

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
November 18, 2022**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, November 18, 2022 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: Brad Galbraith, Chair; George H. Erwin, Jr., Vice-Chair; Carl H. Ricker, Jr.; Susan Russo Klein; Britt Lovin; Nathan Kennedy; and Robby Russell

MEMBERS ABSENT: None

STAFF AND LEGAL COUNSEL PRESENT: Cindy Rice, Authority Legal Counsel; Lew Bleiweis, President & CEO ("president"); Michael Reisman, Chief Operating Officer; Tina Kinsey, VP - Marketing, Public Relations and Air Service Development; Janet Burnette, Chief Financial Officer; John Coon, VP - Operations and Maintenance; Christina Madsen, VP - Business Development and Properties; Jared Merrill, VP - Planning; Samuel Sales, Chief of Public Safety; Angela Wagner, VP - Administration and Human Resources; David Nantz, Safety Manager; and Ellen Heywood, Clerk to the Board

ALSO PRESENT: Zeke Cooper, DreamCatcher Hotels; Amanda Sheridan, McFarland Johnson; Jon McCalmont, Parrish & Partners; Paul Puckli, CHA Consulting; Christian Smith, Asheville Citizen Times

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

EMPLOYEE RECOGNITION: The Chair recognized David Nantz with a service award and gift for his 25 years of service with the Authority.

PRESENTATIONS:

A. Hotel Design: Zeke Cooper, President & CEO of DreamCatcher Hotels ("DreamCatcher"), appeared before the Board to give an update on the design of the hotel and conference center planned for the Broadmoor Golf Course. Mr. Cooper provided an overview of his company and some drawings of their completed projects. Renderings and details for the hotel and conference center to be built next to the Broadmoor Golf Course were presented. Mr. Cooper informed the Board that DreamCatcher is awaiting the geotechnical report on the core drillings and once that becomes available, the civil engineers will begin work and DreamCatcher will start the

permitting process with Henderson County. DreamCatcher anticipates breaking ground on the project this spring. The Board thanked Mr. Cooper for his presentation.

FINANCIAL REPORT: A review of enplanements, aircraft operations, and general aviation activity for the month of September was provided by the president. Janet Burnette reported on the financial activity for the month of September.

CONSENT ITEMS: The Chair stated that Consent Item C, Approval of the Greater Asheville Regional Airport Authority November 3, 2022 Closed Session Minutes, would be pulled for review in Closed Session.

A. Approval of the Greater Asheville Regional Airport Authority October 7, 2022 Regular Meeting Minutes:

B. Approval of the Greater Asheville Regional Airport Authority November 3, 2022 Special Meeting Minutes:

Mr. Lovin moved to approve Consent Items A and B. Ms. Russo Klein seconded the motion and it carried unanimously.

OLD BUSINESS: None

NEW BUSINESS:

A. Approval of Construction Contract for the Air Traffic Control Tower and Associated Facilities Project: Jared Merrill informed the Board that due to the complexity of the air traffic control tower project, staff elected to pre-qualify contractors following Authority and state requirements. Four companies submitted statements of qualifications and all four companies were pre-qualified to bid on the project. Two bids were received on the November 4th bid date: Kokolakis Contracting and Archer Western (Walsh Group). The other two firms had notified staff in writing that they did not intend to submit bids. Mr. Merrill stated that the low bid was submitted by Kokolakis Contracting in the amount of \$44,344,052.00 which was 11% higher than the engineer's estimate of \$39.9 million. Mr. Merrill further stated that a number of comments were received during the bid process expressing concerns about completing the project within the modified 18-month construction schedule specified in the bid documents. As a result, an addendum was issued that directed bidders to submit their bids based on the 18-month construction schedule, however, with the caveat that once a contract was awarded, the Authority would extend the contract days provided the contractor supplied documented proof of its inability to complete the project on schedule due to supply chain issues. Mr. Merrill advised the Board that assuming this were to occur, additional costs for extended General Conditions incurred by the contractor would also be appropriate and would be based on

the Schedule of Values submitted with the original bid. Mr. Merrill stated that the cost of the project would be covered with a grant in the amount of \$15 million the airport expects to receive from the Bipartisan Infrastructure Law and the remainder with airport funds.

Mr. Merrill was asked if there were provisions to manage time for the project and Mr. Merrill responded that there were provisions in the contract to manage time and explained how the schedule of values would be utilized to manage costs.

Mr. Russell moved to approve a budget for the air traffic control tower and associated facilities in the amount of \$46,561,255.00 (\$44,344,052.00 bid plus 5% allowance of \$2,217,203.00); approve the contract with Kokolakis Contracting in the amount of \$44,344,052.00; and authorize the President & CEO to execute the necessary documents. Mr. Kennedy seconded the motion and it carried unanimously.

B. Adoption of the Asheville Regional Airport Five-Year Capital Improvement Plan (CIP) for FY2024-2028: Jared Merrill advised the Board that it was time for the airport to submit a five-year CIP to the FAA to be eligible for federal project funding. Mr. Merrill reminded the Board that this program was a planning and administrative tool for staff, the FAA, and the NCDOT Division of Aviation. Approval of the CIP does not provide staff with authorization to award design or construction contracts. In addition to existing projects already underway such as the terminal building modernization and air traffic control tower projects, Mr. Merrill stated that the CIP included planned projects such as a new parking garage, various pavement rehabilitation projects, and ARFF equipment replacement.

Ms. Russo Klein moved to adopt the Asheville Regional Airport Five-Year Capital Improvement Plan. Mr. Lovin seconded the motion and it carried unanimously.

C. Approval of Bond Post-Issuance Compliance Policies: Janet Burnette informed the Board that with the issuance of bonds, staff must adhere to certain compliance measures. The Post Issuance Tax Compliance Policy provides guidance to ensure the bonds retain tax-exempt status. In addition to this policy, staff will follow detailed directives to ensure compliance. Mrs. Burnette provided a brief explanation on the types of compliance outlined in the policy. Mrs. Burnette stated that the other policy, the Post-Issuance Securities Law Compliance Policy, primarily outlines the requirement of an annual report that must be filed with the federal government and also any event notices, such as rating changes or bond redemption changes, that must also be filed with the federal government.

Ms. Russo Klein moved to approve the new policies for the Post-Issuance Tax Compliance and Post Issuance Securities Law Compliance. Mr. Russell seconded the motion and it carried unanimously.

D. Approval of Updates to Purchasing/Procurement Policy: Janet Burnette reported that the Authority's current purchasing policy requires purchase orders for all purchases in the amount of \$1,000 or more. Staff recommended that the minimum amount requiring the issuance of purchase orders be increased to \$5,000.

The president stated that his current spending authority was \$60,000 and had been that amount for a number of years. The president asked Ms. Burnette to calculate the CPI adjustment from 2016 for the president's current spending authority, and at today's rate this would be equal to \$73,875. The president inquired if the Board would consider raising his spending authority to an amount closer to the CPI adjusted amount. A brief discussion ensued, and it was agreed that the president's spending authority would be raised to \$75,000 and that the president's spending authority would be included as an annual budget item for Board review and consideration. The Board also suggested that it would be helpful for the president to give a report of all spending close to the \$75,000 limit to give the Board an idea of what the spending looks like. The president stated that in the past most of the funds have been taken from contingency, and that he was required to report to the Board at the following Board meeting any funds spent from contingency. The Board agreed that while this was helpful, a tally from an occurrence would be beneficial as well.

Mr. Lovin moved to approve the updates to the Purchasing/Procurement Policy with the exception of the Procurement Approval Authority Items 1, 2 and 3 changing the president's authority to approve any type of procurement from \$60,000 to \$75,000 with an annual review of this authority. Ms. Russo Klein seconded the motion and it carried unanimously.

PRESIDENT'S REPORT: The president stated that he had a couple of additional items to address that were not included on the agenda.

A. Update on ACI World Board Meeting: The president briefed the Board on his recent attendance at the ACI World Board Meeting and reviewed the global initiatives focused on by ACI including aviation workforce, capacity enhancements at airports, cyber security, accessibility, and advanced air mobility.

B. Thanksgiving Statistics: The president reported that so far only two airlines had reported numbers for the Thanksgiving holiday and totaled approximately 9,500 passengers from Wednesday through Sunday. The president provided comparisons from 2009, 2019, and 2021 and stated that 2022 would far surpass enplanement numbers for those years.

C. Runway 5k: Preliminary numbers of the proceeds from the runway 5k appear to be just over \$19,000. The proceeds will be split between the WNC Pilots Association Education Foundation and AB Tech Pilot Program for their scholarship fund.

D. Board Informational Report: The president stated that a new report had been added to the traffic report for the Board's review. A graph chart summarizing the data from the three-month schedule report will make it easier to review and will be included in each month's traffic report.

INFORMATION SECTION: No comments

PUBLIC AND TENANTS COMMENTS: None

CALL FOR NEXT MEETING: The Chair stated that the next regular meeting of the Board will be held on December 9, 2022.

AUTHORITY MEMBER REPORTS: None

CLOSED SESSION: At 9:53 a.m. Mr. Lovin moved to go into Closed Session Pursuant to Subsections 143-318.11 (a) (3) and (4) of the General Statutes of North Carolina to Consult with Legal Counsel Regarding, Among Other Things, that Buncombe County Lawsuit Entitled Christopher McFalls vs. the Greater Asheville Regional Airport Authority; to Preserve the Attorney-Client Privilege; and to Discuss Matters Relating to the Location and/or Expansion of Industries or Other Businesses in the Area Served by the Greater Asheville Regional Airport Authority, Including Agreement on a Tentative List of Economic Development Incentives that may be Offered by the Greater Asheville Regional Airport Authority in Negotiations. Mr. Russell seconded the motion and it carried by a 6 to 0 vote as Ms. Russo Klein had briefly stepped out of the meeting.

The Chair indicated they would break for a few minutes at which time the Board would resume in closed session.

Open Session resumed at 10:14 a.m.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY NOVEMBER 18, 2022

CLOSED SESSION MINUTES: Mr. Lovin moved to seal the minutes for the Closed Session just completed and to withhold such Closed Session minutes from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Ms. Russo Klein seconded the motion and it carried unanimously.

APPROVAL OF THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY NOVEMBER 3, 2022 CLOSED SESSION MINUTES:

Mr. Lovin moved to approve the minutes for the Greater Asheville Regional Airport Authority November 3, 2022 Closed Session and to seal and withhold the minutes for the November 3, 2022 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Russell seconded the motion and it carried unanimously.

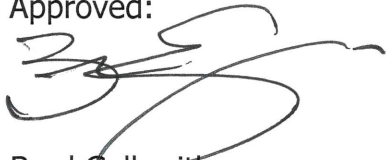
ADJOURNMENT: Ms. Russo Klein moved to adjourn the meeting at 10:18 a.m. Mr. Kennedy seconded the motion and it carried unanimously.

Respectfully submitted,



Ellen Heywood
Clerk to the Board

Approved:



Brad Galbraith
Chair