

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
April 12, 2024**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, April 12, 2024 at 8:30 a.m. in Council Chambers at the Fletcher Town Hall, 300 Old Cane Creek Road, Fletcher, NC 28732.

MEMBERS PRESENT: Brad Galbraith, Chair; Laura B. Leatherwood; Britt Lovin, Vice-Chair; Carl H. Ricker, Jr.; Susan Russo Klein; Nathan Kennedy; and Gene O. Bell

MEMBERS ABSENT: None

STAFF AND LEGAL COUNSEL PRESENT: Sabrina Presnell Rockoff, Authority Legal Counsel; Lew Bleiweis, President & CEO ("president"); Michael Reisman, Chief Operating Officer; Tina Kinsey, VP – Marketing, Public Relations & Air Service Development; Janet Burnette, Chief Financial Officer; Shane Stockman, VP – Information Technology; John Coon, VP - Operations and Maintenance; Christina Madsen, VP – Business Development and Properties; Jared Merrill, VP – Planning; Angela Wagner, VP – Administration and Human Resources; and Kyle Montague, IT Systems Technician

ALSO PRESENT: Jason Sandford, Ashevegas.com; Julie Mattlin, DKMG Consulting; Paul Puckli, CHA Consulting; John Mafera, McFarland Johnson; Matt Thocker, Signature Aviation; Travis Bird, Avcon; Amanda Sheridan, McFarland Johnson

CALL TO ORDER: The Chair called the meeting to order at 8:30 a.m. Due to a power outage at the Airport, new business item B was taken up first to allow Mr. Stockman to return to the Airport.

NEW BUSINESS ITEM (Out of Order):

B. Approval of Telephone System Upgrade: Shane Stockman explained that the Airport's telecommunications infrastructure is integral to daily operations. The last major upgrade to the telephone system was completed in 2017. The Information Technology Department initially submitted this project as part of the FY2024 budget; but, it was dropped due to financial concerns. Staff then decided to incorporate it into the Terminal Modernization Program, however, due to the phasing of the program and the fact the equipment is at end-of-life and will no longer be supported by the manufacturer, staff feels compelled to move forward with the project immediately.

Ms. Russo Klein moved to (1) approve the telephone system upgrade in the amount of \$70,548.65; (2) authorize the President and CEO to execute the necessary documents; and (3) amend the FY2023/2024 budget by adopting the following budget ordinance. Dr. Leatherwood seconded the motion and it carried unanimously.

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Capital Improvements		\$70,548.65
Totals	<u> \$0</u>	<u> \$70,548.65</u>

This will result in a net increase of \$70,548.65 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash		\$70,548.65
Totals	<u> </u>	<u> \$70,548.65</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Greater Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 12th day of April, 2024.

Brad Galbraith, Chair

Attested by:

Lew Bleiweis, President & CEO

Acknowledgement: The Chair stated that last week Asheville hosted the NC Airport Association meeting. The Chair commented that he was really impressed with how well attended it was. The Chair and the President gave opening remarks at the event. The Chair recognized Mr. Coon for his work putting on the event and thanked him and all of the staff who contributed time and efforts.

PRESENTATION:

A. Master Plan Update: Jared Merrill introduced Paul Puckli with CHA and Julie Mattlin with DKMG to report on the final stages of completion of the master plan. Specifically, CHA presented to the Board the latest recommended site plan and DKMG presented the financial plan. CHA has been working on updating the master plan for two years. The actual passenger activity at the Airport has already exceeded CHA's forecasted activity at the beginning of the master plan process. The Master Plan includes recommendations at different growth levels over the next twenty years. Once the FAA approves the implementation plan of the Master Plan, the Airport is eligible for federal funding to implement pieces of the Master Plan.

Some highlights of the Master Plan site plan include a recommended runway extension on the north end of the runway; taxiway extensions; a two-level terminal; additional parking, gates, and remain overnight airplane parking; new fuel farm and maintenance facilities and relocation of the public safety facilities.

The Master Plan financial plan includes costs of the projects by year for planning purposes. The Master Plan financial plan is a tool for the Airport to use to determine when the need for funding would occur and when projects could be reasonably funded based on financial position. The President pointed out that the financial plan shows there could be negative cash flow in some years, but the staff would not ask the Board to approve something that would put the Authority in a negative cash situation. The Chair pointed out that Board has to be practical in planning and supportive of staff in planning. CHA stated that they hoped to have a draft of the Master Plan for board approval by the next Board meeting.

FINANCIAL REPORT: The President delivered a review of enplanements, aircraft operations, and general aviation activity for the month of February. Janet Burnette reported on the financial activity for the month of February. Mr. Ricker inquired about interest rates on accounts with large cash balances. Ms. Burnette answered that they were receiving 5.1%.

CONSENT ITEMS: The Chair stated that Consent Item C, Approval of the Greater Asheville Regional Airport Authority March 8, 2024 Closed Session Minutes, would be pulled for review following Closed Session.

A. Approval of the Greater Asheville Regional Airport Authority March 8, 2024 Regular Meeting Minutes: Ms. Russo Klein moved to approve the Greater Asheville Regional Airport Authority March 8, 2024 Regular Meeting Minutes. Mr. Kennedy seconded the motion and it carried unanimously.

B. Approval of Insurance Renewals: Mr. Lovin moved to approve the renewal of the Authority's insurance coverages in an amount not to exceed the premiums outlined

in the report and to authorize the President and CEO to execute the necessary documents. Dr. Leatherwood seconded the motion and it carried unanimously.

OLD BUSINESS:

A. Public Hearing and Final Adoption of the Authority's Amended Ordinance No. 201601-10 for Airlines Rates, Fees and Charges for the Asheville Regional Airport:

Mr. Lovin moved to open the floor to public comments at 9:07 a.m. Ms. Russo Klein seconded the motion and it carried unanimously. The President stated that the Airport had received no public comments to date. There being no public comments by those present, Mr. Lovin moved to close the floor to public comments at 9:08 a.m. Ms. Russo Klein seconded the motion and it carried unanimously.

Ms. Burnette requested that the amended ordinance be adopted in light of the public hearing.

Mr. Lovin moved to adopt the Amended Ordinance to implement the Schedule of Airline Rates, Fees and Charges for the Asheville Regional Airport for FY2024/2025. Mr. Ricker seconded the motion and it carried unanimously:

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

AMENDED ORDINANCE NO. 201601-10

**AN ORDINANCE TO IMPLEMENT A SCHEDULE OF AIRLINE RATES, FEES AND CHARGES
FOR THE ASHEVILLE REGIONAL AIRPORT.**

**IT IS HEREBY ENACTED AND ORDAINED BY THE GREATER ASHEVILLE REGIONAL
AIRPORT AUTHORITY AS FOLLOWS:**

Section 1. CITATION.

1.1 This Ordinance may be cited as the "**Airline Rates, Fees & Charges Ordinance**".

Section 2: FINDINGS.

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

2.2 Section 1.6(a)(7) of Session Law 2012-121 gives the Greater Asheville Regional Airport Authority the ability to, among other things: "*[m]ake all reasonable rules, regulations, and policies as it may from time to time deem to be necessary, beneficial or helpful for the proper maintenance, use, occupancy, operation, and/or control of any airport or airport facility owned, leased, subleased, or controlled by the Authority . . .*".

2.3 Section 1.6(a)(6) of Session Law 2012-121 gives the Greater Asheville Regional Airport Authority the authority to: "*[c]harge and collect fees, royalties, rents, and/or other charges, including fuel flowage fees for the use and/or occupancy of property owned, leased, subleased, or otherwise controlled and operated by the Authority or for services rendered in operation thereof.*".

2.4 Section 1.6(a)(21) of Session Law 2012-121 gives the Greater Asheville Regional Airport Authority the ability to: "*[e]xercise all powers conferred by Chapter 63 of the General Statutes [of the State of North Carolina] or any successor Chapter or law.*".

2.5 North Carolina General Statute Section 63-53(5) further gives the Greater Asheville Regional Airport Authority the authority: "*[t]o determine the charge or rental for the use of any properties under its control and the charges for any services or accommodations and the terms and conditions under which such properties may be used, provided that in all cases the public is not deprived of its rightful, equal, and uniform use of such property.*".

2.6 The Greater Asheville Regional Airport Authority is obligated under federal law to maintain an airport user fee and rental structure that, given the conditions of the Airport makes the Airport as financially self-sustaining as possible.

2.7 The Greater Asheville Regional Airport Authority is further obligated under federal law to establish an airport user fee structure that is fair and reasonable to all users, and not unjustly discriminatory.

2.8 In or around Fall 2014, the Greater Asheville Regional Airport Authority contracted with an airport consulting firm, who conducted a comprehensive airline rate and charge study at the Airport, in accordance with the methodology stated in the Rates and Charges Policy promulgated by the Office of the Secretary of the Department of Transportation and by the FAA.

2.9 Since approximately February 2015, the Greater Asheville Regional Airport Authority has consulted with and made repeated, good faith efforts to reach an agreement regarding rates, fees and charges with the Airlines, and to resolve all disputes asserted by the Airlines, and after adequate and timely consultation with the Airlines and with the airport consulting firm, Greater Asheville Regional Airport Authority now desires to implement, by ordinance, the fair, reasonable and not unjustly discriminatory rates and charges structure as proposed by the airport consulting firm.

Section 3. PURPOSE AND SCOPE

3.1 The Greater Asheville Regional Airport Authority finds and determines that it is in the public interest to establish a schedule of Airline rates, fees and charges by ordinance.

3.2 This Airline Rates, Fees & Charges Ordinance shall be applicable to all Airlines utilizing the Asheville Regional Airport.

Section 4. EFFECTIVE DATE

4.1 The Airline Rates, Fees & Charges Ordinance shall take effect as of the 9th day of December, 2016.

Section 5. DEFINITIONS

5.1 "Affiliate" shall mean any airline or other entity designated in writing by Airline as an Affiliate that is operating under the same flight code designator and is: (1) a parent or subsidiary of Airline or is under the common ownership and control with Airline or (2) operates under essentially the same trade name as Airline at the Airport and uses essentially the same livery as Airline or (3) is a contracting ground handling company on behalf of Airline at the Airport.

5.2 "Airline(s)" shall mean each airline providing commercial passenger service to and from the Airport and using the Airport Terminal Building to enplane and deplane passengers or cargo service to and from the Airport.

5.3 [RESERVED]

5.4 "Airlines' Revenue Landed Weight" is for the applicable Fiscal Year the sum of the products determined by multiplying each Revenue Aircraft Arrival by each of the Airlines by the applicable Certified Maximum Gross Landed Weight of the aircraft making the Revenue Aircraft Arrival.

5.6 "Airport" is the Asheville Regional Airport as it presently exists and as it is hereafter modified or expanded.

5.7 "Airport Operating Requirement" for any Fiscal Year, consists of all of the following: (1) Operation and Maintenance Expenses; (2) O&M Reserve Requirement; (3) Depreciation; (4) Amortization; (5) Debt Service; (6) coverage required on any Bonds; (7) fund deposits required under any Bond Ordinance; (8) the net amount of any judgment or settlement arising out of or as a result of the ownership, operation or maintenance of the Airport payable by Authority during any Fiscal Year. This amount would include, but not be limited to, the amount of any such judgment or settlement arising out of or as a result of any claim, action, proceeding or suit alleging a taking of property or an interest in property without just or adequate compensation, trespass, nuisance, property damage, personal injury or any other claim, action, proceeding or suit based upon or relative to the environmental impact resulting from the use of the Airport for the landing and taking off of aircraft; and (9) any and all other sums, amounts, charges or requirements of the Airport to be recovered, charged, set aside, expensed or accounted for during any Fiscal Year, or the Authority's accounting system.

5.8 "Amortization" is the amount determined by dividing the net cost of each Airport non-depreciating asset by an imputed estimated life for the asset as determined by the Authority.

5.9 "Assigned Space" means for each Airline, those areas and facilities in the Terminal Building and those areas adjacent to and outside the Terminal Building which are assigned to such Airline for its Preferential use.

5.10 "Authority" means the Greater Asheville Regional Airport Authority.

5.11 "Bond Ordinance" is any ordinance, resolution or indenture authorizing the issuance of Bonds for or on behalf of the Airport or Authority, including all amendments and supplements to such ordinances, resolutions and indentures.

5.12 "Bonds" are all debt obligations issued for or on behalf of the Airport or the Authority subsequent to July 1, 2009, except obligations issued by or on behalf of the Authority for a Special Facility.

5.13 "Capital Charge or Capital Charges" charges that include Amortization, Depreciation and Debt Service.

5.14 "Capital Outlay" is the sum of one hundred thousand dollars (\$100,000) or as otherwise determined by the Authority.

5.15 "Certified Maximum Gross Landed Weight" or "CMGLW" is, for any aircraft operated by any of the Airlines, the certified maximum gross landing weight in one thousand pound units of such aircraft as certified by the FAA and as listed in the airline's FAA approved "Flight Operations Manual".

5.16 "Debt Service" for any Fiscal Year is the principal, interest and other payments required for or on account of Bonds issued under any Bond Ordinance.

5.17 "Depreciation" is the amount which is the net cost of any Airport asset, except a non-depreciating asset, divided by its estimated useful life as determined by the Authority.

5.18 "Enplaned Passengers" are the originating and on-line or off-line transfer passengers of each of the Airlines serving the Airport enplaning at the Airport.

5.19 "Fiscal Year" is July 1st of any calendar year through June 30th of the next succeeding calendar year, or such other fiscal year as Authority may subsequently adopt for the Airport.

5.20 "Holdrooms" means the gate seating areas currently situated in the Airport Terminal Building, as they now exist or as they may hereafter be modified or expanded or constructed by Authority within or as part of the Terminal Building for use by Airline and the other Airlines for their Joint Use.

5.21 "Joint Use Formula" is, for any Fiscal Year, the formula used for prorating Terminal Building Rentals for Joint Use Space.

5.22 "Joint Use Space" means that common use space not assigned, which Airline uses on a joint use basis with other airline tenants.

5.23 "Landing Fees" are the airfield related charges calculated by multiplying the landing fee rate established in the Schedule of Rates, Fees and Charges for the applicable Fiscal Year by the applicable Certified Maximum Gross Landed Weight ("CMGLW") of Revenue Aircraft Arrivals.

5.24 "Operation and Maintenance Expenses" or "O&M Expenses" are, for any Fiscal Year, the total costs and expenses, incurred or accrued by the Authority for that Fiscal Year, in providing for the administration, operation, maintenance and management of the Airport, including, without limitation, the performance by Authority of any of its obligations related to the Airport.

5.25 "O&M Reserve Requirement" is the requirement adopted by the Authority that defines the amount of operating cash reserves to be available within the O&M Reserve Fund. The O&M Reserve Requirement may be revised from time to time and is currently set to equal at least six (6) months of the annual O&M Expenses budgeted for the current Fiscal Year.

5.26 "Passenger Facility Charge (PFC)" is the charge imposed by the Authority pursuant to 49 U.S.C. App. 513, as amended or supplemented from time to time, and 14 CFR Part 158, as amended or supplemented from time to time, or any other substantially similar charge lawfully levied by or on behalf of the Authority pursuant to or permitted by federal law.

5.27 "Preferential Use Space" means that Assigned Space for which Airline holds a preference as to use, and which may be used on a non-preferential basis by another airline or tenant.

5.28 "Rentable Space" is that space within the Airport Terminal Building which has been constructed or designated as rentable space by Authority, including such deletions therefrom and additions thereto as may occur from time-to-time.

5.29 "Revenue Aircraft Arrival" is an airline aircraft landing at Airport, excluding those returning to the Airport due to an emergency, and for which Landing Fees are charged by Authority.

5.30 "Special Facility" is any Airport facility acquired or constructed for the benefit or use of any person or persons, the costs of construction and acquisition of which are paid for (a) by the

obligor under a Special Facility agreement, (b) from the proceeds of Special Facility bonds, or (c) both; provided, however, that Airport facilities built by an Airport tenant under a ground lease or any other agreement which by its terms is not indicated to be a Special Facility agreement shall not be considered a Special Facility under this definition.

5.31 "Schedule of Rates, Fees and Charges" is the schedule the rates, fees and charges due by Airline to the Authority and is reestablished each Fiscal Year.

5.32 "Terminal Building Rentals" are the Terminal Building rents calculated by multiplying the Terminal Building Rental Rate times the then-applicable square footage of the Assigned Space in question.

5.33 "Loading Bridge Fees" are the fees calculated by dividing the total Loading Bridge requirement, which currently includes Operating Expenses, Capital Outlay, Debt Service and Debt Service Coverage, by the total departures.

5.34 "Market Share Exempt Carrier" is any New Airline operating with less than 7% market share of total enplanements per month. The only fees applicable to a Market Share Exempt Carrier are Landing Fees and Per Turn Fees, unless the New Airline is leasing preferential space which would be included in separate rent. An Airline will cease to qualify as Market Share Exempt Carrier at the time that the Airline meets or exceeds 7% of market share of total enplanements per month for any six (6) of the immediately preceding twelve (12) months. Once Airline is no longer Market Share Exempt, the Airline will be responsible for all Terminal and Airfield related rates, fees and charges.

5.35 "New Airline(s)" shall mean any new airline providing new commercial passenger or cargo service to and from the Airport, using the Airport Terminal Building or cargo building to enplane and deplane passengers or cargo service to and from the Airport.

Section 6. RATE MAKING METHODOLOGY

6.1 Rates and charges shall be established annually based on the methodology set by the Authority below and in the Schedule of Rates and Charges referenced in Section 8 below.

6.2 Rates and charges shall be developed under a commercial compensatory rate making methodology.

6.3 Rates and charges shall be calculated and set at the beginning of each Fiscal Year.

6.4 Terminal Building Operating Requirement.

6.4.1 For purposes of this Ordinance, the Terminal Building Cost Center shall consist of the current Terminal Building, including the ticketing wing, the Holdrooms, baggage claim facilities, baggage make-up facilities, and passenger loading bridges/regional boarding ramps, as well as the areas immediately adjacent to the west side of the terminal

building utilized for baggage tug drives and baggage tug storage, and all public areas, concession areas, and other leasable areas.

6.4.2 The Terminal Building Operating Requirement shall be calculated as specified in Sections 6.4.2.1 through 6.4.2.4 below:

6.4.2.1 By summing the elements of the Airport Operating Requirement allocated to the Terminal Building Cost Center. Currently, this includes O&M Expenses, O&M Reserve Requirement, net Depreciation, Amortization, Capital Outlay, and Debt Service.

6.4.2.2 By then reducing the total from Section 6.4.2.1 by non-airline revenue credits applied by the President & CEO. These revenue credits are reimbursements and offsets to base costs. This results in the Net Terminal Building Operating Requirement.

6.4.2.3 The Net Terminal Building Operating Requirement calculated in Section 6.4.2.2 is then divided by Rentable Space to obtain the Terminal Building Rental Rate.

6.4.2.4 Finally, each Airlines' share of cost is then derived by multiplying the Terminal Building Rental Rate by the Terminal Building Airlines' rented space (preferential use) and Airlines' share of Joint Use Space as determined by the Joint Use Formula.

6.4.3. Joint Use Space. Joint Use Space shall be classified as Baggage Make-Up, Baggage Claim and Gate Area. Airline's share of the Terminal Building Rentals for Baggage Make-Up and Baggage Claim Joint Use Space will be determined as follows: (1) eighty-five percent (85%) of the total rentals due shall be prorated among Airlines using Joint Use Space based upon Airline's share of Checked Bags, (2) fifteen percent (15%) of the total rentals due shall be prorated equally among the Airlines using Joint Use Space. Airline's share of the Terminal Building Rentals for Gate Area Joint Use Space will be determined as follows: (1) eighty-five percent (85%) of the total rentals due shall be prorated among Airlines using Joint Use Space based upon Airline's share of Enplaned Passengers, (2) fifteen percent (15%) of the total rentals due shall be prorated equally among the Airlines using Joint Use Space.

6.4.4 Per Turn Fee for Market Share Exempt Carriers. The Per Turn Fee for Market Share Exempt Carriers is calculated by dividing the Per Turn requirement by the total estimated departures.

6.5 Airfield Area Operating Requirement.

6.5.1 For purposes of this Ordinance, the Airfield Area Cost Center consists of those areas of land and Airport facilities which provide for the general support of air navigation, flight activity and other aviation requirements of the Airport. The airfield includes runways, taxiways, the terminal apron, aircraft service areas and those ramp areas not included in any other cost center, approach and clear zones, safety areas and infield areas, together with all associated landing navigational aids and Airport facilities, aviation controls, and other

systems related to the airfield. It also includes areas of land acquired for buffer requirements for the landing areas of the Airport, all land acquired for Airport expansion until the land is used or dedicated to another cost center, and all Airport noise mitigation facilities or costs. The Airport's triturator facility, storage areas for airline glycol equipment and tanks, and any fueling facilities and equipment provided to serve the airlines on the terminal apron are also included in the airfield cost center.

6.5.2 The Airfield Area Operating Requirement shall be calculated as specified in Sections 6.5.2.1 through 6.5.2.4 below:

6.5.2.1 By summing the elements of the Airport Operating Requirement allocated to the Airfield Area Cost Center. Currently, this includes the O&M Expenses, O&M Reserve Requirement, net Depreciation, Amortization, Capital Outlay, and Debt Service.

6.5.2.2 By then reducing the total calculated in Section 6.5.2.1 above by non-airline revenue credits applied by the President & CEO. These revenue credits are reimbursements and offsets to base costs. This results in the Net Airfield Area Operating Requirement.

6.5.2.3 The Net Airfield Area Operating Requirement calculated in Section 6.5.2.2 is then divided by the estimated Certified Maximum Gross Landed Weight (CMGLW) of all Airlines' Revenue Aircraft Arrivals to determine the Airlines' Landing Fee rate.

6.5.2.4 The Airlines' Landing Fee rate is then multiplied by the estimated CMGLW of the Airlines.

6.5.3 All costs incurred by the Authority for mitigation or damages resulting from noise, environmental incidents or conditions, aircraft fueling, or other Airport aircraft-related conditions or activities will also be charged and allocated to the Airfield Area Operating Requirement.

6.5.4 [RESERVED]

6.5.5 Affiliate. Each Affiliate's operations shall be counted and recorded jointly with Airline's and shall be at the same rate.

6.5.6 [RESERVED]

6.5.7 Other Cost Centers. All other cost centers are not included as part of the Airlines' rates, charges and fees. Authority may apply revenues from the other cost centers to offset expenses at a time, and in an amount, based on the sole discretion of the President & CEO.

6.5.8 Unless otherwise provided herein, all rates, fees and charges are calculated as described in Schedule of Rates, Fees and Charges referenced in Section 8 below.

Section 7. RENTALS, FEES AND CHARGES

7.1 The Authority shall establish the Schedule of Rates, Fees and Charges at the beginning of each Fiscal Year.

7.2 Prior to the establishment of the Schedule of Rates, Fees and Charges each Fiscal Year, the Authority shall formally notify Airline in writing of the anticipated Schedule of Rates, Fees and Charges to be in effect for the upcoming Fiscal Year. Authority's notification to Airline shall include notice of the time and place of a meeting to present the Schedule of Rates, Fees and Charges, expenses and capital charges used in the calculation, and to answer questions of Airline. The anticipated Schedule of Rates, Fees and Charges shall be set forth and supported by a document prepared by the Authority.

7.3 So long as Airline has been notified per above, the implementation of the upcoming Schedule of Rentals and Charges will be effective on the first day of the Fiscal Year.

7.4 Each Airline operating at the Airport shall be responsible for paying those rates and charges itemized below in the amounts specified in the Schedule of Rates, Fees and Charges in Section 8 below:

7.4.1 Preferential Use Space - Each Airline shall pay the Authority for its use of the assigned, Preferential Use Space in the Terminal.

7.4.2 Joint Use Space - Each Airline shall pay the Authority its share of rentals on Joint Use Space used by Airline in common with other airline tenants.

7.4.3 Landing Fees - For its use of the airfield, apron and appurtenant facilities, Airline shall pay a landing fee for each and every aircraft landed by the Airline at the Airport except as otherwise noted herein.

7.4.4 Passenger Facility Charge. Airline shall comply with all of the applicable requirements contained in 14 CFR Part 158 and any amendments thereto. Airline shall pay the Authority the Passenger Facility Charge applicable to all of Airline's revenue passengers enplaning at the Airport imposed by the Authority from time to time pursuant to applicable Federal law and regulations.

7.4.5 Other Fees and Charges. Airline shall also pay all miscellaneous charges assessed to and owed by Airline to the Authority including, but not limited to, the cost of utilities and services, employee parking fees, telecommunications charges, paging system fees, triturator fees, skycap services, preconditioned air and fixed ground power fees, security measures, such as key cards and identification badges and the like, common use fees and common equipment charges, and law enforcement fees (net of TSA reimbursement).

7.4.5.1 Such other fees and charges shall be detailed by the Authority in the Schedule of Rates, Fees and Charges.

Section 8. SCHEDULE OF RATES, FEES AND CHARGES

8.1 The Authority's 2023-2024 Schedule of Rates, Fees and Charges effective July 1, 2024 is attached hereto and incorporated herein by reference as Exhibit A.

Section 9. PAYMENT OF RENTALS, FEES AND CHARGES

9.1 Airlines shall pay for space rentals for Preferential Use Space and Joint Use Space, monthly, without invoice, demand, set-off, or deduction on or before the first (1st) day of each calendar month.

9.2 On or before the fifteenth (15th) day of each month, Airlines shall pay for their Landing Fees for the immediately preceding month.

9.3 Airlines shall report to the Authority on or before the fifteenth (15th) day of each month the Airlines actual operating activity for the prior month by submitting a written report. All such monthly reports shall be submitted on a standardized form provided by the Authority, such form shall act as the actual invoice.

9.4 Payment for all other fees and charges shall be invoiced by the Authority and shall be due upon receipt of the Authority's invoice. Such payments shall be deemed delinquent if not received within thirty (30) calendar days of the date of such invoice.

9.5 Except as provided above, or if such payments or reporting is under dispute by Airline, Airline shall be in violation of this Ordinance if its payments and reporting information required above are not received by the Authority on or before the fifteenth (15th) day of the month in which they are due.

9.6 Security Deposit. If in the reasonable business discretion of the Authority, it is determined that the financial condition of Airline, at the beginning of air service at the Airport, or an incumbent Airline that has displayed an irregular payment history, then Airline may be required to submit a cash security deposit in an amount not to exceed the equivalent of six (6) months estimated rentals, fees and charges.

9.6.1 In the event that the Authority determines a security deposit is required, the Airline shall deposit such sum with the Authority within thirty (30) days of being so notified by the Authority, and such sum shall be retained by Authority as security for the faithful performance of Airline's obligation hereunder.

9.6.2 The Authority shall have the right, but not the obligation, to apply said security deposit to the payment of any sum due to Authority which has not been paid in accordance with this Ordinance, including, but not limited to, reimbursement of any expenses incurred by Authority in curing any default of Airline, or to the cost of restoring the Assigned Space or its furnishings, fixtures or equipment to their original condition, reasonable wear and tear excepted.

9.6.3 In the event that all or any portion of the security deposit is so applied, the Airline shall promptly, upon demand by Authority, remit to Authority the amount of cash required to restore the security deposit to its original sum.

9.6.4 An Airline's failure to remit the amount of cash required to restore the security deposit in accordance with Section 9.6.3 above within ten (10) calendar days after its receipt of such demand shall constitute a breach of this Ordinance.

9.6.5 If said deposit shall not have been applied for any of the foregoing purposes, it shall be returned to Airline, without interest, within sixty (60) days of the Airline ceasing operation at the Airport. The Authority will not pay interest on any security deposit.

9.7 Airlines shall pay all rates, fees and charges established herein to the Authority monthly, without set-off, and except as specifically provided above, without invoice or demand therefore, in lawful money of the United States of America, by check payable to Authority delivered or mailed to the Authority or by wire transfer to the Authority.

Section 10. PENALTIES AND ENFORCEMENT

10.1 Unless otherwise specified herein, violation of any provision of this Airline Rates, Fees & Charges Ordinance shall be enforced in accordance with, and subject to the penalties specified in, this Section 10.

10.2 In addition to any civil or criminal penalties set out in this Section 10. or in any other Section or Subsection herein, this Airline Rates, Fees & Charges Ordinance may be enforced by an injunction, order of abatement, or other appropriate equitable remedy issuing from a court of competent jurisdiction.

10.3 This Airline Rates, Fees & Charges Ordinance may be enforced by one, all or a combination of the penalties and remedies authorized and prescribed in this Section 10, or elsewhere herein, except that any provision, the violation of which incurs a civil penalty, shall not be enforced by criminal penalties.

10.4 Except as otherwise specified herein, each day's continuing violation of any provision of the Airline Rates, Fees & Charges Ordinance is a separate and distinct offense.

10.5 A violation this Airline Rates, Fees & Charges Ordinance shall not be a misdemeanor or infraction under N.C. Gen. Stat. §14-4; however, civil penalties shall be assessed and civil citations issued for the administrative violation of any provision in accordance with Section 10.6 through 10.7 below.

10.6 The President & CEO shall authorize specific Authority personnel to enforce all administrative violations of this Airlines Rates, Fees & Charges Ordinance.

10.7 Upon any administrative violation of this Airline Rates, Fees & Charges Ordinance, personnel designated in accordance with Section 10.6 shall cause a civil citation to be issued to the violator.

10.7.1 All civil citations shall be hand-delivered to the violator or shall be mailed by first class mail addressed to the last known address of the violator. The violator shall be deemed to have been served upon hand-delivery or the mailing of the civil citation.

10.7.2 Unless otherwise expressly specified herein the civil penalty associated with each civil citation issued for an administrative violation of this Airline Rates, Fees & Charges Ordinance shall be as follows: By a fine of up to \$500.00.

10.8 Any person may submit, within ten (10) days of receipt of a civil violation, a written request that the President & CEO review the civil citation, in accordance with Sections 10.8.1.1 through 10.8.3 below.

10.8.1 A request to the President & CEO shall be in writing and shall be hand delivered to the Office of the President & CEO and must be signed for by an employee of the Authority, or shall be mailed to the President & CEO by certified mail, return receipt requested.

10.8.2 A request to the President & CEO must specify in detail all of the reasons why the civil citation should be modified or withdrawn and must provide a mailing address for the President & CEO to submit a response to the request.

10.8.3 Within ten (10) days of receipt of a request in accordance with Section 10.8.1, the President & CEO shall mail a written decision to the requesting party at the address provided.

10.8.4 Unless a written request for review in accordance with Section 10.8.1 above, civil penalties issued via civil citation for an administrative violation of any Section of this Airport Rates, Fees and Charges Ordinance shall be due and payable to the Authority within 30 days of receipt.

10.8.5 If a written request for review is appealed and the civil citation is not withdrawn, payment of the civil penalty shall be due and payable to the Authority within 30 days of issuance of the President & CEO's written decision to the violator.

10.8.6 Unless otherwise provided, if the violator fails to respond to a citation within 30 days of issuance and pay the fine prescribed therein, the Authority may institute a civil action in the nature of a debt in the appropriate division of the state general court of justice to collect the fine owed.

Section 11. SEVERABILITY

11.1 If any provision, clause, section, or provision of this the Airline Rates, Fees & Charges Ordinance shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable, such invalid, illegal or unenforceable provision shall be severed from the remainder of the Airline Rates, Fees & Charges Ordinance, and the remainder of shall be enforced and not be affected thereby.

Section 12. AMENDMENT.

12.1 The Authority reserves the right to amend the Airline Rates, Fees & Charges Ordinance, as well as the attached Schedule of Rates, Fees and Charges, at any time, by ordinance, after due notice and public hearing, in accordance with the Authority's Resolution No. __ establishing The Greater Asheville Regional Airport Authority's Policy and Procedure for the Adoption of Ordinances.

ADOPTED THIS the ___ day of _____, 2024, after due notice and a public hearing, by the Greater Asheville Regional Airport Authority.

**GREATER ASHEVILLE REGIONAL
AIRPORT AUTHORITY**

By: _____
Brad Galbraith, Chair

ATTEST:

Lew Bleiweis, President & CEO

Exhibit A

Asheville Regional Airport

2024-2025 Fiscal Year

Schedule of Rates, Fees and Charges

SUMMARY TABLE**RESULTS**

(Fiscal Years Ending June 30)

	2023	2024	2025
Signatory Airline Rates & Charges:			
Terminal Building Rental Rate (per s.f.) ¹	\$64.68	\$87.67	\$148.09
Terminal Rental Rate - Preferential Space (per s.f.) ¹			\$87.67
Passenger-Related Security Fee (per EP)	\$0.86	\$0.82	\$1.01
Landing Fee (per 1,000-lbs)	\$2.18	\$2.55	\$3.27
Ticket Counter & Queue Fee (per EP-unassigned)	\$0.37	\$0.40	\$0.51
Baggage Make-Up & Claim Fee (per bag)	\$1.17	\$1.22	\$1.63
Baggage Make-Up & Claim Fee (per airline)	\$17,745	\$24,051	\$40,629
Gate Area Charge per (enplaned pax)	\$1.21	\$1.33	\$1.71
Gate Area Fee (per airline)	\$45,331	\$61,440	\$103,788
Ramp Fee (per depart.)	\$9.29	\$0.00	\$7.30
Turn Fees ²			
Per Turn Fee for Exempt Carriers (0-70 seats)	\$310.00	\$449.00	\$589.00
Per Turn Fee for Exempt Carriers (71-135 seats)	\$369.00	\$518.00	\$680.00
Per Turn Fee for Exempt Carriers (136+ seats)	\$413.00	\$604.00	\$793.00
Average AVL CPE	\$6.12	\$6.50	\$7.95

¹ For FY2025, Terminal Rental Rate for Airline Preferential Space will remain at FY2024 rate

² Includes use of holdroom, bag claim, bag make-up, passenger loading bridge, apron, tug drives, and ticket counter

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

Table 1**AVIATION ACTIVITY**

(Fiscal Years Ending June 30)

	2023	2024	2025
<u>Enplaned Passengers:</u>			
Allegiant	440,000	450,000	550,000
American	170,000	270,000	400,000
Delta	175,000	230,000	290,000
Jet Blue	4,080	4,500	12,000
Sun Country	11,500	15,500	15,000
Spirit	0	0	0
United	50,000	80,000	108,000
Total	850,580	1,050,000	1,375,000
<u>Estimated Checked Bags:</u>			
Allegiant	149,600	149,568	184,987
American	62,900	104,656	149,911
Delta	101,500	142,870	169,021
Jet Blue	1,428	1,675	3,000
Sun Country	4,025	5,425	5,425
Spirit	0	0	0
United	24,500	41,821	52,727
Total	343,953	446,015	565,071
<u>Departures:</u>			
Allegiant	3,204	3,006	3,436
American	3,125	3,394	4,910
Delta	2,081	2,552	3,145
Jet Blue	68	56	130
Sun Country	108	104	104
Spirit	0	0	0
United	1,100	1,311	1,977
Total	9,686	10,423	13,702
<u>Landed Weight (1,000-lb units):</u>			
Allegiant	452,425	428,913	487,875
American	209,758	324,000	474,600
Delta	217,580	265,000	327,374
Jet Blue	6,446	5,455	13,696
Sun Country	15,000	15,000	15,000
Spirit	0	0	0
United	57,394	91,000	139,876
Total	958,603	1,129,368	1,458,421

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

Table 2**TERMINAL SPACE (s.f.)**

(Fiscal Years Ending June 30)

	2023	2024	2025
<u>Preferential Space:</u> ¹			
Allegiant	1,396	1,396	1,396
American	2,436	2,436	2,436
Delta	2,609	2,609	2,609
JetBlue		330	330
Sun Country	267	267	267
United	1,593	1,350	1,350
CRJ	462	462	462
Total Preferential Space	8,763	8,850	8,850
<u>Joint Use Space:</u>			
Baggage Make-Up	3,192	3,192	3,192
Baggage Claim	4,124	4,124	4,124
Gates 1-3 Holdroom	8,517	8,517	8,517
Gates 4-7 Holdroom	6,751	6,751	6,751
Gates 4-7 Secure Enplanement Corridor	3,421	3,421	3,421
Total Joint Use Space	26,005	26,005	26,005
Total Airline Rented	34,768	34,855	34,855
<u>Other Rentable:</u>			
Ticket Counter (unassigned)	235	472	472
Queue (unassigned)	460	740	740
Vacant Airline Preferential Space	1,389	785	785
Concession Space	13,775	13,775	13,775
FAA Tower & Related Office Space	4,374	4,374	4,374
TSA Offices & Breakroom	1,933	1,933	1,933
TSA Passenger Security Screening	4,891	4,891	4,891
TSA Offices Adjacent to Passenger Screening	396	396	396
Total	27,453	27,366	27,366
Total Rentable Space	62,221	62,221	62,221
Public and Other Areas	45,628	45,628	45,628
Total Terminal Space	107,849	107,849	107,849

Note: Amounts may not add due to rounding.

¹ Includes ticket counter, queue, and office space.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

Table 3**DEPRECIATION, AMORTIZATION, & CAPITAL OUTLAY**

(Fiscal Years Ending June 30)

		2023	2024	2025
<u>Depreciation:</u> ¹				
Gross Depreciation		\$5,400,000	\$5,400,000	\$8,200,000
Less: Grant & PFC Amortization		(3,800,000)	(3,800,000)	(3,800,000)
Net Depreciation	[A]	\$1,600,000	\$1,600,000	\$4,400,000
<u>By Cost Center (%):</u>				
Airfield Area	[B]	14.0%	14.0%	14.0%
Terminal Building	[C]	30.0%	30.0%	30.0%
Parking, Roadway, and Ground Trans.	[D]	33.0%	33.0%	33.0%
General Aviation Area	[E]	16.0%	16.0%	16.0%
Other Area	[F]	7.0%	7.0%	7.0%
Total		100.0%	100.0%	100.0%
<u>By Cost Center:</u>				
Airfield Area	[A*B]	\$224,000	\$224,000	\$616,000
Terminal Building	[A*C]	480,000	480,000	1,320,000
Parking, Roadway, and Ground Trans.	[A*D]	528,000	528,000	1,452,000
General Aviation Area	[A*E]	256,000	256,000	704,000
Other Area	[A*F]	112,000	112,000	308,000
Net Depreciation	[A]	\$1,600,000	\$1,600,000	\$4,400,000
<u>Amortization:</u>				
Gross Amortization		\$242,056	\$242,056	\$242,056
Less: Grant & PFC Amortization		(162,475)	(162,475)	(162,475)
Net Amortization	[G]	\$79,581	\$79,581	\$79,581

Table 3

DEPRECIATION, AMORTIZATION, & CAPITAL OUTLAY
(Fiscal Years Ending June 30)

		2023	2024	2025
<u>By Cost Center (%):</u>				
Airfield Area	[H]	100.0%	100.0%	100.0%
Terminal Building	[I]	0.0%	0.0%	0.0%
Parking, Roadway, and Ground Trans.	[J]	0.0%	0.0%	0.0%
General Aviation Area	[K]	0.0%	0.0%	0.0%
Other Area	[L]	0.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%
<u>By Cost Center:</u>				
Airfield Area	[G*H]	\$79,581	\$79,581	\$79,581
Terminal Building	[G*I]	0	0	0
Parking, Roadway, and Ground Trans.	[G*J]	0	0	0
General Aviation Area	[G*K]	0	0	0
Other Area	[G*L]	0	0	0
Net Amortization	[G]	\$79,581	\$79,581	\$79,581
<u>Capital Outlay:</u>				
Capital Outlay	[M]	\$100,000	\$100,000	\$100,000
<u>By Cost Center (%):</u>				
Airfield Area	[N]	50.0%	50.0%	50.0%
Terminal Building	[O]	50.0%	50.0%	50.0%
<u>By Cost Center:</u>				
Airfield Area	[M*N]	\$50,000	\$50,000	\$50,000
Terminal Building	[M*O]	50,000	50,000	50,000
Capital Outlay	[M]	\$100,000	\$100,000	\$100,000

Note: Amounts may not add due to rounding.

¹ Depreciation is based on the prior year's actual depreciation

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

Table 4**OPERATION AND MAINTENANCE EXPENSES**

(Fiscal Years Ending June 30)

		Budget	Budget	Budget
		2023	2024	2025
<u>By Category:</u>				
Personnel Services		\$8,946,137	\$10,684,903	\$13,637,208
Professional Services		\$486,400	\$701,700	\$887,030
Utilities		\$489,267	\$495,565	\$628,010
Promotional Activities		\$329,075	\$337,600	\$464,000
Maintenance and Repairs		\$280,700	\$304,700	\$562,000
Contracted Services		\$1,949,830	\$2,214,305	\$3,605,987
Insurance Expense		\$334,400	\$398,607	\$480,000
Materials and Supplies		\$491,500	\$656,890	\$828,385
Other Expenses		\$466,570	\$540,545	\$665,714
Total O&M Expenses	[A]	\$13,773,879	\$16,334,815	\$21,758,334
<u>By Cost Center (%):</u>				
Airfield Area	[B]	25.8%	26.0%	25.6%
Terminal Building	[C]	45.9%	45.9%	44.8%
Parking, Roadway, and Ground Trans.	[D]	14.9%	14.6%	16.3%
General Aviation Area	[E]	9.6%	9.7%	9.5%
Other Area	[F]	3.9%	3.9%	3.7%
Total		100.0%	100.0%	100.0%
<u>By Cost Center:</u>				
Airfield Area	[A*B]	\$3,547,914	\$4,245,524	\$5,571,814
Terminal Building	[A*C]	6,316,122	7,492,146	9,754,558
Parking, Roadway, and Ground Trans.	[A*D]	2,048,797	2,377,810	3,553,914
General Aviation Area	[A*E]	1,325,899	1,587,389	2,064,126
Other Area	[A*F]	535,147	631,946	813,922
Total O&M Expenses	[A]	\$13,773,879	\$16,334,815	\$21,758,334

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

Table 5**LANDING FEE AND REVENUE**

(Fiscal Years Ending June 30)

		2023	2024	2025
<u>Airfield Requirement:</u>				
O&M Expenses		\$3,547,914	\$4,245,524	\$5,571,814
Less: Deicing Chemicals		(40,000)	(40,000)	(40,000)
O&M Reserve Requirement		441,411	348,805	663,145
Net Depreciation		224,000	224,000	616,000
Net Amortization		79,581	79,581	79,581
Capital Outlay		50,000	50,000	50,000
Debt Service		0	0	0
Debt Service Coverage (25%)		0	0	0
Total Requirement	[A]	\$4,302,906	\$4,907,910	\$6,940,539
<u>Landing Fee Credits:</u>				
Non-Airline Revenue	[B]	\$115,000	\$115,000	\$115,000
Other	[C]	0	0	0
Total Credits	[D=B+C]	\$115,000	\$115,000	\$115,000
Net Landing Fee Requirement	[E=A-D]	\$4,187,906	\$4,792,910	\$6,825,539
Airline Landed Weight	[F]	958,603	1,129,368	1,458,421
Airline Landing Fee (pre-Revenue Share)	[G=E/F]	\$4.37	\$4.24	\$4.68
Revenue Share Credit	[H]	\$2,094,340	\$1,917,078	\$2,050,644
Adjusted Airline Net Requirement	[I=E-H]	\$2,093,566	\$2,875,832	\$4,774,896
Airline Landing Fee	[J=I/F]	\$2.18	\$2.55	\$3.27
Airline Landing Fee Revenue	[K=F*J]	\$2,093,566	\$2,875,832	\$4,774,896

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

Table 6**TERMINAL RENTAL RATE AND REVENUE**

(Fiscal Years Ending June 30)

		2023	2024	2025
<u>Terminal Requirement:</u>				
O&M Expenses		\$6,316,122	\$7,492,146	\$9,754,558
O&M Reserve Requirement		730,744	588,012	1,131,206
Net Depreciation		480,000	480,000	1,320,000
Net Amortization		0	0	0
Capital Outlay		50,000	50,000	50,000
Debt Service		0	0	0
Debt Service Coverage (25%)		0	0	0
Total Requirement	[A]	\$7,576,866	\$8,610,158	\$12,255,765
<u>Terminal Credits:</u>				
Passenger-Related Security Charges		\$731,739	\$857,503	\$1,393,130
AirIT Landside Expenses		16,463	16,463	16,463
Loading Bridge or Ramp Fees		90,000	0	100,000
Total Terminal Credits	[B]	\$838,202	\$873,966	\$1,509,593
Net Requirement	[C=A-B]	\$6,738,664	\$7,736,191	\$10,746,172
Rentable Space (s.f.)	[D]	62,221	62,221	62,221
Terminal Rental Rate	[E=C/D]	\$108.30	\$124.33	\$172.71
Airline Rented Space (s.f.)	[F]	34,768	34,855	34,855
Airline Requirement	[G=E*F]	\$3,765,447	\$4,333,665	\$6,019,797
Revenue Share Credit	[H]	\$1,516,591	\$1,278,052	\$858,071
Adjusted Airline Requirement	[I=G-H]	\$2,248,856	\$3,055,613	\$5,161,727
Airline Rented Space (s.f.)	[F]	34,768	34,855	34,855
Adjusted Airline Terminal Rate	[J=I/F]	\$64.68	\$87.67	\$148.09
Airline Terminal Rentals	[K=F*J]	\$2,248,856	\$3,055,613	\$5,161,727

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

Table 6A**LOADING BRIDGE OR RAMP FEE AND REVENUE**
(Fiscal Years Ending June 30)

		2023	2024	2025
<u>Ramp Fee</u>				
Operating Expenses ¹		\$90,000	\$0	\$100,000
Capital Outlay		0	0	0
Debt Service		0	0	0
Debt Service Coverage (25%)		0	0	0
Total Requirement	[A]	\$90,000	\$0	\$100,000
Total Departures	[B]	9,686	10,423	13,702
Ramp Fee (per Departure)	[C=A/B]	\$9.29	\$0.00	\$7.30
Total Loading Bridge Revenue	[D=B*C]	\$90,000	\$0	\$100,000

Note: Amounts may not add due to rounding.

¹ For FY2025, Operating Expenses include cost of ramp management

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

Table 6B**JOINT USE CHARGES**

(Fiscal Years Ending June 30)

		2023	2024	2025
Adjusted Signatory Airline Terminal Rate	[A]	\$64.68	\$87.67	\$148.09
<u>Joint Use Space (s.f.):</u>				
Baggage Make-Up	[B1]	3,192	3,192	3,192
Baggage Claim	[B2]	4,124	4,124	4,124
Gates 1-3 Holdroom	[C1]	8,517	8,517	8,517
Gates 4-7 Holdroom	[C2]	6,751	6,751	6,751
Gates 4-7 Secure Enplanement Corridor	[C23]	3,421	3,421	3,421
Joint Use Space		26,005	26,005	26,005
Baggage Make-Up & Claim Requirement	[D=A*(B1+B2)]	\$473,212	\$641,367	\$1,083,437
Supply Costs - Bag Tags		\$0	\$0	\$130,000
Gate Areas Requirement	[E=A*(C1+C2+C3)]	1,208,838	1,638,398	2,767,681
Total Joint Use Requirement	[G=D+E+F]	\$1,682,050	\$2,279,765	\$3,981,118
<u>Baggage Make-Up & Claim:</u>				
Baggage Make-Up & Claim Requirement (85%)	[H=D*0.85]	\$402,230	\$545,162	\$920,921
Checked Bags	[I]	343,953	446,015	565,071
Baggage Make-Up & Claim Fee (per bag)	[J=H/I]	\$1.17	\$1.22	\$1.63
Baggage Make-Up & Claim Requirement (15%)	[K=D*0.15]	\$70,982	\$96,205	\$162,516
Number of Airlines	[L]	4	4	4
Baggage Make-Up & Claim Fee (per airline)	[M=K/L]	\$17,745	\$24,051	\$40,629
<u>Gate Area:</u>				
Gate Area Requirement (85%)	[N=E*85%]	\$1,027,512	\$1,392,638	\$2,352,529
Enplaned Passengers	[O]	850,580	1,050,000	1,375,000
Gate Area Charge per (enplaned pax)	[P=N/O]	\$1.21	\$1.33	\$1.71
Gate Area Requirement (15%)	[Q=E*15%]	\$181,326	\$245,760	\$415,152
Number of Airlines	[L]	4	4	4
Gate Area Fee (per airline)	[R=Q/L]	\$45,331	\$61,440	\$103,788
Total Joint Use Revenue	[G]	\$1,682,050	\$2,279,765	\$3,851,118

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

Table 6C**TICKET COUNTER & QUEUE FEES (UNASSIGNED)**

(Fiscal Years Ending June 30)

		2023	2024	2025
Adjusted Signatory Airline Terminal Rate	[A]	\$64.68	\$87.67	\$148.09
<u>Ticket Counter and Queue Space (s.f.):</u>				
Ticket Counter		1,731	1,731	1,731
Queue Space		2,865	2,865	2,865
Ticket Counter and Queue Space	[B]	4,596	4,596	4,596
Ticket Counter and Queue Space Requirement	[C=A*B]	\$297,277	\$402,915	\$680,628
AirIT Landside Expenses	[D]	16,463	16,463	16,463
Ticket Counter and Queue Requirement	[E=C+D]	\$313,740	\$419,378	\$697,091
Enplaned Passengers	[F]	850,580	1,050,000	1,375,000
Ticket Counter & Queue Fee (unassigned)	[G=E/F]	\$0.37	\$0.40	\$0.51
Enplaned Passenger Use	[H]	0	0	0
Ticket Counter & Queue Fees (unassigned)	[I=G*H]	\$0	\$0	\$0

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

Table 7

PASSENGER-RELATED SECURITY CHARGE

(Fiscal Years Ending June 30)

		2023	2024	2025
Personnel-Related Security Cost	[A]	\$1,882,397	\$1,935,605	\$2,167,975
<u>Officer Deployment Hours:</u>				
Total Hours (18 Officers at 42 hrs/week; 2 officers at 40 hrs/week)		2,174	2,174	2,174
Holiday (11 Holidays)		(198)	(198)	(198)
Vacation (12 Days)		(216)	(216)	(216)
Training (8 hrs per month per officer)		(144)	(144)	(144)
Sick Leave (12 Days Allowed; 9 Days Average Used)		(162)	(162)	(162)
Available Hours/Officer	[B]	1,454	1,454	1,454
Number of Officers	[C]	20	20	20
Total Available Hours	[D=B*C]	29,072	29,072	29,072
Less: Admin Hours Total	[E]	(2,880)	(2,880)	(2,880)
Total Officer Deployment Hours	[F=D-E]	26,192	26,192	26,192
Personnel-Related Security Cost per Hour	[G=A/F]	\$71.87	\$73.90	\$82.77
<u>Passenger-Related Security Charge:</u>				
Terminal Airlines (18 hrs/day Security Checkpoint)		\$472,180	\$485,527	\$543,815
Contract Security - Exit Lane		\$60,000	\$60,000	\$55,000
Supply Costs - Boarding Passes, etc.		\$0	\$0	\$70,000
Less: TSA Reimbursement		(116,800)	(116,800)	0
Net Personnel-Related Costs	[H]	\$415,380	\$428,727	\$668,815
TSA Passenger Security Screening Space (s.f.)	[I]	4,891	4,891	4,891
Terminal Rental Rate	[J]	\$64.68	\$87.67	\$148.09
Security Checkpoint Space Costs	[K=I*J]	\$316,359	\$428,776	\$724,315
Passenger-Related Security Charges	[L=H+K]	\$731,739	\$857,503	\$1,393,130
Enplaned Passengers	[M]	850,580	1,050,000	1,375,000
Passenger-Related Security Charges per Enplaned Passenger	[N=L/M]	\$0.86	\$0.82	\$1.01
Passenger-Related Security Charges	[O=M*N]	\$731,739	\$857,503	\$1,393,130

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

Table 8**COST PER ENPLANED PASSENGER**

(Fiscal Years Ending June 30)

		2023	2024	2025
<u>Airline Revenue:</u>				
Terminal Rentals		\$2,248,856	\$3,055,613	\$4,627,010
Boarding Bridge or Ramp Fees		90,000	0	100,000
Landing Fees		2,093,566	2,875,832	4,774,896
Unassigned Ticket Counter Charges		0	0	0
Passenger Related Security Charges		731,739	857,503	1,393,130
Deicing Chemicals		40,000	40,000	40,000
Total	[A]	\$5,204,161	\$6,828,948	\$10,935,035
Enplaned Passengers	[B]	850,580	1,050,000	1,375,000
Cost Per Enplaned Passenger	[C=A/B]	\$6.12	\$6.50	\$7.95

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

Table 9**PER TURN FEE FOR MARKET SHARE EXEMPT CARRIERS**

(Fiscal Years Ending June 30)

		2023	2024	2025
Per Turn Requirement:				
Joint Use Cost ¹		\$1,682,050	\$2,279,765	\$3,981,118
Loading Bridge or Ramp Cost		90,000	0	100,000
Unassigned Ticket Counter Cost		313,740	419,378	697,091
Passenger Related Security Charge Cost		731,739	857,503	1,393,130
Deicing Chemicals Cost		40,000	40,000	40,000
Total	[A]	\$2,857,529	\$3,596,646	\$6,211,339
Total Departures	[B]	9,686	10,423	13,702
Average Per Turn Cost	[C=A/B]	\$295.02	\$345.07	\$453.32
Per Turn Fee for Exempt Carriers (0-70 seats)	[D=C*130%]	\$310.00	\$449.00	\$589.00
Per Turn Fee for Exempt Carriers (71-135 seats)	[E=C*150%]	\$369.00	\$518.00	\$680.00
Per Turn Fee for Exempt Carriers (136+ seats)	[F=C*175%]	\$413.00	\$604.00	\$793.00

Note: Amounts may not add due to rounding.

¹ Includes the cost of baggage areas and gate areas.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018, February 2019)

B. Public Hearing and Final Adoption of the Authority's Fiscal Year 2024/2025 Budget:

Ms. Burnette reminded the Board that the proposed budget was presented and approved at the March 8 board meeting. Following the Board meeting, the budget has been available to the public, and the Authority has received no comments. Ms. Burnette also explained that staff recently learned that the TSA will no longer reimburse for law enforcement at TSA checkpoints. The airport fees have been adjusted to reflect this change no overall budgetary impact.

Mr. Lovin moved to open the floor to public comments at 9:10 a.m. Ms. Russo Klein seconded the motion and it carried unanimously. The President stated that the Airport had received no public comments to date. There being no public comments by those present, Mr. Lovin moved to close the floor to public comments at 9:11 a.m. Dr. Leatherwood seconded the motion and it carried unanimously.

Ms. Burnette requested that the budget be adopted in light of the public hearing. Ms. Russo Klein moved to adopt the Authority's Fiscal Year 2024/2025 Budget Ordinance. Dr. Leatherwood seconded the motion and it carried unanimously.

[INTENTIONALLY LEFT BLANK]

**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
2024-2025
BUDGET ORDINANCE**

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that, pursuant to Section 159-13 of the General Statutes of North Carolina, the 2024-2025 Budget Ordinance of the Airport Authority is hereby set forth as follows:

Section 1. The following amounts are hereby appropriated for the operation of the Greater Asheville Regional Airport Authority for the fiscal year beginning July 1, 2024 and ending June 30, 2025 in accordance with the following schedules:

EXPENDITURES

Administration Department	\$ 1,653,124
Planning Department	740,961
Executive Department	1,755,143
Finance Department	851,496
Guest Services Department	350,639
Information Technology Department	2,534,828
Marketing Department	1,063,603
Operations Department	8,896,889
Properties & Contracts	414,377
Public Safety Department	3,852,274
Emergency Repair Costs	50,000
Carry-over Capital Expenditures from Prior Year	310,788,501
Capital Improvement	2,708,350
Equipment and Small Capital Outlay	29,700
Renewal and Replacement	2,262,970
Business Development	400,000
Debt Service	20,605,117
Contingency	100,000
Total Expenditures	<u><u>\$359,057,972</u></u>

Section 2. It is estimated that the following revenues will be available for the fiscal year beginning July 1, 2024 and ending June 30, 2025.

REVENUES

Administration (Interest Income)	\$ 1,200,000
Terminal	13,226,934
Airfield	4,839,037
General Aviation	1,450,550
Parking Lot	13,015,000
Other	582,004
Bond Interest	9,000,000
Passenger Facility Charges	4,500,000
Customer Facility Charges	2,682,000
Federal Grants (including AIP/BIL)	23,300,000
Federal Grants (TSA funds)	10,000,000
NC Department of Transportation Grants	8,300,000
Transfer from GARAA Cash/Investments	266,962,447
Total Revenues	<u><u>\$359,057,972</u></u>

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

- a. He may transfer amounts between line item expenditures within a budget ordinance line item without limitation and without a report being required. These changes should not result in increased recurring obligations such as salaries.
- b. He may transfer amounts up to \$78,000 from contingency appropriations to other budget ordinance line items within the same fund. He must make an official report on such transfers at the next regular meeting of the board.
- c. He may approve any type of procurement up to \$78,000 (spending authority). This spending authority is to be adjusted annually using CPI index.

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

Section 5. This ordinance shall become effective on July 1, 2024.

Adopted this ____ day of April, 2024

Brad Galbraith, Chair

Attested by:

Lew Bleiweis, President & CEO

NEW BUSINESS:

A. Approval of Purchase of Aircraft Rescue Firefighting Vehicle from Rosenbauer Minnesota, LLC.:

Michael Reisman explained that the Airport is required to provide rescue firefighting services at levels that are determined by the size of the commercial aircraft regularly using the Airport. The Authority presently owns and operates three ARFF vehicles that meet these requirements. One of the vehicles is close to 18 years of age and needs replacement. Additionally, at least two airlines are purchasing larger aircraft that will be used at the Airport and will change the capacity of the vehicle the Authority is required to provide. As a result, the existing 1,500 gallon vehicle is being replaced by a new 3,000 gallon vehicle. The purchase was publicly bid on March 1, 2024. Bids were received March 18, 2024. The lowest bid was received from Rosenbauer Minnesota, LLC. The low bid was in the amount of \$1,210,592.00, plus \$24,750.00 for Add Alternate No. 2 (equipment trainer). Add Alternate No. 1 (extended warranty) is not recommended. In addition to the cost of the new vehicle, the Authority needs to purchase new or additional firefighting tools and equipment to be placed on the truck. The tools are included in the budget for the overall purchase. Approximately 90% of the total amount will be funded with FAA entitlement fund grant money. The remaining approximately 10% is funded by airport funds plus the additional \$60,000 for replacement of equipment.

From the FAA's perspective, the purchase is a replacement vehicle. However, the Authority will keep the older vehicle on site as a reserve truck and will keep it in service as additional capacity if one of the other vehicles goes out of service. Aircraft rescue firefighting vehicles are different from traditional firetrucks. They can be operated by one person and carry more water and foam than a standard firefighting vehicle.

Mr. Ricker moved to approve the purchase of the Aircraft Rescue Firefighting Vehicle from Rosenbauer Minnesota, LLC in the amount of \$1,320,083.44 (\$1,210,592.00 base bid plus \$24,750.00 for Add Alternate No. 2, plus \$84,741.44 of reimbursable sales tax), plus \$60,000.00 for firefighting tools and equipment for a total budget of \$1,380,083.44; to authorize the President and CEO to execute the necessary documents; and to amend the FY 2023/2024 budget by adopting the budget ordinance amendment as presented. Dr. Leatherwood seconded the motion and it carried unanimously.

[INTENTIONALL LEFT BLANK]

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2024:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Capital Equipment		\$1,295,342.00
Totals	<u>\$0</u>	<u>\$1,295,342.00</u>

This will result in a net increase of \$1,295,342.00 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
FAA Entitlement Grant		\$1,111,807.80
Transfer from GARAA Cash		\$ 183,534.20
Totals		<u>\$1,295,342.00</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Greater Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 12th day of April 2024.

Brad Galbraith, Chair

Attested by:

Lew Bleiweis, President & CEO

PRESIDENT'S REPORT: The President stated he had a few items that were not listed on the Agenda.

A. Board Reception: The Authority's first Board Reception since COVID has been scheduled for June 13, 2024 from 5:00 to 7:00 p.m. This is a reception with airline partners, tenants, and consultants. Ms. Heywood will send out an invite to Board Members.

B. Mr. Reisman's Retirement Party: Mr. Reisman's retirement party will be June 14, 2024 from 3:00 to 6:00 p.m. at the Biltmore Park Hilton Hotel. Invitations will be sent to a wide group of people including Board Members, tenants, and employees. Ms. Heywood will send out an invite to Board Members.

C. Possible DreamCatcher Sublease: The President has been approached by the current tenant of the golf course because they are considering a sublease for management of the course that would also make some improvements to the course. The President hopes to bring this back as a business item at the May Board meeting.

D. New COO for the Airport Authority: Ms. Alexandra Farmer ("Lexi") has been selected New COO for the Airport Authority. She will start her position May 28, 2024. Ms. Farmer is the current Airport Operations Director for the Charlotte Douglas International Airport. Ms. Farmer was selected from more than 42 candidates from across the country. Ms. Farmer will be at the May 10, 2024 Board Meeting.

E. New FAA Grant: President learned late last week that the Authority will be receiving another \$3.5 million grant from the FAA that will go toward the control tower. This grant was received from some surplus grant funding from the FAA.

INFORMATION SECTION: No comments

PUBLIC AND TENANTS' COMMENTS: No comments

CALL FOR NEXT MEETING: The Chair stated that the next regular meeting of the Board will be held on May 10, 2024 at Council Chambers, Fletcher Town Hall. Mr. Kennedy stated he would be unable to attend.

CLOSED SESSION: At 9:26 a.m. Mr. Lovin moved to go into Closed Session Pursuant to North Carolina General Statute 142-318.11(a) subsections (3), (4), (5) and (6): to consult with an attorney retained by the Authority in order to preserve the attorney-client privilege between the attorney and the Authority, which privilege is hereby acknowledged; to discuss matters relating to the location or expansion of industries or other businesses in the area served by the Authority, to establish or instruct the Authority's staff or negotiating agents concerning the position to be taken by or on behalf of the Authority in negotiating the price and other material terms of a contract or

proposed contract for the acquisition of real property by purchase, option, exchange or lease; and, to consider the qualifications, competence, performance, character, fitness, and conditions appointment of an individual public officer or employee or prospective public officer or employee. Mr. Kennedy seconded the motion and it carried unanimously.

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

Open Session resumed at 10:54 a.m.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY APRIL 12, 2024

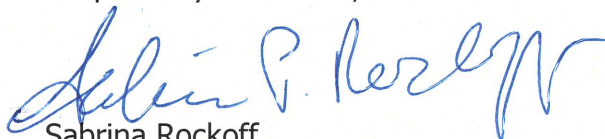
CLOSED SESSION MINUTES: Mr. Lovin moved to seal the minutes for the Closed Session just completed and to withhold such Closed Session minutes from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Ms. Russo Klein seconded the motion and it carried unanimously.

APPROVAL OF THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

MARCH 8, 2024 CLOSED SESSION MINUTES: Mr. Lovin moved to approve the minutes for the Greater Asheville Regional Airport Authority March 8, 2024 Closed Session and to seal and withhold the minutes for the March 8, 2024 Closed Session 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.

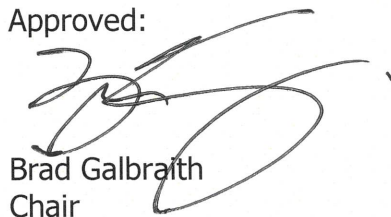
ADJOURNMENT: Ms. Russo Klein moved to adjourn the meeting at 10:55 a.m. Mr. Kennedy seconded the motion and it carried unanimously.

Respectfully submitted,



Sabrina Rockoff
Attorney to the Board

Approved:



Brad Galbraith
Chair