

REGULAR MEETING  
ASHEVILLE REGIONAL AIRPORT AUTHORITY  
JANUARY 18, 2008  
8:30 AM

The Asheville Regional Airport Authority ("Authority") met on Friday, January 18, 2007, 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:** Rhett Grotzinger, Vice-Chairman James E. Ellis, Secretary/Treasurer; David Hillier, David Gantt, Gerard P. Mozian, Brownie Newman and Chuck McGrady (Ex-Officio Member)

**MEMBERS ABSENT:** Susan Fisher

**STAFF AND LEGAL COUNSEL PRESENT:** Victor Buchanan, Authority Legal Counsel; David N. Edwards, Jr., A.A.E., Airport Director ("Director"); D. David Nantz, Director of Operations and Maintenance; Royce Holden, IT Manager; Kevin Howell, Development Manager; Patti Michel, Director of Marketing and Public Relations; Beverley Vassell, Director of Administration and Finance, C. Jeff Augram, Chief of Public Safety; and Debra Roman, Administrative Assistant.

**STAFF ABSENT:** None

**CALL TO ORDER:** The Vice Chairman welcomed everyone in attendance and called the meeting to order at 8:31 AM.

**ELECTION OF OFFICERS:** Mr. Gantt, chairman of the Nomination Committee, stated that the Committee's recommendation was to elect Mr. Hillier as Chairman, with Mr. Grotzinger continuing as Vice Chairman, and Mr. Ellis continuing as Secretary/Treasurer.

Mr. Ellis moved to approve the Nominating Committees recommendation. Mr. Grotzinger seconded the motion, and it carried by a unanimous vote.

**APPEARANCES:** None

**PRESENTATIONS:** None

**CONSENT AGENDA:**

A. Approval of the Asheville Regional Airport Authority, December 14, 2007, Regular Scheduled Meeting Minutes:

**B. Approval of the Asheville Regional Airport Authority, December 14, 2007, Closed Session Minutes:**

Mr. Ellis moved to approve the minutes for the December 14, 2007, Regular Meeting and the minutes for the December 14, 2007, Closed Session, and to seal and withhold the Closed Session Minutes from public inspection so long as public inspection would frustrate the purpose thereof. Mr. Grotzinger seconded the motion, and it carried by a unanimous vote.

**DIRECTORS REPORT:**

**A. Update on the Deputy Director Search:** – The Director relayed to the Board that the position had been posted. The Director stated that the influx of resumes was very positive and there were quite a few qualified candidates.

**B. Budget Workshop Update:** The Director relayed to the Board that the Authority would have a budget workshop meeting on February 22, 2008, immediately following the Regular Scheduled Authority Board Meeting. The Director relayed to the Board the timeline for the Budget Process, including final adoption at the April Board Meeting.

**C. Solicitation for Rental Car Concession:** The Director relayed to the Board that the Car Rental Agreements expire June 30, 2008 and that Staff would be issuing Request for Bids for new rental car concession agreements. The Director also indicated that it appeared that a few new rental car companies have shown interest which will create a very competitive bid environment.

**D. Delta Merger:** The Director stated that Delta had been looking to possibly merge with either Northwest or United Airlines. There was a discussion on what impact a merger could have on the airport.

**E. Approval of the Joint Agency Agreement by the Buncombe County Commissioners and the Approval of the Lease Agreement by the Asheville City Council:** The Director relayed to the Board that the City of Asheville would be considering for approval a revised Lease Agreement between the City of Asheville and the Asheville Regional Airport Authority at their January 22, 2008 Regular Meeting. The Director also stated that Buncombe County Commissioners would be considering for approval a revised Joint Agency Agreement between the City, County and the Airport. The Director relayed that the City of Asheville had already approved the Joint Agency Agreement at the November 27, 2007 City Council Meeting.

The Director relayed to the Board that with the recent addition of Staff positions, that some modifications would be made to the Authority Offices.

Mr. Grotzinger requested the status of the new Bulk Hangar project. The Director stated that the scope and fee document had been executed to start on the design portion of the project and that some of the survey work had already been completed.

**OLD BUSINESS:**

**A. Approval of the Final Rankings of the Request for Proposals (RFP) Submittals for Parking Management Services for the Public Parking Facility:**

Mr. Nantz relayed to the Board that at the December 14, 2007 Authority Board Meeting a proposed final ranking was presented to the Authority. The Board tabled a decision on this item until the January meeting and requested additional information from Staff. Mr. Nantz indicated to the Board that Staff's recommended ranking has not changed. Mr. Nantz respectfully requested that the Board approve the final rankings as originally submitted, authorize Staff to begin negotiations with the first ranked firm, and that the Airport Director be authorized to execute the necessary documents.

Mr. Chris Howley, Republic Parking approached the Authority. Mr. Howley thanked the Board for postponing their decision at the last meeting. Mr. Howley stated that they remained firm on the fact that Republic Parking could offer a better budget price. Mr. Howley spoke to the relationship between Republic Parking and the Airport. Mr. Howley stated to the Board that he agreed that the three top ranked companies are all capable doing the job and felt that the best solution would be for the Authority to ask for a best and final offer.

Ms. Bryson, Roberts and Stevens, relayed to the Board that there was a concern about the selection process and that the fixed/percentage fee was not advertised as the basis of choice. Ms. Bryson recommended to the Board that they either throw out the bids and start over or get best and final offer from each of the companies.

Mr. Jack Ricchiuto, Standard Parking, relayed to the Board that the bid process was very fair and that Standard Parking was the lowest proposed fixed/percentage fee. Mr. Ricchiuto stated that longevity is just not a factor anymore and that a change of management was needed. Mr. Ricchiuto continued by stating that if you don't make a change you don't know what improvements can be made. Mr. Ricchiuto requested that the Board support Staff's decision as the bid process was fair and thorough.

The Director relayed to the Board that he had dealt with protests at other airports. The Director stated that although the tie breaker might have been the final fee, it was not the sole factor in the decision making process. The Director relayed to the Board that there is a concern from Staff regarding Republic Parking's first letter that stated they would respect the Authority's decision on this matter and that now Republic is challenging the process itself. The Director requested that the Authority support Staff's decision to award Standard Parking, Inc. with the Parking Management Contract.

Mr. Nantz relayed to the Board that he agreed with the Director's statements and asked for the Board to support Staff as well.

There was a discussion on the criteria percentages and the amount of weight they held.

Mr. Grotzinger inquired as to how long Republic Parking had been on a month to month agreement and had the airport had any complaints about the parking facility. The Director stated that it was about the 2001 time frame. The Director stated that although there had not been any complaints regarding Republic Parking's ability to perform, that the company continually failed to be proactive on several items.

There was a discussion regarding the dollar delta in the fixed/percentage fee between Republic and Standard.

Mr. Mozian stated to the Board that Staff had done a great job in getting the information together for the Authority. Mr. Mozian suggested that the Authority should get one last final bid in order to get the best price. The Director relayed to the Board that nothing prohibits the Authority from getting a final or best offer from these companies. The Director also stated that past history has shown that doing that usually ends up in the "buying" of the contract, and that thereafter the company fails to perform at an acceptable level due lack of revenue. The Director continued to state that this has resulted in companies bowing out of the contract at the airports expense, which is a disservice to passengers.

Mr. Ellis relayed to the Board that the decision at the December meeting to postpone the award of the Parking Management Contract until further information was obtained was a good one, but felt it would be a mistake to rebid or take final offers. Mr. Ellis stated that he was prepared to support Staff's recommendation.

Mr. Ellis moved to (1) approve the final rankings as submitted to the Board; (2) authorize Staff to begin negotiations with the first ranked firm. If negotiations for a final contract are unsuccessful, Staff will then negotiate with the next ranked firm and continue the process until a final contract is negotiated, and (3) authorize the Airport Director to execute all the necessary documents. Mr. Gantt seconded the motion.

The Chairman stated that he believed there were two dynamics before the Board regarding this item. The Chairman relayed that firstly, as our previous Chairman stated at our last meeting the Board needed to be careful about getting into a pattern not supporting Staff's recommendation when such recommendations are challenged by tenants or others. He stated that although the Board should not be rubber stamping every item Staff brings to the Board, the Board should trust in the Staff they chose to do the job. Secondly, the Chairman stated that there was a natural human desire not to change. He felt that if the difference in price had been \$80.00 or even \$800.00 then

the incumbent would have been favored, but \$8,000.00 was just too much of a difference in cost to justify awarding the contract to the incumbent.

The motion carried by a 4-2 vote with the Chairman, Messrs. Ellis, Gantt and Newman voting for the motion, and Messrs. Mozian and Grotzinger voting against the motion.

**NEW BUSINESS:**

**A. Approval to Replace Cooling Tower Units CTW-1, CTW-2, and to add Building Automation Controls to Air Handling Units AHU-6 and AHU-7:**

Mr. Nantz relayed to the Board that the Maintenance Department is requesting to replace two of the Cooling Tower Units that are 15+ years old. Mr. Nantz relayed to the Board which parts of the airport would be affected by the replacement of these units. Mr. Nantz stated that the replacement of these units would have a savings of approximately 22.5 million tons of water in the overall life span of the equipment.

Mr. Nantz relayed to the Board that in addition to the Cooling Tower Units the installation of the Automation Controls will enable Staff to monitor the equipment and facility temperature more effectively and control the equipment operating time for additional cost savings.

Mr. Nantz relayed to the Board that the cost to replace the three combined projects can be completed for a total cost of \$176,584.00. The original budget amount for the project was \$160,000.00, which was quoted by McNutt Service Group, Inc.; however, the cost of copper, aluminum, steel, fuel, and labor has increased over the past year.

Mr. Mozian inquired as to whether this was an all inclusive cost. Mr. Nantz stated that is was an all inclusive number.

Mr. Ellis inquired as to whether Staff thought this project could be finished before summer? Mr. Nantz stated to the Board that this was the reason for bringing the project to the Authority at this time.

Mr. Grotzinger moved to (1) approve the replacement of CTW-1 for the quoted price of \$73,865.00 from McNutt Service Group, Inc., (2) approve the replacement of CTW-2 for the quoted price of \$79,965 from McNutt Service Group, Inc., (3) approve the upgrade of controls for AHU-6 and AHU-7 for the quoted price of \$22,754.00 from Harris Integrated Solutions, (4) fund the additional cost out of the Authority's Capital Fund Balance, and (5) authorize the Airport Director to execute the necessary documents. Mr. Ellis seconded the motion, and it carried by a unanimous vote.

**INFORMATION SECTION:**

There were discussions regarding the completion of the Guest Services Kiosk and the timeline on the budget process.

Mr. Gantt thanked Staff on the Art Gallery's success and stated that he had heard many positive remarks. Mr. Gantt also inquired as to whether there was any more thought on doing a WNC film display. Ms. Michel relayed to the Board that the Marketing Department was in the process of looking into this. Mr. Gantt requested that Staff put some information together on a WNC film display to present to the Board.

**AUTHORITY MEMBERS REPORT:** None

**PUBLIC AND TENANT'S COMMENTS:** None

**CLOSED SESSION:** None

**ADJOURNMENT:**

Mr. Grotzinger moved to adjourn the meeting at 9:33 AM. Mr. Gantt seconded the motion, and it carried by a unanimous vote.

The next regular meeting of the Authority will be on Friday, February 22, 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,

James E. Ellis  
Secretary-Treasurer

Approved:

Dave Hiller  
Chairman