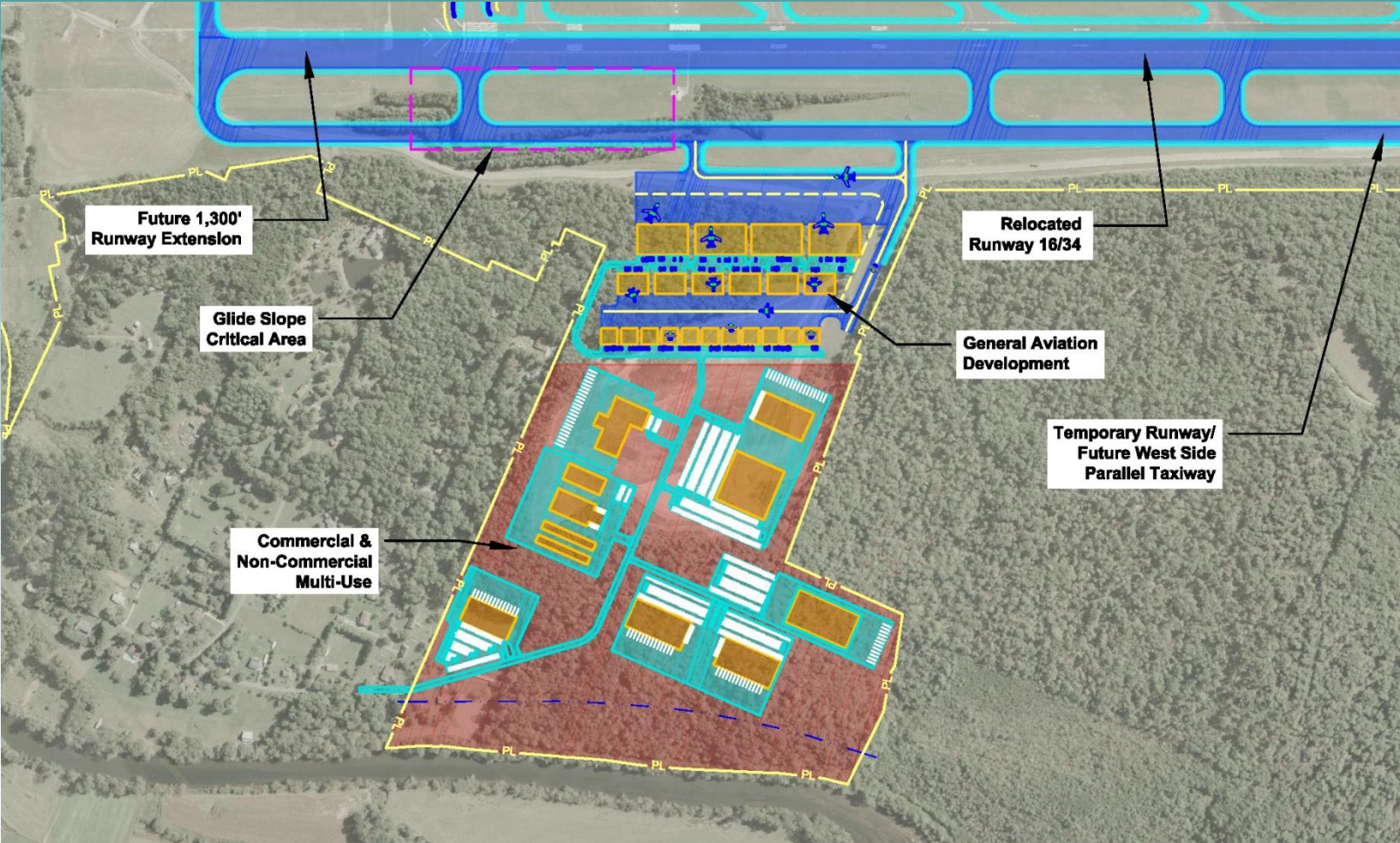
North GA Development Area



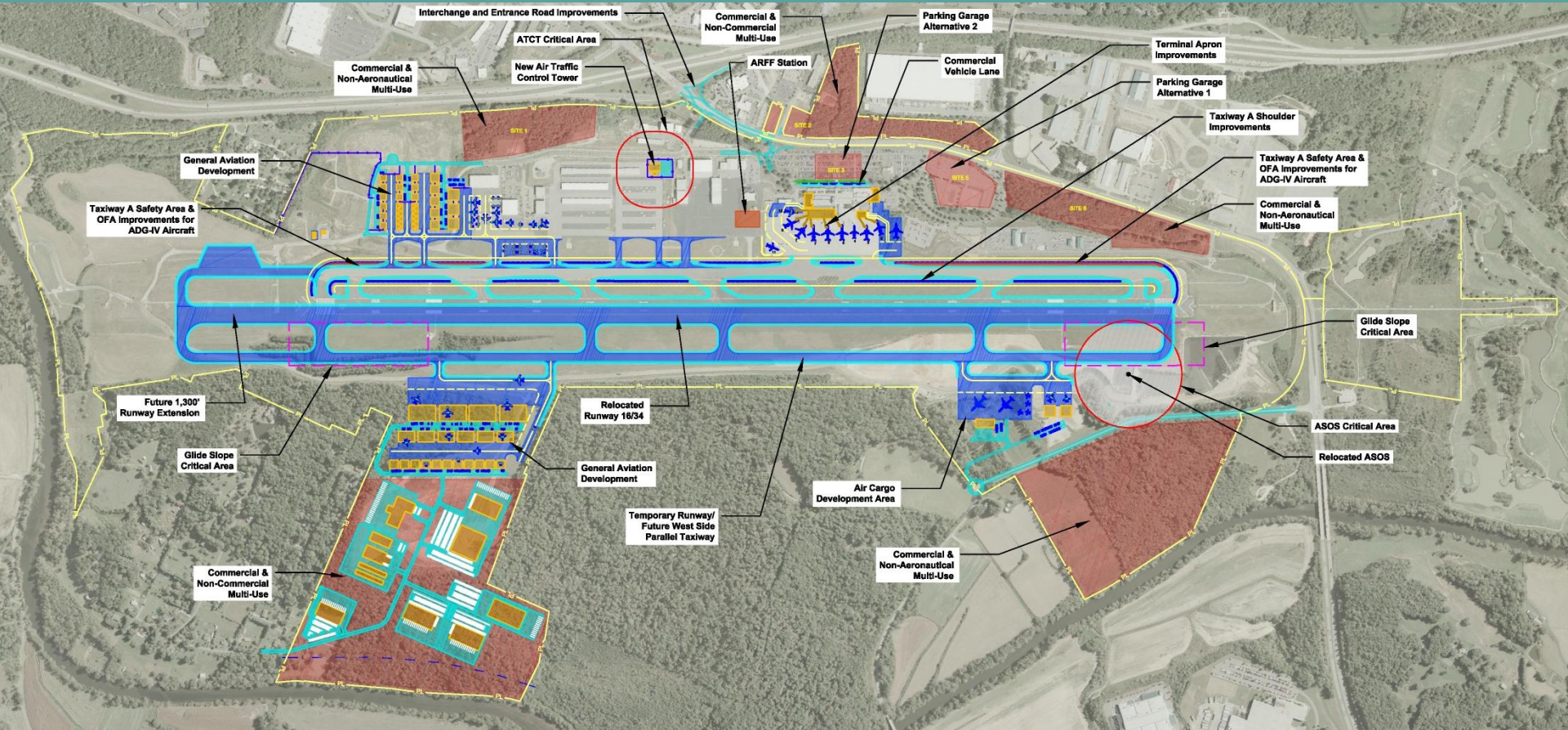
Air Cargo Development Area



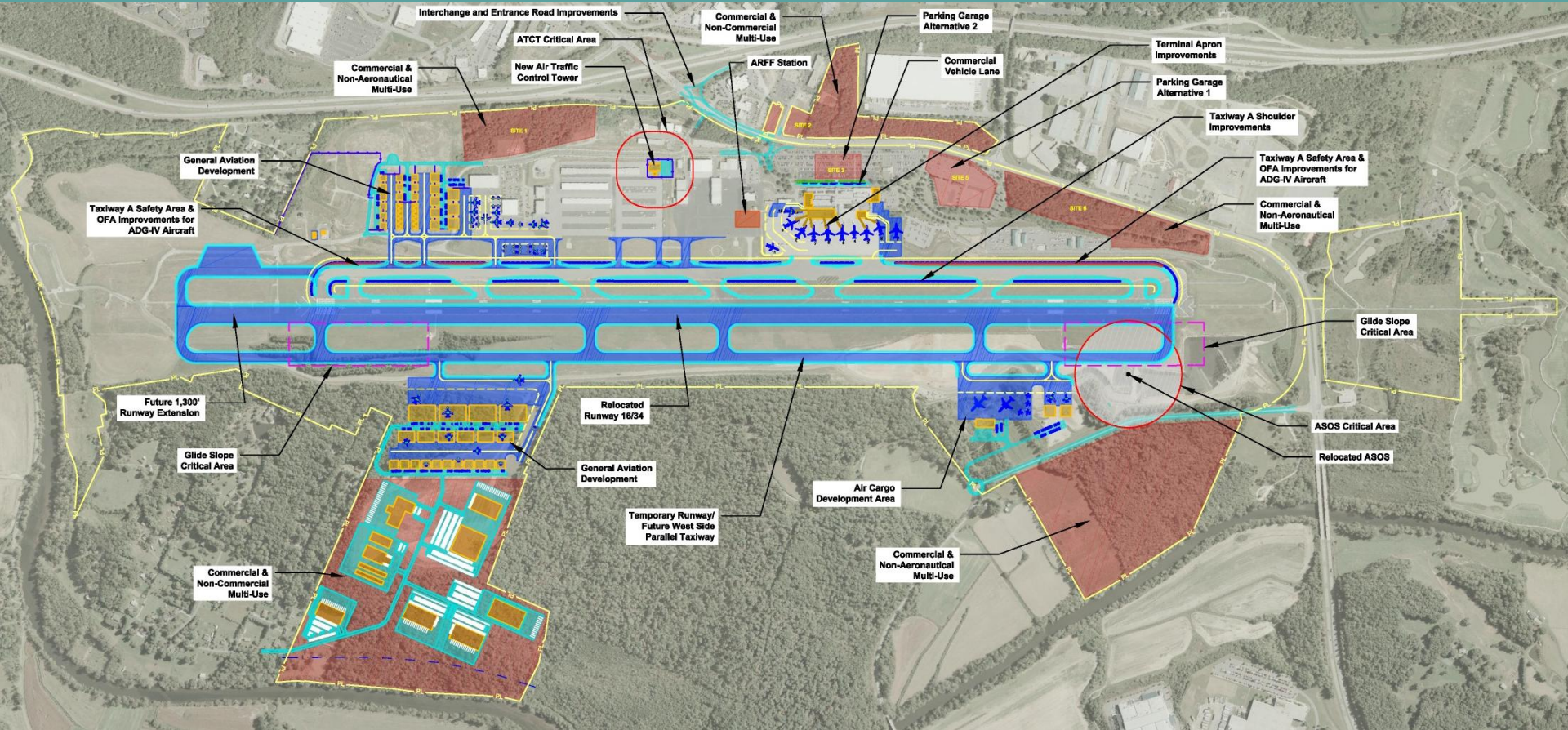
Northwest Development Area



Non-Aeronautical Land Uses



Development Plan Overview



Capital Improvement Plan

- **Capital Improvement Plans (CIPs)** help identify:
 - **Timeline and cost estimates for planned improvements**
 - **Level of fiscal, staffing, and scheduling resources needed**
 - **Capital needs of an airport to federal, state, and local officials**
- **Potential funding sources:**
 - **AIP (Entitlements, Discretionary)**
 - **State DOT**
 - **Passenger Facility Charges (PFC)**
 - **Airport Authority**
 - **Others**
 - **Customer Facility Charges (CFC)**
 - **Private**
 - **FAA facilities**



Capital Improvement Plan

Short-term Improvements (2013-2017)

Year	Project	Total Cost	AIP Eligible	Potential Funding Sources						
				FAA Entitlement	FAA Discretionary	NC DOT	PFC	Airport Authority	Other	
Short-term Improvements (2013-2017)										
2013	ARFF Facility	\$ 4,534,750	Yes	\$ 2,933,979	\$ -	\$ 1,300,000	\$ 300,771	\$ -	\$ -	-
	Airfield Improvements Program - Phase I (Design)	\$ 2,340,195	Yes	\$ 560,000	\$ 1,260,000	\$ -	\$ 520,195	\$ -	\$ -	-
	Total 2013	\$ 6,874,945		\$ 3,493,979	\$ 1,260,000	\$ 1,300,000	\$ 820,966	\$ -	\$ -	-
2014	Airfield Improvements Program - Phase II Taxiway (Sitework/Utilities)	\$ 10,485,000	Yes	\$ 2,725,339	\$ 5,774,661	\$ 600,000	\$ 1,385,000	\$ -	\$ -	-
	Terminal Road Replacement (Phase I)	\$ 244,300	No	\$ -	\$ -	\$ -	\$ 244,300	\$ -	\$ -	-
	Aviation Way/Terminal Drive Airport Entrance Redesign	\$0*	No	<i>NCDOT project as a part of the NC-280/I-26 Interchange Redesign</i>						
	Total 2014	\$ 10,729,300		\$ 2,725,339	\$ 5,774,661	\$ 600,000	\$ 1,629,300	\$ -	\$ -	-
2015	Airfield Improvements Program - Phase III Taxiway (Paving/Electrical)	\$ 13,397,284	Yes	\$ 2,000,000	\$ 6,500,000	\$ 600,000	\$ 4,297,284	\$ -	\$ -	-
	Total 2015	\$ 13,397,284		\$ 2,000,000	\$ 6,500,000	\$ 600,000	\$ 4,297,284	\$ -	\$ -	-
2016	Airfield Improvements Program - Phase IV Runway (Sitework/Utilities)	\$ 20,047,250	Yes	\$ 2,000,000	\$ 13,000,000	\$ 600,000	\$ 4,447,250	\$ -	\$ -	-
	ARFF Truck	\$ 1,000,000	Yes	\$ -	\$ 574,750	\$ -	\$ -	\$ 425,250	\$ -	-
	Snow Removal Equipment - Broom and Blower	\$ 1,300,000	Yes	\$ 900,000	\$ -	\$ -	\$ -	\$ 400,000	\$ -	-
	Total 2016	\$ 22,347,250		\$ 2,900,000	\$ 13,574,750	\$ 600,000	\$ 4,447,250	\$ 825,250	\$ -	-
2017	Airfield Improvements Program - Phase V Runway (Paving/Electrical)	\$ 17,405,216	Yes	\$ 2,000,000	\$ 13,000,000	\$ 600,000	\$ 1,805,216	\$ -	\$ -	-
	Snow Removal Equipment - Plow Trucks	\$ 333,333	Yes	\$ 300,000	\$ -	\$ -	\$ -	\$ 33,333	\$ -	-
	Total 2017	\$ 17,738,549		\$ 2,300,000	\$ 13,000,000	\$ 600,000	\$ 1,805,216	\$ 33,333	\$ -	-
	Total Short-term Improvements	\$ 71,087,328		\$13,419,318	\$ 40,109,411	\$ 3,700,000	\$13,000,016	\$ 858,583	\$ -	-
	Projected Available Funding			\$14,485,578			\$ 8,128,248			

Capital Improvement Plan

Mid-term Improvements (2018-2022)

Year	Project	Total Cost	AIP Eligible	Potential Funding Sources					
				FAA Entitlement	FAA Discretionary	NC DOT	PFC	Airport Authority	Other
Mid-Term Improvements (2018-2022)									
	Commercial Vehicle Curbfront Improvements w/ Ped. Canopies	\$ 3,500,000	Yes	\$ 1,200,000	\$ -	\$ -	\$ 1,500,000	\$ 800,000	\$ -
	Wright Brothers Way Road Extension	\$ 3,000,000	Yes	\$ 1,000,000	\$ -	\$ 300,000	\$ 1,374,750	\$ 325,250	\$ -
	Ready/Return Lot Expansion & Improvements	\$ 1,000,000	No	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000 ¹
	Parking Expansion & Improvements (Garage or Remote Lot)	\$ 13,800,000	No	\$ -	\$ -	\$ -	\$ -	\$ 13,800,000	\$ -
	Taxiway A Rehabilitation & Improvements/Shoulders	\$ 12,300,000	Yes	\$ 5,000,000	\$ 6,070,000	\$ 615,000	\$ 615,000	\$ -	\$ -
	Parking Lot Rehabilitation (Lower public and lower employee lots)	\$ 1,000,000	No	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ -
	ASOS Relocation (FAA funded or part of Airfield Improvements Program)	\$ 400,000	No	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000 ²
	Terminal Drive/NC280 Intersection Improvements (Right Turn Lane)	\$ 150,000	Yes	\$ 135,000	\$ -	\$ 7,500	\$ 7,500	\$ -	\$ -
	North General Aviation Site Development	\$ 9,900,000	Yes	\$ 4,255,000	\$ 3,150,000	\$ 495,000	\$ 2,000,000	\$ -	\$ -
	Box Hangars (20,000 Square Feet)	\$ 2,200,000	No	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,200,000 ³
	9-Unit T-Hangar	\$ 400,000	No	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000 ³
	Roadway Improvements and Rehabilitation	\$ 5,000,000	Yes	\$ 4,500,000	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -
	Security System Improvements	\$ 3,000,000	Yes	\$ -	\$ -	\$ -	\$ 3,000,000	\$ -	\$ -
	ARFF Truck	\$ 1,200,000	Yes	\$ -	\$ -	\$ -	\$ 1,200,000	\$ -	\$ -
	Terminal Apron Rehabilitation/Repairs	\$ 950,000	Yes	\$ -	\$ -	\$ -	\$ 950,000	\$ -	\$ -
Total Mid-term Improvements		\$ 57,800,000		\$16,090,000	\$ 9,220,000	\$ 1,667,500	\$10,897,250	\$15,925,250	\$ 4,000,000
Projected Available Funding				\$15,139,283			\$ 8,824,377		

Notes ¹Customer Facility Charge (CFC)

²FAA funded project

³Privately funded project

This CIP is subject to revision and is to be updated regularly by the Airport

Source: Asheville Regional Airport, Mead & Hunt, Delta Airport Consultants



Capital Improvement Plan

Long-term Improvements (2023-2032)

Year	Project	Total Cost	AIP Eligible	Potential Funding Sources						
				FAA Entitlement	FAA Discretionary	NC DOT	PFC	Airport Authority	Other	
Long-term Improvements (2023-2032)										
	Terminal Expansion (Boarding Gates & Terminal Building)	\$ 14,720,000	Yes	\$ 6,000,000	\$ -	\$ 736,000	\$ 7,984,000	\$ -	\$ -	
	Terminal Apron Expansion - North	\$ 2,180,000	Yes	\$ 1,962,000	\$ -	\$ 109,000	\$ 109,000	\$ -	\$ -	
	Master Plan Update	\$ 1,000,000	Yes	\$ 900,000	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ -	
	Parking Lot Rehabilitation (Upper public and rental lots)	\$ 1,100,000	No	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000	\$ -	
	Fleet Vehicle Replacement	\$ 200,000	Yes	\$ 180,000	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ -	
	ARFF Apron Rehabilitation	\$ 600,000	Yes	\$ 540,000	\$ -	\$ 30,000	\$ 30,000	\$ -	\$ -	
	GA Apron and Taxilanes Pavement Rehabilitation	\$ 6,700,000	Yes	\$ 6,030,000	\$ -	\$ 335,000	\$ 335,000	\$ -	\$ -	
	Maintenance Facility Improvements	\$ 4,000,000	Yes	\$ 3,600,000	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ -	
	Heavy Equipment Replacement	\$ 1,000,000	Yes	\$ 900,000	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ -	
	Air Traffic Control Tower Relocation	\$ 8,000,000	No	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,000,000	²
	Fuel Farm	\$ 1,500,000	No	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	³
	Terminal Apron Expansion - South	\$ 7,000,000	Yes	\$ 6,300,000	\$ -	\$ 350,000	\$ 350,000	\$ -	\$ -	
	Box Hangars (32,000 Square Feet)	\$ 3,520,000	No	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,520,000	³
	9-Unit T-Hangar	\$ 400,000	No	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000	³
	Parking Expansion & Improvements (Garage or Remote Lot)	\$ 13,800,000	No	\$ -	\$ -	\$ -	\$ -	\$ 13,800,000	\$ -	
	Total Long-term Improvements	\$ 65,720,000		\$26,412,000	\$ -	\$ 1,870,000	\$ 9,118,000	\$14,900,000	\$13,420,000	
	Projected Available Funding			\$33,269,616			\$19,996,497			

Notes ¹Customer Facility Charge (CFC)

²FAA funded project

³Privately funded project

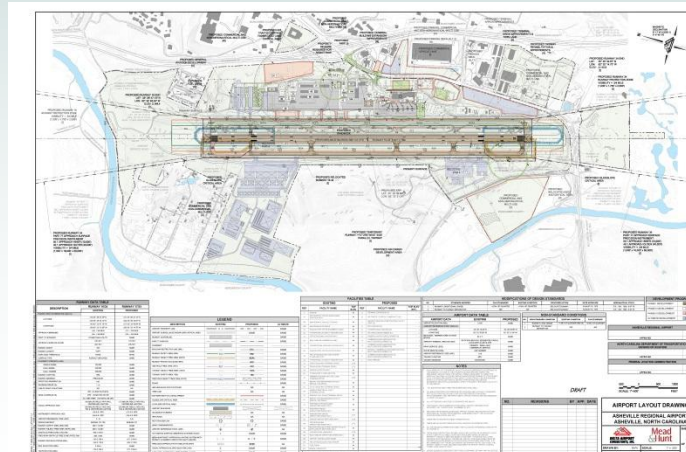
This CIP is subject to revision and is to be updated regularly by the Airport

Source: Asheville Regional Airport, Mead & Hunt, Delta Airport Consultants



Airport Layout Plan

- **Airport Layout Plan (ALP)**
 - A scaled graphic presentation of existing and proposed airport facilities & safety clearances
- The FAA requires an airport sponsor keep their ALP current
- Future facilities must be depicted on an approved ALP to be eligible for FAA funding
- **ALP drawing set typically includes:**
 - ALP drawing
 - Terminal area plan
 - Airspace drawings
 - Approach surfaces drawings
 - Land Use Plan
 - Airport Property Map



Next Project Steps

- **FAA Airspace Analysis**
 - **Review of Proposed Development & Approval of ALP Drawing Set**
- **Finalize Documentation**
 - **Final review of complete narrative**
 - **Review of Executive Summary**
 - **Final Publications**



Questions / Discussion

Michael Reisman, A.A.E.
Deputy Executive Director
Development and Operations
mreisman@flyavl.com
(828) 654-3253

Roy Lewis, A.A.E.
Delta Airport Consultants
RLewis@deltaairport.com
(704) 521-9101

Mark Breukink, P.E.
Mead & Hunt
mark.breukink@meadhunt.com
(517) 321-8334



**Asheville Regional Airport
Executive Summary
February-13**

AIRPORT ACTIVITY

	<u>Month</u>	<u>Variance to Prior Year</u>	<u>Calendar Year to Date</u>	<u>Variance to Prior Year</u>
Passenger Enplanements	17,684	(17.0%)	36,425	(16.5%)
Aircraft Operations				
Commercial	1,088	(14.9%)	2,201	(15.8%)
Scheduled Flights	526	(11.7%)		
Flight Cancellations	13			
Seats	29,580	(6.3%)	61,811	(5.3%)
Load Factor	59.8%	(11.4%)	58.9%	(11.8%)
General Aviation	2,053	(15.5%)	4,524	(4.8%)
Military	375	(20.9%)	610	(22.6%)

FINANCIAL RESULTS

	<u>Month</u>	<u>Variance to Budget</u>	<u>Fiscal Year to Date</u>	<u>Variance to Budget</u>
Operating Revenues	\$ 614,207	(2.8%)	\$ 5,546,446	0.3%
Operating Expenses	484,583	(24.9%)	4,141,646	(18.6%)
Net Operating Revenues before Depreciation	<u>\$ 129,624</u>	1,065.6%	<u>\$ 1,404,800</u>	215.4%
Net Non-Operating Revenues	<u>\$ 117,676</u>	12.5%	<u>\$ 1,333,123</u>	7.1%
Grants:				
FAA AIP Grants	\$ 74,300		\$ 1,236,862	
NC Dept of Transportation Grants	-		-	
Total	<u>\$ 74,300</u>		<u>\$ 1,236,862</u>	

CASH

Restricted	\$ 170,769
Designated for O&M Reserve	3,667,664
Designated for Emergency Repair	650,000
Unrestricted, Undesignated	10,684,349
Total	<u>\$ 15,172,782</u>

RECEIVABLES PAST DUE

	<u>Total</u>	<u>1-30 Days</u>	<u>31-60 Days</u>	<u>Over 60 Days</u>
Allegiant Airlines	2,678	788	1,890	
American Airlines (In Bankruptcy)	1,166			1,166
Charah	9,708	9,708		
Delta Air Lines	2,792	1,776	40	976
TSA	29,440	9,920	9,600	9,920
United/Express Jet	6,065		6,065	
Miscellaneous	8,119	135		7,984
US Airways	2,279	1,931	348	
Total	<u>\$ 62,247</u>	<u>\$ 24,258</u>	<u>\$ 17,943</u>	<u>\$ 20,046</u>
% of Total Receivables	<u>22.37%</u>			

Note: Excludes balances paid subsequent to month-end.

REVENUE BONDS PAYABLE

Rental Car Facilities Taxable Revenue Bond, Series 2007	
Original Amount	\$ 4,750,000
Current Balance	\$ 2,754,536

CAPITAL EXPENDITURES

Annual Budget	\$ 10,444,587
Year-to-Date Spending	\$ 1,612,512

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
March 22, 2013**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, March 22, 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, Chair; Robert C. Roberts, Vice-Chair; Jeffrey A. Piccirillo; Martha W. Thompson; and Andrew T. Tate

MEMBERS ABSENT: K. Ray Bailey

STAFF AND LEGAL COUNSEL PRESENT: Vic 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; Amy Burritt, Marketing Supervisor; and Ellen Heywood, Clerk to the Board

ALSO PRESENT: Jeff Kirby, Michael Baker Corporation; Mike Darcangelo, Avcon, Inc.; Matt Fogleman, ECS Carolinas

CALL TO ORDER: The Chair welcomed everyone in attendance and called the meeting to order at 8:30 a.m.

CONSENT ITEMS: The Chair suggested that Consent Agenda Item B, Approval of the Greater Asheville Regional Airport Authority March 8, 2013 Closed Session Minutes, could be pulled for review in Closed Session. Mr. Roberts moved to pull the Greater Asheville Regional Airport Authority March 8, 2013 Closed Session Minutes for review in Closed Session. Mr. Piccirillo seconded the motion and it carried unanimously.

A. Approval of the Greater Asheville Regional Airport Authority March 8, 2013 Regular Meeting Minutes: Mr. Piccirillo moved to approve the Greater Asheville Regional Airport Authority March 8, 2013 Regular Meeting Minutes. Mr. Roberts seconded the motion and it carried unanimously.

OLD BUSINESS: None

NEW BUSINESS:

A. Approval of Preliminary Fiscal Year 2013/2014 Budget: Vickie Thomas stated that a proposed Fiscal Year 2013/2014 Budget was presented to the Board at the March 8, 2013 Board Meeting and no recommended changes were received from the Board. Mrs. Thomas informed the Board that the proposed Preliminary Fiscal Year 2013/2014 Budget needs to be approved and be available for public inspection for a minimum of 10 days. The Fiscal Year 2013/2014 Budget will then be presented to the Authority Board for final adoption at the Board meeting in April.

The Chair stated that he had raised the issue of the bonus for the sales position when the budget was first presented and wanted to discuss how this could impact the morale of other employees. The Chair requested staff explain the program once again. Tina Kinsey advised the Board that staff is proposing to bring the in-terminal advertising program in-house and in order to do so, staff has made recommendations to change the positions of existing staff. Mrs. Kinsey further stated that one of these positions is the Guest Services Supervisor and this position would primarily be a sales position. Staff would like to build the salary structure in a sales format which is a base salary plus incentive pay with specific thresholds put in place. Staff has also proposed a cap for this in the budget.

The Chair remarked that his concern is if the bonus part would skew the salary scale of a person in that level as compared to other people in the same level, and if that would cause problems within the organization.

Mr. Tate stated that he was comfortable with the structure, thought it was standard for a sales position, and unless there was a problem with the rest of the staff, liked the idea of placing motive that will positively impact revenue for the airport.

The Director stated that the salary for that position is a little lower than the industry standard and staff did not want to undercut the position. Staff believes the sales incentives would bring the salary up to the standards in the industry but yet not just guarantee a flat salary. This would provide motivation to increase revenues for the airport.

Ms. Thompson and Mr. Roberts did not have any problem with the salary structure proposed by staff for this position.

Mr. Piccirillo commented that he has seen this done and it is common practice. However, in his experience it does cause some problems and sometimes other departments will become creative in different requests and use this as a pivoting point. The Director conceded that this does set precedent, but there is only one position like this in the organization. The Director further stated that this could cause some ripple effects but felt the Authority staff is professional and will understand the merits that this position brings. Staff is well compensated and up to market standards.

The Chair inquired about the benefits of sponsorship of the SoCon Basketball Tournament. Mrs. Kinsey responded that it was a small amount of recognition for the money spent. The Chair stated that he would not mind if sponsorship was not continued. The Director commented that money is budgeted for sponsorships, not specific items, and can be shifted around. Staff feels there are greater opportunities for recognition in the community and will address this issue when the time comes.

Mr. Roberts moved to approve the proposed Preliminary Fiscal Year 2013/2014 Budget and accept public comment on the proposed Preliminary Fiscal Year 2013/2014 Budget during the next 10 days. Ms. Thompson seconded the motion and it carried unanimously.

B. Approval of Airfield Re-development Project Budget and Design Scopes and Fees: Mike Reisman reminded the Board that in May 2012 the FAA provided approval for the Authority to move forward with the Airfield Re-development Project. Since then, planning has begun and preliminary expenses have been incurred. Mr. Reisman reviewed the schedule of estimated funding from 2013 through 2017 that the FAA has provided the Authority in order to complete the estimated \$64 million project. The funding sources consisted of FAA AIP Entitlement funds of \$9.2 million, FAA AIP Discretionary funds of \$39.5 million, PFC current approval funds of \$2.1 million, PFC future approval funds of \$10.6 million, and NCDOT funding of \$2.4 million. Mr. Reisman further reviewed the major components of work accounted for in the total estimated project which included \$4.7 million for design engineering services, program management and construction inspection services of \$4.9 million, construction services and land acquisition of \$53.4 million, and \$1 million in miscellaneous expenses and allowances. Mr. Reisman advised the Board that the actual miscellaneous expenses and allowances are likely to be higher and largely based upon actual bid prices received at the start of each construction phase. Mr. Reisman stated that multi-year phased funding to accomplish this project is already creating challenges for staff in terms of managing the expenses from year to year while awaiting reimbursement from the various funding sources. Staff has determined that approval of the overall project

budget would be in the best interest to overcome these challenges. Mr. Reisman further advised the Board that at each point during the project where a contract or major expense requires Board action, staff would bring it to the Board for approval, and if necessary, amendments to the overall project budget would also be brought forward to the Board.

Mr. Reisman further informed the Board that separate from the approval of an overall project budget, design services for the project need approval. Avcon, Inc. was selected to provide design services for the taxiway/temporary runway portion of the project, and LPA/Michael Baker was selected to provide design services for the permanent runway construction project. Third party independent fee estimates were performed and used as a basis to negotiate with the consultants for the design fees. As a result of the negotiations, the maximum fee that was established for the taxiway/temporary runway design services with Avcon, Inc. is \$1,837,826, and the maximum fee for the design services for the permanent runway with LPA/Michael Baker is \$2,299,934. The full cost of these design services will not be incurred up front during this fiscal year. The majority of expenses for Avcon will be incurred during fiscal year 2013-2014 as that part of the project will be done first. On the runway portion of the project, staff is anticipating about 30% of the total expense will be incurred in the next year.

Mr. Reisman reviewed the alternatives to staff's recommendations and advised the Board that rather than approving the overall project budget, the Board could decide to approve the budget in phases consistent with annual estimated expenses and revenues. Mr. Reisman also stated that the Board could elect not to award scope and fee contracts for the taxiway/temporary runway and permanent runway design services resulting in staff undertaking an independent process to select other firms for these services. Mr. Reisman advised the Board that the total \$64 million project is or will be included in the current budget and future budgets through FY 2017 as it is expected to be spent, along with the corresponding revenues. If at any point during the project, funding becomes unavailable from the FAA or NCDOT, and the Authority cannot make up the difference with other available funds, the Authority has the right to cease all work and stop incurring expenses.

Mr. Roberts asked if staff worried that the funding for this project would disappear. The Director responded that financing the project worried him less than the FAA deciding not to fund the runway project and the airport ceases to exist. The FAA funds projects in this manner, they do not commit to anything, and each year the funds are appropriated. Mr. Reisman commented that it is very unlikely that the project will fall off the FAA's priority list. Some of the funding for the project could get postponed or

delayed, and this is the reason the Authority has put language for the right to stop the project in the contract documents.

Ms. Thompson questioned if there was any risk of not proceeding or if projects were in order by percentage of completion for funding by the FAA. The Director responded that this is a sole runway airport and without a runway the airport is out of business. The FAA will not let the airport close, so once the project starts it becomes higher on the priority list to get the funds.

Mr. Tate moved to approve the project budget of \$64,000,000 for the Airfield Re-development Project, approve Scope of Services No. 13 with Avcon Engineers and Planners, Inc. at a not to exceed cost of \$1,837,826.00, approve Consultant Scope of Services No. 5 with the LPA Group of North Carolina, p.a. at a not to exceed cost of \$2,299,934.00, and authorize the Executive Director to execute the necessary documents. Ms. Thompson seconded the motion and it carried unanimously.

DIRECTOR'S REPORT: The Director advised the Board that he had a few items to report that were not on the agenda.

A. Legislative Meetings in Raleigh: The Director reported that he had traveled to Raleigh as part of a contingent of seven Chambers of Commerce from Western North Carolina for the annual legislative meetings. The Director was pulled into several meetings with some of the representatives and a senator primarily to discuss the independent Authority for the Charlotte airport as Asheville is being used as a model. Overall the meetings went well and the legislators are aware of the Authority's stance in the process of changing to an independent authority.

B. Meeting/Conference in Washington, DC: The Director informed the Board that he had a very productive meeting with Congressman Meadows while in Washington, DC to attend the ACI Legislative Conference. The FAA spoke at one of the sessions for the conference. The continuing resolution in Washington, DC did not protect the FAA from closure of about 100 air traffic control towers by the end of the current fiscal year. FAA furloughs begin on April 21st but this will not significantly impact AVL. TSA has not been identified with too many major issues, mostly larger airports with customs where passengers may experience longer waits. FAA grants are coming in a little slower but are expected to come in the May through July timeframe. The FAA is concentrating on safety and making sure airports are complying. The FAA is also looking to improve and increase programs for the environment and sustainability and will be providing funding for these types of projects. ACI is lobbying congress with

the proposal to increase PFC's to \$8.50 and uncapping PFC's for large airports to free up funds for the smaller airports.

C. Allegiant Airlines: The announcement of new service with Allegiant to Tampa was announced on Tuesday and unexpectedly made the national news.

D. ARFF Vehicles: Two old fire trucks were put for sale on gov.com and were sold. The 1977 Walter truck sold for \$20,000 to Hudlow Fire Department in Forest City, NC, and the 1985 E-1 truck sold for \$10,500 to a company in Lakeland, Florida.

E. Economic Impact Brochure: The Director distributed a brochure that the Marketing Department put together detailing the airport as an economic engine in Western North Carolina. The brochure will be sent out to members in the business community.

INFORMATION SECTION: No comments

AUTHORITY MEMBERS REPORTS: The Chair advised the Board that City Council informed him about six weeks ago that they were proceeding with an appointment for the Authority Board. The opening was advertised and there were eight applications received. The Chair reported that the City's Boards and Commissions Committee decided to re-advertise for the opening.

PUBLIC AND TENANTS' COMMENTS: No comments

CALL FOR NEXT MEETING: The Chair advised the Board that the next regular meeting of the Board will be held on April 26, 2013.

The Chair called for a break at 9:10 a.m.

The Board reconvened at 9:19 a.m.

CLOSED SESSION: At 9:19 a.m. Mr. Piccirillo moved to go into Closed Session pursuant to Subsections 143-318.11 (a) (3) and (6) of the General Statutes of North Carolina to Consult with Legal Counsel in Order to Preserve the Attorney-Client Privilege and to Consider Personnel Matters. Ms. Thompson seconded the motion and it carried unanimously.

Open Session resumed at 10:30 a.m.

Mr. Piccirillo moved to approve the minutes for the March 8, 2013 Closed Session and to seal and withhold such minutes from public inspection so long as public inspection would frustrate its purpose or purposes, and to seal the minutes for the March 22, 2013 Closed Session and withhold such minutes from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Ms. Thompson seconded the motion and it carried unanimously.

ADJOURNMENT: Mr. Roberts moved to adjourn the meeting at 10:31 a.m. Mr. Piccirillo seconded the motion and it carried unanimously.

Respectfully submitted,

Ellen Heywood
Clerk to the Board

Approved:

David R. Hillier
Chair



MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director, Development and Operations

DATE: April 26, 2013

ITEM DESCRIPTION – Consent Item C

Approve Assignment of Master Agreement for Professional Consulting Services to Michael Baker Engineering, Inc.

BACKGROUND

The Asheville Regional Airport authority (now Greater Asheville Regional Airport Authority) entered into a Master Agreement for Professional Consulting Services with the LPA Group of North Carolina, p.a. on August 28th, 2008 for general consulting services. The LPA Group of North Carolina, p.a. has since merged with Michael Baker Engineering, Inc., and soon will no longer be doing business under the former name. It is therefore necessary for the Authority to approve the assignment from LPA Group of North Carolina, p.a. to Michael Baker Engineering, Inc.

ISSUES

None.

ALTERNATIVES

The Board could elect not to undertake this assignment, which would result in added complexity to existing and future contractual arrangements between the two parties.

FISCAL IMPACT

There is no fiscal impact associated with this action.



RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the assignment of the Master Agreement for Professional Consulting Services from LPA Group of North Carolina, p.a. to Michael Baker Engineering, Inc.; and (2) authorize the Executive Director to execute the necessary documents.

**Assignment of
MASTER AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES**

By this Assignment, effective upon the full execution by all parties, **THE LPA GROUP of North Carolina, P.A.**, ("Assignor"), assigns to **Michel Baker Engineering, Inc.**, ("Assignee") all the Assignor's rights, obligations, duties, title, and interest in and to the Master Agreement for Professional Consulting Services with the **GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY**, dated August 28, 2008, and any and all amendments thereto ("Contract"). Assignor shall remain liable to the **GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY** for each and every duty and obligation belonging to the Assignee under this Contract should Assignee fail to meet its obligations.

Date: 4/9/13

THE LPA GROUP of North Carolina, P.A.

By: 
Name: Dain A. Riley, P.E.
Title(s): Vice President

**Assumption of
MASTER AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES**

Assignee accepts the foregoing Assignment of the Contract with all of its terms and conditions. Assignee hereby assumes each and every duty and obligation owing to **GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY** arising out of or in connection with the Contract, effective upon the full execution by all parties. Assignee accepts this Assignment, subject to any defense or cause of action **GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY** may have against Assignor. This Assumption is neither a modification of nor an amendment to the Contract.

Date: 4/9/13

Michael Baker Engineering, Inc.

By: 
Name: Dain A. Riley, P.E.
Title(s): Vice President

**Consent to Assignment and Assumption of
MASTER AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES**

The **GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY** consents to the foregoing Assignment of the Contract by the Assignor to Assignee and the foregoing Assumption of such Assignee. This Consent shall become effective upon the full execution by all parties, and no assignment shall be deemed to have occurred between the Assignor and Assignee until such execution.

Date: _____

Greater Asheville Regional Airport Authority

By: _____

Name: Lew Bleiweis, A.A.E.
Title(s): Executive Director



MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director, Development and Operations

DATE: April 26, 2013

ITEM DESCRIPTION – Consent Item D

Ratify Amended Five-Year Capital Improvement Program (CIP)

BACKGROUND

The Federal Aviation Administration (FAA) requires all airports to submit a Five-Year CIP to be eligible for federal project funding. The CIP is used to update the National Plan of Integrated Airport Systems (NPIAS) and allows the FAA to update the NPIAS program based upon available funding levels. Most recently, the 2014-2018 CIP was approved by the Airport Board on December 14th, 2012, and subsequently submitted to the Federal Aviation Administration (FAA). More recently, as a result of the favorable bid price for the ARFF station construction, a substantial amount of AIP Entitlement Funds needed to be re-allocated from that project to the Airfield Re-development Project. Additionally, the FAA requested that other Entitlement Funds previously identified for snow removal equipment in a future year also be re-allocated in a different manner than they had previously directed.

Because this change was time sensitive for the FAA, the required amendments were made and the document was transmitted as needed. Ratification of the amended CIP is required by the Airport Board.

ISSUES

None.

Consent - Item D



ALTERNATIVES

None.

FISCAL IMPACT

The Five-Year CIP is considered a planning and administrative tool for authority Staff and the FAA. Adopting the CIP does not approve any contracts nor provide Staff with any authorization to award design or construction projects. Staff will present individual CIP projects to the Authority Board in accordance with all applicable Authority policies.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to ratify the amended Five-Year Capital Improvement Program.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

Airport Capital Improvement Program - Fiscal Years 2014-2018

Revised Draft - April 03, 2013

Description	Total Cost	AIP Entitlements	AIP Discretionary	State Funds	Pay-As-You-Go PFC		Other Local Funds			Total Funding	
					Current Approval	Future Approvals	Airport Capital	Other	CFC		
Current Year											
FY 2013 (Oct 1, 2012 - Sept 30, 2013)											
ARFF Facility	\$ 4,419,648	\$ 2,562,954	\$ -	\$ 1,300,000	\$ 144,444	\$ -	\$ -	\$ 412,250	\$ -	\$ -	\$ 4,419,648
Airfield Improvements Program - Phase 1 (Design)	\$ 3,250,000	\$ 1,656,364	\$ 1,260,000	\$ -	\$ -	\$ 333,636	\$ -	\$ -	\$ -	\$ -	\$ 3,250,000
Subtotal FY 2013	\$ 7,669,648	\$ 4,219,318	\$ 1,260,000	\$ 1,300,000	\$ 144,444	\$ 333,636	\$ -	\$ 412,250	\$ -	\$ -	\$ 7,669,648
FY 2014 (Oct 1, 2013 - Sept 30, 2014)											
Airfield Improvements Program - Phase II/Taxiway Construction (sitework/utilities)	\$ 10,485,000	\$ 2,300,000	\$ 6,500,000	\$ 600,000	\$ -	\$ 1,085,000	\$ -	\$ -	\$ -	\$ -	\$ 10,485,000
Terminal Roof Replacement (Phase I)	\$ 244,300	\$ -	\$ -	\$ -	\$ -	\$ 244,300	\$ -	\$ -	\$ -	\$ -	\$ 244,300
Subtotal FY 2014	\$ 10,729,300	\$ 2,300,000	\$ 6,500,000	\$ 600,000	\$ -	\$ 1,329,300	\$ -	\$ -	\$ -	\$ -	\$ 10,729,300
FY 2015 (Oct 1, 2014 - Sept 30, 2015)											
Airfield Improvements Program - Phase III/Taxiway Construction (paving/electrical)	\$ 13,062,534	\$ 2,300,000	\$ 6,500,000	\$ 600,000	\$ 1,067,284	\$ 2,595,250	\$ -	\$ -	\$ -	\$ -	\$ 13,062,534
Subtotal FY 2015	\$ 13,062,534	\$ 2,300,000	\$ 6,500,000	\$ 600,000	\$ 1,067,284	\$ 2,595,250	\$ -	\$ -	\$ -	\$ -	\$ 13,062,534
FY 2016 (Oct 1, 2015 - Sept 30, 2016)											
Airfield Improvements Program - Phase IV/Runway Construction (sitework/utilities)	\$ 19,797,250	\$ 1,400,000	\$ 13,000,000	\$ 600,000	\$ 1,067,284	\$ 3,729,966	\$ -	\$ -	\$ -	\$ -	\$ 19,797,250
ARFF Truck	\$ 1,000,000	\$ -	\$ 574,750	\$ -	\$ -	\$ -	\$ 425,250	\$ -	\$ -	\$ -	\$ 1,000,000
Snow Removal Equipment - Broom and Blower	\$ 1,300,000	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ 1,300,000
Subtotal FY 2016	\$ 22,097,250	\$ 2,300,000	\$ 13,574,750	\$ 600,000	\$ 1,067,284	\$ 3,729,966	\$ 825,250	\$ -	\$ -	\$ -	\$ 22,097,250
FY 2017 (Oct 1, 2016 - Sept 30, 2017)											
Airfield Improvements Program - Phase V/Runway Construction (paving/electrical)	\$ 17,405,216	\$ 2,000,000	\$ 13,000,000	\$ 600,000	\$ -	\$ 1,805,216	\$ -	\$ -	\$ -	\$ -	\$ 17,405,216
Snow Removal Equipment - Plow Trucks	\$ 333,333	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 33,333	\$ -	\$ -	\$ -	\$ 333,333
Subtotal FY 2017	\$ 17,738,549	\$ 2,300,000	\$ 13,000,000	\$ 600,000	\$ -	\$ 1,805,216	\$ 33,333	\$ -	\$ -	\$ -	\$ 17,738,549
FY 2018 (Oct 1, 2017 - Sept 30, 2018)											
Ground Transportation Commercial Vehicle Loading w/Pedestrian Canopies	\$ 3,500,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 800,000	\$ -	\$ -	\$ -	\$ 3,500,000
Wright Brothers Way Road Extension	\$ 3,000,000	\$ 1,000,000	\$ -	\$ 300,000	\$ -	\$ 1,374,750	\$ 325,250	\$ -	\$ -	\$ -	\$ 3,000,000
Ready/Return Lot Expansion & Improvements	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000
Subtotal FY 2018	\$ 7,500,000	\$ 2,200,000	\$ -	\$ 300,000	\$ -	\$ 2,874,750	\$ 1,125,250	\$ -	\$ 1,000,000	\$ -	\$ 7,500,000
Total - FY 2013 through FY 2018	\$ 78,797,281	\$ 15,619,318	\$ 40,834,750	\$ 4,000,000	\$ 2,279,012	\$ 12,668,118	\$ 1,983,833	\$ 412,250	\$ 1,000,000	\$ -	\$ 78,797,281

General Note:
AIP Entitlements in FY2013 includes \$1,519,318 in carry-over from prior years.



MEMORANDUM

TO: Members of the Airport Authority

FROM: Suzie Baker, Director of Administration

DATE: April 26, 2013

ITEM DESCRIPTION – Consent Item E

Approval of Insurance Renewals

BACKGROUND

For the past two years, CIGNA has provided the Authority's employees with medical insurance coverage. This coverage is through a level funding plan, which has proven to be a good plan design for the Authority, while incorporating a reasonable level of benefits for the employees. Staying with CIGNA for another year keeps consistency for the employees, as well as for the Authority. CIGNA quoted a 12.0% increase. Our broker has shopped other vendors and has advised that quotes came in at a higher percentage and/or lower benefits.

Dental insurance will be provided by Ameritas Group. Ameritas' quote included increased benefits and was 2.4% lower than our current carrier's quote. Principal has provided the Authority's benefits for life insurance, and AD&D for the last two years. The premiums and plan design were locked-in for a three year time period and this will be the last year of the lock-in rate. Lincoln Financial Group has provided coverage for short-term disability and long-term disability for the past two years and the Authority will renew with Lincoln for FY 2013/2014. The renewal premiums for FY 2013/2014 and plan design are locked-in for an additional two year time period ending June 30, 2015.

Property, general liability, inland marine, auto, crime, public officials, law enforcement and employment practices liability will all remain with the same providers for FY 2013/2014. Worker's compensation will be moved to Beacon Aviation Insurance Services, due to receiving a 17.6% lower quote than received from our current carrier Liberty Mutual Insurance. The premiums for these coverages were quoted at an overall increase of 3.0% from current year's premiums.

Consent – Item E



ISSUES

Because time is of the essence for the renewal process, the Director needs to execute the necessary renewal documents to prepare open enrollment for the Authority employees.

ALTERNATIVES

Brokers presented some other alternatives that ended up being more expensive or had less coverage. The Board could decide to reduce employees' benefit coverage to lower expenses.

FISCAL IMPACT

CIGNA has quoted a 12.0% increase from current year premiums for the Authority's medical insurance. The Authority's cost for FY 2013/2014 is approximately \$690,500.

Dental insurance will be provided by Ameritas Group and was quoted at a premium of \$39,160. This is a 2.4% decrease from current year's premiums. Life insurance, voluntary life and AD&D will remain with Principal at a cost of \$9,060, the same as current year. The premium for Lincoln Financial Group, which includes short-term disability and long-term disability, will be \$15,364.

Worker's compensation, property, general liability, inland marine, auto, crime, public officials, law enforcement, and employment practices liability were quoted at a total premium of \$197,494 for FY 2013/2014. This is a 3.0% increase from current year's premiums. This was due to the increased cost of worker's compensation coverage.

The expense for insurance coverage was anticipated and included in the budget for FY 2013/2014 as presented by Authority staff and approved by the Board. The Authority's cost for the insurance package, as outlined above, is \$951,578 which is 5.5% below what was budgeted for FY 2013/2014.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the renewal of Authority's insurance coverages as outlined above, and (2) authorize the Executive Director to execute the necessary documents.



MEMORANDUM

TO: Members of the Airport Authority

FROM: Vickie Thomas, Director of Finance and Accounting

DATE: April 26, 2013

ITEM DESCRIPTION – Consent Item F

Resolution Designating Bank of America, N.A., Wells Fargo Bank, N.A., and First-Citizens Bank & Trust Company as Official Depositories

BACKGROUND

North Carolina General Statutes require that Authority funds be deposited only in banks that the Authority Board has designated as “official depositories.” Now that we have received notification from the Internal Revenue Service that they have changed the Authority’s name to the Greater Asheville Regional Airport Authority (GARAA), we need to have the Board designate GARAA’s official depositories and complete the process to change the Authority’s name on its bank accounts. The Asheville Regional Airport Authority Board has previously designated Bank of America, N.A., Wells Fargo Bank, N.A., and First-Citizens Bank & Trust Company as official depositories, and the Authority has funds in all three banks.

ISSUES

None.

ALTERNATIVES

The Board could choose not to authorize these three banks as official depositories, but would then need to designate at least one bank as GARAA’s official depository, and the Authority’s funds would need to be transferred to the designated bank(s).

Consent – Item F



FISCAL IMPACT

None.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board approve the following Corporate Resolution:

WHEREAS, it is the desire of the Authority Board that all public funds of the Greater Asheville Regional Airport Authority (hereafter the "Authority") be deposited in a secure, efficient and effective manner;

WHEREAS, it is the responsibility of the Finance Officer, who is appointed by and serves at the pleasure of the Authority Board, to supervise the receipt, custody and disbursement of the public funds of the Authority;

WHEREAS, Bank of America, N.A., Wells Fargo Bank, N.A., and First-Citizens Bank & Trust Company are qualified to be official depositories for the Authority pursuant to G.S. 159-31 and have selected to secure their uninsured public deposits under the "Pooling Method", which is a collateral pool under which each public depositor's uninsured deposits are secured with securities held by the State Treasurer's agent in the name of the State Treasurer.

NOW, THEREFORE, BE IT RESOLVED, by the Authority Board of the Greater Asheville Regional Airport Authority that:

Section 1. Bank of America, N.A., Wells Fargo Bank, N.A., and First-Citizens Bank & Trust Company (hereafter the "Official Depositories") are hereby designated as official depositories of the Authority. The Finance Officer of the Authority shall be and is hereby authorized and directed to deposit funds of the Authority in the Official Depositories in the name and to the credit of the Greater Asheville Regional Airport Authority.



Section 2. As required by G.S. 159-25(b), all checks, drafts, or orders of the Authority drawn against said funds shall be authorized and signed as appropriate by the following (hereinafter the "Authorized Signers"):

- a. One of the following officers:
Finance Officer or
Deputy Finance Officer;
and countersigned by
- b. One of the following:
Executive Director, or
Director designated by the Executive Director

The names and signatures of the Authorized Signers shall be duly certified by the Clerk to the Authority Board to the Official Depositories as from time to time may be necessary and no check, draft, or order drawn against the Official Depositories shall be valid unless so signed or authorized.

Section 3. Upon opening accounts with the Official Depositories, the Finance Officer must:

- a. Give written instructions that the proceeds from all checks payable to the order of the Authority shall be deposited to the credit of the Greater Asheville Regional Airport Authority and that under no circumstance may such an item be converted into cash.
- b. Verify the method currently used by the depository to collateralize the public deposits and stay informed of any change in methods as the result of conversions to a different method or as the result of merger of depositories;
- c. Notify the depositories at the time any new deposit accounts are opened or a certificate of deposit is purchased that the accounts are public deposit accounts subject to the collateralization requirements;
- d. File a "Notification of Public Deposit" (Form INV-91) with each depository and provide a copy to the State Treasurer as of June 30 of each year;



- e. Execute such other forms and documentation with provisions consistent with this resolution as may be reasonably required by the Official Depositories to establish the accounts;
- f. Report the amount of deposits and investments and such other information as may be required on the semi-annual reports on Form LGC 203 required to be filed with the Local Government Commission pursuant to G.S. 159-33; and
- g. Comply with other requirements of law, regulation or sound banking practice and with any requirements described in the State Treasurer's publication, The Collateralization of Public Deposits in North Carolina.

Section 4. Certified copies of this resolution shall be provided to the Official Depositories herein designated.

Adopted this 26th day of April, 2013.

David Hillier, Chair

Attested by:

Ellen Heywood, Clerk to the Board



MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director, Development and Operations

DATE: April 26, 2013

ITEM DESCRIPTION – Consent Item G

Approve Grant Agreement with the North Carolina Department of Transportation

BACKGROUND

The North Carolina Department of Transportation, through its Division of Aviation, provides state aviation grants to airports for projects, equipment, and services considered eligible in the State Aid to Airports Program. For the past several years, annual state funds available to the Asheville Regional Airport have been carried over by the State in anticipation of being utilized in the funding for construction of the new Aircraft Rescue Firefighting (ARFF) facility. The Authority recently made application to the State for \$1.3M in available funds for the ARFF facility project, for which the State has provided a Grant Agreement to the Authority for approval and execution. The Authority has traditionally been considered the Sponsor for State grants, and as such, is able to approve and execute this document on its own behalf.

ISSUES

None.

ALTERNATIVES

The Airport Board could elect not accept this grant, and/or utilize the available funds for other eligible projects. This would require a significant re-allocation of cash resources in order to construct the new ARFF facility.

Consent – Item G



FISCAL IMPACT

The State grant is awarded based upon 90 percent State participation. The Authority is required to provide a minimum of 10 percent matching funds (\$144,444.00) in order to receive this grant. This minimum amount has already been provided for in the ARFF facility project budget which was previously approved by the Airport Board.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) adopt the following Resolution and (2) authorize the Executive Director to execute the necessary documents:

Whereas, a Grant in the amount of \$1,300,000.00 has been approved by the Department based on total estimated cost of \$1,444,444.00; and

Whereas, an amount equal to or greater than 10 percent of the total estimated project cost has been appropriated by the Sponsor for this project.

NOW, THEREFORE, BE AND IT IS RESOLVED THAT THE Executive Director of the Sponsor be and he hereby is authorized and empowered to enter into a Grant Agreement with the Department, thereby binding the Sponsor to the fulfillment of its obligation incurred under this Grant Agreement or any mutually agreed upon modification thereof.

Adopted this 26th day of April, 2013

David R. Hillier, Chair

Attest:

Ellen M. Heywood, Clerk to the Board

GRANT AGREEMENT

STATE AID TO AIRPORTS
BETWEEN
THE N. C. DEPARTMENT OF TRANSPORTATION,
AN AGENCY OF THE STATE OF NORTH CAROLINA
AND

AIRPORT: **ASHEVILLE REGIONAL**

PROJECT # **36244.15.15.1**

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

This Agreement made and entered into this the _____ day of _____, 20_____, by and between the NORTH CAROLINA DEPARTMENT OF TRANSPORTATION (hereinafter referred to as "Department") and the **GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY**, the public agency owning the **ASHEVILLE REGIONAL AIRPORT** (hereinafter referred to as "Sponsor").

WITNESSETH

WHEREAS, Chapter 63 of the North Carolina General Statutes authorizes the Department, subject to limitations and conditions stated therein, to provide State Aid in the forms of loans and grants to cities, counties, and public airport authorities of North Carolina for the purpose of planning, acquiring, and improving municipal, county, and other publicly-owned or publicly controlled airport facilities, and to authorize related programs of aviation safety, education, promotion and long-range planning; and

WHEREAS, the Sponsor has made a formal application dated **February 20, 2013** to the Department for State Financial Aid for the **ASHEVILLE REGIONAL AIRPORT**; and

WHEREAS, a grant in the amount of **\$1,300,000** not to exceed **90 percent** of the non-federal share of the final, eligible project costs has been approved subject to the conditions and limitations herein; and

WHEREAS, the Grant of State Airport Aid funds will be used for the following approved Project (if a federal aid project, this scope shall also include any modifications thereto by the Federal Aviation Administration):

NOW THEREFORE, the Sponsor and Department do mutually hereby agree as follows:

PROJECT DESCRIPTION:

NEW AIRCRAFT RESCUE FIRE FIGHTING FACILITY (ARFF)

1) That the Sponsor shall promptly undertake the Project and complete all work on the Project prior to the 1st day of JULY 2016, unless a written extension of time is granted by the Department.

2) Work performed under this Agreement shall conform to the approved project description. Any amendments to, or modification of, the scope and terms of this Agreement shall be in the form of a Modified Agreement mutually executed by the Sponsor and the Department, except that an extension of time may be granted by the Department by written notice to the Sponsor.

3) Debarment and Suspension: The Grantee agrees to comply, and assures the compliance by each of its third party contractors and sub recipients at any tier, with the provisions of Executive Orders Nos. 12549 and 12689, "Debarment and Suspension," 31 U.S.C. § 6101 note, and U.S. DOT regulations on Debarment and Suspension at 49 C.F.R. Part 29.

4) The Sponsor certifies that it has adhered to all applicable laws, regulations, and procedures in the application for and Sponsor's approval of the Grant.

5) For a material breach of this Agreement or the Sponsor's Assurances, the Sponsor shall be liable to the Department for the return of all grant monies received.

6) The Sponsor agrees to adhere to the standards and procedures contained in the State Aid to Airports Program Guidance Handbook (third edition, dated January 1997), unless the Department issues a written waiver.

7) The Sponsor agrees to comply with the "Sponsor's Assurances" contained as a part of this Agreement.

8) N.C.G.S. § 133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this grant agreement, you attest, for your entire organization and its employees or agents that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

IN WITNESS WHEREOF, THE PARTIES HERETO EXECUTED THIS GRANT AGREEMENT THE DAY AND YEAR FIRST WRITTEN ABOVE:

NCDOT SEAL

NORTH CAROLINA DEPARTMENT OF TRANSPORTATION:

BY: _____

Deputy Secretary for Transit

ATTEST: _____

SPONSOR:

SPONSOR SEAL

Signed: _____

Title: _____

Attest: _____

STATE OF NORTH CAROLINA, COUNTY OF _____

I, _____, a Notary Public in and for the County and State aforesaid, do hereby certify that _____ personally came before me this day and acknowledged that he is _____ of the _____ (Title) (Sponsor)

(hereinafter referred to as "Sponsor" and by authority duly given and as an act of said Sponsor, the foregoing instrument was signed by him, attested by _____ of the Sponsor, (Name and Title)

And the Seal of the Sponsor affixed hereto.

WITNESS my hand and Notarial Seal, this the _____ day of _____ 2013.

Notary Public (Signature)

My Commission expires: _____

SEAL

RESOLUTION

A motion was made by _____ and seconded by _____
(Name and Title)
_____ for the adoption of the following resolution, and
(Name and Title)

upon being put to a vote was duly accepted:

WHEREAS, a Grant in the amount of **\$1,300,000** has been approved by the Department based on total estimated cost of **\$1,444,444**; and

WHEREAS, an amount equal to or greater than **10 percent** of the total estimated project cost has been appropriated by the Sponsor for this Project.

NOW THEREFORE, BE AND IT IS RESOLVED THAT THE _____
(Title)

of the Sponsor be and he hereby is authorized and empowered to enter into a Grant Agreement with the Department, thereby binding the Sponsor to the fulfillment of its obligation incurred under this Grant Agreement or any mutually agreed upon modification thereof.

I, _____ of the
(Name and Title)
_____ do hereby certify that the above
(Sponsor)

is a true and correct copy of an excerpt from the minutes of the
_____ of a meeting
(Sponsor)

duly and regularly held on the _____ day of _____, 20_____.

This, the _____ day of _____, 20_____.

SPONSOR SEAL

Signed: _____

Title: _____

Of The: _____

SECTION A: SPONSOR'S ASSURANCES: GENERAL CONDITIONS

A-1. The Sponsor certifies that it holds fee simple title to the property on which this project is to be constructed. In the event any work is proposed on property which has an easement or lease in the Sponsor's name, the Sponsor agrees that it will comply with the Department's conditions and receive written approval prior to any construction on such lease or easements. This condition does not apply to planning projects.

A-2. The Sponsor agrees to operate the Airport for the use and benefit of the general public and shall not deny reasonable access to public facilities by the general public.

A-3. The Sponsor agrees to operate, maintain, and control the Airport in a safe and serviceable condition for a minimum of twenty (20) years following the date of this Agreement and shall immediately undertake, or cause to be undertaken, such action to correct safety deficiencies as may be brought to its attention by the Department.

A-4. The Sponsor agrees that any land purchased, facilities constructed, or equipment acquired under this Agreement shall not be sold, swapped, leased or otherwise transferred from the control of the Sponsor without written concurrence of the Department.

A-5. The Sponsor agrees that the state share of any land purchased, facilities constructed, or equipment acquired under this Agreement shall be credited to the Department in a manner acceptable to the Department in the event such land, facilities or equipment are subsequently disposed of through sale or lease.

A-6. Insofar as it is within its power and reasonable, the Sponsor shall, either by the acquisition and retention of property interest, in fee or easement, or by appropriate local zoning action, prevent the construction of any object which may constitute an obstruction to air navigation under the appropriate category of Federal Air Regulation Part 77, 14 CFR 77.

A-7. Insofar as it is within its power and reasonable, the Sponsor shall, restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and taking off of aircraft and the noise produced by such operations by adoption of zoning laws, by acquisition and the retention of property interest, in fee or easement.

A-8. Terminal building spaces constructed under this Grant Agreement shall be for the use of the general public. The Sponsor agrees that it will not use any space so constructed for private use, or charge fees for the use of such space, without the written approval of the Department.

SECTION B: SPONSOR'S ASSURANCES: PROJECT ADMINISTRATION

B-1. The Airport shall comply with all requirements of the State Aid to Airports Program Guidance Handbook (third edition, January 1997).

B-2. It is the policy of this State, to encourage and promote participation by disadvantaged minority owned and women owned businesses (MBE and WBE) in contracts let by the Department pursuant to GS 136-28.4 for the planning, design, preconstruction, construction, alteration, or maintenance of State transportation infrastructure construction, and in the procurement of materials for these projects. All State agencies, institutions, and political subdivisions shall cooperate with the Department of Transportation and among themselves in all efforts to conduct outreach and to encourage and promote the use of disadvantaged minority owned and women owned businesses in these contracts. This is designed to ensure minority MBEs and WBEs have maximum opportunity to participate in performance of NCDOT contracts let using state funding. The sponsor assures and certifies with respect to this grant that they will pursue these requirements as stipulated by the Department in the advertising, award and administration of all contracts, and require the same for all contractors, sub recipient or subcontractors.

MBE\WBE program is governed by G.S. 136-28.4 and administered in accordance with Title 19A Chapter 02 Subchapter D Section .1101 - .1112 of North Carolina Administrative Code (19A NCAC 02D.1101).

B-3. The Sponsor shall submit draft plans and specifications, or approved alternate, for the project for review by the Department prior to advertising for bids on the Project. Should bids not be required on the project, the Sponsor shall submit a detailed scope of work and estimated costs prior to requesting "Project Concurrence and Notice to Proceed" form (AV-CONCUR/AV-503) for undertaking the project. All plans (and alternate) shall be supported by engineer's report. A list of deliverable(s) from the Sponsor to the Department is as follows:

Planning Projects

1. Interim Planning Submittals – All Airport Layout Plan Sheets, Reports, Projections, Construction Cost Estimate, drawings, sketches and all other pertinent information – electronic copy: PDF format. Paper copy, if requested: bond copy – true half-size.
2. Final Submittal - All Airport Layout Plan Sheets, Reports, Projections, Construction Cost Estimate, drawings, sketches and all other pertinent information – electronic copies: PDF format and AutoCAD or MicroStation format - Paper copy: bond– true half-size for plan sheets / sketches
 - a. All reports, projections – PDF Format. Any element of the documents shall be delivered in its original electronic format (i.e. MSWord, Excel, AutoCAD...) if requested by the Department
 - b. Sketches and drawings – electronic copies: PDF format and AutoCAD or MicroStation format - Paper copy: bond – true half-size for plan sheets / sketches.

Construction Projects

1. Interim Design Submittals (i.e. 30%, 60%, 90%....) – Plan Sheets, Technical Specifications, Itemized Construction Cost Estimate and Engineers Report – electronic copy: PDF format. Paper copy, if requested: bond true half-size for plan sheets.
2. 100% Design and Issue for Bid Submittals – Plan Sheets, Technical Specifications, Itemized Construction Cost Estimate, Engineer's Report, and Bid Tab – Any element of the documents shall be delivered in electronic format (i.e. MS Excel and PDF format) and AutoCAD or MicroStation format and Paper copy: bond– true half-size for plan sheets.
3. As-built / Record Drawings
 - a. Contract Documents (Plan and Detail Sheets, Technical Specifications) – electronic copies: PDF format and AutoCAD or MicroStation format and Paper copy: bond– true half-size for plan sheets.
 - b. Technical Specifications – electronic copies: MS Word File and PDF format
 - c. Final Engineers Report – electronic copies: PDF format unless otherwise requested.

B-4. Bids will be taken in accordance with N. C. General Statute 143-129. Following bid opening or final contract negotiations, the Sponsor shall submit the "Project Concurrence and Notice to Proceed" (AV-CONCUR/AV-503) request along with the bid tabulations to the Department for review. The Department will take action on the request including the approval or disapproval of the Sponsor's Employment of specific contractors within ten (10) days of receipt. Approval will be communicated via a Contract Goal Requirements Letter sent directly to the Sponsor.

B-5. All contractor(s) who bid or submit proposals for contracts in connection with this project must submit a statement of non-collusion to the Sponsor.

B-6. The Sponsor shall not commence construction or award construction contracts on the project until a written "Project Concurrence and Notice to Proceed" (AV-CONCUR/AV-503) is co-signed by the Sponsor's Representative and the Department or alternate written approval is provided by the Department.

B-7. The Sponsor shall submit quarterly status reports (AV-STATUS/AV-502) to the Department, unless otherwise instructed, and will immediately notify the Department of any significant problems which are encountered in the completion of the project.

B-8. The Sponsor shall notify the Department of any significant meetings or inspections involving the Sponsor, his contractor(s), consultant(s), and/or federal funding agencies concerning Project.

B-9. The Sponsor shall notify the Department within thirty (30) days of completion of all work performed under this agreement for the purpose of final acceptance inspection and completion of audit requirements by the Department.

B-10. The Sponsor has full responsibility for assuring the completed Project meets the requirements of the Department and appropriate federal funding agencies. The Sponsor further certifies that all local, state, and federal requirements for the conduct of this Project shall be met.

B-11. It is the policy of the Department not to award contracts to contractors who have been removed from the Department's list of pre-qualified bidders without subsequent reinstatement. Therefore, no State funds will be provided for any work performed by the contractor(s), or sub-contractor(s) which had been removed from the Department's list of pre-qualified bidders without subsequent reinstatement as of the date of the signing of the construction contract. It shall be the responsibility of Sponsor to insure that only properly qualified contractors are given construction contracts for work.

SECTION C: SPONSOR'S ASSURANCES: PROJECT ACCOUNTING AND PAYMENT

C-1. The Sponsor shall record all funds received under this Agreement and shall keep the same in an identifiable Project account. The Sponsor, and his contractor(s) and/or consultant(s), shall maintain adequate records and documentation to support all Project costs incurred under this Grant. All records and documentation in support of the Project costs must be identifiable as relating to the Project and must be acceptable costs only. Acceptable costs are defined as those costs which are acceptable under "Federal Acquisition Regulations 1-31.6, 48 CFR (OMC Circular A-87)". Acceptable items of work are those referenced in the State Aid to Airports Program Guidance Handbook and North Carolina General Statutes. The Sponsor's accounting procedures which were established for work as set out in this Agreement must be reviewed and accepted by the Department prior to the final execution of this Agreement and payment of State funds, except for Sponsor reporting under OMB Circular A-133.

C-2. The Sponsor and his contractor(s) and/or consultant(s) shall permit free access to its accounts and records by official representatives of the State of North Carolina. Furthermore, the Sponsor and contractor(s) and/or consultant(s) shall maintain all pertinent records and documentation for a period of not less than five (5) years from the date of final payment.

C-3. In accordance with OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations" (www.whitehouse.gov/wh/eop/omb), the Airport shall arrange for an independent financial and compliance audit of its fiscal operations. The Airport shall furnish the Department with a copy of the independent audit report within thirty (30) days of completion of the report, but not later than nine (9) months after the Airports fiscal year ends.

The Airport shall maintain all books, documents, papers, accounting records, and such other evidence as may be appropriate to substantiate costs incurred under this Agreement. Further, the Airport shall make such materials available at its office at all reasonable times during the contract period, and for five (5) years from the date of final payment under this agreement, for inspection and audit by the Department's Fiscal Section

C-4. Payment of the funds obligated under this Grant Agreement shall be made in accordance with the following schedule, unless otherwise authorized by the Department:

A. Payments from NCDOT to the Sponsor are made on a reimbursement basis. The Sponsor must pay all contractors/vendors prior to or within 3 business days of receipt of the Department's reimbursement.

B. Payments will be made on the basis of progress payments which may be requested by the Sponsor as costs are incurred, but not more frequently than monthly. Progress payments will be made provided the following requirements have been met.:

(1) The Grant Agreement has been executed and a Project Concurrence (AV-CONCUR/AV-503) issued.

(2) The Project has received an appropriate environmental finding.

(3) The Sponsor has submitted a Proposed Project Budget (AV-BUDGET/AV-504) accurately reflecting costs to date. The initial and revised AV-BUDGET/AV-504 shall be approved by the Department. With each AV-BUDGET/AV-504, the Sponsor shall provide the following documentation:

a) Scope of Services for the project, Consultant Fee - Man-hours Breakdown by task with hourly rates, Breakdown of Sub-consultant and / or Vendor Cost, Schedule of Deliverables, Estimated Construction Cost, Plan Sheet List

b) Actual Bidding Cost (once a project is bid) – Bid Tabulation / Bid Schedule, Recommendation for Award.

(4) Additional information shall be provided as requested.

(5) The Sponsor has submitted an executed Interim Payment Request (AV-PAY/AV-505) accurately reflecting costs incurred to date.

(6) The Sponsor has complied with all applicable conditions of the State Aid to Airports Program Guidance Handbook

C. The submission of progress payments is expected to parallel the value of work actually completed and costs incurred. At such point the Sponsor has requested payments equaling 100% of the State Grant, it is expected that the approved Project will be 100% complete.

D. Upon receipt of 100% of the State Grant, the Sponsor will promptly complete Project acceptance and submit the Project Completion and Final Payment Request (AV-FINAL/AV-506).

C-5. If after the acceptance of the Project by the Department, the final State share of approved eligible items is less than the amount of State funds actually disbursed for the Project, the Sponsor shall reimburse the Department in an amount equal to the difference between the amount of State funds actually disbursed and the final State share of the final, audited, approved eligible Project costs within thirty (30) days of notification by the Department of the amount due.

C-6. If after the acceptance of the Project by the Department, the final State share of approved eligible Project costs shall be more than the amount of State funds obligated for the Project, the Sponsor may make application to the Department for a corresponding increase which will be considered for funding in accordance with their relative priority versus other applications for available State funds.

C-7. Under certain conditions, projects originally involving only state and local funds may subsequently be eligible for reimbursement from federal funding agencies. In such cases, the Sponsor shall notify the Department of its intent to apply for federal reimbursement and shall keep the Department informed of the status of such application. In the event federal funds are obtained for all or a portion of the Project, the Sponsor shall refund to the Department an amount equal to the difference between State funds originally disbursed for the work item(s) subsequently receiving federal funds and the final State share of the costs of the affected item(s) of work. Reimbursement will be made within ninety (90) days of the date of the final execution of the FAA Grant Agreement affecting the work elements in the approved Project.

C-8. For the purpose of calculating the State share of the Project, federal funds are defined as funds provided by an agency of the federal government for the specific purpose of undertaking the Project, including Block Grant funds administered by the Department.

SECTION D: SPONSOR'S ASSURANCES: REAL PROPERTY ACQUISITION

D-1. The acquisition of land, buildings, and other real property involving the use of State Airport Aid funds shall be in compliance with the provisions of this Section.

D-2. The Sponsor shall depict each parcel to be acquired on an airport property map containing the identity of the parcel and its metes and bounds.

D-3. The acquisition cost of each parcel, building, or other real property acquired with State financial assistance shall be based on the fair market value of the property as determined by an appraisal process acceptable to the Department.

D-4. For each parcel or building with an estimated cost of \$100,000 or less, fair market value shall be established by a single original appraisal and a review appraisal. For complex acquisitions, fair market value shall be established by two original appraisals and one review appraisal.

D-5. All original and review appraisals shall be conducted by qualified appraisers who have no financial or other interest in the property to be acquired.

D-6. The fair market value of a parcel will be established by the review appraiser based upon the information contained in the original appraisal or appraisals.

D-7. No negotiation for property acquisition shall be commenced between the Sponsor and the property owner until the fair market value of the property has been established. Initial negotiations shall be based upon the fair market value.

D-8. Negotiated values above the fair market value shall not be eligible for State funds unless, prior to the final agreement for acquisition, the Sponsor has received the concurrence of the Department for paying such negotiated values in lieu of the appraised fair market value.

D-9. Sponsors who adhere to the federal "Uniform Guidelines for the Acquisition of Property" shall be deemed to have conformed to the Department's guidelines, except that Paragraph 8 above shall also be applicable under such acquisitions.

D-10. In the event the Project is a low value, non-complex acquisition, the Department, at its option, may accept the original appraisal without the review appraisal. In such cases, all other provisions of this Section shall apply.

D-11. Failure to follow the requirements of this Section shall disqualify the property from State participation for any parcel which has not been acquired in accordance with such standards.

SECTION E: Sponsor's Acknowledgement of Executive Order 24, issued by Governor Perdue, and N.C. G.S. § 133-32

E-1 Sponsor acknowledges and agrees that it is unlawful for any vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor). This prohibition covers those vendors and contractors who:

- (1) have a contract with a governmental agency; or
- (2) have performed under such a contract within the past year; or
- (3) anticipate bidding on such a contract in the future.

For additional information regarding the specific requirements and exemptions, vendors and contractors are encouraged to review Executive Order 24 and G.S. Sec. 133-32.

Revised 1/2/13



MEMORANDUM

TO: Members of the Airport Authority
FROM: Vickie Thomas, Director of Finance and Accounting
DATE: April 26, 2013

ITEM DESCRIPTION – Old Business Item A

Public Hearing and Final Adoption of the Authority's Fiscal Year 2013/2014 Budget

BACKGROUND

A proposed preliminary Fiscal Year 2013/2014 Budget and Budget Ordinance were presented to the Authority Board at the Board meeting held on March 22, 2013. The budget documents have remained available for public inspection and comment since March 22, 2013, with no comments being received to date.

ISSUES

A Public Hearing is required under Chapter 159 of the General Statutes of North Carolina before final adoption of the 2013/2014 Budget Ordinance.

ALTERNATIVES

None recommended.

FISCAL IMPACT

As outlined in the 2013/2014 Budget Ordinance.

RECOMMENDED ACTION

It is respectfully requested that following the Public Hearing on the Fiscal Year 2013/2014 Budget that the Airport Authority Board resolve to adopt the enclosed Fiscal Year 2013/2014 Budget Ordinance.

Enclosure

Old Business - Item A

**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
2013-2014
BUDGET ORDINANCE**

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that, pursuant to Section 159-13 of the General Statutes of North Carolina, the 2013-2014 Budget Ordinance of the Airport Authority is hereby set forth as follows:

Section 1. The following amounts are hereby appropriated for the operation of the Greater Asheville Regional Airport Authority for the fiscal year beginning July 1, 2013 and ending June 30, 2014 in accordance with the following schedules:

EXPENDITURES

Administration Department	\$ 584,927
Development Department	268,786
Executive Department	491,935
Finance Department	374,614
Guest Services Department	167,064
Information Technology Department	661,630
Marketing Department	524,176
Operations Department	3,002,228
Public Safety Department	1,320,384
Emergency Repair Costs	90,000
Reimbursable Costs	350,000
Carry-over Capital Expenditures from Prior Year	5,608,854
Capital Improvement	10,485,000
Equipment and Small Capital Outlay	144,000
Renewal and Replacement	572,000
Business Development	300,000
Debt Service	626,823
Contingency	100,000
Total Expenditures	<u><u>\$25,672,421</u></u>

Section 2. It is estimated that the following revenues will be available for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

REVENUES

Administration (Interest Income)	\$ 20,000
Terminal	3,807,016
Airfield	859,800
General Aviation	966,739
Parking Lot	2,407,900
Other	187,959
Reimbursable Costs	350,000
Passenger Facility Charges	1,150,000
Customer Facility Charges	900,000
Federal Grants – AIP Entitlements	5,869,032
Federal Grants – AIP Discretionary Funds	7,034,661
NC Department of Transportation Grants	1,225,000
Transfer from GARAA Cash/Investments	894,314
Total Revenues	<u><u>\$25,672,421</u></u>

Section 3. The Budget Officer is hereby authorized to transfer appropriations as contained herein under the following conditions:

- a. He may transfer amounts between line item expenditures within a budget ordinance line item without limitation and without a report being required. These changes should not result in increased recurring obligations such as salaries.
- b. He may transfer amounts up to \$60,000 from contingency appropriations to other budget ordinance line items within the same fund. He must make an official report on such transfers at the next regular meeting of the board.

Section 4. This Budget Ordinance shall be entered in the minutes of the Greater Asheville Regional Airport Authority and within five (5) days after its adoption copies shall be filed with the Finance Officer, the Budget Officer and the Clerk to the Board of the Greater Asheville Regional Airport Authority as described in G.S. 159-13.

Section 5. This ordinance shall become effective on July 1, 2013.

Adopted this 26th day of April, 2013.

David R. Hillier, Chair

Attested by:

Ellen Heywood, Clerk to the Board



MEMORANDUM

TO: Members of the Airport Authority

FROM: Vickie Thomas, Director of Finance and Accounting

DATE: April 26, 2013

ITEM DESCRIPTION – New Business Item A

Approval of Audit Contract with Martin Starnes & Associates, CPAs, P.A. for Fiscal Year Ending June 30, 2013

BACKGROUND

Two years ago, Authority staff issued a Request for Proposal (RFP) for audit services and the Board chose Martin Starnes & Associates, CPAs, P.A. as the Authority's auditors. As requested in the RFP, the Martin Starnes proposal included fees for a five year time frame. We are presenting a contract for auditing services with Martin Starnes for the annual audit for the third year of the contract, the fiscal year ended June 30, 2013.

ISSUES

None

ALTERNATIVES

The Board could elect to reject the current contract being presented by Martin Starnes & Associates, CPAs, P.A. and request staff to seek alternate firms to conduct the fiscal year end audit.

FISCAL IMPACT

The contract fee for services rendered by Martin Starnes is the \$12,400 quoted in their proposal. The expense for audit services was anticipated and included in the budget for FY 2014 as presented by Authority staff.

New Business – Item A



RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the contract for audit services with Martin Starnes & Associates, CPAs, P.A. in the amount of \$12,400, and (2) authorize the Board Chair to execute the necessary documents.

Attachment

CONTRACT TO AUDIT ACCOUNTS
Of The Greater Asheville Regional Airport Authority
Governmental Unit

On this 28th day of January, 2013, Martin Starnes & Associates, CPAs, P.A.
Auditor

730 13th Avenue Drive SE, Hickory, NC

Mailing Address

_____, hereinafter referred to as
the Auditor, and Board of Directors of The Greater Asheville Regional Airport Authority, hereinafter referred
Governing Board Governmental Unit
to as the Governmental Unit, agree as follows:

1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit for the period beginning July 1, 2012, and ending June 30, 2013. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate discretely presented component units, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Circular A-133 and the State Single Audit Implementation Act, the auditor shall perform a Single Audit. This audit and all associated workpapers may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the LGC. If the audit and/or workpapers are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners.
3. This contract contemplates an unqualified opinion being rendered. If financial statements are not prepared in accordance with generally accepted accounting principles (GAAP), or the statements fail to include all disclosures required by GAAP, please provide an explanation for that departure from GAAP in an attachment.
4. This contract contemplates an unqualified opinion being rendered. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, July 2007 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the Local Government Commission prior to the execution of the audit contract. (See Item 22) If the audit firm received a peer review rating other than pass, the auditor shall not contract with any Local Government Units without first contacting the Secretary of the Local Government Commission for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Accounting Standards*, the Auditor shall provide an explanation as to why in an attachment.
6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the SLGFD within four months of fiscal year end. Audit report is due on: October 31, 2013. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must be submitted to the Secretary of the Local Government Commission for approval.
7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as the systems relate to accountability of funds, adherence to budget requirements, and adherence to law requirements. In addition, the Auditor will make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report must include all matters defined as "significant deficiencies and material weaknesses" in AU 325 of the *AICPA Professional Standards*. The Auditor shall file a copy of that report with the Secretary of the Local Government Commission.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the Local Government Commission. This includes annual or special audits, agreed upon procedures related to Internal Control, bookkeeping or other assistance necessary to prepare the Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the Local Government Commission. (This also includes any progress billings.) [G.S. 159-34 and 115C-447] The process for invoice approval has changed. All invoices for Audit work must be submitted by email in PDF format to the Secretary of the Local Government Commission for approval. The invoices must be emailed to: lgc.invoices@nctreasurer.com

Email Subject line should read "unit name – invoice. The PDF invoice marked approved with approval date will be returned by email to the Auditor for them to present to the Local Government Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.

9. In consideration of the satisfactory performance of the provisions of this agreement, the Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the Local Government Commission, the following fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts:

Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards] _____

Audit \$9,925 _____

Preparation of the annual financial statements \$2,475 _____

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) auditors may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee. The 75% cap for interim invoice approval for this audit contract is \$ 9,300

10. The auditor working with a local governmental unit that has outstanding revenue bonds will include in the notes to the audited financial statements, whether or not required by the revenue bond documents, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the Local Government Commission simultaneously with the local government's audited financial statements unless otherwise specified in the bond documents.
11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include but not be limited to the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the governmental unit and all of its component units prepared in accordance with generally accepted accounting principles, (c) supplementary information requested by the client or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the accounting period.
12. If the audit firm is required by the NC CPA Board or the Secretary of the Local Government Commission to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Unit of Government will not be billed for the pre-issuance review. The pre-issuance review must be performed **prior** to the completed Audit being submitted to the Local Government Commission. The pre-issuance report must accompany the audit report upon submission to the Local Government Commission.
13. The Auditor shall electronically submit the report of audit to the Local Government Commission when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the Local Government Commission, becomes a matter of public record for inspection and review in the offices of the Secretary by any interested parties. Any subsequent revisions to these reports must be sent to the Secretary of the Local Government Commission. These audited financial statements are used in the preparation of Official Statements for debt offerings (the auditors' opinion is not included), by municipal bond rating services, to fulfill secondary market disclosure requirements of the Securities and Exchange Commission, and other lawful purposes of the government, without subsequent consent of the auditor. If it is determined by the Local Government Commission that corrections need to be made to the unit's financial statements they should be provided within three days of notification unless, another time frame is agreed to by the Local Government Commission.

The Local Government Commission's process for submitting contracts, audit reports and Invoices are subject to change. Auditors should use the submission process in effect at the time of submission.

In addition, if the North Carolina Office of the State Auditor designates certain programs to be audited as major programs, a turnaround document and a representation letter addressed to the State Auditor shall be submitted to the Local Government Commission.

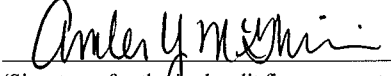
14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the Local Government Commission, this agreement may be varied or changed to include the increased time and/or compensation as may be agreed upon by the Governing Board and the Auditor.
15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, signed and dated by all parties and pre-audited if the change includes a change in audit fee. This document and a written explanation of the change must be submitted by email in PDF format to the Secretary of the Local Government Commission for approval. The portal address to upload your amended contract and Letter of explanation documents is <http://nctreasurer.slgfd.leapfile.net> No change shall be effective unless approved by the Secretary of the Local Government Commission, the Governing Board, and the Auditor.

16. Whenever the Auditor uses an engagement letter with the client, Item 17 is to be completed by referencing the engagement letter and attaching a copy of the engagement letter to the contract to incorporate the engagement letter into the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control. Engagement letter terms are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 22 of this contract. Engagement letters containing indemnification clauses will not be approved by the Local Government Commission.
17. Special provisions should be limited. Please list any special provisions in an attachment.
18. A separate contract should not be made for each division to be audited or report to be submitted. A separate contract must be executed for each component unit which is a local government and for which a separate audit report is issued.
19. The contract must be executed, pre-audited, physically signed by all parties and submitted in PDF format including unit and auditor signatures to the Secretary of the Local Government Commission. The current portal address to upload your contractual documents is http://nctreasurer.slgfd.leapfile.net. Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of March 5, 2012. These instructions are subject to change. Please check the NC Treasurer's web site at www.nctreasurer.com for the most recent instructions.
20. The contract is not valid until it is approved by the Local Government Commission. The staff of the Local Government Commission shall notify the unit and auditor of contract approval by email. The audit should not be started before the contract is approved.
21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the Local Government Commission.
22. All of the above paragraphs are understood and shall apply to this agreement, except the following numbered paragraphs shall be deleted: (See Item 16.)
23. **All communications regarding Audit contract requests for modification or official approvals will be sent to the email Addresses provided in the following areas.**

Audit Firm Signature:

Firm Martin Starnes & Associates, CPAs, P.A.

By Amber Y. McGhinnis, Audit Manager
(Please type or print name)


(Signature of authorized audit firm representative)

Email Address of Audit Firm:
amcghinnis@martinstarnes.com

Date January 28, 2013

Unit Signatures:

By David R. Hillier, Chairman
(Please type or print name and title)

(Signature of Mayor/Chairperson of governing board)

Date _____

Date Governing Body Approved Audit Contract - G.S. 159-34(a)

Unit Signatures (continued):

By N/A
(Chair of Audit Committee- please type or print name)

(Signature of Audit Committee Chairperson)

Date N/A
(If unit has no audit committee, this section should be marked "N/A.")

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.

Vickie Thomas, Director of Accounting and Finance
Governmental Unit Finance Officer (Please type or print name)

(Signature)

Email Address of Finance Officer
vthomas@flyavl.com

Date _____
(Preaudit Certificate must be dated.)



Koonce, Wooten & Haywood, LLP
CERTIFIED PUBLIC ACCOUNTANTS

SYSTEM REVIEW REPORT

May 22, 2012

Martin, Starnes & Associates, CPAs, PA and the
Peer Review Committee, North Carolina Association
of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Martin, Starnes & Associates, CPAs, PA (the firm) in effect for the year ended December 31, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Martin, Starnes & Associates, CPAs, PA, in effect for the year ended December 31, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Martin, Starnes & Associates, CPAs, PA has received a peer review rating of *pass*.

Koonce, Wooten & Haywood, LLP

Koonce, Wooten & Haywood, LLP

Raleigh
4060 Barrett Drive
Post Office Box 17806
Raleigh, North Carolina 27619

919 782 9265
919 783 8937 FAX

Durham
3511 Shannon Road
Suite 100
Durham, North Carolina 27707

919 354 2584
919 489 8183 FAX

Pittsboro
10 Sanford Road
Post Office Box 1399
Pittsboro, North Carolina 27312

919 542 6000
919 542 5764 FAX



MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, Executive Director

DATE: April 26, 2013

ITEM DESCRIPTION – New Business Item B

Approval of Airline Incentives for Allegiant Air

BACKGROUND

Allegiant Air (Allegiant) began service at Asheville Regional Airport in November 2011 with two weekly flights to Sanford – Orlando, Florida. With the success of the Sanford – Orlando flights, Allegiant added service to Ft. Lauderdale last November with two weekly flights. Once again this service has been highly successful.

During the Allegiant conference in February, Allegiant met with both Tina Kinsey and me regarding the possibility of adding St. Petersburg/Clearwater/Tampa, Florida service. On March 19, 2013, Allegiant made a public announcement that Allegiant would begin St. Petersburg/Clearwater/Tampa (PIE) service on June 6, 2013 with two flights per week.

In accordance with the Authority's Air Service Incentive Policy, staff has offered Allegiant up to \$150,000 for marketing and advertising of this new service; and airport related fee waivers, excluding PFCs, for a one-year period as directly related to the PIE service.

As an additional incentive, to assure the PIE service is successful, staff is seeking Board approval to provide Allegiant with a ground handling and passenger service fee incentive of 50% per aircraft turn up to \$250.00 per flight for two flights per week for a 12 month period. Allegiant must maintain a minimum of four flights per week to receive this incentive for the full 12 month period.

New Business – Item B



ISSUES

The Authority's policies currently provide for airline incentives to be offered for new airline service but the ground handling incentive is outside the scope of the current policy. Board approval is necessary for the additional incentive/expenditure.

ALTERNATIVES

None

FISCAL IMPACT

Staff would like to officially offer Allegiant an incentive package in the amount up to \$150,000 for PIE service marketing and advertising, waived rents and fees (totaling approximately \$72,000) for up to one year of service for this specific service route, and ground handling fees for the PIE service at 50% per turn up to \$250.00 per flight for two flights per week (\$26,000 total). Total incentive package is worth approximately \$248,000 with direct expenditures being approximately \$176,000. Since the 12 month period for these incentives crosses two fiscal years, funds from this budget and the upcoming budget are available for this type of business development.

RECOMMENDED ACTION

It is respectfully requested that the Authority Board resolve to (1) approve airline incentives with Allegiant Air for AVL- PIE service; and (2) authorize the Executive Director to execute the necessary documents.



MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director, Development and Operations

DATE: April 26, 2013

ITEM DESCRIPTION – New Business Item C

Approve Supplemental Agreement No. 1 to Agreement for Professional Services Between Greater Asheville Regional Airport Authority and Michael Baker Engineering, Inc.

BACKGROUND

The Authority entered into an agreement with LPA Group of North Carolina, p.a. (now known as Michael Baker Engineering) for general consulting services on August 28th, 2008. The scope of services included consulting work associated with the new ARFF station project, and the future planned Airfield Re-development Project, for which Michael Baker Engineering, Inc. will provide design and engineering services related to the new permanent runway component of the project.

Since the current contract term expires this August (2013), it is necessary to extend the contract period for up to an additional five years in order to ensure that there is no interruption of services as these projects proceed. A similar action was approved by the Airport Board in October, 2012 with RS&H as it related to the airfield re-development project. The contract extension is applicable to work associated with the ARFF station and the Airfield Re-development Projects only, and does not extend to any other consulting services needed by the Authority over that period.

ISSUES

None.



ALTERNATIVES

The Authority could elect not to approve this Amendment, which would result in postponement of the start of services associated with the Airfield Re-development Project by several months while a replacement engineering firm is selected. Additionally, the Authority would need to select a different firm to provide construction administration related services for the ARFF station project.

FISCAL IMPACT

There is no fiscal impact associated with this action. The approval of fees associated with these projects has previously been approved by the Airport Board, and the extension of the contract is consistent with the services included in those actions.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve Supplemental Agreement No. 1; and (2) authorize the Executive Director to execute the necessary documents.

**SUPPLEMENTAL AGREEMENT NO. 1
TO AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY AND
MICHAEL BAKER ENGINEERING, INC.**

THIS SUPPLEMENTAL AGREEMENT NO. 1 ("Supplemental Agreement") is made and entered into this _____ day of _____, 2013 by and between **The Greater Asheville Regional Airport Authority**, with offices located at 61 Terminal Drive, Suite 1, Fletcher, North Carolina, 28732 (the "CLIENT"), and **Michael Baker Engineering, Inc.**, a New York corporation with offices located at 7800 Airport Center Drive, Suite 100, Greensboro, North Carolina, 27409 ("Baker") (CLIENT and Baker are collectively referred to as "the Parties").

P R E M I S E S

WHEREAS, Baker and Greater Asheville Regional Airport Authority ("Authority") entered into an Agreement for Professional Services dated August 28, 2008 (the "Agreement") hereby the Authority retained Baker to furnish certain services therein described; and

WHEREAS, the Client has determined it necessary to amend the Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter contained, the Parties agree as follows:

1. The term of the Agreement shall be extended up to an additional five years, terminating no later than August 28, 2018, or when all work associated with engineering services for the AVL Airfield Re-development Project and the Aircraft Rescue and Firefighting Facility is completely closed out, and/or no additional billable work remains, whichever comes first. The Scope of Services associated with this extension of the Agreement shall be limited solely to the work items directly related to engineering and design services for the AVL Airfield Re-development Project and the Aircraft Rescue and Firefighting Facility.

Except as hereby modified, amended, or changed, all of the remaining terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Supplemental Agreement to be executed by their duly authorized representatives, under seal, as of the day and year first above written.

MICHAEL BAKER ENGINEERING, INC:

CLIENT:

Michael Baker Engineering, Inc.

The Greater Asheville Regional Airport Authority

By: *Dain A. Riley*
Print Name: Dain A. Riley, P.E.
Title: Vice President

By: _____
Print Name: Lew Bleiweis, A.A.E.
Title: Executive Director

ATTEST:

ATTEST:

By: *Jill S. Gilbert*
Print Name: Jill S. Gilbert
Title: Asst. Corporate Secretary

By: _____
Print Name:
Title:



[CORPORATE SEAL]



MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director, Development and Operations

DATE: April 26, 2013

ITEM DESCRIPTION – New Business Item D

Approve Supplemental Agreement No. 1 to Agreement for Professional Services Between Greater Asheville Regional Airport Authority and Avcon Engineers and Planners, Inc.

BACKGROUND

The Authority entered into an agreement with Avcon Engineers and Planners, Inc. for general consulting services on August 26th, 2008. The scope of services included consulting work associated with the future planned Airfield Re-development Project, for which Avcon Engineers and Planners, Inc. will provide design and engineering services related to the new taxiway/temporary runway component of the project.

Since the current contract term expires this August (2013), it is necessary to extend the contract period for up to an additional five years in order to ensure that there is no interruption of services as this project proceeds. A similar action was approved by the Airport Board in October, 2012 with RS&H. The contract extension is applicable to work associated with the Airfield Re-development Project only, and does not extend to any other consulting services needed by the Authority over that period.

ISSUES

None.

ALTERNATIVES

The Authority could elect not to approve this Amendment, which would result in postponement of the start of services associated with the Airfield Re-development Project by several months while a replacement engineering firm is selected.

New Business – Item D



FISCAL IMPACT

There is no fiscal impact associated with this action. The approval of fees associated with this project has already been presented separately to the Airport Board for its action.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve Supplemental Agreement No. 1; and (2) authorize the Executive Director to execute the necessary documents.

SUPPLEMENTAL AGREEMENT NO. 1

TO AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY AND AVCON, INC.

THIS SUPPLEMENTAL AGREEMENT NO. 1 ("Supplemental Agreement") is made and entered into this _____ day of _____, 2013 by and between **The Greater Asheville Regional Airport Authority**, with offices located at 61 Terminal Drive, Suite 1, Fletcher, North Carolina, 28732 (the "CLIENT"), and **AVCON ENGINEERS & PLANNERS, INC.** a Corporation with offices located at 8604 Cliff Cameron Drive, Suite 145, Charlotte, North Carolina, 28269 ("AVCON") (CLIENT and AVCON are collectively referred to as "the Parties").

P R E M I S E S

WHEREAS, AVCON and Asheville Regional Airport Authority ("Authority") entered into an Agreement for Professional Services dated August 26, 2008 (the "Agreement") whereby the Authority retained AVCON to furnish certain services therein described; and

WHEREAS, the Greater Asheville Regional Airport Authority was created by Session Law 2012-121, which was ratified by the General Assembly of North Carolina on June 28, 2012; and

WHEREAS, the Authority has assigned the Agreement dated August 26, 2008, with all rights and privileges to Client; and

WHEREAS, the Client has determined it necessary to amend the Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter contained, the Parties agree as follows:

1. The term of the Agreement shall be extended up to an additional five years, terminating no later than August 26, 2018, or when all work associated with Engineering Design and Construction Administration services for the AVL Airfield Redevelopment Project is completely closed out, and no additional billable work remains, whichever comes first. The Scope of Services associated with this extension of the Agreement shall be limited solely to work items directly related to Engineering Design and Construction Administration services for the AVL Airfield Redevelopment Project.

2. Section 7.2 (Indemnity) shall be amended to include the following provision:


"Consultant shall be directly responsible for any such additional costs, above first costs, incurred by the Client, as the result of the errors and omissions of AVCON, through its employees assigned to the tasks for, or on behalf of the Client, which result in additional costs to the Authority, either by a contractor, or by AVCON itself."

Except as hereby modified, amended, or changed, all of the remaining terms and conditions of the Agreement shall remain in full force and effect.


IN WITNESS WHEREOF, the Parties hereto have caused this Supplemental Agreement to be executed by their duly authorized representatives, under seal, as of the day and year first above written.

AVCON:
AVCON Engineers & Planners, Inc.:

CLIENT:
The Greater Asheville Regional Airport Authority

By: 
Print Name: Sandeep Singh, P.E.
Title: President

By:
Print Name: Lew Bleiweis, A.A.E.
Title: Executive Director

ATTEST:
By: 
Print Name: James A. Kriss
Title: Secretary

ATTEST:
By: _____
Print Name: _____

[CORPORATE SEAL]

[CORPORATE SEAL]



MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director, Development and Operations

DATE: April 26, 2013

ITEM DESCRIPTION – New Business Item E

Approval of Scope of Services No. 14 and Fees for Construction Phase Services for the Westside Site Development Project with AVCON Engineers and Planners, Inc.

BACKGROUND

On June 12, 2009, the Airport Board approved an addition to the existing contract with Charah, Inc. for the filling of low lying areas of the airport with suitable fill material, which would allow for future development west of Runway 16/34. Work by Charah has continued on the southwest portion of the airport since that time, and work is now progressing to the northwest portion of the airport.

Since February, 2010, the Airport Board has approved several scopes and fees with Avcon Engineers and Planners for design and construction phase services associated with this project, most recently in April, 2011. As work on the southwest portion of the airport gets closer to completion, a remaining balance of approved expenses from that phase are expected to be carried over to help cover costs for the northwest portion construction (Area 3). Additional expenses to complete Area 3 beyond that remaining balance will be needed.

Charah, Inc. has been responsible for all costs associated with these projects under the above noted agreement. To date, Charah, Inc. has met all of its obligations for payment for services rendered by AVCON for which they are responsible.

The scope of services for this agreement includes tasks for the next phase of the Westside Development Project (Area 3), including project management, field inspection and testing, and environmental work. This phase of work is directly tied to the Airfield Re-development Project, as the fill work in this area is needed to support the new taxiway configuration.



Staff feels it is important to continue utilizing AVCON, one of our current airport engineering consultants on this project. It is also considered important that AVCON be under contract directly with the Authority in order to ensure that its interests are properly supervised during the course of the project. Charah, Inc. has been pleased with the services provided by AVCON and wishes to continue this relationship.

Staff has worked with AVCON to develop the attached scope of services and fee for the proposed work.

ISSUES

None.

ALTERNATIVES

Although not recommended, the Board could decide to not approve the Scope of Services and Fee. As stated above, Staff feels it is in the best interest of the Asheville Regional Airport and Authority for AVCON to be under direct contract with the Authority for this project.

FISCAL IMPACT

The agreement between the Authority and Charah, Inc. stipulates that Charah will reimburse the Authority for all project costs related to the Westside Site Development Project, including but not limited to: planning, engineering, design, testing, etc. There should be no net cost to the Authority. To date, Charah has reimbursed the Authority for all expenses incurred through AVCON for the Westside Development Project.

In the event Charah, Inc. fails to reimburse the Authority for engineering/inspection work by AVCON, the Authority can suspend any further work limiting the Authority's liability only to that work completed prior to suspension.

RECOMMENDED ACTION

It is respectfully requested that the Authority Board resolve to (1) approve the Scope of Services and Fee Proposal with AVCON Engineers & Planners, Inc. not to exceed the amount of \$278,060.00; and (2) authorize the Executive Director to execute the necessary documents.

Consultant Scope of Services

Asheville Regional Airport Authority

Scope of Services Number **14** for Professional Consulting Services, as referenced in the Professional Consulting Agreement between the Asheville Regional Airport Authority and **AVCON Engineers & Planners, Inc.**, dated **August 26, 2008**.

Project: West Side Development – Construction Phase Services for Area 3

Scope of Services: Site Preparation for Area 3 of the West Side Development Project, located in the northwest quadrant of the airport, west of the Runway 16. The project consists of the installation of erosion and sediment control measures and devices, undercut excavation of the site, engineered ash fill and soil embankment/cap; and establishing vegetation upon completion of the work. Construction is expected to take approximately 31 months to complete as estimated by Charah, starting March 2013 and finishing approximately July 2015.

The Consultant will provide: resident project representative (RPR) services using full-time inspection; part-time construction management/oversight services; and construction administration services during construction.

The Consultant's Fees for additional RPR services, including full-time inspection and construction management/oversight services, and construction administration services during construction have been developed for the following project tasks:

Resident Project Representative (RPR). The Consultant will provide: resident project representative (RPR) services using full-time inspection (averaging 40 hours per week for approximately 92 weeks and 20 hours per week for approximately 32 weeks); part-time construction management/oversight services (averaging 24 hours per month for approximately 23 months and 16 hours per month for approximately 8 months); and construction administration services during construction (estimated at 4 hours per month for 31 months). As used herein, the term Resident Project Representative includes any assistants of Resident Project Representative agreed to by the Authority. The duties and responsibilities of the Resident Project Representative are as set forth in Exhibit E of the Agreement.

Visits to Site and Observation of Construction. Provide on-site construction observation services (RPR, full-time and part-time) during the construction phase of the subject project. Observations will vary depending on the type of work being performed by the contractor, the location, and the contractors' schedule.

Make visits to the Site at intervals as deemed reasonable by the Consultant and Authority in order to observe the progress of the Work. Such visits and

observations by the Consultant are not intended to be exhaustive or to extend to every aspect of Contractor's work in progress. Observations are to be limited to spot checking, selective measurement, and similar methods of general observation of the Work based on the Consultant's exercise of professional judgment. Based on information obtained during such visits and such observations, the Consultant will determine if Contractor's work is generally proceeding in accordance with the Contract Documents, and the Consultant shall keep the Authority informed of the general progress of the Work.

The purpose of the Consultant's visits to the site will be to enable the Consultant to better carry out the duties and responsibilities assigned in this Agreement to the Consultant during the construction phase by the Authority, and, in addition, by the exercise of the Consultant's efforts, to provide the Authority a greater degree of confidence that the completed Work will conform in general to the Contract Documents and that the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents has been implemented and preserved by Contractor. The Consultant shall not, during such visits or as a result of such observations of Contractor's work in progress, supervise, direct, or have control over Contractor's work, nor shall the Consultant have authority over or responsibility for the means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction selected by Contractor, for safety precautions and programs incident to Contractor's work, nor for any failure of Contractor to comply with laws and regulations applicable to Contractor's furnishing and performing the Work. Accordingly, the Consultant neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform its work in accordance with the Contract Documents.

Recommendations with Respect to Defective Work. Recommend to the Authority that Contractor's work be disapproved and rejected while it is in progress if, on the basis of such observations, the Consultant believes that such work will not produce a completed Project that conforms generally to Contract Documents or that it will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents.

Clarifications and Interpretations. Issue necessary clarifications and interpretations of the Contract Documents to the Authority as appropriate to the orderly completion of Contractor's work. Such clarifications and interpretations will be consistent with the intent of the Contract Documents. Field Orders authorizing variations from the requirements of the Contract Documents will be made by the Authority.

Change Orders. Recommend Change Orders to the Authority, as appropriate. Review and make recommendations related to Change Orders submitted or proposed by the Contractor.

Shop Drawings and Samples. Review and approve or take other appropriate action in respect to Shop Drawings and Samples and other data which Contractor is required to submit, but only for conformance with the information given in the Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated in the Contract Documents. Such review and approvals or other action will not extend to means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction or to related safety precautions and programs.

Substitutes and "or-equal." Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor in accordance with the Contract Documents, but subject to the provisions of applicable standards of state or local government entities.

Inspections and Tests. Require such special inspections or tests of Contractor's work as the Consultant deems appropriate, and receive and review certificates of inspections within the Consultant's area of responsibility or of tests and approvals required by laws and regulations or the Contract Documents. The Consultant's review of such certificates will be for the purpose of determining that the results certified indicate compliance with the Contract Documents and will not constitute an independent evaluation that the content or procedures of such inspections, tests, or approvals comply with the requirements of the Contract Documents. The Consultant shall be entitled to rely on the results of such tests and the facts being certified.

Disagreements between Authority and Contractor. As necessary, render written decision on all claims of the Authority and Contractor relating to the acceptability of Contractor's work or the interpretation of the requirements of the Contract Documents pertaining to the progress of Contractor's work. In rendering such decisions, the Consultant shall be fair and not show partiality to the Authority or Contractor and shall not be liable in connection with any decision rendered in good faith in such capacity.

Applications for Payment. Should the need arise for payment to the Contractor for additional work outside the original scope of the project, and based on the Consultant's observations and on review of applications for payment and accompanying supporting documentation:

Determine the amounts that the Consultant recommends Contractor be paid. Such recommendations of payment will be in writing and will constitute the Consultant's representation to the Authority, based on such observations and review, that, to the best of the Consultant's knowledge, information and belief, Contractor's work has progressed to the point indicated, such work-in-progress is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled

insofar as it is the Consultant's responsibility to so determine. In the case of unit price work, the Consultant's recommendations of payment will include final determinations of quantities and classifications of Contractor's work, based on observations and measurements of quantities provided with pay requests.

By recommending any payment, the Consultant shall not thereby be deemed to have represented that observations made by the Consultant to check Contractor's work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor's work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to the Consultant in this Agreement. Neither the Consultant's review of Contractor's work for the purposes of recommending payments nor the Consultant's recommendation of any payment including final payment will impose on the Consultant responsibility to supervise, direct, or control Contractor's work in progress or for the means, methods, techniques, equipment choice and usage, sequences, or procedures of construction of safety precautions or programs incident thereto, nor Contractor's compliance with Laws and Regulations applicable to Contractor's furnishing and performing the Work. It will also not impose responsibility on the Consultant to make any examination to ascertain how or for what purposes Contractor has used the moneys paid on account of the Contract Price, nor to determine that title to any portion of the work in progress, materials, or equipment has passed to the Authority free and clear of any liens, claims, security interests, or encumbrances, nor that there may not be other matters at issue between the Authority and Contractor that might affect the amount that should be paid.

Substantial Completion. Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with the Authority and Contractor, conduct a site visit to determine if the Work is substantially complete. Work will be considered substantially complete following satisfactory completion of all items with the exception of those identified on a final punch list. If after considering any objections of the Authority, the Consultant considers the Work substantially complete, the Consultant shall notify the Authority and Contractor.

Final Notice of Acceptability of the Work. Conduct a final site visit to determine if the completed Work of Contractor is generally in accordance with the Contract Documents and the final punch list so that the Consultant may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, the Consultant shall also provide a notice that the Work is generally in accordance with the Contract Documents to the best of the Consultant's knowledge, information, and belief and based on the extent of the services provided by the Consultant under this Agreement and based upon information provided to the Consultant upon which it is entitled to rely.

Limitation of Responsibilities. The Consultant shall not be responsible for the acts or omissions of any Contractor, or of any of their subcontractors,

suppliers, or of any other individual or entity performing or furnishing the Work. The Consultant shall not have the authority or responsibility to stop the work of any Contractor.

Construction Quality Assurance (CQA) Testing Services. The Consultant will use F&R, Inc. for ash and soil cap materials testing during construction.

Consultant Team: AVCON and F&R.

Schedule: April 1, 2013 through July 2015 to Complete Area 3 Construction.

Project Budget: n/a

Fees: Fees for this scope of work will be charged on a time and materials basis and are not to exceed (NTE) \$278,060

Authority:

Asheville Regional Airport Authority

By: _____
Airport Director

Date: _____

Consultant:

AVCON Engineers & Planners, Inc.

By: _____
Title: _____

Date: _____

This instrument has been pre-audited in the manner required by local government and fiscal control.

Finance Manager



MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, A.A.E., Executive Director

DATE: April 26, 2013

ITEM DESCRIPTION – Information Section Item A

February, 2013 Traffic Report – Asheville Regional Airport

SUMMARY

February 2013 overall passenger traffic numbers were down 16.9% compared to the same period last year. Passenger traffic numbers reflect a 17.0% decrease in passenger enplanements from February 2012. Enplanements for Fiscal Year to Date total 206,793 which is an 18.3% decrease over the same period last year.

AIRLINE PERFORMANCE

Allegiant Airlines: Year over Year passenger enplanements for Allegiant in February 2013 were up by 95.5%. There were no flight cancellations for the month.

Delta Airlines: Delta's February 2013 enplanements decreased by 17.6% compared to February 2012. There were three (3) flight cancellations for the month.

United Airlines: In February 2013, United Airlines saw a decrease in enplanements by 10.0% over the same period last year. There were no flight cancellations for the month.

US Airways: US Airways' February 2013 passenger enplanements represent a 21.2% decrease over the same period last year. There were ten (10) flight cancellations for the month.

Monthly Traffic Report

Asheville Regional Airport

February 2013



Category	Feb 2013	Feb 2012	Percentage Change	*CYTD-2013	*CYTD-2012	Percentage Change	*MOV12-2013	*MOV12-2012	Percentage Change
Passenger Traffic									
Enplaned	17,684	21,301	-17.0%	36,519	43,631	-16.3%	310,562	366,478	-15.3%
Deplaned	<u>17,552</u>	<u>21,087</u>	-16.8%	<u>35,691</u>	<u>42,281</u>	-15.6%	<u>309,584</u>	<u>364,065</u>	-15.0%
Total	35,236	42,388	-16.9%	72,210	85,912	-15.9%	620,146	730,543	-15.1%
Aircraft Operations									
Airlines	341	227	50.2%	722	465	55.3%	3,948	3,755	5.1%
Commuter /Air Taxi	<u>747</u>	<u>1,052</u>	-29.0%	1,479	2,148	-31.1%	13,524	16,998	-20.4%
Subtotal	<u>1,088</u>	<u>1,279</u>	-14.9%	<u>2,201</u>	<u>2,613</u>	-15.8%	<u>17,472</u>	<u>20,753</u>	-15.8%
General Aviation	2,053	2,429	-15.5%	4,524	4,753	-4.8%	38,962	37,519	3.8%
Military	<u>375</u>	<u>474</u>	-20.9%	<u>610</u>	<u>788</u>	-22.6%	<u>4,409</u>	<u>4,340</u>	1.6%
Subtotal	<u>2,428</u>	<u>2,903</u>	-16.4%	<u>5,134</u>	<u>5,541</u>	-7.3%	<u>43,371</u>	<u>41,859</u>	3.6%
Total	3,516	4,182	-15.9%	7,335	8,154	-10.0%	60,843	62,612	-2.8%
Fuel Gallons									
100LL	8,228	8,605	-4.4%	16,634	17,163	-3.1%	164,157	183,019	-10.3%
Jet A (GA)	75,468	56,809	32.8%	120,930	109,345	10.6%	1,105,640	1,154,473	-4.2%
Subtotal	<u>83,696</u>	<u>65,414</u>	27.9%	<u>137,564</u>	<u>126,508</u>	8.7%	<u>1,269,797</u>	<u>1,337,492</u>	-5.1%
Jet A (A/L)	<u>117,492</u>	<u>156,996</u>	-25.2%	<u>275,551</u>	<u>383,349</u>	-28.1%	<u>2,210,589</u>	<u>3,092,544</u>	-28.5%
Total	201,188	222,410	-9.5%	413,115	509,857	-19.0%	3,480,386	4,430,036	-21.4%

*CYTD = Calendar Year to Date and *Mov12 = Moving Twelve Months.

Wednesday, March 27, 2013

Airline Enplanements, Seats, and Load Factors

Asheville Regional Airport

February 2013



	Feb 2013	Feb 2012	Percentage Change	*CYTD-2013	*CYTD-2012	Percentage Change
AirTran Airways						
Enplanements	0	0	#Num!	0	306	-100.0%
Seats	0	0	#Num!	0	468	-100.0%
Load Factor	#Num!	#Num!	#Type!	#Num!	65.4%	#Type!
Allegiant Air						
Enplanements	2,172	1,111	95.5%	4,712	2,323	102.8%
Seats	2,410	1,200	100.8%	5,254	2,550	106.0%
Load Factor	90.1%	92.6%	-2.7%	89.7%	91.1%	-1.6%
Continental Airlines						
Enplanements	0	1,148	-100.0%	0	2,419	-100.0%
Seats	0	2,500	-100.0%	0	5,100	-100.0%
Load Factor	#Num!	45.9%	#Type!	#Num!	47.4%	#Type!
Delta Air Lines						
Enplanements	7,210	8,753	-17.6%	14,560	17,857	-18.5%
Seats	12,510	12,000	4.3%	25,866	24,750	4.5%
Load Factor	57.6%	72.9%	-21.0%	56.3%	72.1%	-22.0%
United Airlines						
Enplanements	1,585	1,761	-10.0%	3,395	3,520	-3.6%
Seats	2,650	2,900	-8.6%	5,600	6,000	-6.7%
Load Factor	59.8%	60.7%	-1.5%	60.6%	58.7%	3.3%
US Airways						
Enplanements	6,717	8,528	-21.2%	13,852	17,206	-19.5%
Seats	12,010	12,961	-7.3%	25,191	26,436	-4.7%
Load Factor	55.9%	65.8%	-15.0%	55.0%	65.1%	-15.5%

Wednesday, March 27, 2013

*CTYD = Calendar Year to Date and *Mov12 = Moving Twelve Months.

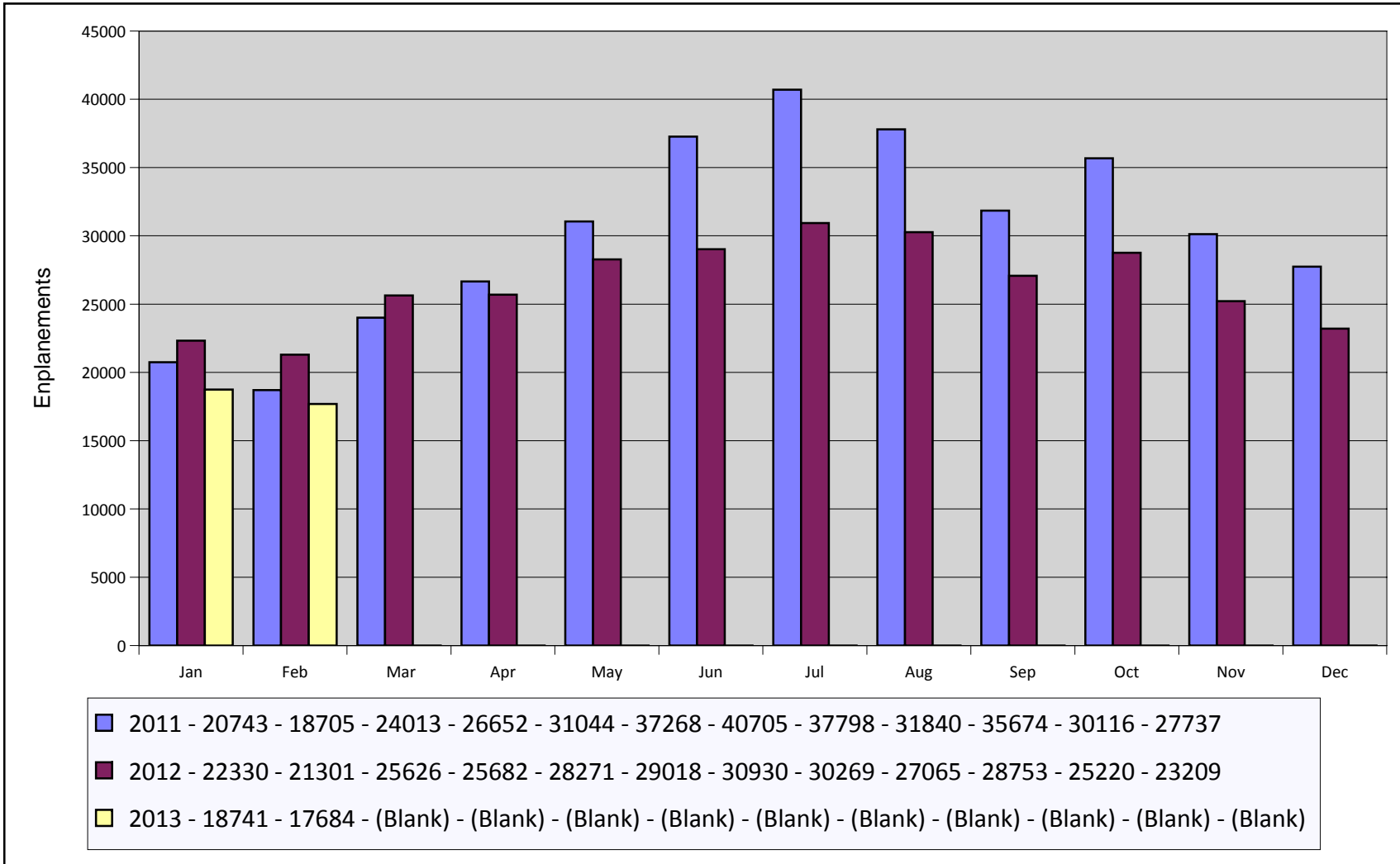
	Feb 2013	Feb 2012	Percentage Change	*CYTD-2013	*CYTD-2012	Percentage Change
Totals						
Enplanements	17,684	21,301	-17.0%	36,519	43,631	-16.3%
Seats	29,580	31,561	-6.3%	61,911	65,304	-5.2%
Load Factor	59.8%	67.5%	-11.4%	59.0%	66.8%	-11.7%

Airline Flight Completions Asheville Regional Airport February 2013

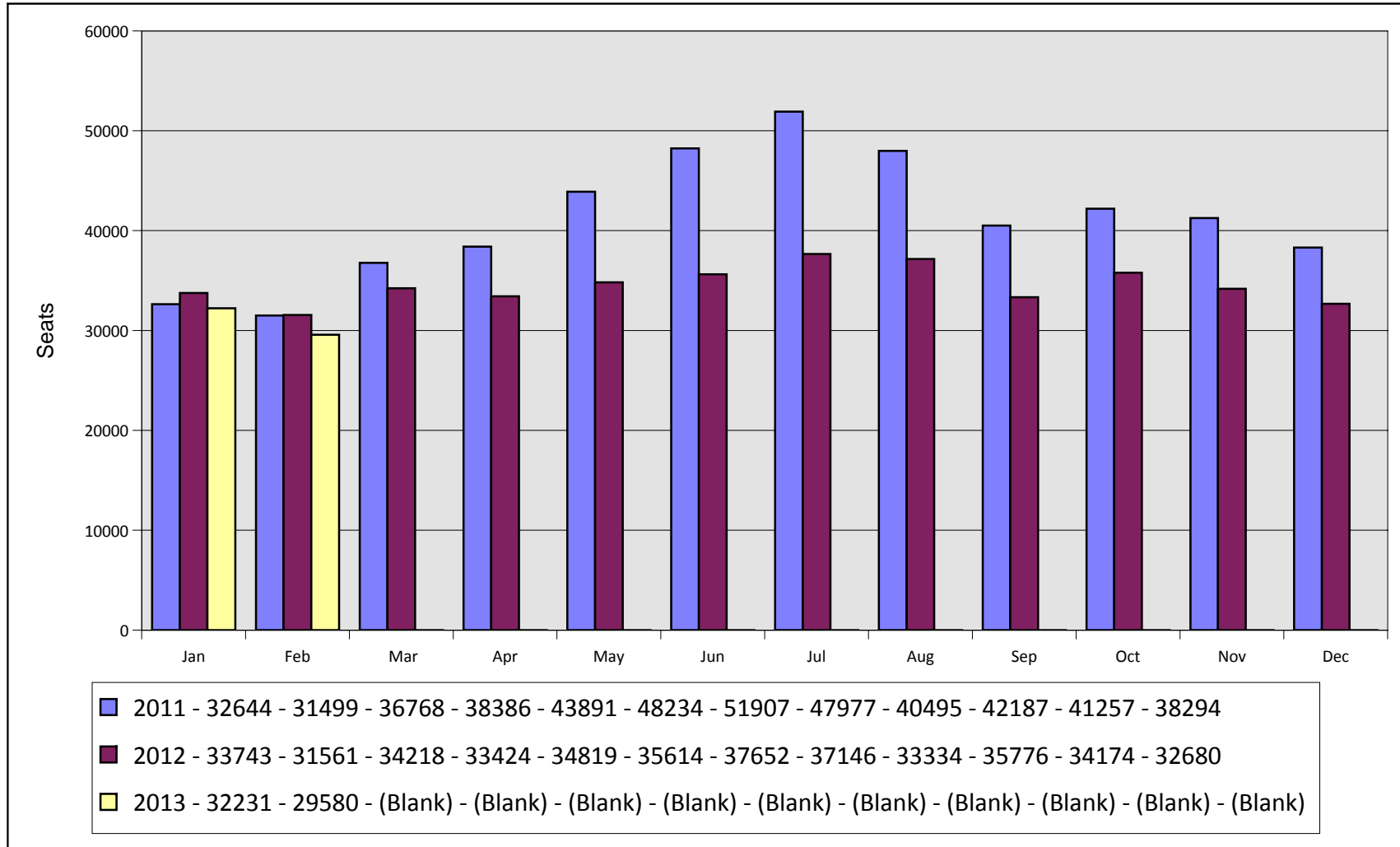


Airline	Scheduled Flights	Field	Cancellations Due To			Total Cancellations	Percentage of Completed
			Mechanical	Weather	Other		
Allegiant Air	15	0	0	0	0	0	100.0%
Delta Air Lines	213	0	0	3	0	3	98.6%
United Airlines	53	0	0	0	0	0	100.0%
US Airways	245	0	10	0	0	10	96.3%
Total	526	0	10	3	0	13	97.5%

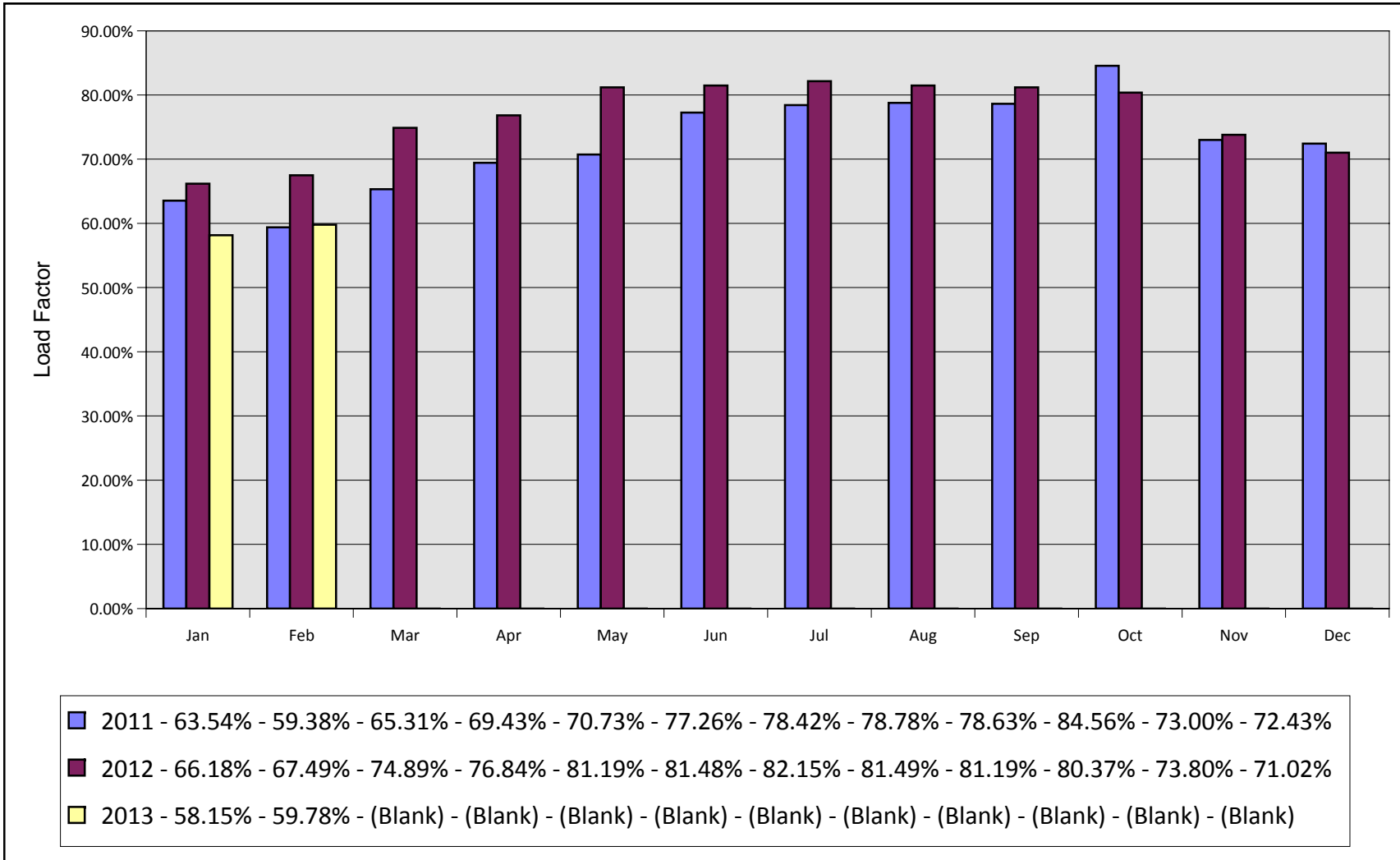
Monthly Enplanements By Year Asheville Regional Airport



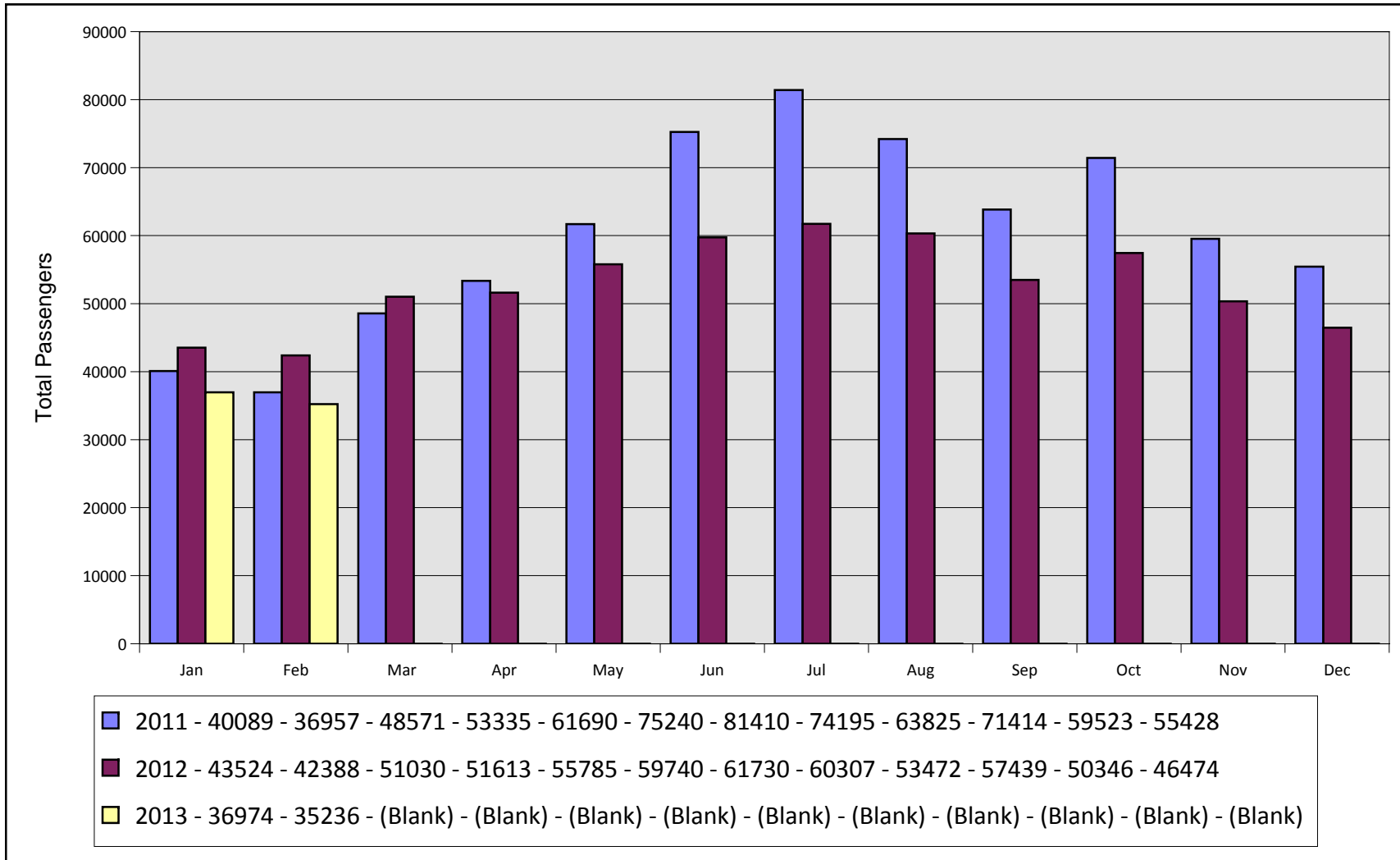
Monthly Seats By Year Asheville Regional Airport



Monthly Load Factors By Year Asheville Regional Airport

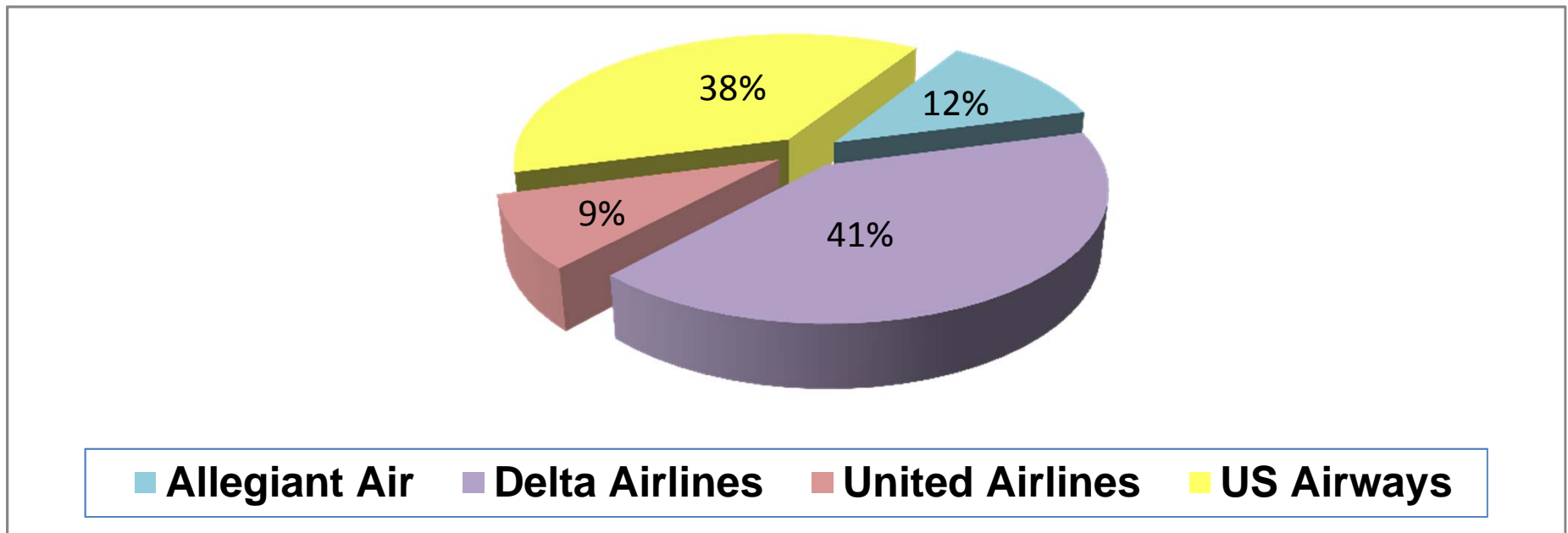


Total Monthly Passengers By Year Asheville Regional Airport

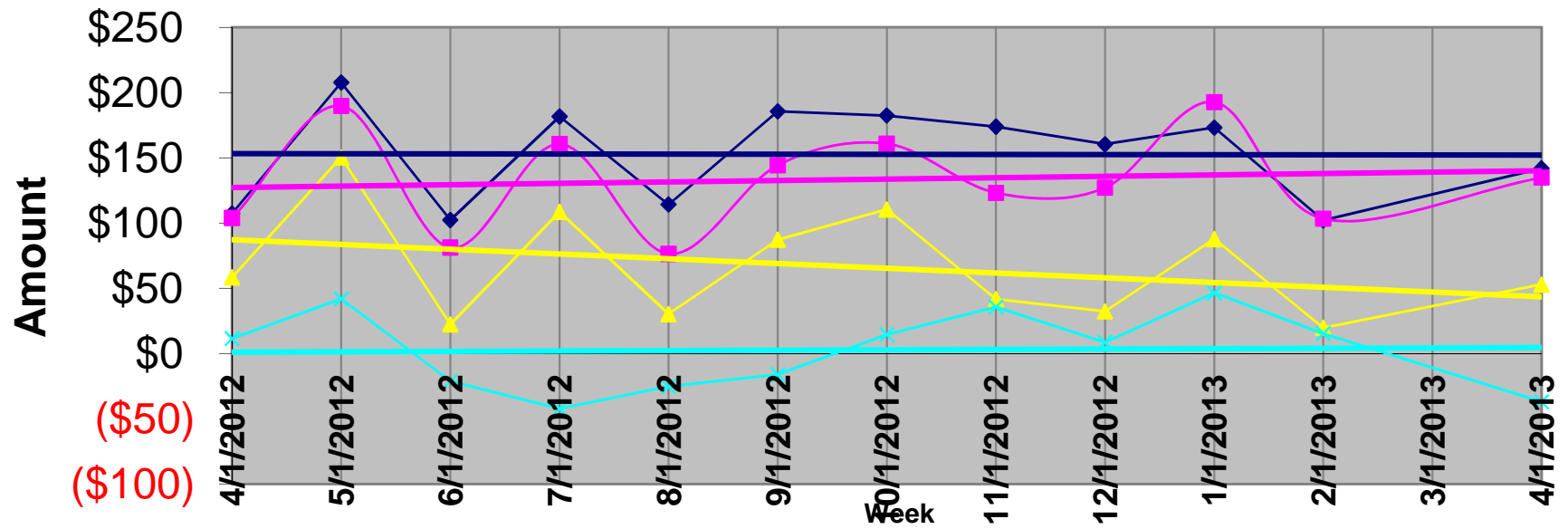


Airline Market Share Analysis (Enplanements) Asheville Regional Airport

Report Period From February 2013 Through February 2013



AVL Average Airfare Differences 21 Day Advance Purchase, 3 Day Stay



◆ ATL
 ■ CLT
 ▲ GSP
 × TRI
 — Linear (ATL)
 — Linear (CLT)
 — Linear (GSP)
 — Linear (TRI)

Asheville Regional Airport
Sample airfares as of 4/24/13
21 Day Advance Purchase, 3 day Stay

							<u>Difference in Fares</u>				
		<u>ASHEVILLE</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>	
ABQ	Albuquerque	\$644	\$454	\$358	\$495	\$759	\$190	\$286	\$149	(\$115)	
ATL	Atlanta	\$321		\$218	\$323	\$334	\$321	\$103	(\$2)	(\$13)	
AUS	Austin	\$479	\$353	\$330	\$480	\$553	\$126	\$149	(\$1)	(\$74)	
BWI	Baltimore	\$446	\$193	\$154	\$205	\$518	\$253	\$292	\$241	(\$72)	
BOS	Boston	\$482	\$331	\$178	\$412	\$542	\$151	\$304	\$70	(\$60)	
ORD	Chicago	\$278	\$165	\$308	\$262	\$359	\$113	(\$30)	\$16	(\$81)	
CVG	Cincinnati	\$396	\$405	\$581	\$437	\$533	(\$9)	(\$185)	(\$41)	(\$137)	
CLE	Cleveland	\$446	\$347	\$406	\$301	\$497	\$99	\$40	\$145	(\$51)	
DFW	Dallas	\$479	\$249	\$452	\$409	\$461	\$230	\$27	\$70	\$18	
DEN	Denver	\$516	\$217	\$296	\$452	\$498	\$299	\$220	\$64	\$18	
DTW	Detroit	\$459	\$321	\$391	\$405	\$464	\$138	\$68	\$54	(\$5)	
FLL	Fort Lauderdale	\$459	\$274	\$320	\$459	\$277	\$185	\$139	\$0	\$182	
RSW	Ft. Myers	\$459	\$274	\$314	\$565	\$277	\$185	\$145	(\$106)	\$182	
BDL	Hartford	\$456	\$377	\$302	\$414	\$525	\$79	\$154	\$42	(\$69)	
IAH	Houston	\$435	\$368	\$334	\$353	\$460	\$67	\$101	\$82	(\$25)	
IND	Indianapolis	\$448	\$309	\$282	\$476	\$497	\$139	\$166	(\$28)	(\$49)	
JAX	Jacksonville	\$446	\$274	\$260	\$513	\$517	\$172	\$186	(\$67)	(\$71)	
MCI	Kansas City	\$479	\$343	\$297	\$441	\$415	\$136	\$182	\$38	\$64	
LAS	Las Vegas	\$586	\$379	\$455	\$524	\$669	\$207	\$131	\$62	(\$83)	
LAX	Los Angeles	\$613	\$399	\$520	\$620	\$601	\$214	\$93	(\$7)	\$12	
MHT	Manchester	\$496	\$387	\$253	\$433	\$556	\$109	\$243	\$63	(\$60)	
MEM	Memphis	\$483	\$253	\$445	\$460	\$443	\$230	\$38	\$23	\$40	
MIA	Miami	\$459	\$274	\$335	\$437	\$294	\$185	\$124	\$22	\$165	
MKE	Milwaukee	\$459	\$366	\$302	\$397	\$525	\$93	\$157	\$62	(\$66)	
MSP	Minneapolis/Saint Pau	\$437	\$315	\$458	\$413	\$495	\$122	(\$21)	\$24	(\$58)	
BNA	Nashville	\$415	\$377	\$298	\$231	\$506	\$38	\$117	\$184	(\$91)	
MSY	New Orleans	\$459	\$265	\$297	\$398	\$525	\$194	\$162	\$61	(\$66)	

LGA	New York	\$391	\$273	\$214	\$328	\$431	\$118	\$177	\$63	(\$40)
EWR	Newark	\$392	\$316	\$418	\$347	\$535	\$76	(\$26)	\$45	(\$143)
MCO	Orlando	\$466	\$155	\$154	\$211	\$277	\$311	\$312	\$255	\$189
PHL	Philadelphia	\$379	\$393	\$330	\$303	\$497	(\$14)	\$49	\$76	(\$118)
PHX	Phoenix	\$586	\$411	\$442	\$479	\$666	\$175	\$144	\$107	(\$80)
PIT	Pittsburgh	\$446	\$274	\$259	\$401	\$497	\$172	\$187	\$45	(\$51)
PDX	Portland	\$596	\$585	\$503	\$648	\$700	\$11	\$93	(\$52)	(\$104)
PVD	Providence	\$476	\$350	\$198	\$433	\$525	\$126	\$278	\$43	(\$49)
RDU	Raleigh/Durham	\$399	\$229	\$331	\$384	\$514	\$170	\$68	\$15	(\$115)
RIC	Richmond	\$446	\$304	\$292	\$399	\$497	\$142	\$154	\$47	(\$51)
STL	Saint Louis	\$449	\$339	\$302	\$421	\$497	\$110	\$147	\$28	(\$48)
SLC	Salt Lake City	\$593	\$523	\$490	\$568	\$743	\$70	\$103	\$25	(\$150)
SAT	San Antonio	\$479	\$335	\$310	\$432	\$553	\$144	\$169	\$47	(\$74)
SAN	San Diego	\$569	\$533	\$464	\$535	\$673	\$36	\$105	\$34	(\$104)
SFO	San Francisco	\$669	\$481	\$511	\$610	\$714	\$188	\$158	\$59	(\$45)
SRQ	Sarasota/Bradenton	\$459	\$317	\$314	\$439	\$545	\$142	\$145	\$20	(\$86)
SEA	Seattle	\$665	\$513	\$540	\$629	\$710	\$152	\$125	\$36	(\$45)
SYR	Syracuse	\$462	\$390	\$268	\$467	\$530	\$72	\$194	(\$5)	(\$68)
TPA	Tampa	\$423	\$288	\$296	\$319	\$428	\$135	\$127	\$104	(\$5)
YYZ	Toronto	\$576	\$580	\$508	\$510	\$639	(\$4)	\$68	\$66	(\$63)
DCA	Washington DC	\$466	\$304	\$234	\$269	\$497	\$162	\$232	\$197	(\$31)
IAD	Washington DC	\$448	\$331	\$234	\$215	\$497	\$117	\$214	\$233	(\$49)
PBI	West Palm Beach	\$459	\$243	\$330	\$521	\$411	\$216	\$129	(\$62)	\$48

*These sample airfares were available 4/24/13, based on a 21 day advance purchase and a 3 day stay. Other restrictions may apply. To obtain the most up-to-date pricing information for your travel needs, please contact your travel agent or visit the following web sites: www.aa.com; www.airtran.com; www.continental.com; www.delta.com; www.united.com; www.usairways.com; www.travelocity.com; www.orbitz.com; or www.expedia.com. Airfares are subject to change without notice - and lower airfares are often not available on all dates. Please see our "special airfares" section on our web site for any last minute airfare specials. Sample airfares will be updated each Tuesday.

\$142 \$135 \$53 (\$37)

Average Fare difference

Blue highlighted numbers represent fare differentials in excess of \$35 for GSP, \$70 for CLT, \$100 for ATL, and \$35 for TRI.

Asheville Regional Airport
Sample airfares as of 4/24/13
0 Day Advance Purchase, 3 day Stay

							<u>Difference in Fares</u>				
		<u>ASHEVILLE</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>	
ABQ	Albuquerque	\$649	\$633	\$737	\$974	\$1,097	\$16	(\$88)	(\$325)	(\$448)	
ATL	Atlanta	\$481		\$789	\$439	\$562	\$481	(\$308)	\$42	(\$81)	
AUS	Austin	\$626	\$560	\$407	\$855	\$870	\$66	\$219	(\$229)	(\$244)	
BWI	Baltimore	\$536	\$430	\$256	\$307	\$720	\$106	\$280	\$229	(\$184)	
BOS	Boston	\$695	\$537	\$328	\$756	\$878	\$158	\$367	(\$61)	(\$183)	
ORD	Chicago	\$492	\$510	\$615	\$493	\$724	(\$18)	(\$123)	(\$1)	(\$232)	
CVG	Cincinnati	\$438	\$612	\$752	\$540	\$592	(\$174)	(\$314)	(\$102)	(\$154)	
CLE	Cleveland	\$536	\$486	\$803	\$398	\$908	\$50	(\$267)	\$138	(\$372)	
DFW	Dallas	\$626	\$582	\$863	\$536	\$918	\$44	(\$237)	\$90	(\$292)	
DEN	Denver	\$646	\$483	\$446	\$872	\$906	\$163	\$200	(\$226)	(\$260)	
DTW	Detroit	\$658	\$480	\$642	\$654	\$648	\$178	\$16	\$4	\$10	
FLL	Fort Lauderdale	\$596	\$324	\$406	\$676	\$966	\$272	\$190	(\$80)	(\$370)	
RSW	Ft. Myers	\$596	\$386	\$390	\$696	\$950	\$210	\$206	(\$100)	(\$354)	
BDL	Hartford	\$1,109	\$1,016	\$937	\$1,262	\$1,140	\$93	\$172	(\$153)	(\$31)	
IAH	Houston	\$619	\$465	\$913	\$394	\$917	\$154	(\$294)	\$225	(\$298)	
IND	Indianapolis	\$536	\$414	\$334	\$670	\$794	\$122	\$202	(\$134)	(\$258)	
JAX	Jacksonville	\$536	\$300	\$368	\$890	\$878	\$236	\$168	(\$354)	(\$342)	
MCI	Kansas City	\$626	\$468	\$324	\$776	\$811	\$158	\$302	(\$150)	(\$185)	
LAS	Las Vegas	\$773	\$601	\$462	\$1,044	\$1,086	\$172	\$311	(\$271)	(\$313)	
LAX	Los Angeles	\$926	\$645	\$466	\$1,079	\$987	\$281	\$460	(\$153)	(\$61)	
MHT	Manchester	\$626	\$433	\$388	\$756	\$840	\$193	\$238	(\$130)	(\$214)	
MEM	Memphis	\$720	\$496	\$961	\$695	\$723	\$224	(\$241)	\$25	(\$3)	
MIA	Miami	\$596	\$340	\$668	\$644	\$980	\$256	(\$72)	(\$48)	(\$384)	
MKE	Milwaukee	\$599	\$456	\$354	\$766	\$814	\$143	\$245	(\$167)	(\$215)	
MSP	Minneapolis/Saint Paul	\$889	\$675	\$921	\$847	\$849	\$214	(\$32)	\$42	\$40	
BNA	Nashville	\$435	\$479	\$355	\$395	\$917	(\$44)	\$80	\$40	(\$482)	
MSY	New Orleans	\$596	\$430	\$369	\$656	\$836	\$166	\$227	(\$60)	(\$240)	

LGA	New York	\$410	\$464	\$488	\$415	\$810	(\$54)	(\$78)	(\$5)	(\$400)
EWR	Newark	\$369	\$487	\$778	\$514	\$936	(\$118)	(\$409)	(\$145)	(\$567)
MCO	Orlando	\$536	\$394	\$247	\$343	\$868	\$142	\$289	\$193	(\$332)
PHL	Philadelphia	\$596	\$681	\$346	\$369	\$908	(\$85)	\$250	\$227	(\$312)
PHX	Phoenix	\$786	\$719	\$468	\$1,064	\$1,096	\$67	\$318	(\$278)	(\$310)
PIT	Pittsburgh	\$536	\$493	\$362	\$560	\$865	\$43	\$174	(\$24)	(\$329)
PDX	Portland	\$810	\$900	\$496	\$1,015	\$1,080	(\$90)	\$314	(\$205)	(\$270)
PVD	Providence	\$806	\$638	\$576	\$882	\$996	\$168	\$230	(\$76)	(\$190)
RDU	Raleigh/Durham	\$436	\$362	\$382	\$682	\$908	\$74	\$54	(\$246)	(\$472)
RIC	Richmond	\$536	\$426	\$360	\$665	\$818	\$110	\$176	(\$129)	(\$282)
STL	Saint Louis	\$536	\$452	\$354	\$596	\$814	\$84	\$182	(\$60)	(\$278)
SLC	Salt Lake City	\$790	\$667	\$669	\$1,014	\$944	\$123	\$121	(\$224)	(\$154)
SAT	San Antonio	\$626	\$493	\$392	\$828	\$852	\$133	\$234	(\$202)	(\$226)
SAN	San Diego	\$778	\$588	\$302	\$1,014	\$1,117	\$190	\$476	(\$236)	(\$339)
SFO	San Francisco	\$1,004	\$585	\$466	\$1,008	\$1,008	\$419	\$538	(\$4)	(\$4)
SRQ	Sarasota/Bradenton	\$596	\$465	\$390	\$656	\$950	\$131	\$206	(\$60)	(\$354)
SEA	Seattle	\$806	\$663	\$506	\$976	\$966	\$143	\$300	(\$170)	(\$160)
SYR	Syracuse	\$596	\$561	\$388	\$812	\$816	\$35	\$208	(\$216)	(\$220)
TPA	Tampa	\$600	\$441	\$296	\$596	\$782	\$159	\$304	\$4	(\$182)
YYZ	Toronto	\$1,012	\$873	\$911	\$773	\$1,021	\$139	\$101	\$239	(\$9)
DCA	Washington DC	\$536	\$486	\$751	\$485	\$908	\$50	(\$215)	\$51	(\$372)
IAD	Washington DC	\$536	\$419	\$762	\$485	\$908	\$117	(\$226)	\$51	(\$372)
PBI	West Palm Beach	\$596	\$262	\$406	\$726	\$934	\$334	\$190	(\$130)	(\$338)

\$125 \$113 (\$71) (\$252)

Average Fare difference

*These sample airfares were available 4/24/13, based on a 0 day advance purchase and a 3 day stay. Other restrictions may apply. To obtain the most up-to-date pricing information for your travel needs, please contact your travel agent or visit the following web sites: www.aa.com; www.airtran.com; www.continental.com; www.delta.com; www.united.com; www.usairways.com; www.travelocity.com; www.orbitz.com; or www.expedia.com. Airfares are subject to change without notice - and lower airfares are often not available on all dates. Please see our "special airfares" section on our web site for any last minute airfare specials. Sample airfares will be updated each Tuesday.

Blue highlighted numbers represent fare differentials in excess of \$35 for GSP, \$70 for CLT, \$100 for ATL, and \$35 for TRI.

Schedule Weekly Summary Enhanced Report for travel April 2013 vs. April 2012

Mktg Al	Travel Period			Apr 2013		Apr 2012		Diff		Percent Diff	
	Org	Dst	Miles	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats
DL	ATL	AVL	164	53	3,189	55	2,750	(2)	439	(3.6%)	16.0%
DL	AVL	ATL	164	53	3,189	55	2,750	(2)	439	(3.6%)	16.0%
DL	AVL	DTW	470	7	350	7	350	0	0	0.0%	0.0%
DL	AVL	LGA	599	7	350	0	0	7	350		
DL	DTW	AVL	470	7	350	7	350	0	0	0.0%	0.0%
DL	LGA	AVL	599	7	350	0	0	7	350		
G4	AVL	FLL	660	2	332	0	0	2	332		
G4	AVL	SFB	465	2	332	2	300	0	32	0.0%	10.7%
G4	FLL	AVL	660	2	332	0	0	2	332		
G4	SFB	AVL	465	2	332	2	300	0	32	0.0%	10.7%
UA	AVL	EWR	583	0	0	7	350	(7)	(350)	(100.0%)	(100.0%)
UA	AVL	IAH	834	0	0	7	350	(7)	(350)	(100.0%)	(100.0%)
UA	AVL	ORD	536	14	700	14	700	0	0	0.0%	0.0%
UA	EWR	AVL	583	0	0	7	350	(7)	(350)	(100.0%)	(100.0%)
UA	IAH	AVL	834	0	0	7	350	(7)	(350)	(100.0%)	(100.0%)
UA	ORD	AVL	536	14	700	14	700	0	0	0.0%	0.0%
US	AVL	CLT	92	62	3,176	57	3,065	5	111	8.8%	3.6%
US	AVL	PHL	503	0	0	1	50	(1)	(50)	(100.0%)	(100.0%)
US	CLT	AVL	92	62	3,176	57	3,065	5	111	8.8%	3.6%
US	PHL	AVL	503	0	0	1	50	(1)	(50)	(100.0%)	(100.0%)
TOTAL				294	16,858	300	15,830	(6)	1,028	(2.0%)	6.5%

Schedule Weekly Summary Enhanced Report for travel May 2013 vs. May 2012

Travel Period				May 2013		May 2012		Diff		Percent Diff	
Mktg Al	Orig	Dest	Miles	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats
DL	ATL	AVL	164	56	3,339	56	2,800	0	539	0.0%	19.2%
DL	AVL	ATL	164	56	3,339	56	2,800	0	539	0.0%	19.2%
DL	AVL	DTW	470	7	350	7	350	0	0	0.0%	0.0%
DL	AVL	LGA	599	7	350	0	0	7	350		
DL	DTW	AVL	470	7	350	7	350	0	0	0.0%	0.0%
DL	LGA	AVL	599	7	350	0	0	7	350		
G4	AVL	FLL	660	2	332	0	0	2	332		
G4	AVL	SFB	465	2	332	3	450	(1)	(118)	(33.3%)	(26.2%)
G4	FLL	AVL	660	2	332	0	0	2	332		
G4	SFB	AVL	465	2	332	3	450	(1)	(118)	(33.3%)	(26.2%)
UA	AVL	EWR	583	7	350	7	350	0	0	0.0%	0.0%
UA	AVL	IAH	834	0	0	7	350	(7)	(350)	(100.0%)	(100.0%)
UA	AVL	ORD	536	14	700	14	700	0	0	0.0%	0.0%
UA	EWR	AVL	583	7	350	7	350	0	0	0.0%	0.0%
UA	IAH	AVL	834	0	0	7	350	(7)	(350)	(100.0%)	(100.0%)
UA	ORD	AVL	536	14	700	14	700	0	0	0.0%	0.0%
US	AVL	CLT	92	63	3,239	57	3,177	6	62	10.5%	2.0%
US	AVL	PHL	503	0	0	1	50	(1)	(50)	(100.0%)	(100.0%)
US	CLT	AVL	92	63	3,239	57	3,177	6	62	10.5%	2.0%
US	PHL	AVL	503	0	0	1	50	(1)	(50)	(100.0%)	(100.0%)
TOTAL				316	17,984	304	16,454	12	1,530	3.9%	9.3%

Schedule Weekly Summary Enhanced Report for travel June 2013 vs. June 2012

Travel Period				Jun 2013		Jun 2012		Diff		Percent Diff	
Mktg Al	Orig	Dest	Miles	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats
DL	ATL	AVL	164	62	3,520	59	2,950	3	570	5.1%	19.3%
DL	AVL	ATL	164	62	3,590	59	2,950	3	640	5.1%	21.7%
DL	AVL	DTW	470	14	700	14	700	0	0	0.0%	0.0%
DL	AVL	LGA	599	7	350	0	0	7	350		
DL	DTW	AVL	470	14	700	14	700	0	0	0.0%	0.0%
DL	LGA	AVL	599	7	350	0	0	7	350		
G4	AVL	FLL	660	3	498	0	0	3	498		
G4	AVL	PIE	518	2	332	0	0	2	332		
G4	AVL	SFB	465	3	498	2	300	1	198	50.0%	66.0%
G4	FLL	AVL	660	2	332	0	0	2	332		
G4	PIE	AVL	518	2	332	0	0	2	332		
G4	SFB	AVL	465	3	498	2	300	1	198	50.0%	66.0%
UA	AVL	EWR	583	9	450	7	350	2	100	28.6%	28.6%
UA	AVL	IAH	834	0	0	7	350	(7)	(350)	(100.0%)	(100.0%)
UA	AVL	ORD	536	16	800	16	800	0	0	0.0%	0.0%
UA	EWR	AVL	583	9	450	7	350	2	100	28.6%	28.6%
UA	IAH	AVL	834	0	0	7	350	(7)	(350)	(100.0%)	(100.0%)
UA	ORD	AVL	536	16	800	16	800	0	0	0.0%	0.0%
US	AVL	CLT	92	63	3,477	57	2,973	6	504	10.5%	17.0%
US	AVL	DCA	384	0	0	1	50	(1)	(50)	(100.0%)	(100.0%)
US	AVL	PHL	503	0	0	1	50	(1)	(50)	(100.0%)	(100.0%)
US	CLT	AVL	92	63	3,477	57	2,973	6	504	10.5%	17.0%
US	DCA	AVL	384	0	0	1	50	(1)	(50)	(100.0%)	(100.0%)
US	PHL	AVL	503	0	0	1	50	(1)	(50)	(100.0%)	(100.0%)
TOTAL				357	21,154	328	17,046	29	4,108	8.8%	24.1%



MEMORANDUM

TO: Members of the Airport Authority

FROM: Vickie Thomas, Director of Finance & Accounting

DATE: April 26, 2013

ITEM DESCRIPTION – Information Section Item B

Asheville Regional Airport – Explanation of Extraordinary Variances
Month of February, 2013 (Month 8 of FY-2013)

SUMMARY

Operating Revenues for the month of February were \$614,207, 2.76% under budget. Operating Expenses for the month were \$484,583, 24.88% under budget. As a result, Net Operating Revenues before Depreciation were \$143,048 over budget. Net Non-Operating Revenues were \$117,676, 12.45% over budget.

Year-to-date Operating Revenues were \$5,546,446, .28% over budget. Year-to-date Operating Expenses were \$4,141,646, 18.56% below budget. Year-to-date Net Operating Revenues before Depreciation were \$959,361 over budget. Net Non-Operating Revenues for the year were \$1,333,123, 7.12% over budget.

REVENUES

Significant variations to budget for February were:

Auto Parking	(\$16,049)	(8.59%)	Enplanements under budget.
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EXPENSES

Significant variations to budget for February were:

Personnel Services	(\$23,447)	(7.27%)	2 vacant positions.
Repairs & Maintenance	\$10,357	57.62%	Timing of Repairs & Maintenance spending.
Operating Supplies	(\$65,277)	(90.21%)	No deicing chemicals since no snow.
Business Development	(\$42,000)	(100.00%)	No Allegiant Ft Lauderdale service advertising.

Information Section – Item B



STATEMENT OF NET ASSETS

Significant variations to prior month were:

Property and Equipment, Net – Property and Equipment, Net decreased by \$431k due to the current month's depreciation.

**ASHEVILLE REGIONAL AIRPORT
INVESTMENT AND INTEREST INCOME SUMMARY
As of February 28, 2013**

<u>Institution:</u>	<u>Interest Rate</u>	<u>Investment Amount</u>	<u>Monthly Interest</u>
Bank of America - Operating Account	0.25%	\$ 4,537,493	692
Bank of America - PFC Revenue Account	0.25%	1,065,225	158
First Citizens - Money Market Account	0.25%	6,375,945	978
NC Capital Management Trust - Cash Portfolio		17,168	1
NC Capital Management Trust - Term Portfolio		3,005,982	283
Petty Cash		200	
 <u>Restricted Cash:</u>			
Wells Fargo - CFC Revenue Account	0.00%	170,769	0
 Total		<u><u>\$ 15,172,782</u></u>	<u><u>\$ 2,112</u></u>

Investment Diversification:

Banks	80%
NC Capital Management Trust	20%
Commercial Paper	0%
Federal Agencies	0%
US Treasuries	0%
	<u><u>100%</u></u>

**ASHEVILLE REGIONAL AIRPORT
STATEMENT OF CHANGES IN FINANCIAL POSITION
For the Month Ended February 28, 2013**

	Current Month	Prior Period
Cash and Investments Beginning of Period	\$ 15,065,512	\$ 15,097,257
Net Income/(Loss) Before Capital Contributions	(183,811)	(217,705)
Depreciation	431,111	431,111
Decrease/(Increase) in Receivables	1,196	(9,550)
Increase/(Decrease) in Payables	(62,877)	(175,143)
Decrease/(Increase) in Prepaid Expenses	19,238	19,238
Decrease/(Increase) in Long Term Assets	(133,129)	(127,002)
Principal Payments of Bond Maturities	(38,758)	(38,571)
Contributed Capital	74,300	85,877
Increase(Decrease) in Cash	107,270	(31,745)
Cash and Investments End of Period	\$ 15,172,782	\$ 15,065,512

Asheville Regional Airport
Detailed Statement of Revenue, Expenses and Changes in Net Assets

For the Month Ending February 28, 2013

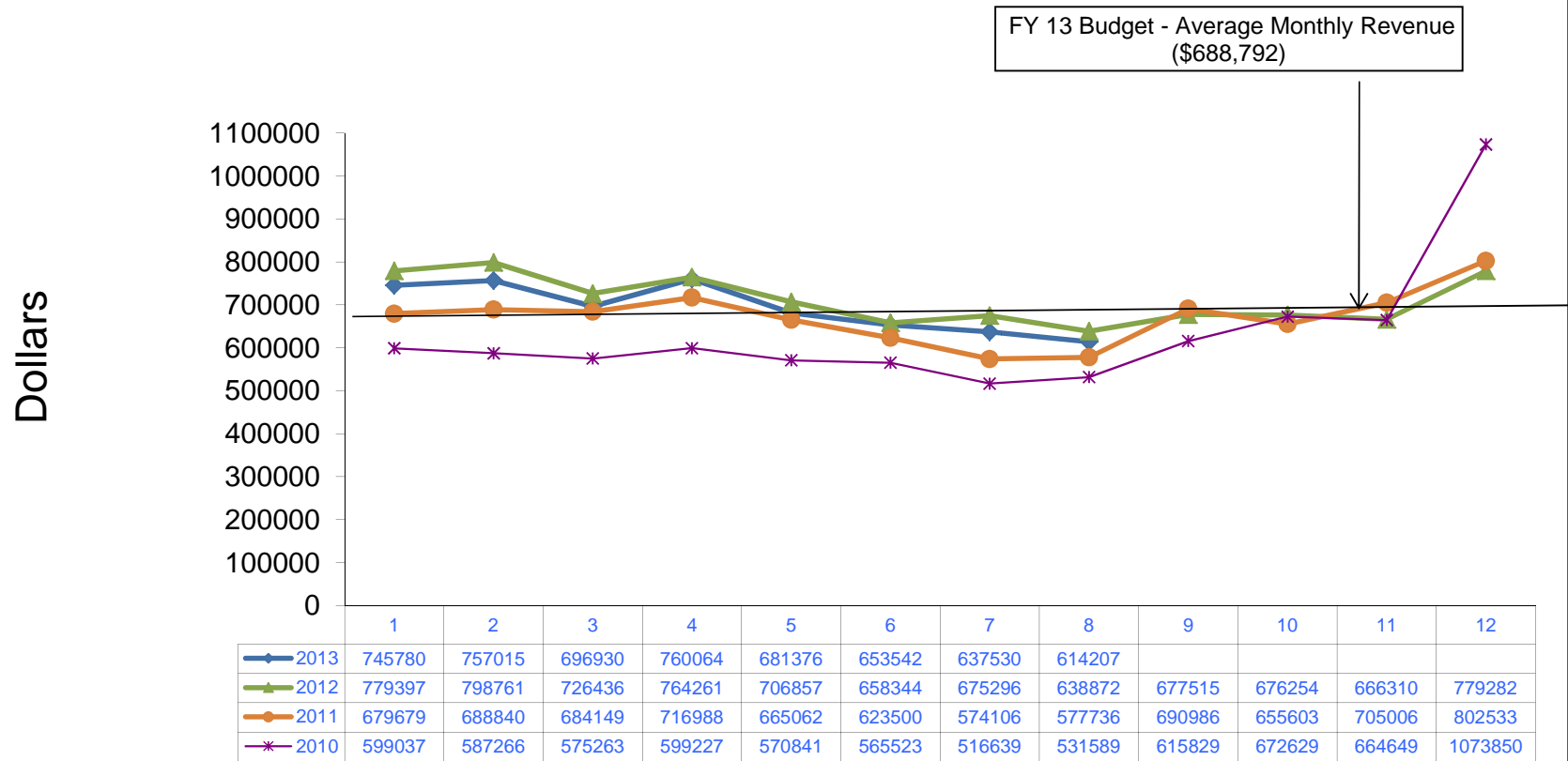
	February Actual	February Budget	Variance \$	Variance %	YTD Actual	YTD Budget	Variance \$	Variance %	Annual Budget
Operating Revenue:									
Terminal Space Rentals - Non Airline	\$17,554	\$17,554	\$0	0.00%	\$139,539	\$139,534	\$5	0.00%	\$209,756
Terminal Space Rentals - Airline	81,458	90,071	(8,613)	(9.56%)	845,668	868,288	(22,620)	(2.61%)	1,290,000
Concessions	13,837	13,420	417	3.11%	130,881	126,147	4,734	3.75%	189,975
Auto Parking	170,712	186,761	(16,049)	(8.59%)	1,623,734	1,620,867	2,867	0.18%	2,415,800
Rental Car - Car Rentals	120,855	112,403	8,452	7.52%	973,894	906,667	67,227	7.41%	1,356,230
Rental Car - Facility Rent	48,633	47,957	676	1.41%	383,028	371,330	11,698	3.15%	558,145
Commercial Ground Transportation	707	-	707	100.00%	21,047	15,000	6,047	40.31%	32,000
Landing Fees	39,314	40,771	(1,457)	(3.57%)	367,784	402,151	(34,367)	(8.55%)	617,000
FBO'S/SASO'S	79,477	77,866	1,611	2.07%	646,087	642,510	3,577	0.56%	961,840
Building Leases	10,554	11,668	(1,114)	(9.55%)	84,618	93,344	(8,726)	(9.35%)	140,017
Land Leases	2,090	2,060	30	1.46%	16,661	16,480	181	1.10%	24,716
Other Leases/Fees	29,016	31,096	(2,080)	(6.69%)	313,505	328,536	(15,031)	(4.58%)	470,022
Total Operating Revenue	\$614,207	\$631,627	(\$17,420)	(2.76%)	\$5,546,446	\$5,530,854	\$15,592	0.28%	\$8,265,501
Operating Expenses:									
Personnel Services	\$299,218	\$322,665	(\$23,447)	(7.27%)	\$2,561,883	\$2,703,693	(\$141,810)	(5.25%)	\$4,129,995
Professional Services	5,944	14,225	(8,281)	(58.21%)	53,772	166,097	(112,325)	(67.63%)	236,400
Accounting & Auditing	-	-	-	100.00%	6,200	6,200	-	0.00%	15,000
Other Contractual Services	53,935	57,370	(3,435)	(5.99%)	430,228	486,939	(56,711)	(11.65%)	722,408
Travel & Training	15,573	12,977	2,596	20.00%	74,817	108,724	(33,907)	(31.19%)	187,240
Communications & Freight	5,539	6,275	(736)	(11.73%)	44,273	48,197	(3,924)	(8.14%)	72,348
Utility Services	36,783	45,411	(8,628)	(19.00%)	243,221	310,464	(67,243)	(21.66%)	453,509
Rentals & Leases	1,461	1,068	393	36.80%	9,231	9,644	(413)	(4.28%)	15,020
Insurance	17,436	16,778	658	3.92%	129,369	134,224	(4,855)	(3.62%)	201,308
Repairs & Maintenance	28,331	17,974	10,357	57.62%	236,864	322,250	(85,386)	(26.50%)	389,400
Advertising, Printing & Binding	133	7,742	(7,609)	(98.28%)	71,470	125,211	(53,741)	(42.92%)	200,692
Promotional Activities	6,695	3,685	3,010	81.68%	68,665	84,160	(15,495)	(18.41%)	103,100
Other Current Charges & Obligations	4,669	6,340	(1,671)	(26.36%)	43,755	56,273	(12,518)	(22.25%)	82,680
Office Supplies	573	1,015	(442)	(43.55%)	5,365	8,117	(2,752)	(33.90%)	12,175
Operating Supplies	7,082	72,359	(65,277)	(90.21%)	90,162	281,971	(191,809)	(68.02%)	372,618
Books, Publications, Subscriptions & Meml	1,207	1,667	(460)	(27.59%)	27,196	25,501	1,695	6.65%	41,435
Contingency	0	5,500	(5,500)	(100.00%)	0	20,000	(20,000)	(100.00%)	209,332
Emergency Repair	4	10,000	(9,996)	(99.96%)	41,425	60,000	(18,575)	(30.96%)	100,000
Business Development	-	42,000	(42,000)	(100.00%)	3,750	127,750	(124,000)	(97.06%)	300,000
Total Operating Expenses	\$484,583	\$645,051	(\$160,468)	(24.88%)	\$4,141,646	\$5,085,415	(\$943,769)	(18.56%)	\$7,844,660

Operating Revenue before Depreciation	\$129,624	(\$13,424)	\$143,048	(1,065.61%)	\$1,404,800	\$445,439	\$959,361	215.37%	\$420,841
Depreciation	431,111	-	431,111	100.00%	3,448,890	-	3,448,890	100.00%	-
Operating Income(Loss) Before Non-Operating Revenue and Expenses	(\$301,487)	(\$13,424)	(\$288,063)	2,145.88%	(\$2,044,090)	\$445,439	(\$2,489,529)	(558.89%)	\$420,841
Non-Operating Revenue and Expense									
Customer Facility Charges	\$55,118	\$47,173	\$7,945	16.84%	\$674,917	\$603,690	\$71,227	11.80%	\$ 900,000
Passenger Facility Charges	73,924	69,705	4,219	6.05%	747,991	743,772	4,219	0.57%	1,050,000
Interest Revenue	2,112	1,250	862	68.96%	23,197	10,000	13,197	131.97%	15,000
Interest Expense	(13,478)	(13,478)	-	0.00%	(112,982)	(112,982)	-	0.00%	(165,014)
Reimbursable Cost Revenues	7,390	29,167	(21,777)	(74.66%)	80,035	233,336	(153,301)	(65.70%)	350,000
Reimbursable Cost Expenses	(7,390)	(29,167)	21,777	(74.66%)	(80,035)	(233,336)	153,301	(65.70%)	(350,000)
Sale of Assets	0	0	-	0.00%	0	0	-	0.00%	
Non-Operating Revenue-Net	\$117,676	\$104,650	\$13,026	12.45%	\$1,333,123	\$1,244,480	\$88,643	7.12%	\$1,799,986
Income (Loss) Before Capital Contributions	(\$183,811)	\$91,226	(\$275,037)	(301.49%)	(\$710,967)	\$1,689,919	(\$2,400,886)	(142.07%)	\$2,220,827
Capital Contributions	\$74,300	\$0	\$74,300	100.00%	\$1,236,862	\$0	\$1,236,862	100.00%	\$0
Increase in Net Assets	(\$109,511)	\$91,226	(\$200,737)	(220.04%)	\$525,895	\$1,689,919	(\$1,164,024)	(68.88%)	\$2,220,827

ASHEVILLE REGIONAL AIRPORT
STATEMENT OF FINANCIAL POSITION
As of February 28, 2013

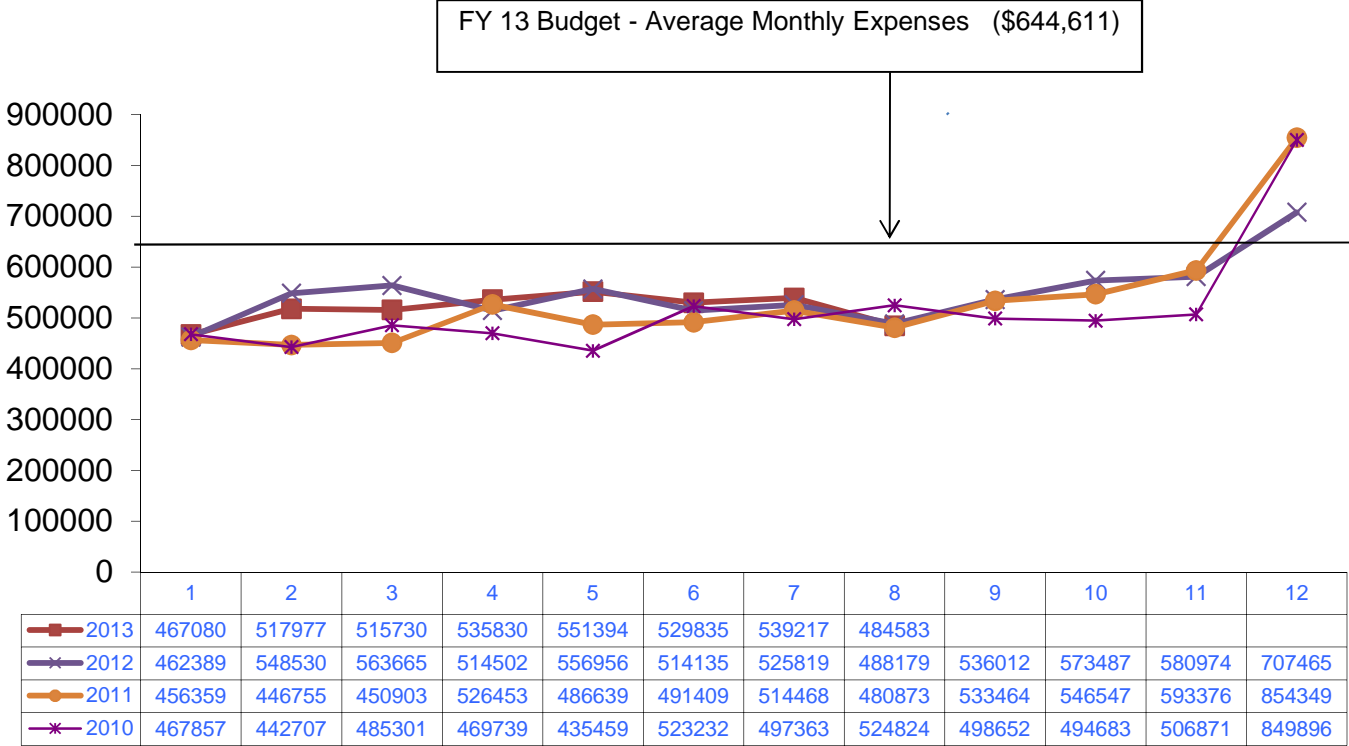
<u>ASSETS</u>	<u>Current Month</u>	<u>Last Month</u>
Current Assets:		
Unrestricted Net Assets:		
Cash and Cash Equivalents	\$15,002,013	\$14,629,971
Accounts Receivable	303,360	304,617
Passenger Facility Charges Receivable	151,000	151,000
Refundable Sales Tax Receivable	68,465	142,704
Grants Receivable	1,312,491	1,238,191
Prepaid Expenses	77,403	96,641
Total Unrestricted Assets	<u>16,914,732</u>	<u>16,563,124</u>
Restricted Assets:		
Cash and Cash Equivalents	170,769	435,541
Total Restricted Assets	<u>170,769</u>	<u>435,541</u>
 Total Current Assets	 <u>17,085,501</u>	 <u>16,998,665</u>
Noncurrent Assets:		
Construction in Progress	3,805,057	3,671,928
Property and Equipment - Net	62,517,454	62,948,565
Total Noncurrent Assets	<u>66,322,511</u>	<u>66,620,493</u>
	<u>\$83,408,012</u>	<u>\$83,619,158</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Payable from Unrestricted Assets:		
Accounts Payable & Accrued Liabilities	\$506,139	\$485,872
Customer Deposits	1,675	1,675
Unearned Revenue	125,535	197,680
Construction Contract Retainages	0	11,000
Revenue Bond Payable - Current	479,939	477,634
Total Payable from Unrestricted Assets	<u>1,113,288</u>	<u>1,173,861</u>
 Total Current Liabilities	 <u>1,113,288</u>	 <u>1,173,861</u>
Noncurrent Liabilities:		
Other Postemployment Benefits	769,875	769,875
Compensated Absences	346,796	346,796
Net Pension Obligation-LEO Special Separation Allowance	(43,831)	(43,831)
Revenue Bond Payable - Noncurrent	2,274,597	2,315,659
Total Noncurrent Liabilities	<u>3,347,437</u>	<u>3,388,499</u>
 Total Liabilities	 <u>4,460,725</u>	 <u>4,562,360</u>
Net Assets:		
Invested in Capital Assets	63,567,975	63,827,200
Restricted	170,769	435,541
Unrestricted	15,208,543	14,794,057
Total Net Assets	<u>78,947,287</u>	<u>79,056,798</u>
	<u>\$83,408,012</u>	<u>\$83,619,158</u>

ASHEVILLE REGIONAL AIRPORT Annual Operating Revenue by Month February 2013



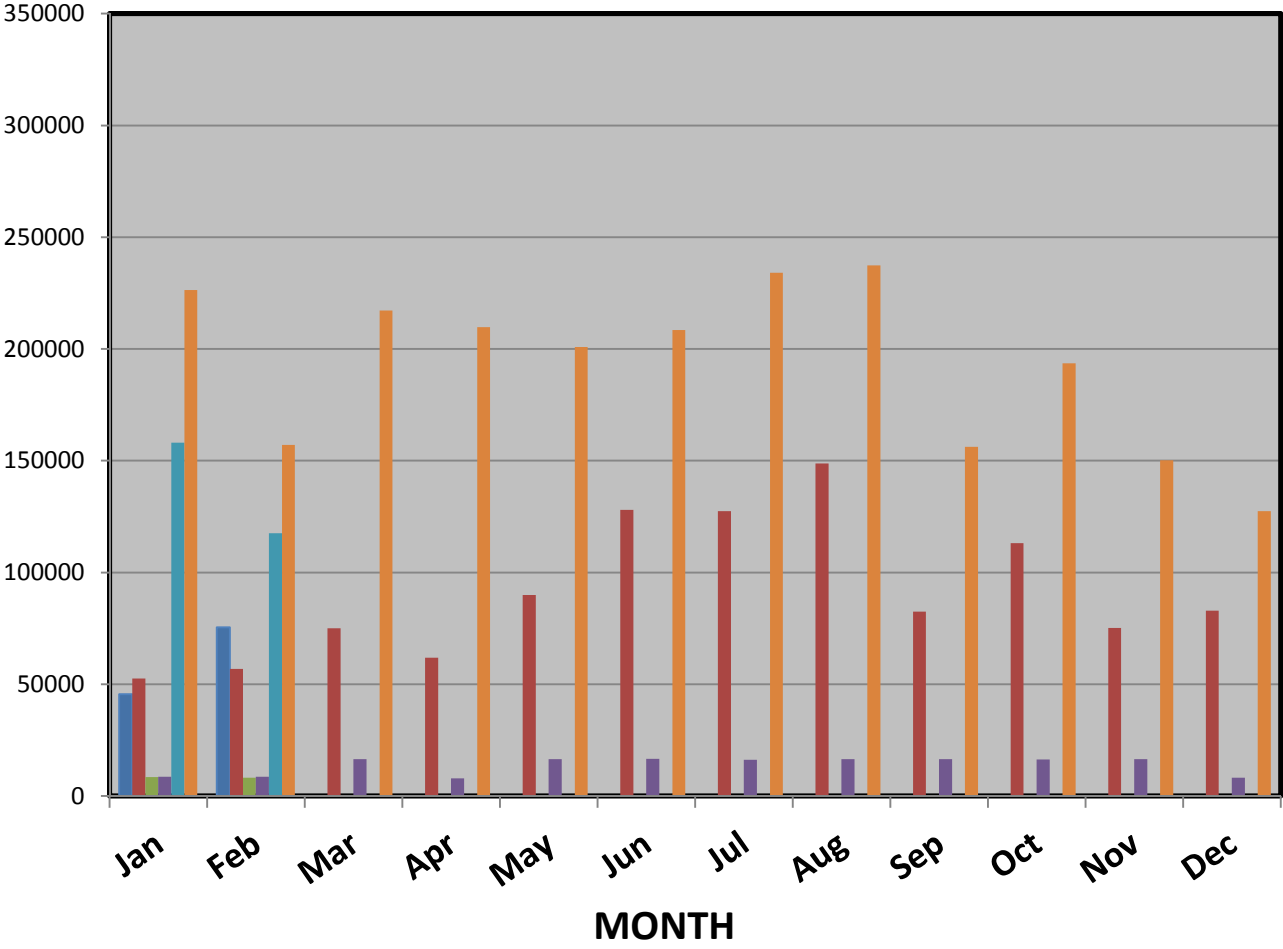
ASHEVILLE REGIONAL AIRPORT Annual Operating Expenses by Month February 2013

Dollars



ASHEVILLE REGIONAL AIRPORT FUEL SALES - GALLONS February 2013

G
A
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S



- Jet A - 2013
- Jet A - 2012
- 100LL - 2013
- 100LL - 2012
- Airline - 2013
- Airline - 2012

JetA 75,468 Gallons
100LL 8,228 Gallons
Airline 117,492 Gallons

**Asheville Regional Airport
Project Report - April 2013**

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 04/01/2013)	Percent of Original Contract	Board Approved Project Cost	Percent Complete	Expensed to Date (thru 04/01/2013)	Start Date	End Date	Current Project Status (as of 04/01/2013)
Planning Phase														
Design Phase														
1	Airport Master Plan	To update and bring current the plans for development and improvements to promote growth at the airport	Delta Airport Consultants	\$832,500.00	N/A	N/A	\$26,000.00	3.00%	\$858,500.00	94%	\$775,250.00	Sep-11	Mar-13	Completed ALP received to be forwarded to FAA for review. Final chapters are under review for approval.
2	ARFF Facility	Design and construct a new Aircraft Rescue and Firefighting Facility consisting of up to 5 vehicle bays; operations support; dispatch and communication office; training and living spaces.	LPA Group	\$541,409.00	N/A	N/A	\$0.00	0.00%	\$541,409.00	64%	\$338,090.00	Jun-12	Nov-12	Design work is completed. Remaining balance of work to be done is related with construction and project management.
3	Airfield Re-Development	Design and construct a parallel taxiway/temporary runway and relocate current runway 75 feet to the west of current location.	RS&H	\$447,983.00	N/A	N/A	\$0.00	0.00%	\$447,983.00	0%	\$0.00	Feb-13	Mar-14	LPA/Baker and AVCON have submitted their scope of work. Documents have been submitted to FAA for approval of fees.
Construction Phase														
1	Westside Phase 2	Construction for the Westside Project to level land utilizing engineered ash to fill and top with soil embankment/cap for future development.	AVCON	\$349,732.00	Charah	N/A	\$0.00	0.00%	\$349,732.00* <i>(project expenses are being reimbursed by Charah through a separate agreement)</i>	51%	\$184,705.00	Feb-11	Jan-14	Ash fill will continue weather permitting. Area 3 is in process of grub and clearing in North area.
3	ARFF Facility Construction	Construction of a new Aircraft Rescue Fire Fighting Building will be needed to add more sqare footage for growing staff and fire truck vehicle fleet.	LPA/BAKER		Goforth Builders Inc.	\$4,122,500.00	\$0.00	0.00%	\$4,534,750.00	0%	\$0.00	Mar-13	May-14	Construction permits are being processed and work is scheduled to begin once permits are received, approximately second week in April.

Amounts are based on invoices received and processed through Development.