



AGENDA

Asheville Regional Airport Authority Regular Meeting
Friday, September 12, 2008, 8:30 a.m.
Conference Room at Administrative Offices

*** NOTE TO ALL PUBLIC ATTENDEES:**

The public may speak on any item on the agenda. There are request cards located outside the public seating area. These cards must be completed and presented to the Recording Secretary prior to the item being heard. Your comments will be addressed prior to the Board's discussion and you will have 5 minutes to address the Board. Thank you for your attention.

I. CALL TO ORDER:

II. APPEARANCES: None

III. CONSENT AGENDA:

A. Approval of the Asheville Regional Airport Authority Meeting Minutes:

- i. August 8, 2008 Regular Meeting Minutes
- ii. August 8, 2008 Work Session Minutes

B. Approval of a Change Order to the Perry Bartsch Jr. Construction Co, Terminal Renovation and Expansion Construction Contract in the amount of \$68,437.00

C. Approval of a Change Order to the Perry Bartsch Jr. Construction Co, Terminal Renovation and Expansion Construction Contract in the amount of \$64,400.00

D. Award of Bid for the Purchase of Maintenance Vehicles to Ken Wilson Ford in the Amount of \$60,000.00

IV. PRESENTATIONS: None

V. OLD BUSINESS: None



VI. NEW BUSINESS:

- A. Award of the Construction Contract for the Aircraft Storage Hangar Project
– 168 Wright Brothers Way

VII. DIRECTOR'S REPORT: None

VIII. INFORMATION SECTION:

(Staff presentations will not be made on these items. Staff will be available to address any questions the Board may have.)

- A. July, 2008 Traffic Report
- B. July, 2008 Monthly Financial Report
- C. September, 2008 Marketing and Public Relations Report
- D. September, 2008 Development/Project Status Report
- E. Potential Board Items for the Next Regular Scheduled Meeting
 - Airport Director's Annual Review
 - Terminal Improvement Project Ribbon Cutting
 - Approval of Scope and Fee for Services to Conduct Preliminary Runway Condition Testing and Analysis
 - Approval of Scope and Fee for Design of the Roadway and Parking Lot Improvements
 - Approval of Scope and Fee for North General Aviation Development Area Consultant Services

IX. AUTHORITY MEMBERS REPORTS:

- A. Discussion of Airport Authority Smoking Policy

X. PUBLIC AND TENANT'S COMMENT:

XI. CLOSED SESSION: None



XII. ADJOURNMENT.

Respectfully submitted,

David N. Edwards, Jr., A.A.E.
Airport Director

Approved:

David Gantt
Vice-Chairman

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**REGULAR MEETING
ASHEVILLE REGIONAL AIRPORT AUTHORITY
August 8, 2008
8:30 AM**

The Asheville Regional Airport Authority ("Authority") met on Friday, August 8, 2008, at 8:30 AM in the Conference Room at the Authority's Administrative Offices, Asheville Regional Airport ("Airport"), 61 Terminal Drive, Suite 1, Fletcher, NC 28732.

MEMBERS PRESENT: David R. Hillier, Chairman; Rhett Grotzinger, Vice Chairman; James E. Ellis, Secretary/Treasurer; David Gantt, Brownie Newman, Jeff Piccirillo, Susan Fisher and Chuck McGrady (Ex-Officio Member)

MEMBERS ABSENT: None

STAFF AND LEGAL COUNSEL PRESENT: Victor Buchanan, Authority Legal Counsel; David N. Edwards, Jr., A.A.E., Airport Director ("Director"); Lew S. Bleiweis, Deputy Airport Director; D. David Nantz, Director of Operations and Maintenance; Kevin Howell, Development Manager; Royce Holden, IT Director, C. Jeffery Augram, Chief of Public Safety, Christy Brunson, Finance Manager, Suzie Baker, Administration Manager, Jen Trinque, Guest Service Coordinator and Debra Roman, Recording Secretary.

CALL TO ORDER: The Chairman welcomed everyone in attendance and called the meeting to order at 8:30 AM.

APPEARANCES: None

WELCOME AND SWEARING IN OF NEW BOARD MEMBER: The Chairman welcomed Mr. Piccirillo, who was appointed by the Buncombe County, to the Asheville Regional Airport Authority. Mr. Piccirillo was then sworn in by the Recording Secretary.

ELECTION OF AND SWEARING IN OF AT LARGE BOARD MEMBER: The Board elected Mr. Chuck McGrady as the new At-Large Board Member by a unanimous vote. Mr. McGrady was then sworn in by the Recording Secretary.

ELECTION AND SWEARING IN OF OFFICERS: Mrs. Fisher, Nominating Chairman, moved to elect Mr. Hillier as Chairman, Mr. Gantt as Vice-Chairman and Mr. McGrady as Secretary/Treasurer. Mr. Newman seconded the motion, and it carried by a unanimous vote. Messer's. Hillier, Gantt and McGrady were sworn in as officers by the Recording Secretary.

SERVICE RECOGNITION AWARDS: The Chairman read a Resolution of Appreciation to James E. Ellis regarding his service to the Authority. The Chairman thanked Mr. Ellis for his years of dedication and service to the Authority. The Resolution read as follows:

Asheville Regional Airport Authority

~ Resolution ~

WHEREAS, the Asheville Regional Airport Authority was created by the City of Asheville and the County of Buncombe for the purpose of maintaining, operating, regulating and improving the Asheville Regional Airport; and

WHEREAS, the Asheville Regional Airport Authority appointed James E. Ellis as a Member of the Asheville Regional Airport Authority; and

WHEREAS, James E. Ellis served as a Board Member of the Asheville Regional Airport Authority from July 2000 through June 2008; and

WHEREAS, during his tenure the Authority focused on growth and development, and has strengthened its role and image in the community; and

WHEREAS, with his guidance, common sense, and good judgment the Authority continued to be successful and experienced positive growth and development; and

NOW, THEREFORE, BE IT RESOLVED that the Asheville Regional Airport Authority expresses its sincere thanks and gratitude for *James E. Ellis's* tireless and dedicated efforts in serving the needs of the Asheville Regional Airport Authority and the community.

Adopted this 8th day of August, 2008

David R. Hillier, Chairman

Mr. Ellis stated that he was grateful for the opportunity to serve the Asheville Regional Airport Authority and that although this Board had had some ups and downs it was a great Board. Mr. Ellis continued by stating that the Director had recruited a very professional Staff and had achieved great things. The Authority and the Public gave Mr. Ellis a standing ovation.

The Chairman stated that Mr. Mozian was not able to attend to receive his Service Recognition Award or Resolution. The Resolution read as follows:

Asheville Regional Airport Authority

~ Resolution ~

WHEREAS, the Asheville Regional Airport Authority was created by the City of Asheville and the County of Buncombe for the purpose of maintaining, operating, regulating and improving the Asheville Regional Airport; and

WHEREAS, the County of Buncombe appointed Gerard P. Mozian as a Member of the Asheville Regional Airport Authority; and

WHEREAS, Gerard P. Mozian served as a Board Member of the Asheville Regional Airport Authority from July 2004 through June 2008; and

WHEREAS, during his tenure the Authority focused on growth and development, and has strengthened its role and image in the community; and

WHEREAS, with his guidance, specifically his financial expertise, the Authority continued to be successful and experienced positive growth and development; and

NOW, THEREFORE, BE IT RESOLVED that the Asheville Regional Airport Authority expresses its sincere thanks and gratitude for *Gerard P. Mozian's* tireless and dedicated efforts in serving the needs of the Asheville Regional Airport Authority and the community.

Adopted this 8th day of August, 2008

David R. Hillier, Chairman

Mrs. Fisher moved to approve the Resolutions. Mr. McGrady seconded the motion, and it carried by a unanimous vote.

The Chairman relayed to the Authority that Mrs. Roman, Recording Secretary, would be leaving the Authority to pursue opportunities in Atlanta. The Chairman relayed to Mrs. Roman that she will be missed.

CONSENT AGENDA:

A. Approval of the Asheville Regional Airport Authority, June 13, 2008, Regular Scheduled Meeting Minutes: Mr. Grotzinger stated that the dialogue between the Board members regarding whether the additional land leased to Encore/Landmark would result in additional revenue, should be included into the June 13, 2008 minutes. Mr. McGrady relayed that the statement made in the June 13, 2008 minutes regarding his observation of camp movements was only during the first session, and he would like to see that change reflected. Mr. McGrady moved to approve the regular meeting minutes of the June 13, 2008 Board Meeting with the changes. Mrs. Fisher seconded the motion and it carried by a unanimous vote.

PRESENTATIONS:

A. Presentation of Revised Alternatives for Roadway and Parking Lot Improvements: Mr. Howell reported to the Board that in November 2007 the Board approved a fee and scope with WK Dickson for professional services related to the Planning and Programming Phase for the Asheville Regional Airport Landside Roadways, Access and Parking Lots Improvement Project. Mr. Howell stated that the Terminal Area Planning study (TAP) adopted in 2005 identified a need for improvements to the landside roadways and parking lots. The concept planning phase included surveying and testing of the existing roadway and parking lot areas, development of up to 4 alternatives and analysis of each alternative.

Three alternative layouts were presented to the Board at the April 2008 Authority Board Meeting. The Board requested that Staff and the Consultant further analyze and reduce Alternative C. These alternatives were presented to the Board.

Mr. Howell introduced Mr. Tom Slater, WK Dickson.

Mr. Slater presented to the Board three options to Alternative C. Mr. Slater stated that at the present time along with Staff the recommendation was to choose Option C-3.

There were discussions regarding using other options in the future, parking spaces, AIP funding, commercial traffic, the auxiliary building and a commercial curb.

Mr. Grotzinger stated that the Authority should get more parking spaces for the dollar on the south end of the property, but felt that there was no need at this time to lose the spaces in the short term lot for a commercial curb. Mr. Grotzinger stated that he was more in favor of Option C-2. The Director relayed to the Board that in order to put in a commercial curb in a few years that C-2's work would have to be torn up.

There was a discussion regarding the old Rental Car Service Facilities and their possible use in the future.

The Chairman asked what the estimated useful life of Option C-3 was. The Director stated that Staff estimated that Option C-3 would last up to five years. There was a discussion regarding the phasing of Option C-3.

The Director stated that in the long term Staff felt that a commercial curb would be a benefit to the airport. The Director gave examples of issues that Staff deal with today but would be resolved with a commercial curb. The Chairman inquired as to what would stop the Authority from proceeding with a commercial curb in any year if Staff proceeded with Option C-3. The Director stated that there would be nothing to keep Staff from proceeding with a commercial curb in the future.

The Chairman inquired as to whether the auxiliary building found in Option C-1 could be incorporated into Option C-3. Mr. Howell stated that it was possible to incorporate the auxiliary building into Option C-3.

Mr. Grotzinger relayed to the Board that he was more inclined to choose Option C-2 due to the fact that more spaces will be made available to the public. Mrs. Fisher agreed with Mr. Grotzinger, and stated that there should be an option that allows the Authority to gain the additional spaces, along with the auxiliary building while still planning for the commercial curb for the future. There was discussion regarding a hybrid option between Options C-2 and C-3. Mr. Grotzinger stated that he would like to see a design on Option C-2 with the exceptions that the short term lot will be handled as it is in Option C-3, and the addition of the auxiliary building is to be included from Option C-1. There was a discussion regarding cost.

The Director requested a consensus of the Board for Staff to move forward on the hybrid concept discussed and bring back to the Board a scope and fee proposal to move the project forward. The Chairman requested a consensus of the Board to have Staff move forward with the proposed hybrid option that has been discussed, and such consensus was received.

B. Volunteer Program Presentation and Frequent Flyer Program Update:

Ms. Trinque relayed to the Board that when the Marketing and Public Relations Department first presented Guest Services, Staff stated that it would be supplemented with volunteers from the area to allow for enhanced customer service. Ms. Trinque stated that research had been conducted and a determination was made amongst various methods that working with several organizations would be beneficial to the airport. These organizations included The RSVP (Retired and Senior Volunteer Program) of Hendersonville, Hands of Buncombe-Asheville and Volunteer Match of Asheville. Mrs. Trinque stated that the cost to move forward with the program has already been allocated in the current budget. Mrs. Trinque continued with a presentation to the Authority.

There were discussions regarding associated costs such as uniforms and badges. Mrs. Fisher stated that she liked the idea and was in favor of seeing it continue. Mr. McGrady stated that he saw only favorable things happening from this program. Mr. Piccirillo inquired as to what training would be necessary. Ms. Trinke stated that the volunteers would shadow Staff to get the necessary training needed. Mr. Grotzinger inquired as to whether the Volunteer Program would cut down on Staffs hours. The Director stated that they would not as Staff must be there to oversee the Volunteers.

The Director stated that the Frequent Traveler Program is a good idea even though there was not much interest shown by the business community following the Business Forum that was held in April. The Director stated to the Board that Staff would return with a plan at the October Board Meeting. The Chairman thanked Staff for work well done on both programs.

OLD BUSINESS: None

NEW BUSINESS:

A. AWARD OF CONSTRUCTION CONTRACT FOR THE AIRCRAFT STORAGE HANGAR PROJCT – 16 WRIGHT BROTHERS WAY: Mr. Howell reported to the Board that in June 2007, the Authority approved a bulk hangar project under a management agreement with Million Air. A project budget was approved of \$2,489,562.00 and the contract documents were provided to Million Air. Million Air executed and returned the contract documents in November 2007.

Mr. Howell relayed to the Board that Staff had finalized the design with the LPA Group and completed the necessary planning reviews, design reviews and permitting process with the city of Asheville. The construction has been publicly bid and bids are scheduled to be opened on September 3, 2008.

Mr. Howell stated to the Board that the final project costs, including the professional design costs, construction administration, construction costs, and owners contingency are estimated to remain below the approved total project budget. If construction bids escalate the total project costs over the already approved amount, Staff will present a separate recommendation at the next Board meeting.

Staff respectfully requested that the Airport Authority Board resolve to (1) approve awarding the construction contract for the Aircraft Storage Hangar Project – 168 Wright Brothers Way to the lowest, responsive and responsible bidder so long as the total project costs do not exceed \$2,489,562.00, and (2) authorize the Airport Director to execute the necessary documents.

The Chairman inquired that Staff reiterate what would happen if the bids came in over budget. Mr. Howell stated that if the bids came in over budget then Staff would have to bring the item back before the Board for additional discussion.

There was a discussion regarding the use of local companies.

Mr. Grotzinger inquired as to why this project couldn't be brought to the Board at the October meeting, as there was discussion regarding cancelling the September Board meeting. Mr. Buchanan relayed to the Board that the Authority could call a Special Meeting to discuss this item or give Staff the authorization to choose the bidder as requested.

The consensus of the Board was to have a September Board meeting and to bring this item to the Board for award at the meeting.

B. Final Rankings of the Request for Qualification (RFQ) Submittals for the Asheville Regional Airport – General Consultant Services Contract: Mr. Howell relayed to the Board that advertisements were placed in accordance with the Authority policies for the General Consultant Services RFQ and fourteen (14) submittals were received. The Selection Committee reviewed the submitted qualifications and six (6) firms/teams were invited for presentations. The Selection Committee discussed and reviewed the final six (6) firms at length. The Selection Committee has identified the top three (3) submitting firms/teams as; AVCON, LPA, and RS&H.

Mr. Howell stated to the Board that in accordance with Authority policies, the final recommendations are being presented to the Authority Board for approval. Upon authorization, Staff will attempt to negotiate a professional services contract with these firms. Should Staff be unable to finalize the contract, the negotiations with that firm will be formally terminated. All negotiated compensation contracts are handled on a project-by-project basis through separate fee and scope authorizations.

There was a discussion regarding why a former consultant wasn't chosen.

Mr. Grotzinger moved to (1) award general consultant professional services agreements to AVCON, LPA and RS&H; (2) authorize Staff to negotiate contracts with the three (3) firms identified; and (3) authorize the Airport Director to execute all necessary documents. Mr. Gantt seconded the motion, and it carried by a unanimous vote.

DIRECTOR'S REPORT:

The Director introduced Ms. Suzie Baker as the Authority's new Administration Manager. The Board welcomed Ms. Baker.

A. Airline Merger Update: The Director relayed to the Board that the merger appears to be close to being approved and that he was contacted by the Justice Department for input on the merger. He also indicated that there would be a potential for further loss of Cincinnati service due to the merger between Delta and Northwest.

B. Encore/Landmark Project Update: The Director relayed to the Board that Encore/Landmark had been before the Asheville City Council for a Level III review of

their project and that it was approved. The Director stated that he expected Encore/Landmark to be fully operational by March 31, 2009.

C. Million Air Administrative and Civil Filing Update: The Director updated the Board on the Administrative Filing of Million Air and relayed that staff had submitted the final documents to the FAA. The FAA has 90-120 days to reply. The Director stated that in regards to the Civil Filing that Legal Council had filed for dismissal and was to appear before Buncombe County Superior Court on August 18, 2008.

The Director referred the Board to a few articles and information that had been placed before them prior to the meeting.

The Director stated that Million Air Asheville was undergoing a lawsuit brought on by Million Air Corporate.

The Director stated that the Airport Authority received a letter of thanks from the United States Secret Service for Staffs assistance in receiving the First Lady Laura Bush at the airport.

The Director also directed the Boards attention to an article written in the Airport Revenue News publication regarding Guest Service Centers in airports. The Director stated that this article touched on what the Asheville Regional Airport was doing with its Guest Services Program.

The Director relayed to the Board that the AAE Energy/Air Service Task Force that he sits on is working on environmental policies that will go to Congress for consideration. The Director let the Board know that the draft policies were in the additional information distributed to the Board prior to the meeting.

D. Air Service Update: The Director made an Air Service presentation to the Board. The Director spoke to the fact that Delta had cancelled the Orlando flight already and intended to pull a Cincinnati flight in the near future. The Director stated that although these flights are being pulled according to current flight schedule statistics that operations and seats will actually be increasing due to additional flights to Atlanta and Charlotte. The Director hoped that this increase in operations and seats would translate to more competitive fares.

There were discussions regarding the Airfare Watch Dog Widget on AVL's website, strategies for airline passengers, and additional flights for Continental and Northwest.

E. Financial/Budget Update: The Director made a presentation to the Board regarding Financials and the Budget. The Director covered FY 2007/2008 year-end Net Operating Expenses and the Investment Income and projected FY 2008/2009 year-end Net Operating Expenses and the Investment Income. The Director stated he and Staff developed a revenue sensitivity analysis of potential passengers reduction on 10%, 15% and 20%. He then reviewed an Interim Target Budget based on a 15% reduction in passengers, with certain O&M, Renewal & Replacement, Small Capital Outlay, etc.

and expense cuts or deferrals. There was a discussion regarding items that had been cut or deferred.

Mr. Grotzinger inquired as to how the Director calculated the reduction of revenue. The Director relayed to the Board that Staff went over the budget line item by line item and adjusted only the ones that a decrease in passenger numbers would affect.

Mr. Grotzinger stated that he was nervous about deferring any Aircraft Rescue Fire Fighting, safety equipment or building maintenance.

The Director turned the Boards attention to the currently approved Capital Improvement Program (CIP) vs. a revised CIP. There were discussions regarding the improvements on State Road 280, North General Aviation development, potential new revenue streams and reallocation of AIP funds.

The Chairman thanked the Director and Staff for being proactive during this time of strain on the economy.

The Director requested from the Board a consensus for Staff to move forward as outlined concerning the O&M budget and Revised Capital Plan. Mrs. Fisher stated that it was her desire to have Staff work within this frame work; and also that Staff update the Board with any changes.

The consensus of the Board was for Staff to move forward both the O&M budget recommendations and the Revised Capital Plan, and to keep the Board updated with any changes.

Mr. Grotzinger was concerned about the growth around the airport and felt we may need to have a noise plan developed soon. The Director agreed with Mr. Grotzinger concerning the amount of development occurring around the airport and that Staff has a draft Airport Overlay District Ordinance that it is working on. The Director also indicated that in order to fully protect the airport that all five (5) jurisdictions the airport touches will need to adopt the ordinance. The Director did state though that most of the complaints the airport gets due to noise are in conjunction with Military Aircraft movement and not commercial traffic.

Mr. Grotzinger complimented Staff on the new Security System but felt that cameras were needed in the public parking lot. The Director stated that Staff was waiting to see where the Roadway and Parking Lot Improvement Project was going to determine where to put the cameras and potentially emergency pull boxes as well.

F. Environmental/Sustainability Update: Mr. Bleiweis made a report to the Board regarding an Environment/Sustainability Update.

Mr. Gantt inquired as to whether there were any green airport certification programs. Mr. Bleiweis stated that although there weren't any official ones; that airports around

the country have been networking or sharing information by way of various trade organizations and conferences.

Mr. Gantt relayed to the Board that he felt strongly that the Authority should be aggressive with their marketing, regarding what the airport is doing environmentally.

The Director stated that the airport industry has been discussing an airport certification program for just this subject. In addition, the Director indicated that Staff will be seeking to produce an annual report where items like this can be highlighted. The Director relayed to the Board that Staff would like to come back to the Board with a task list from an environmental standpoint that will encompass what Staff would like to accomplish within the next 5 years.

Mr. Gantt stated that the report Mr. Bleiweis made was wonderful and he felt that what Staff had been discussing was the right thing to do.

Mr. McGrady informed the Board that the Fitzpatrick family has approached the Henderson County Commissioners with a conservation easement plan and the he would be consulting with the Director about how the Authority's plans will integrate with the Fitzpatrick plan..

The Chairman stated that the presentations made were wonderful and thanked Staff for their efforts.

INFORMATION SECTION:

Mr. McGrady relayed to the Board that he felt Staff could tie in the website, specifically the booking engine, into the Frequent Flyer Program. Staff is to look into this.

The Chairman inquired about the CFC Revenue Budget. Ms. Brunson stated that there had been a resolution, approved by the Authority in 2007, to increase the CFC revenue from \$2.00 to \$4.00 and that Budget Rent A Car had not been remitting the higher amount. Ms. Brunson relayed that the additional revenues were increased when this error was caught and addressed.

Mr. Grotzinger inquired as to how the Canmark Survey information is collected. The Director stated that the information was gathered via internet surveys.

AUTHORITY MEMBERS REPORT: None

PUBLIC AND TENANT'S COMMENTS: None

CLOSED SESSION: None

ADJOURNMENT:

Mrs. Fisher moved to adjourn the meeting at 11:35 AM. Mr. Grotzinger seconded the motion and it carried by a unanimous vote.

The next regular meeting of the Authority will be on September 12, 2008 at 8:30 AM in the Conference Room at the Authority's Administrative Offices, Asheville Regional Airport, 61 Terminal Drive, Suite 1, Fletcher, NC 28732.

Respectfully submitted,

Charles W. McGrady
Secretary-Treasurer

Approved:

David R. Hiller
Chairman

WORK SESSION
ASHEVILLE REGIONAL AIRPORT AUTHORITY
August 8, 2008
8:30 AM

The Asheville Regional Airport Authority ("Authority") met on Friday, August 8, 2008, at 11:45 AM in the Conference Room at the Authority's Administrative Offices, Asheville Regional Airport ("Airport"), 61 Terminal Drive, Suite 1, Fletcher, NC 28732.

MEMBERS PRESENT: David R. Hillier, Chairman; David Gantt, Vice-Chairman; Chuck McGrady, Secretary/Treasurer; Rhett Grotzinger, Susan Fisher, Brownie Newman and Jeff Piccirillo.

MEMBERS ABSENT: None

STAFF AND LEGAL COUNSEL PRESENT: Victor Buchanan, Authority Legal Counsel; David N. Edwards, Jr., A.A.E., Airport Director ("Director"); Lew S. Bleiweis, Deputy Airport Director; Christy Brunson, Finance Manager; and Debra Roman, Recording Secretary.

CALL TO ORDER: The Chairman welcomed everyone in attendance and called the meeting to order at 11:45 AM.

I. REVIEW CURRENT STATUS OF VARIOUS ITEMS:

- A. Board Committees:** The consensus of the Board was to continue in the manner that the Board currently operates.
- B. Meeting Frequency:** There were discussions regarding a Conference the Chairman attended, the By-Laws, the Authority's responsibility to the Public and monthly reports. The Chairman stated that with a consensus of the majority of the Board, the Board would continue to schedule regularly monthly meetings, with the understanding that such meetings may be cancelled if the Chairman or four members of the Board determine that a meeting is not necessary (per the By-Laws).
- C. E-mail Correspondence:** The Chairman reminded the Board that e-mail is a legal document and to be mindful of what is written in this type of correspondence.
- D. Length of Presentations:** The Chairman requested that the majority of presentations during a Board Meeting be kept between 15-20 minutes and directed Staff to prescreen these presentations to insure timeliness.

- E. Information Flow—Staff Reports:** The consensus of the Board was that the information that Staff was providing at the Board meetings are very sufficient.

II. DISCUSSION ITEMS:

- A. Budget Process/Financial Reports:** There were discussions regarding the Finance Package tying back to the Budget, less micromanagement from the Board over Staff, the GASB 34 report, more detail in the Summary Page and retooling of reports by the Finance Department.
- B. Protocol for Project Approvals:** There was a discussion regarding items/projects the Board approved in the budget then denied at time of implementation after lengthy Staff and consultant hours were spent. The Director indicated that going forward that he will place items/purchases requiring Board approval in his Director's report prior to Staff taking any action on such items/purchases to ensure that the Board still wishes to move forward on such items/purchases. For final Board approval of such items/purchases, the consensus of the Board was to place them on the Consent Agenda.

The Board recessed at 12:39 for lunch.

The Board reconvened at 1:00 PM.

- C. Remote Attendance of Board Meetings:** There were discussions regarding physical attendance of the Board Members at the Board meetings, possible changes to the By-Laws and past attendance. The majority of the Board agreed that the remote attendance should be acceptable with the caveat that phone calls in should be on a land line in a quiet room and the phone should have the ability to be muted to eliminate back ground noises.
- D. Board Meetings – Date/Time:** There was a discussion regarding past attendance. The majority of the Board agreed to continue to hold the Board meetings on the 2nd Friday of each month at 8:30 AM.

III. Other:

- A. Airport Director's Review:** There were discussions regarding past evaluation procedures, time frame to get this done, and a salary survey. The consensus of the Board was to have the Director do an Airport Director Salary Survey. Also, it was by consensus of the Board that the salary survey along with Airport Directors evaluation be sent to the Board Members in September 2008 to be completed and returned to Legal Council to correlate.

- B. Next Regularly Scheduled Meeting:** It was the consensus of the Board to have the next regularly scheduled meeting on September 12, 2008.

There was a discussion regarding web-ex technology and wireless microphones.

ADJOURNMENT: The Board adjourned by unanimous consent at 1:30 PM.

Respectfully submitted,

Charles W. McGrady
Secretary-Treasurer

Approved:

David R. Hiller
Chairman



MEMORANDUM

TO: Members of the Airport Authority

FROM: Kevin E. Howell, Development Manager

DATE: September 12, 2008

ITEM DESCRIPTION – Consent Agenda Item B

Approval of a Change Order to the Perry Bartsch Jr. Construction Co, Terminal Renovation and Expansion Construction Contract in the amount of \$68,437.00

BACKGROUND

On May 11, 2007, the Authority Board approved the award of a construction contract in the amount of \$4,479,000.00 with Perry Bartsch Jr. Construction Co. for the Terminal Expansion and Renovation Project. This project includes the renovation and expansion of the airline ticket offices, bag makeup areas and baggage claim areas.

ISSUES

Project Area #1 is located adjacent to the airline ticket office area. Modifications to the exterior grades are required to tie-in the new building expansion to the adjacent pavement areas. These modifications are also necessary to address surface drainage in this exterior area. The designed bid documents did not satisfactorily address this issue; therefore this change order is required to compensate the general contractor for the additional work. The change order amount is \$68,437.00 and by ARAA policy all change orders in excess of \$50,000 require the approval of the Authority Board.

ALTERNATIVES

No alternatives are recommended at this time and this change order is required to complete the project.

Consent Agenda Item B



FISCAL IMPACT

The fiscal impact of this change order is \$68,437.00 and will be added to the original contract amount of \$4,479,000.00. This change order will be funded from the contingency established as a part of the overall project budget.

RECOMMENDED ACTION

It is respectfully requested that the Authority Board resolve to (1) approve the attached change order with Perry Bartsch Jr. Construction Co. in the amount \$68,437.00 and (2) authorize the Airport Director to execute the necessary documents.

[Attachments]

Change Proposal Request # 63 - Add Paving and Storm Drainage in Area 1, Per RFP # 33									
Description	Quant.	Unit	Rate	Material	Rate	Labor/Equip	Rate	Subs	Total
Site Survey for CJMW Design	8.0	ls		0	76	608		0	\$608
Site Storm Drainage Subcontractor	1.0	ls		0		0	8,682	8,682	\$8,682
Demo existing asphalt	1.0	ls		0		0	5,285	5,285	\$5,285
Stone sub-base	1.0	ls		0		0	8,825	8,825	\$8,825
Asphalt paving	1.0	ls		0		0	37,361	37,361	\$37,361
PBJrCC layout required	24.0	mh		0	40	960		0	\$960
Additional SIDA Badging	1	ea		0		0	50	50	\$50
Deduct original patching scope of work	1	ls		0		0	(2,850)	(2,850)	(\$2,850)
				0		0		0	\$0
				0		0		0	\$0
				0		0		0	\$0
				0		0		0	\$0
				0		0		0	\$0
Subtotal				0		1,568		57,353	\$58,921
Tax	1	ls		0					\$0
Subtotal	1	ls		0		1,568		57,353	\$58,921
Overhead and Profit -15%	1	ls							\$8,838
Subtotal	1	ls							\$67,759
Bond	1	ls							\$678
Total	1	ls							\$68,437

Acceptance of this proposal requires the addition of nine (9) additional days to the Contract Duration.



MEMORANDUM

TO: Members of the Airport Authority

FROM: Kevin E. Howell, Development Manager

DATE: September 12, 2008

ITEM DESCRIPTION – Consent Agenda Item C

Approval of a Change Order to the Perry Bartsch Jr. Construction Co, Terminal Renovation and Expansion Construction Contract in the amount of \$64,400.00

BACKGROUND

On May 11, 2007, the Authority Board approved the award of a construction contract in the amount of \$4,479,000.00 with Perry Bartsch Jr. Construction Co. for the Terminal Expansion and Renovation Project. This project includes the renovation and expansion of the airline ticket offices, bag makeup areas and baggage claim areas.

ISSUES

Project Area #2 is located adjacent to the baggage claim area. Modifications to the exterior grades are required to tie-in the new building expansion to the adjacent pavement areas. These modifications are also necessary to address surface drainage in this exterior area. The designed bid documents did not satisfactorily address this issue; therefore this change order is required to compensate the general contractor for the additional work. The change order amount is \$64,400.00 and by ARAA policy all change orders in excess of \$50,000 require the approval of the Authority Board.

ALTERNATIVES

No alternatives are recommended at this time and this change order is required to complete the project.



FISCAL IMPACT

The fiscal impact of this change order is \$64,400.00 and will be added to the original contract amount of \$4,479,000.00. This change order will be funded from the contingency established as a part of the overall project budget.

RECOMMENDED ACTION

It is respectfully requested that the Authority Board resolve to (1) approve the attached change order with Perry Bartsch Jr. Construction Co. in the amount \$64,400.00 and (2) authorize the Airport Director to execute the necessary documents.

[Attachments]

Change Proposal Request # 64 - Add Paving and Storm Drainage in Area 2, Per RFP 33									
Description	Quant.	Unit	Rate	Material	Rate	Labor/Equip	Rate	Subs	Total
Site Survey for CJMW Design	8.0	mh		0	76	608		0	\$608
Raise storm drain covers	1.0	ls	100	100	336	336		0	\$436
Demo existing asphalt	1.0	ls		0		0	4,205	4,205	\$4,205
Stone sub-base	1.0	ls		0		0	9,250	9,250	\$9,250
Asphalt paving	1.0	ls		0		0	34,350	34,350	\$34,350
PBJrCC layout required	24.0	mh		0	40	960		0	\$960
Additional SIDA Badging	1	ea		0		0	50	50	\$50
Concrete curb at South end	1	ls	680	680	2,088	2,088		0	\$2,768
Concrete conveyor pads formwork	73	lf	3.00	219	13.50	986		0	\$1,205
Concrete conveyor pad gravel and wire prep	14	tons	49	686	6.50	91		0	\$777
Concrete conveyor pad concrete	12	cy	115	1,380		0	100	1,200	\$2,580
Deduct original patching scope of work	1	ls		0		0	(1,950)	(1,950)	(\$1,950)
				0		0		0	\$0
Subtotal				3,065		5,069		47,105	\$55,239
Tax	1	ls		207					\$207
Subtotal	1	ls		3,272		5,069		47,105	\$55,445
Overhead and Profit -15%	1	ls							\$8,317
Subtotal	1	ls							\$63,762
Bond	1	ls							\$638
Total	1	ls							\$64,400

Acceptance of this proposal requires the addition of twelve (12) additional days to be added to the Contract Duration

To a large extent, this work may have to be broken into two phases to allow tugs to operate

Proposal includes building extended conveyor pads directly on top of existing asphalt paving



MEMORANDUM

TO: Members of the Airport Authority

FROM: D. David Nantz, Director of Operations and Maintenance

DATE: September 12, 2008

ITEM DESCRIPTION – (Consent Agenda Item D)

Award of Bid for the Purchase of Maintenance Vehicles to Ken Wilson Ford in the Amount of \$60,000.00

BACKGROUND

This is a budgeted item for this Fiscal Year. The Authority currently has maintenance vehicles on a five (5) year replacement schedule. The purchase of these two (2) vehicles was deferred last year. One vehicle is primarily used in daily operations and one vehicle is used primarily to support (HVAC) heating and air conditioning. Both vehicles are used in winter operations for plowing roadways and spreading deicing material. These vehicles are also used as needed to support airfield operations during emergency events. As part of our conservation efforts, both vehicles have been upgraded with diesel engines so that they can burn B-20 Bio-Diesel.

ISSUES

Staff requested bids for two (2) heavy duty trucks and received the following bids:

1. Ken Wilson Ford - \$60,000.00
2. Mac Easler Ford - \$60,180.00

ALTERNATIVES

Staff can defer the purchase again; however, the replacement schedule will require increased capital outlay and will affect the trade-in value of existing vehicles in future years.

Consent Agenda Item D



FISCAL IMPACT

A total of \$65,000.00 is budgeted for the purchase of the maintenance vehicles. The purchase price for the two (2) maintenance vehicles is \$60,000.00 which is \$5,000.00 under budget.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) award the bid for the purchase of two (2) maintenance vehicles to Ken Wilson Ford, Inc. in the amount of \$60,000.00, and (2) authorize the Airport Director to execute the necessary documents.



MEMORANDUM

TO: Members of the Airport Authority

FROM: Kevin E. Howell, Development Manager

DATE: September 12, 2008

ITEM DESCRIPTION – New Business Item A

Award of the Construction Contract for the Aircraft Storage Hangar Project – 168 Wright Brothers Way

BACKGROUND

In June 2007, the Authority Board approved a bulk hangar project under a management agreement with Million Air. A project budget was approved of \$2,489,562.00 and the contract documents were provided to Million Air. Million Air executed and returned the contract documents in November 2007.

Staff has finalized the design with the LPA Group and completed the necessary planning reviews, design reviews and permitting processes with the City of Asheville. The construction was publicly advertised for bidding with the bid opening held on September 3, 2008.

ISSUES

Fifteen (15) bids were received on September 3, 2008 (a complete and certified bid summary is attached).

Board approval is required to award the construction contract on this project.

Based upon the bids received, the recommended action is to award the construction contract to the apparent lowest responsive bidder. Staff will be completing necessary due diligence and background research prior to the September 12, 2008 Authority Board meeting. If additional information requires revising the recommended action, that information and a new recommended action will be presented to the Board at the meeting.

New Business Item A



ALTERNATIVES

The Authority Board could elect to not award the contract at this time if so desired.

FISCAL IMPACT

The total approved project budget for this Aircraft Storage Hangar Project is \$2,489,562.00.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve awarding the construction contract for the Aircraft Storage Hangar Project – 168 Wright Brothers Way to Momentum Construction Services, LLC in the amount of \$1,928,000.00; and (2) authorize the Airport Director to execute the necessary documents.

[Attachments]

**BID SUMMARY
FOR
ASHEVILLE REGIONAL AIRPORT
AIRCRAFT STORAGE HANGAR**

**BID DATE:
Wednesday, September 3, 2008
TIME: 2:00 PM**

CONTRACTOR	LICENSE NUMBER	BID SECURITY	BID AMOUNT		DBE COMMITMENT	REMARKS
			TOTAL BASE BID	TOTAL ADDITIVE ALTERNATE ONE BID		
Momentum Construction Services PO Box 80538, Simpsonville, SC	53003	Bid Bond	\$1,888,000.00	\$40,000.00	5.0%	
AMC, Inc. PO Box 1348, Arden, NC	19395	Bid Bond	\$1,917,000.00	\$35,745.00	0.0%	
David E. Looper & Company, Inc. PO Box 3224, Hickory, NC	31511	Bid Bond	\$2,025,000.00	\$41,900.00	0.7%	
H&M Constructors, A Division of M.B. Haynes Corp. 187 Deaverview Road, Asheville, NC	1245	Bid Bond	\$2,029,000.00	\$48,000.00	0.0%	
Perry Bartsch Jr. Construction, Inc. 196 Coxe Avenue, Asheville, NC	38679	Bid Bond	\$2,048,000.00	\$46,300.00	0.0%	
Brantley Construction Company, LLC 291 Platt Drive, Canton, NC	63208	Bid Bond	\$2,070,000.00	\$52,320.00	0.0%	
Cooper Construction Company, Inc. PO Box 806, Hendersonville, NC	4763	Bid Bond	\$2,090,000.00	\$52,000.00	0.0%	
Wilkie Construction Company, Inc. PO Box 1410, Lenoir, NC	3238	Bid Bond	\$2,118,692.00	\$80,710.00	0.0%	
Patton Construction Group, Inc. PO Box 15054, Asheville, NC	66109	Bid Bond	\$2,129,800.00	\$45,400.00	1.1%	
Hatfield Constructors, LLC 33 Mall Connector Road, Greenville, SC	60295	Bid Bond	\$2,199,800.00	\$51,600.00	5.6%	
Mainline Contracting, Inc. 150 Golden Drive, Durham, NC	44127	Bid Bond	\$2,341,000.00	\$52,000.00	0.0%	
Carolina Specialties Construction, LLC PO Box 825, Hendersonville, NC	41451	Bid Bond	\$2,360,500.00	\$55,000.00	1.0%	
Laxton Construction Company, Inc. 1810 Orr Industrial Court, Charlotte, NC	1450	Bid Bond	\$2,514,000.00	\$52,482.00	0.0%	
Hickory Construction Company PO Box 1769, Hickory, NC	1145	Bid Bond	\$2,598,000.00	\$41,000.00	0.0%	
Phillips & Jordan, Inc. 191 P and J Road, Robbinsville, NC	3122	Bid Bond	\$3,236,000.00	\$127,600.00	0.0%	

This Bid Summary is certified to be true and correct to the best of my knowledge.

Jeffrey M. Kirby, P.E. - Principal
THE LPA GROUP of North Carolina, p.a.

9/4/08
Date



**MONTHLY TRAFFIC REPORT
ASHEVILLE REGIONAL AIRPORT
September 12, 2008**

SUMMARY

July 2008 overall passenger traffic numbers were down 7.2%. Passenger traffic numbers reflect an 8.1% decrease in passenger enplanements from July 2007.

AIRLINE PERFORMANCE

Atlantic Southeast Airlines (ASA): Delta/ASA's July 2008 enplanements decreased by 18.0% compared to July 2007. There were a total of two (2) flight cancellations for the month.

Continental Airlines: Continental's July 2008 passenger enplanements increased by 45.0% compared to July 2007. There were three (3) flight cancellations for the month.

Northwest Airlines: Year over Year passenger enplanements for Northwest in July 2008 were up 29.2%. There was one (1) flight cancellation for the month.

US Airways: US Airways' July 2008 passenger enplanements represent a 26.4% decrease. There were thirteen (13) flight cancellations for the month.

Monthly Traffic Report

Asheville Regional Airport

July 2008



Category	Jul 2008	Jul 2007	Percentage Change	*CYTD-2008	*CYTD-2007	Percentage Change	*MOV12-2008	*MOV12-2007	Percentage Change
Passenger Traffic									
Enplaned	26,587	28,945	-8.1%	152,032	161,270	-5.7%	280,180	286,461	-2.2%
Deplaned	<u>26,938</u>	<u>28,707</u>	-6.2%	<u>152,966</u>	<u>158,529</u>	-3.5%	<u>277,334</u>	<u>279,817</u>	-0.9%
Total	53,525	57,652	-7.2%	304,998	319,799	-4.6%	557,514	566,278	-1.5%
Aircraft Operations									
Airlines	156	140	11.4%	747	1,015	-26.4%	1,539	2,076	-25.9%
Commuter /Air Taxi	<u>2,017</u>	<u>1,965</u>	2.6%	10,671	10,922	-2.3%	19,006	18,985	0.1%
Subtotal	<u>2,173</u>	<u>2,105</u>	3.2%	<u>11,418</u>	<u>11,937</u>	-4.3%	<u>20,545</u>	<u>21,061</u>	-2.5%
General Aviation	5,704	5,995	-4.9%	32,489	32,399	0.3%	58,391	55,352	5.5%
Military	<u>323</u>	<u>239</u>	35.1%	<u>1,409</u>	<u>1,241</u>	13.5%	<u>2,551</u>	<u>2,379</u>	7.2%
Subtotal	<u>6,027</u>	<u>6,234</u>	-3.3%	<u>33,898</u>	<u>33,640</u>	0.8%	<u>60,942</u>	<u>57,731</u>	5.6%
Total	8,200	8,339	-1.7%	45,316	45,577	-0.6%	81,487	78,792	3.4%
Fuel Gallons									
100LL	27,672	28,542	-3.0%	137,703	162,957	-15.5%	262,234	283,188	-7.4%
Jet A (GA)	161,550	208,409	-22.5%	790,429	992,465	-20.4%	1,539,373	1,734,545	-11.3%
Subtotal	<u>189,222</u>	<u>236,951</u>	-20.1%	<u>928,132</u>	<u>1,155,422</u>	-19.7%	<u>1,801,607</u>	<u>2,017,733</u>	-10.7%
Jet A (A/L)	<u>289,661</u>	<u>256,370</u>	13.0%	<u>1,604,504</u>	<u>1,591,046</u>	0.8%	<u>2,825,438</u>	<u>2,880,048</u>	-1.9%
Total	478,883	493,321	-2.9%	2,532,636	2,746,468	-7.8%	4,627,045	4,897,781	-5.5%

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

Wednesday, August 27, 2008

Airline Enplanements, Seats, and Load Factors Asheville Regional Airport

July 2008



	Jul 2008	Jul 2007	Percentage Change	*CYTD-2008	*CYTD-2007	Percentage Change
Continental Airlines						
Enplanements	4,659	3,213	45.0%	19,567	17,296	13.1%
Seats	7,131	3,947	80.7%	28,757	22,609	27.2%
Load Factor	65.3%	81.4%	-19.7%	68.0%	76.5%	-11.1%
Delta Air Lines						
Enplanements	10,061	12,275	-18.0%	57,933	68,100	-14.9%
Seats	14,478	15,486	-6.5%	79,718	88,661	-10.1%
Load Factor	69.5%	79.3%	-12.3%	72.7%	76.8%	-5.4%
Northwest Airlines						
Enplanements	4,564	3,532	29.2%	23,064	20,559	12.2%
Seats	6,100	4,450	37.1%	33,000	29,596	11.5%
Load Factor	74.8%	79.4%	-5.7%	69.9%	69.5%	0.6%
US Airways						
Enplanements	7,303	9,925	-26.4%	51,468	55,315	-7.0%
Seats	11,655	12,950	-10.0%	74,165	77,251	-4.0%
Load Factor	62.7%	76.6%	-18.2%	69.4%	71.6%	-3.1%
Totals						
Enplanements	26,587	28,945	-8.1%	152,032	161,270	-5.7%
Seats	39,364	36,833	6.9%	215,640	218,117	-1.1%
Load Factor	67.5%	78.6%	-14.1%	70.5%	73.9%	-4.6%

Wednesday, August 27, 2008

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

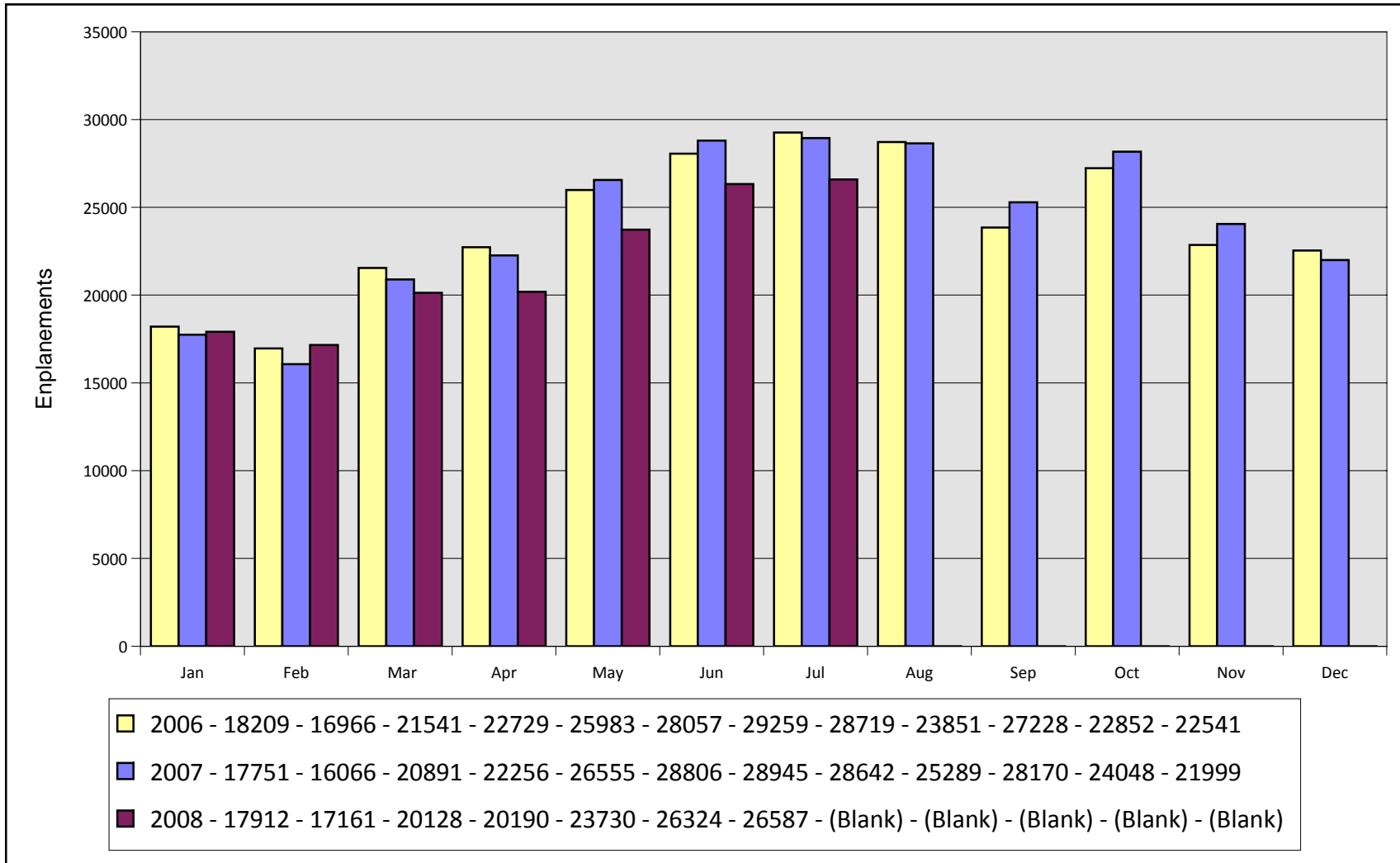
Airline Flight Completions Asheville Regional Airport July 2008



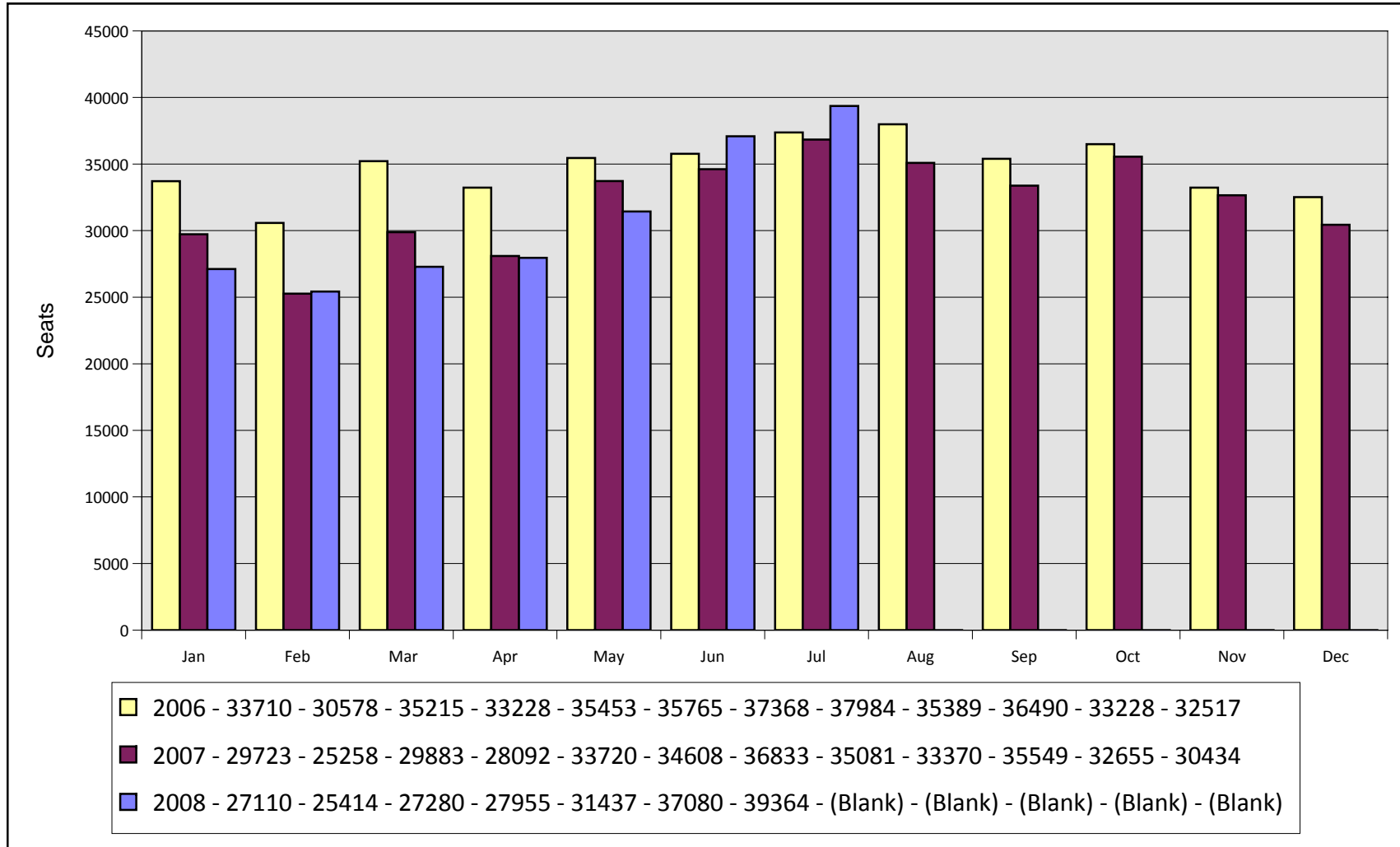
Airline	Scheduled Flights	Field	Cancellations Due To			Total Cancellations	Percentage of Completed Flights
			Mechanical	Weather	Other		
Continental Airlines	149	0	0	3	0	3	98.0%
Delta Air Lines	266	0	1	1	0	2	99.2%
Northwest Airlines	123	0	0	1	0	1	99.2%
US Airways	283	0	9	4	0	13	95.4%
Total	821	0	10	9	0	19	97.7%

Wednesday, August 27, 2008

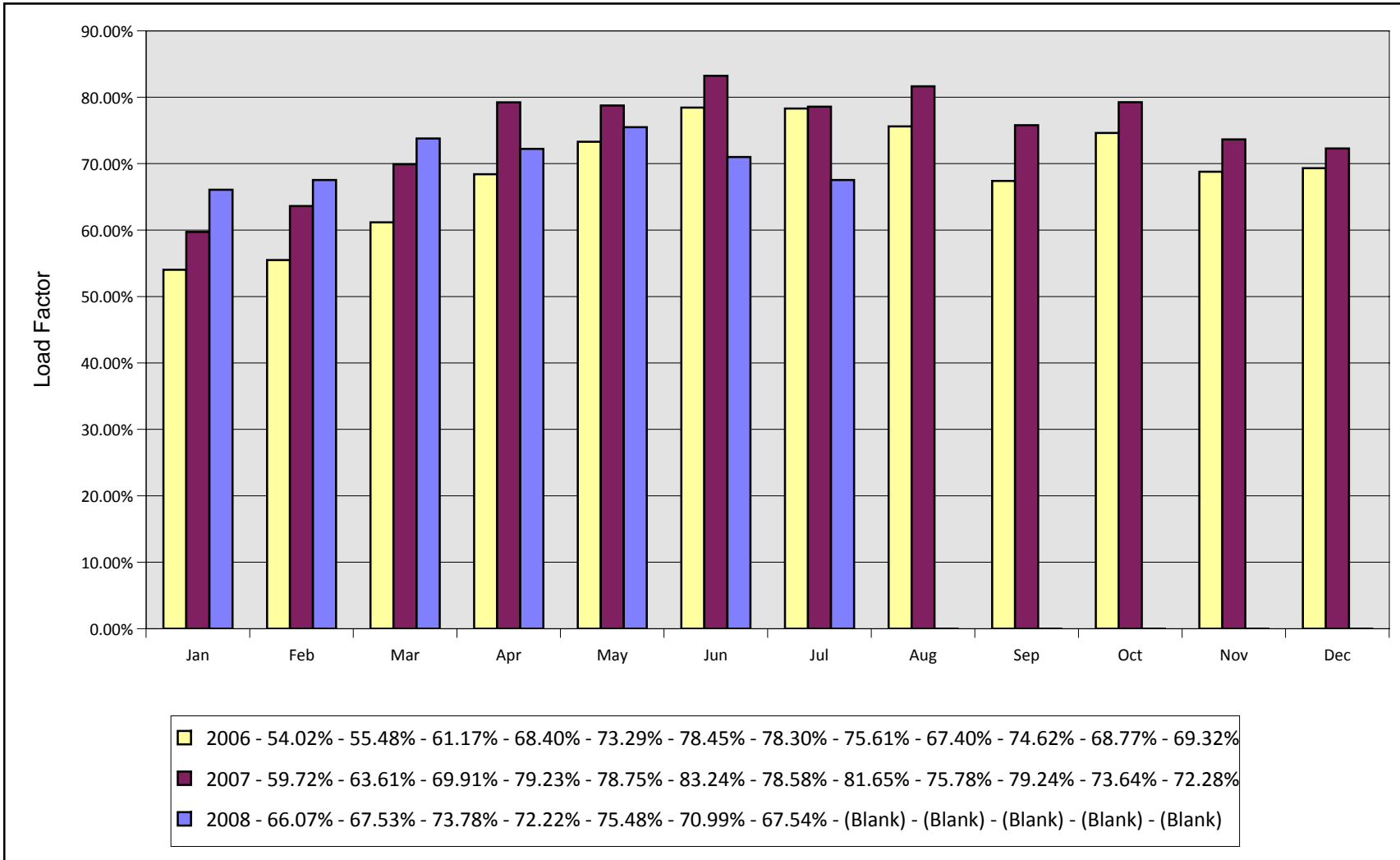
Monthly Enplanements By Year Asheville Regional Airport



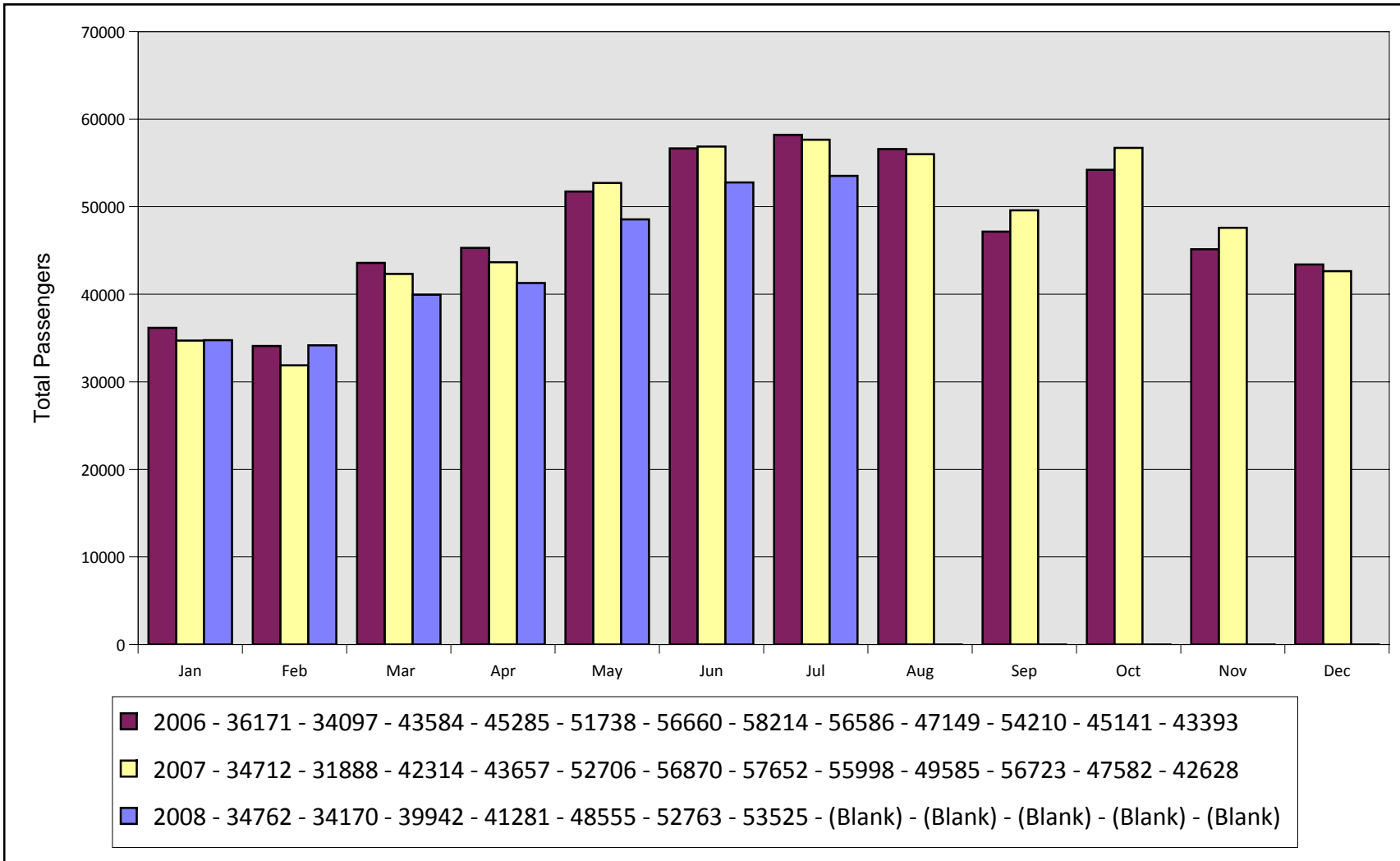
Monthly Seats By Year Asheville Regional Airport



Monthly Load Factors By Year Asheville Regional Airport

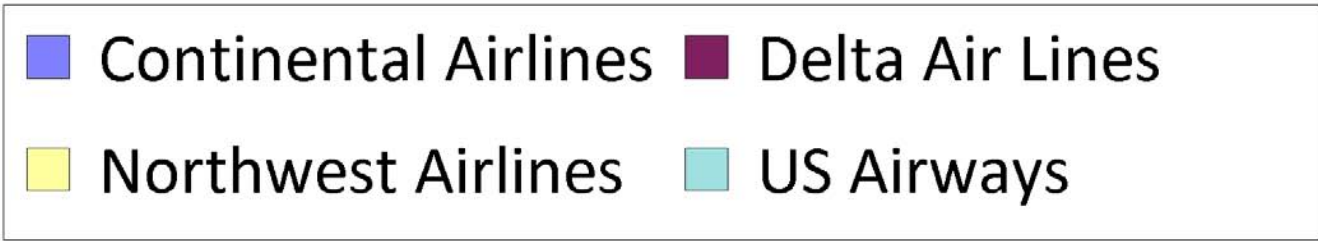
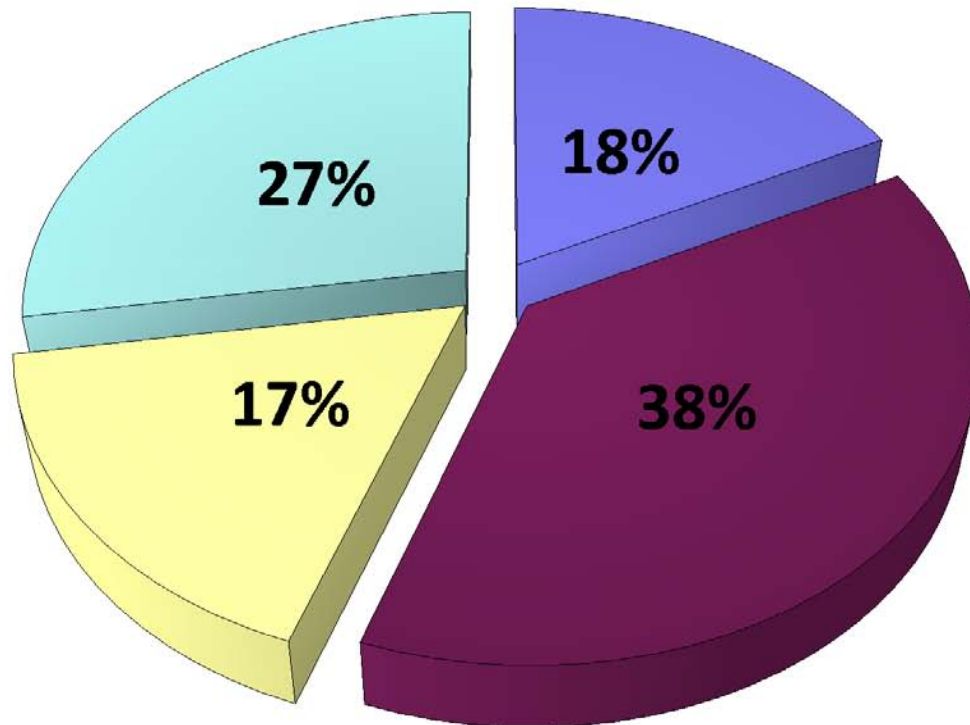


Total Monthly Passengers By Year Asheville Regional Airport



Airline Market Share Analysis (Enplanements) Asheville Regional Airport

Report Period From July 2008 Through July 2008



**ASHEVILLE REGIONAL AIRPORT
EXPLANATION OF EXTRAORDINARY VARIANCES
MONTH ENDED July 31, 2008
(Month 1 of FY-2009)**

SUMMARY

Operating Revenue (page 4 of 9) for the month of July was \$669,141; up 9.84% over the budgeted amount. Year-to-date Operating Revenue is 9.84% or \$59,943 over the budget figure. Operating Expenses (page 4 of 9) were 33% lower than the budget amount on a year-to-date basis. Passenger Facility Charges earned were \$20,103. Income from Investments was \$16,698 for the month of July. Operating Revenue from operations and land use before depreciation was \$298,386 for the month of July 2008.

REVENUES

Monthly revenues from several areas were higher than the budget amount. These include increases in revenues from fixed base operations, parking and other space rentals. Operating Revenue for the month of July 2008 was \$13,607 higher than the amount of Operating Revenue at the Airport for the month of July 2007 (\$655,534).

Terminal	8.88%	Concessions up due to annual MSE % payment
Airfield	(5.06%)	Landing weights down
Hangar	34.5%	FBO % of gross receipts up 49%
Parking	11.21%	Renewal of ground transportation permits
PFC	(79.99%)	Fiscal year end accrual for material amount receivable

PFC revenue for the month was down 79% due to the recording of PFC revenue on a cash basis throughout the year, with an accrual at year-end for amounts known to be outstanding. This causes revenue to be low in July due to the accrual back to June of revenue for the prior fiscal year.

Year to date Operating Revenue is \$669,141; an increase of 9.84% over the budget figure.

EXPENSES

Total Operating Expenses for the month were 33% lower than the budget amount. This is primarily related to efforts by staff to reevaluate the 2009 budget resulting in the delay of purchases at the beginning of the year. These occur primarily in the areas of professional services, travel and equipment purchases.

Administrative	(41.8%)	Deferrals of filling open positions
Terminal	(21.31%)	Delays in purchasing related to budget evaluation
Airfield	(30.36%)	Delays in purchasing related to budget evaluation
Parking Lot	(100.00%)	Delays in purchasing related to budget evaluation
Land Use Exp	(100.00%)	Delays in purchasing related to budget evaluation

STATEMENT OF NET ASSETS

Accounts receivable has been increased to show amounts owed to the Airport at the end of the 2008 fiscal year. These include the following types of items:

General A/R	1,007,605.00	Includes airlines, rental car agencies, and tenants
Grants Receivable	1,045,607.00	Grant reimbursement due on Terminal Project
PFC Receivable	200,738.00	Year end accrual for material PFC receivable

Several of the airlines are significantly overdue with receivables of between \$400,000 and \$500,000 collectively. These are currently in the process of collection.

Grants receivable were received during the month of August and will be reflected on the August financial statements.

**ASHEVILLE REGIONAL AIRPORT
INVESTMENT AND INTEREST INCOME SUMMARY
For the Month Ended July 2008**

<u>Institution:</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Investment Amount</u>	<u>Monthly Interest</u>
Bank of America			1.91%	\$ 1,276,370	\$ 2,725
Petty Cash				100	
NC Capital Trust				2,704,450	5,886
Restricted Cash:					
PFC Revenue Account			1.20%	1,213,490	1,140
Wachovia-Gov. Advantage Acct.			1.43%	2,321,686	2,791
Rental Car Project Fund			1.80%	1,090,450	1,420
CFC Revenue			0.00%	990,504	668
<u>Commercial Paper:</u>					
General Electric	6/13/2008	09/12/08	2.45%	993,807	2,068
Total				<u>\$ 10,590,857</u>	<u>\$ 16,698</u>

Investment Diversification:

1.BANKS	32.86%
2.CAP.TRUST	25.54%
3.GOV.ADV.ACCT.	32.22%
4.COM.PAPER	9.38%
5. FED. AGY	0%
	<u>100.00%</u>

**ASHEVILLE REGIONAL AIRPORT
STATEMENT OF CHANGES IN FINANCIAL POSITION
For the Month Ended July 2008**

	<u>Month</u>	<u>Prior Period</u>
Cash and Investments Beginning of Period (Month 7-01-08, Prior Period 6-01-08)	\$ 10,755,133	\$ 9,998,752
Net Income before Contributions	138,394	(303,455)
Depreciation	245,973	475,946
Decrease/(Increase) in Receivables	(6,836)	785,205
Increase/(Decrease) in Payables	(184,804)	201,340
Decrease/(Increase) in Prepaid Expenses	(70,138)	(23,530)
Decrease/(Increase) in Long Term Assets	(243,561)	(664,110)
Contributed Capital		
Capital Funds	(96,071)	120,863
Carryback of Payments to Prior Period	82,510	193,722
Bonds Payable - Current	(29,743)	(29,600)
Bonds Payable - Non-Current		
Increase(Decrease) in Cash	<u>(164,276)</u>	<u>756,381</u>
Cash and Investments End of Period (07/31/2008)	<u>\$ 10,590,857</u>	<u>\$ 10,755,133</u>

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

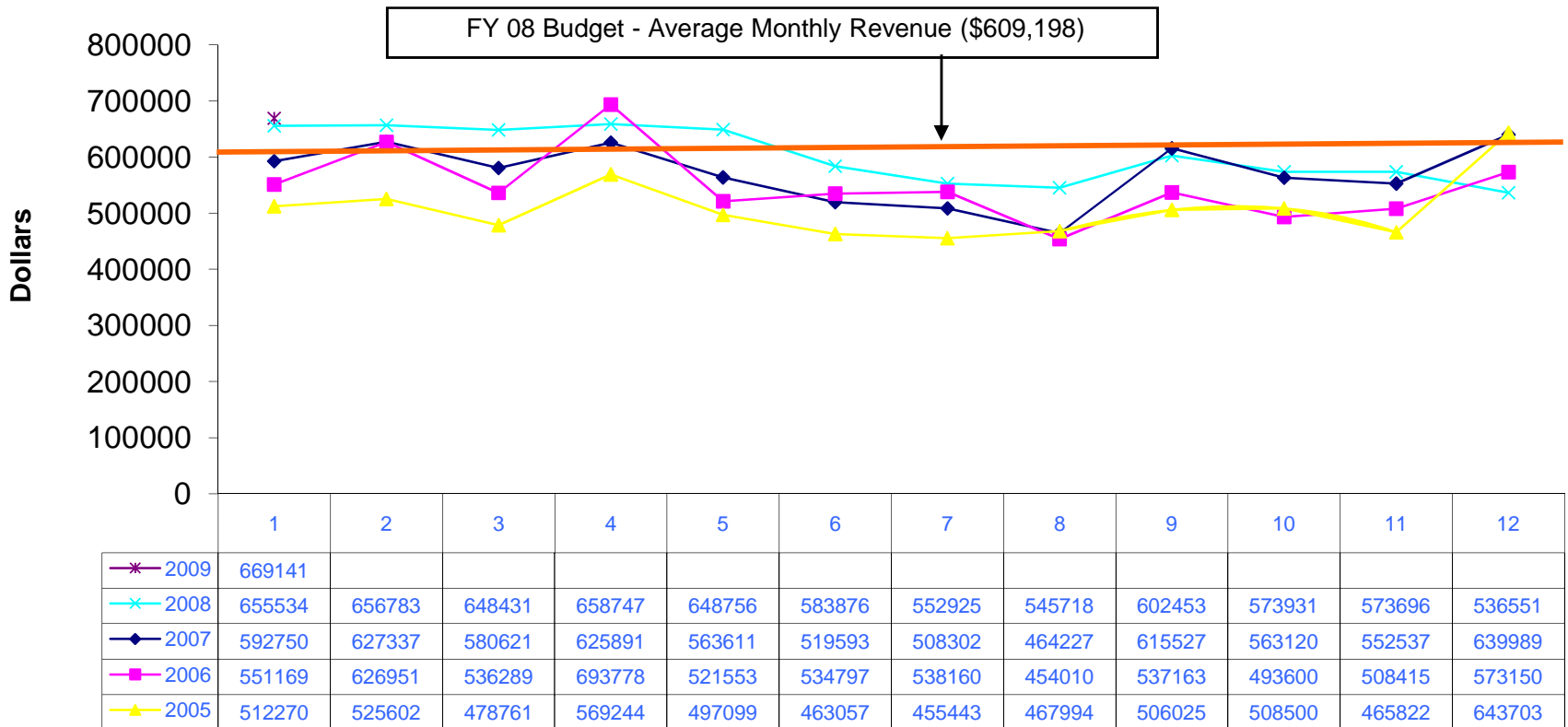
For the Month Ending July 31, 2008

	July Actual	July Budget	Variance %	YTD Actual	YTD Budget	Variance %	Annual Budget
Operating Revenue:							
Terminal	\$284,382	\$261,185	8.88%	\$284,382	\$261,185	8.88%	\$3,134,225
Airfield	81,463	85,807	(5.06%)	81,463	85,807	(5.06%)	1,029,681
Hangar	76,769	57,077	34.50%	76,769	57,077	34.50%	770,388
Parking Lot/Roadway	215,928	194,158	11.21%	215,928	194,158	11.21%	2,329,898
Land Use Fees	10,599	10,971	(3.39%)	10,599	10,971	(3.39%)	131,650
Total Operating Revenue	\$669,141	\$609,198	9.84%	\$669,141	\$609,198	9.84%	\$7,395,842
Operating Expenses:							
Administrative	\$86,801	\$149,153	(41.80%)	\$86,801	\$149,153	(41.80%)	\$1,789,836
Terminal	199,387	253,394	(21.31%)	199,387	253,394	(21.31%)	3,040,728
Airfield	84,567	121,429	(30.36%)	84,567	121,429	(30.36%)	1,457,148
Hangar	-	-	-	-	-	-	-
Parking Lot	-	29,387	(100.00%)	-	29,387	(100.00%)	352,644
Land Use Expenses	-	1,109	(100.00%)	-	1,109	(100.00%)	13,308
Total Operating Expenses	\$370,755	\$554,472	(33.13%)	\$370,755	\$554,472	(33.13%)	\$6,653,664
Operating Revenue before Depreciation							
	\$298,386	\$54,726	445.24%	\$298,386	\$54,726	445.24%	\$742,178
Depreciation	245,973	230,705	6.62%	245,973	230,705	6.62%	2,768,461
Operating Income(Loss) Before Non-Operating Revenue and Expenses							
	\$52,413	(\$175,979)	(129.78%)	\$52,413	(\$175,979)	(129.78%)	(\$2,026,283)
Non-Operating Revenue and Expense							
Customer Facility Charges	71,672	66,250	8.18%	71,672	66,250	8.18%	795,000
Passenger Facility Charges	20,103	100,000	(79.90%)	20,103	100,000	(79.90%)	1,200,000
Interest Revenue	16,698	20,000	(16.51%)	16,698	20,000	(16.51%)	240,000
Interest Expense	(22,492)	(22,492)	0.00%	(22,492)	(22,492)	0.00%	(260,282)
Sale of Assets	-	-	-	60	-	0.00%	-
Non-Operating Revenue-Net	\$85,981	\$163,758	(47.50%)	\$86,041	\$163,758	(47.46%)	\$1,974,718
Income (Loss) Before Capital Contributions							
	\$138,394	(\$12,221)	(1,232.42%)	\$138,454	(\$12,221)	(1,232.92%)	(\$51,565)
Capital Contributions							
	\$0	\$0	0.00%	\$1,172,627	\$0	0.00%	\$0
Increase in Net Assets							
	\$138,394	(\$12,221)	(1,232.42%)	\$1,311,081	(\$12,221)	(10,828.10%)	(\$51,565)

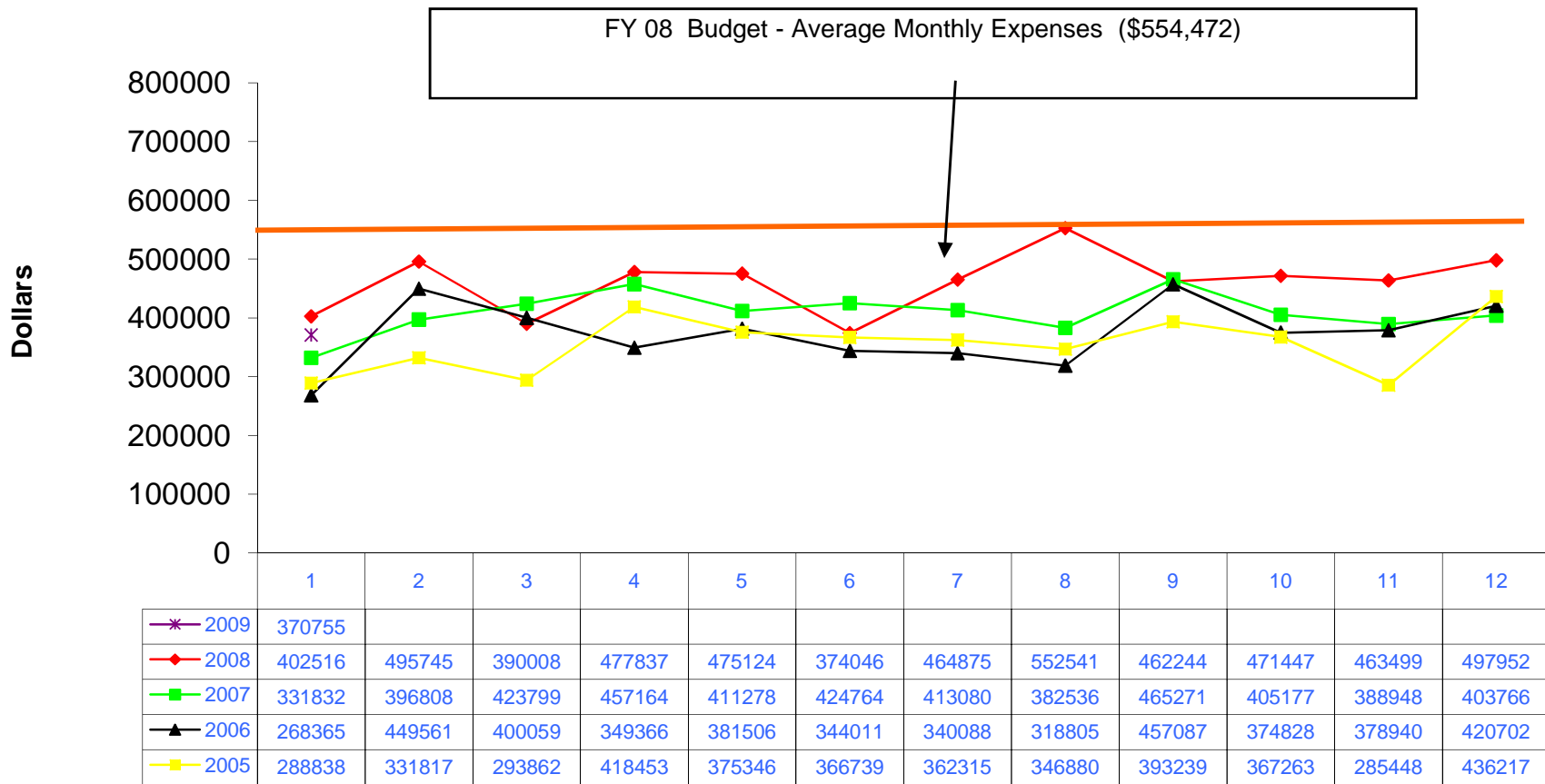
ASHEVILLE REGIONAL AIRPORT AUTHORITY
STATEMENT OF FINANCIAL POSITION
July 31, 2008

	July	Last Month
ASSETS		
Current Assets		
Unrestricted Net Assets:		
Cash and Cash Equivalents	\$3,980,920	\$4,234,686
Investments	993,807	993,807
Accounts Receivable	2,316,629	2,309,793
Prepaid Expenses	173,538	103,400
Total Unrestricted Assets	7,464,894	7,641,686
Restricted Assets:		
Capital Funds	97,621	1,550
Cash and Cash Equivalents	5,616,130	5,526,640
Receivables		
Passenger Facility Charge Funds: Receivables		
Total Restricted Assets	5,713,751	5,528,190
Total Current Assets	13,178,645	13,169,876
Noncurrent Assets		
Capital Assets	15,173,898	14,930,337
Property and Equipment - Net	39,223,510	39,433,484
TOTAL ASSETS	\$67,576,053	\$67,533,697
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	\$1,392,656	\$1,577,460
Total Payable from Unrestricted Assets	1,392,656	1,577,460
Payable from Restricted Assets:		
Construction Contracts Payable	605,319	605,319
Construction Contract Retainages	762,213	762,213
Bonds Payable - Current Portion	336,797	366,540
Total Payable From Restricted Assets	1,704,329	1,734,072
Total Current Liabilities	3,096,985	3,311,532
Non-Current Liabilities:		
Rental Car Project Bond	4,295,086	4,295,086
Total Non-Current Liabilities	4,295,086	4,295,086
Total Liabilities	7,392,071	7,606,618
Net Assets:		
Invested in Capital Assets	39,223,510	39,433,484
Unrestricted	20,960,472	20,493,595
Total Net Assets	60,183,982	59,927,079
TOTAL LIABILITIES	\$67,576,053	\$67,533,697

ASHEVILLE REGIONAL AIRPORT Annual Operating Revenue by Month July 2008

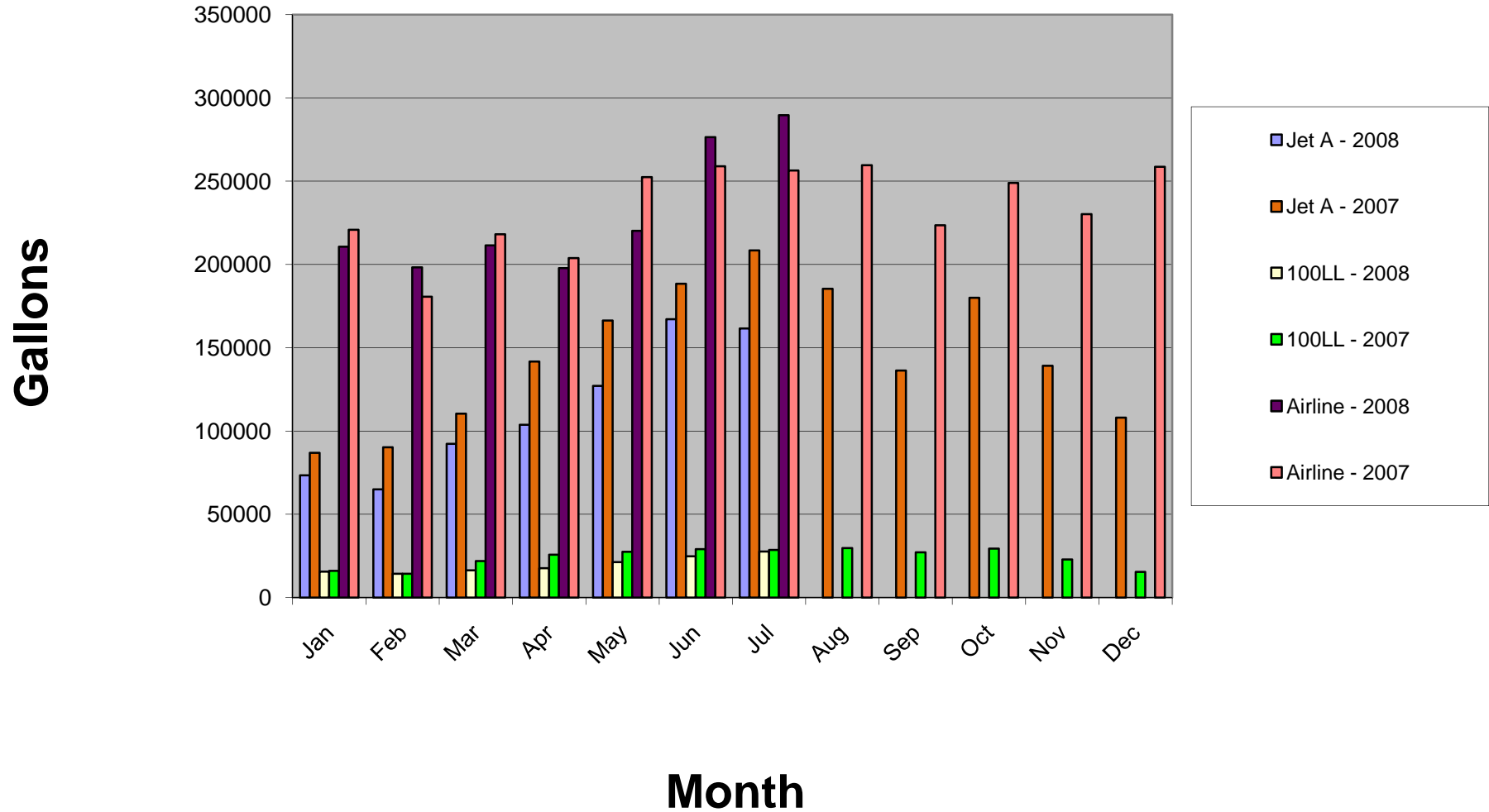


ASHEVILLE REGIONAL AIRPORT Annual Operating Expenses by Month July 2008

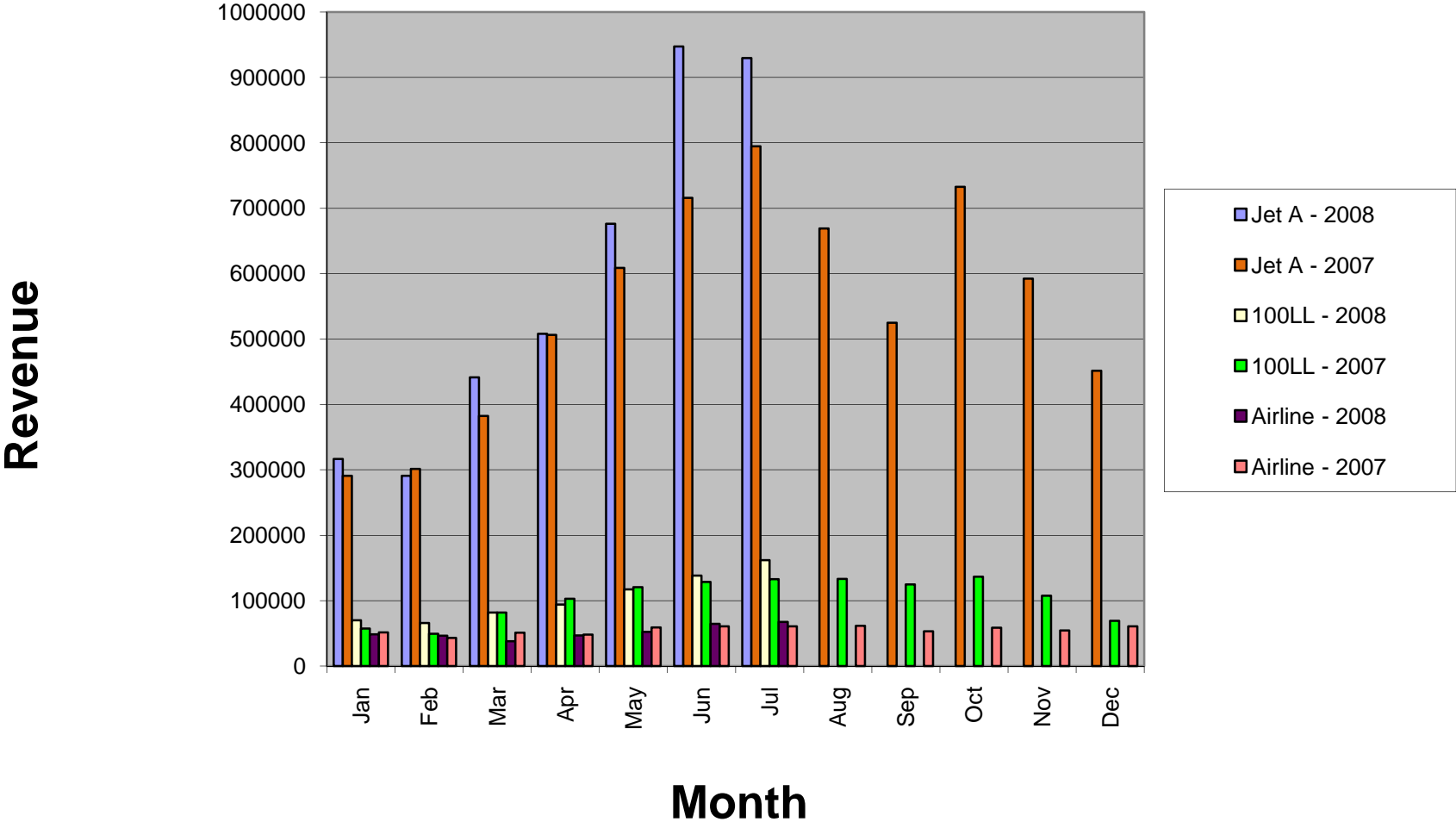


AVL Fuels Sales - Gallons

July 2008



AVL Fuels Sales - Revenue July 2008

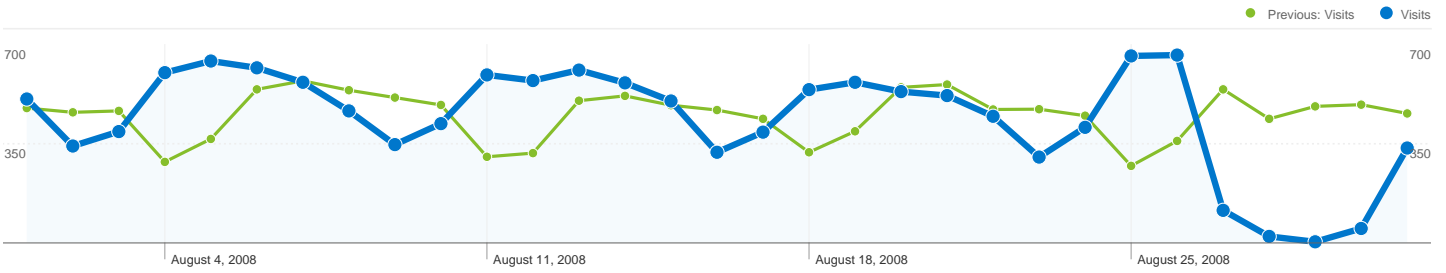




MARKETING and PUBLIC RELATIONS REPORT

September, 2008

- Completed artwork for promotional items
- Asheville Tourists Summer Fly-away Promotion winner drawn; First winner chosen for Fly Away Promotion with Star 104.3 – second promotion underway; Apple Festival – Big apple promotion with WOXL winner drawn; KISS Country 99.9 Suitcase Party winner being drawn 9-12-08.
- Met with WLOS and Charter Communications ad reps to discuss and solidify advertising buys.
- Met with Asheville Rotary Club to coordinate Honor Air Flight on September 27.
- Attended the Rutherford Newcomer Guide luncheon; WLOS evening gathering and Charter Communications advertising luncheon
- Formulated and distributed 4 news releases for August
- Received an average of 27 phone calls per day during business hours.
- Received/responded to 15 media calls during month of August
- Planning Tenant Barbecue
- Beginning planning for Business Travel Forum
- Sent out bid request for promotional items
- Website Statistics - Google Analytics: See attached data regarding August activity at www.flyavl.com
- Booking Engine Statistics – Since August 1, AVL has had a total of 32 hotel, air and rental car reservations for a total of \$256.00 in booking fees collected.



Site Usage

13,629 Visits
 Previous: 13,997 (-2.63%)

36.12% Bounce Rate
 Previous: 36.14% (-0.04%)

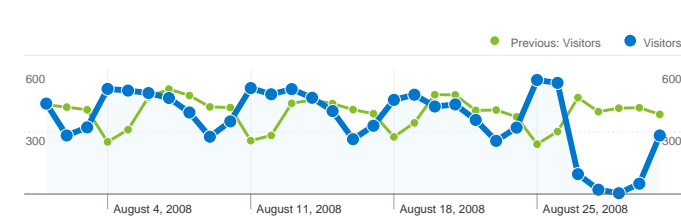
53,587 Pageviews
 Previous: 55,821 (-4.00%)

00:07:38 Avg. Time on Site
 Previous: 00:07:17 (4.77%)

3.93 Pages/Visit
 Previous: 3.99 (-1.41%)

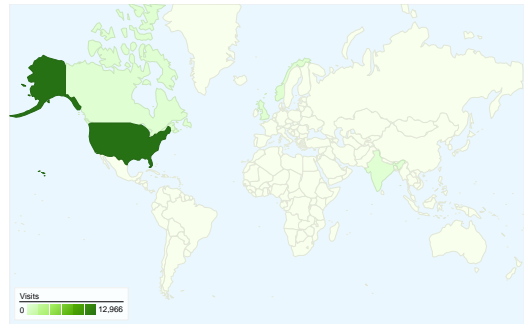
64.75% % New Visits
 Previous: 70.38% (-8.00%)

Visitors Overview

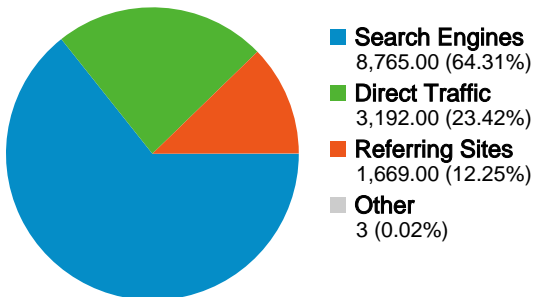


Visitors
9,795

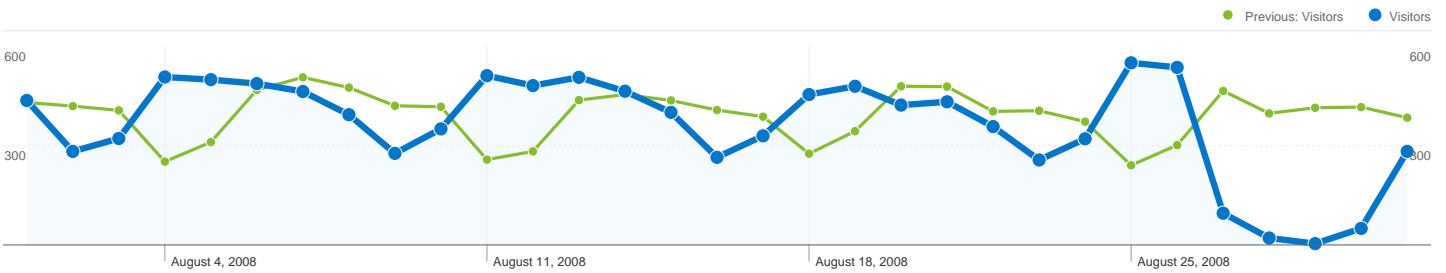
Map Overlay world



Traffic Sources Overview



Content Overview		
Pages	Pageviews	% Pageviews
/		
Aug 1, 2008 - Aug 31, 2008	15,449	28.83%
Aug 1, 2007 - Aug 31, 2007	20,124	36.05%
% Change	-23.23%	-23.23%
/flights/flight-view---real-time.html		
Aug 1, 2008 - Aug 31, 2008	8,256	15.41%
Aug 1, 2007 - Aug 31, 2007	4,543	8.14%
% Change	81.73%	81.73%
/flights/arrivals---real-time.html		
Aug 1, 2008 - Aug 31, 2008	2,819	5.26%
Aug 1, 2007 - Aug 31, 2007	2,115	3.79%
% Change	33.29%	33.29%
/rental-cars/		
Aug 1, 2008 - Aug 31, 2008	1,437	2.68%
Aug 1, 2007 - Aug 31, 2007	1,151	2.06%
% Change	24.85%	24.85%
/flights/flight-schedule-search.html		
Aug 1, 2008 - Aug 31, 2008	1,311	2.45%
Aug 1, 2007 - Aug 31, 2007	789	1.41%
% Change	66.16%	66.16%



9,795 people visited this site

13,629 Visits
Previous: 13,997 (-2.63%)

9,795 Absolute Unique Visitors
Previous: 10,732 (-8.73%)

53,587 Pageviews
Previous: 55,821 (-4.00%)

3.93 Average Pageviews
Previous: 3.99 (-1.41%)

00:07:38 Time on Site
Previous: 00:07:17 (4.77%)

36.12% Bounce Rate
Previous: 36.14% (-0.04%)

65.04% New Visits
Previous: 70.61% (-7.89%)

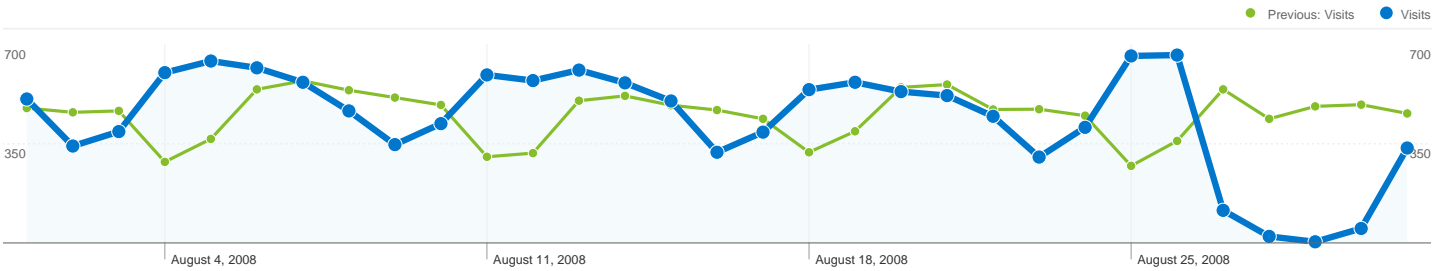
Technical Profile

Browser	Visits	% visits
Internet Explorer		
Aug 1, 2008 - Aug 31, 2008	10,021	73.53%
Aug 1, 2007 - Aug 31, 2007	11,186	79.92%
% Change	-10.41%	-10.41%
Firefox		
Aug 1, 2008 - Aug 31, 2008	2,552	18.72%
Aug 1, 2007 - Aug 31, 2007	2,088	14.92%
% Change	22.22%	22.22%
Safari		
Aug 1, 2008 - Aug 31, 2008	747	5.48%
Aug 1, 2007 - Aug 31, 2007	611	4.37%

Connection Speed	Visits	% visits
Cable		
Aug 1, 2008 - Aug 31, 2008	4,757	34.90%
Aug 1, 2007 - Aug 31, 2007	4,268	30.49%
% Change	11.46%	11.46%
Unknown		
Aug 1, 2008 - Aug 31, 2008	3,411	25.03%
Aug 1, 2007 - Aug 31, 2007	3,609	25.78%
% Change	-5.49%	-5.49%
DSL		
Aug 1, 2008 - Aug 31, 2008	3,407	25.00%
Aug 1, 2007 - Aug 31, 2007	3,726	26.62%

% Change	22.26%	22.26%
Opera		
Aug 1, 2008 - Aug 31, 2008	197	1.45%
Aug 1, 2007 - Aug 31, 2007	17	0.12%
% Change	1,058.82%	1,058.82%
Mozilla Compatible Agent		
Aug 1, 2008 - Aug 31, 2008	49	0.36%
Aug 1, 2007 - Aug 31, 2007	5	0.04%
% Change	880.00%	880.00%

% Change	-8.56%	-8.56%
T1		
Aug 1, 2008 - Aug 31, 2008	1,325	9.72%
Aug 1, 2007 - Aug 31, 2007	1,406	10.05%
% Change	-5.76%	-5.76%
Dialup		
Aug 1, 2008 - Aug 31, 2008	514	3.77%
Aug 1, 2007 - Aug 31, 2007	695	4.97%
% Change	-26.04%	-26.04%

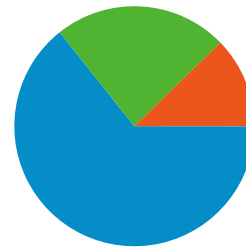


All traffic sources sent a total of 13,629 visits

23.42% Direct Traffic
Previous: 19.64% (19.25%)

12.25% Referring Sites
Previous: 18.19% (-32.68%)

64.31% Search Engines
Previous: 62.16% (3.46%)



- **Search Engines**
8,765.00 (64.31%)
- **Direct Traffic**
3,192.00 (23.42%)
- **Referring Sites**
1,669.00 (12.25%)
- **Other**
3 (0.02%)

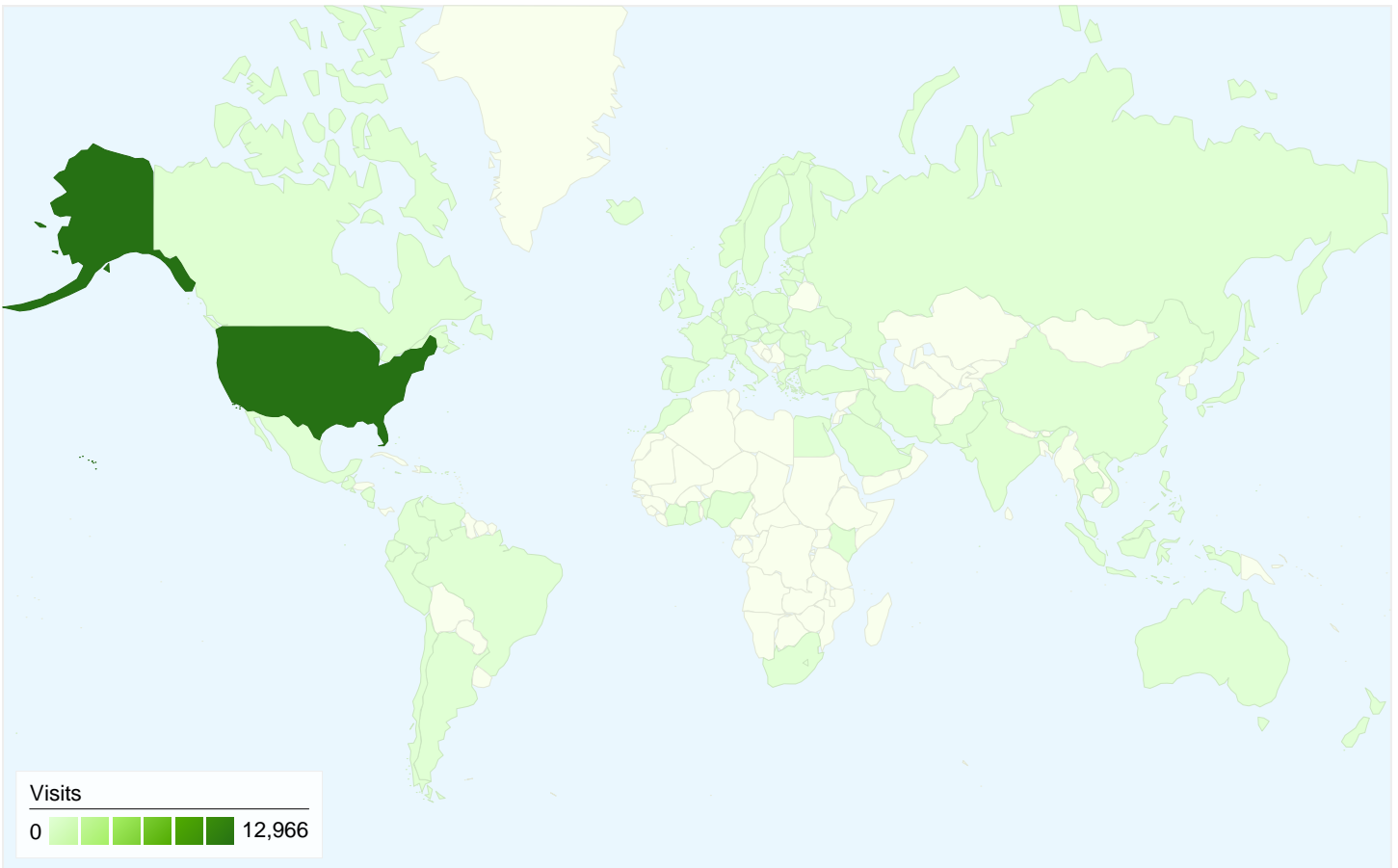
Top Traffic Sources

Sources	Visits	% visits
google (organic)		
Aug 1, 2008 - Aug 31, 2008	6,601	48.43%
Aug 1, 2007 - Aug 31, 2007	6,423	45.89%
% Change	2.77%	2.77%
(direct) ((none))		
Aug 1, 2008 - Aug 31, 2008	3,192	23.42%
Aug 1, 2007 - Aug 31, 2007	2,749	19.64%
% Change	16.11%	16.11%
yahoo (organic)		
Aug 1, 2008 - Aug 31, 2008	977	7.17%
Aug 1, 2007 - Aug 31, 2007	1,207	8.62%
% Change	-19.06%	-19.06%
live (organic)		
Aug 1, 2008 - Aug 31, 2008	459	3.37%
Aug 1, 2007 - Aug 31, 2007	236	1.69%
% Change	94.49%	94.49%
msn (organic)		
Aug 1, 2008 - Aug 31, 2008	333	2.44%

Keywords	Visits	% visits
asheville airport		
Aug 1, 2008 - Aug 31, 2008	2,576	29.39%
Aug 1, 2007 - Aug 31, 2007	3,098	35.61%
% Change	-16.85%	-16.85%
asheville regional airport		
Aug 1, 2008 - Aug 31, 2008	796	9.08%
Aug 1, 2007 - Aug 31, 2007	907	10.42%
% Change	-12.24%	-12.24%
asheville nc airport		
Aug 1, 2008 - Aug 31, 2008	556	6.34%
Aug 1, 2007 - Aug 31, 2007	616	7.08%
% Change	-9.74%	-9.74%
avl		
Aug 1, 2008 - Aug 31, 2008	396	4.52%
Aug 1, 2007 - Aug 31, 2007	308	3.54%
% Change	28.57%	28.57%
flyavl		
Aug 1, 2008 - Aug 31, 2008	367	4.19%

Aug 1, 2007 - Aug 31, 2007	401	2.86%
% Change	-16.96%	-16.96%

Aug 1, 2007 - Aug 31, 2007	68	0.78%
% Change	439.71%	439.71%



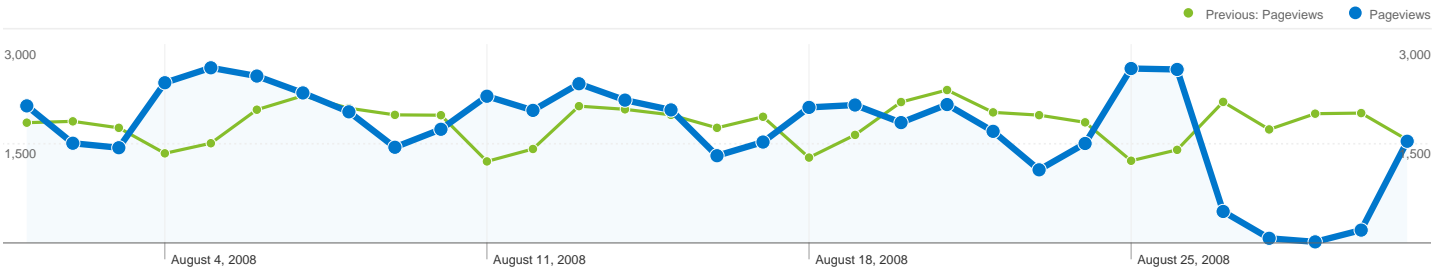
13,629 visits came from 94 countries/territories

Site Usage

Visits	Pages/Visit	Avg. Time on Site	% New Visits	Bounce Rate	
13,629 Previous: 13,997 (-2.63%)	3.93 Previous: 3.99 (-1.41%)	00:07:38 Previous: 00:07:17 (4.77%)	65.02% Previous: 70.61% (-7.91%)	36.12% Previous: 36.14% (-0.04%)	
Country/Territory	Visits	Pages/Visit	Avg. Time on Site	% New Visits	Bounce Rate
United States					
August 1, 2008 - August 31, 2008	12,966	3.99	00:07:52	65.20%	35.43%
August 1, 2007 - August 31, 2007	13,516	4.00	00:07:28	70.09%	35.86%
% Change	-4.07%	-0.38%	5.32%	-6.97%	-1.20%
Norway					
August 1, 2008 - August 31, 2008	120	1.65	00:05:37	2.50%	62.50%
August 1, 2007 - August 31, 2007	2	1.00	00:00:00	100.00%	100.00%
% Change	5,900.00%	65.00%	100.00%	-97.50%	-37.50%
United Kingdom					
August 1, 2008 - August 31, 2008	88	3.08	00:02:23	71.59%	35.23%

August 1, 2007 - August 31, 2007	88	4.08	00:01:56	84.09%	40.91%
% Change	0.00%	-24.51%	23.79%	-14.86%	-13.89%
Canada					
August 1, 2008 - August 31, 2008	81	3.40	00:02:29	82.72%	38.27%
August 1, 2007 - August 31, 2007	77	3.19	00:02:14	90.91%	40.26%
% Change	5.19%	6.27%	11.08%	-9.01%	-4.94%
India					
August 1, 2008 - August 31, 2008	54	2.57	00:01:50	44.44%	62.96%
August 1, 2007 - August 31, 2007	14	7.21	00:03:02	92.86%	7.14%
% Change	285.71%	-64.32%	-39.83%	-52.14%	781.48%
Germany					
August 1, 2008 - August 31, 2008	50	4.34	00:03:51	80.00%	36.00%
August 1, 2007 - August 31, 2007	31	4.29	00:02:58	93.55%	29.03%
% Change	61.29%	1.16%	29.75%	-14.48%	24.00%
France					
August 1, 2008 - August 31, 2008	18	2.28	00:04:59	50.00%	50.00%
August 1, 2007 - August 31, 2007	7	3.57	00:01:54	100.00%	42.86%
% Change	157.14%	-36.22%	161.71%	-50.00%	16.67%
Japan					
August 1, 2008 - August 31, 2008	18	3.33	00:01:14	66.67%	44.44%
August 1, 2007 - August 31, 2007	37	3.78	00:03:29	67.57%	37.84%
% Change	-51.35%	-11.90%	-64.74%	-1.33%	17.46%
(not set)					
August 1, 2008 - August 31, 2008	15	2.87	00:01:31	73.33%	33.33%
August 1, 2007 - August 31, 2007	5	6.80	00:01:08	100.00%	40.00%
% Change	200.00%	-57.84%	33.33%	-26.67%	-16.67%
Switzerland					
August 1, 2008 - August 31, 2008	12	1.75	00:02:41	50.00%	50.00%
August 1, 2007 - August 31, 2007	6	5.17	00:06:33	100.00%	33.33%
% Change	100.00%	-66.13%	-59.16%	-50.00%	50.00%


1 - 10 of 94



Pages on this site were viewed a total of 53,587 times

 **53,587 Pageviews**
Previous: 55,821 (-4.00%)

 **33,831 Unique Views**
Previous: 36,308 (-6.82%)

 **36.12% Bounce Rate**
Previous: 36.14% (-0.04%)

Top Content

Pages	Pageviews	% Pageviews
/		
Aug 1, 2008 - Aug 31, 2008	15,449	28.83%
Aug 1, 2007 - Aug 31, 2007	20,124	36.05%
% Change	-23.23%	-23.23%
/flights/flight-view---real-time.html		
Aug 1, 2008 - Aug 31, 2008	8,256	15.41%
Aug 1, 2007 - Aug 31, 2007	4,543	8.14%
% Change	81.73%	81.73%
/flights/arrivals---real-time.html		
Aug 1, 2008 - Aug 31, 2008	2,819	5.26%
Aug 1, 2007 - Aug 31, 2007	2,115	3.79%
% Change	33.29%	33.29%
/rental-cars/		
Aug 1, 2008 - Aug 31, 2008	1,437	2.68%
Aug 1, 2007 - Aug 31, 2007	1,151	2.06%
% Change	24.85%	24.85%
/flights/flight-schedule-search.html		
Aug 1, 2008 - Aug 31, 2008	1,311	2.45%

Aug 1, 2007 - Aug 31, 2007	789	1.41%
% Change	66.16%	66.16%

Asheville Regional Airport Authority
Project Report - September 2008

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 07/31/08)	Percent of Original Contract	Total Project Cost	Percent Complete	Expensed to Date (thru 07/31/08)	Start Date	End Date	Current Project Status (as of 9/1/08)
Planning Phase														
1	Landside Access, Roadway and Parking Planning and Programming	This project involves the concept evaluation and planning study for landside roadway access and parking areas for the airport.	WK Dickson	\$169,812.00	na	na	na	na	\$169,812.00	99%	\$158,382.97	Dec-07	Sep-08	WK Dickson is preparing final deliverables and Staff is preparing to enter the design phase with the direction received at the August Board meeting.
Design Phase														
2	22,000 Sq Ft Bulk Hangar - 168 Wright Brothers Way	A 22,000 sq ft bulk hangar will be constructed on existing ramp area adjacent to the Lacy Griffin Building. The hangar will be under a management agreement with Million Air.	LPA Group	\$265,535.00	na	na	na	na	\$265,535.00	99%	\$149,919.83	Dec-07	Sep-08	Bidding is complete. A recommendation to award will be presented at the September 12 meeting
Construction Phase														
3	Terminal Renovation and Expansion - Phase 1	The Terminal Renovation and Expansion - Phase 1 Project includes enlarging the baggage claim area and airline ticket office areas . Improvements and modifications include additional square footage and increased baggage capacity.	SchenkelShultz	\$614,300.00	Perry Bartsch Jr.	\$ 4,479,000.00	\$199,025.00	4.45%	\$5,941,200.00	65%	\$ 2,521,829.81	Jul-06	Nov-08	Baggage system installation is underway. Electrical, paint and ceiling work is underway in the airline office areas. The terrazzo floor system is being installed in baggage claim.
4	Security System & Access Control Project	The Security System & Access Control Project includes the design and professional services for replacing and improving the current ACS and CCTV systems.	Faith Group	\$185,870.00	I-Sys	\$ 1,473,984.00	\$144,677.41	9.82%	\$1,804,531.41	95%	\$ 1,473,234.76	Jul-06	Sep-08	Testing and certification is complete. The contract work is considered substantially complete.
5	North General Aviation Expansion Project	The North GA project includes multiple phases; phase one consisted of tree harvesting and logging operations, phase two included clearing and grubbing of the site and phase three involves the placement and compaction of structural fill material for the site.	WK Dickson	\$0.00	Charah	\$ -	\$0.00	0.00%	\$3,000,000.00	40%	\$ 602,213.91	Nov-07	May-09	Placement of fill material is 100% complete in phase 1. DWQ has approved the 401 permit. USACE has issued some questions in regards to the 404 permit approval.
NA														
Close-Out Phase														
6	Regional Boarding Ramp Project	The Regional Boarding Ramp (RBR) Project includes the purchase and installation of regional boarding ramps, pre-conditioned air units, and 400hz fixed ground power units at the "B" Boarding gate positions.	RS&H	\$24,500.00	Construction Logic	\$780,810.00	-\$76,824.54	-9.84%	\$1,343,000.00	99%	\$ 1,105,299.48	Oct-06		The contractor is completing the required close out documentation.