

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
April 11, 2025**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, April 11, 2025 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; Britt Lovin, Vice-Chair; Carl H. Ricker, Jr.; Nathan Kennedy; Laura B. Leatherwood; and Gene O. Bell

MEMBERS ABSENT: Susan Russo Klein

STAFF AND LEGAL COUNSEL PRESENT: Sabrina Presnell Rockoff, Authority Legal Counsel; Lew Bleiweis, President & CEO ("president"); Lexie Farmer, Chief Operations Officer; Tina Kinsey, Chief Administrative Officer; Janet Burnette, Chief Financial Officer; Shane Stockman, VP – Information Technology; John Coon, VP – Operations and Maintenance; Jared Merrill, VP – Planning; Samuel Sales, Chief of Public Safety; Angela Wagner, VP - Administration and Human Resources; Mark Sullivan, Development Project Manager; Kyle Montague, IT Systems Technician; and Ellen Heywood, Clerk to the Board

ALSO PRESENT: Amanda Sheridan, McFarland Johnson; James Moose, Avcon, Inc.; Travis Bird, Avcon, Inc.

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

The president introduced Mark Sullivan, Development Project Manager to the Board. The Board welcomed Mr. Sullivan to the organization.

PRESENTATIONS: None

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.

CONSENT ITEMS: The Chair stated that Consent Item C, Approval of the Greater Asheville Regional Airport Authority March 14, 2025 Closed Session Minutes Parts A and B, would be pulled for review in Closed Session.

A. Approval of the Greater Asheville Regional Airport Authority March 14, 2025 Regular Meeting Minutes:

B. Approval of Insurance Renewals:

Dr. Leatherwood moved to approve Consent Items A and B. Mr. Ricker seconded the motion and it carried unanimously.

OLD BUSINESS:

A. Public Hearing and Final Adoption of the Authority's Amended Ordinance No. 201601-11 for Airline Rates, Fees and Charges for the Asheville Regional Airport: Janet Burnette stated that the proposed preliminary Amended Schedule of Airline Rates, Fees and Charges for FY2025-2026 was presented to and approved at the March 14, 2025 Authority Board meeting and has been available for public inspection since. Mrs. Burnette further stated that no comments have been received and that a public hearing is required.

At 8:39 am Mr. Lovin moved to go into public hearing for Ordinance 201601-11 and open the floor for public comments. Dr. Leatherwood seconded the motion and it carried unanimously. There being no public comments by those present, Mr. Lovin moved to close the floor to public comments at 8:40 am. Dr. Leatherwood seconded the motion and it carried unanimously.

Mr. Lovin moved to adopt Amended Ordinance 201601-11 to implement the Schedule of Airline Rates, Fees and Charges for the Asheville Regional Airport for FY2025/2026. Dr. Leatherwood seconded the motion and it carried unanimously:

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GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

AMENDED ORDINANCE NO. 201601-11

**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 2025-2026 Schedule of Rates, Fees and Charges effective July 1, 2025 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 and 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 other 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 _____, 2025, after due notice and a public hearing, by the Greater Asheville Regional Airport Authority.

**GREATER ASHEVILLE REGIONAL
AIRPORT AUTHORITY**

By: _____
Brad Galbraith, Chair

ATTEST:

Ellen M. Heywood, Clerk to the Board

Exhibit A

Asheville Regional Airport

2025-2026 Fiscal Year

Schedule of Rates, Fees and Charges

SUMMARY TABLE**RESULTS**

(Fiscal Years Ending June 30)

	2024	2025	2026
<u>Signatory Airline Rates & Charges:</u>			
Terminal Building Rental Rate (per s.f.) ¹	\$87.67	\$148.09	\$191.06
Terminal Rental Rate - Preferential Space (per s.f.) ¹		\$87.67	\$148.09
Passenger-Related Security Fee (per EP)	\$0.82	\$1.01	\$1.55
Landing Fee (per 1,000-lbs)	\$2.55	\$3.27	\$3.01
Ticket Counter & Queue Fee (per EP-unassigned)	\$0.40	\$0.51	\$0.78
Baggage Make-Up & Claim Fee (per bag)	\$1.22	\$1.63	\$2.50
Baggage Make-Up & Claim Fee (per airline)	\$24,051	\$40,629	\$55,793
Gate Area Charge per (enplaned pax)	\$1.33	\$1.71	\$2.64
Gate Area Fee (per airline)	\$61,440	\$103,788	\$133,905
Ramp Fee (per depart.)	\$0.00	\$7.30	\$7.05
 <u>Turn Fees ²</u>			
Per Turn Fee for Exempt Carriers (0-70 seats)	\$449.00	\$589.00	\$723.00
Per Turn Fee for Exempt Carriers (71-135 seats)	\$518.00	\$680.00	\$834.00
Per Turn Fee for Exempt Carriers (136+ seats)	\$604.00	\$793.00	\$973.00
 Average AVL CPE	 \$6.50	 \$7.95	 \$10.54

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

For FY2026, Terminal Rental Rate for Airline Preferential Space will be FY2025 rate

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

Table 1**AVIATION ACTIVITY**

(Fiscal Years Ending June 30)

	2024	2025	2026
<u>Enplaned Passengers:</u>			
Allegiant	450,000	550,000	550,000
American	270,000	400,000	290,000
Delta	230,000	290,000	195,000
Jet Blue	4,500	12,000	15,000
Sun Country	15,500	15,000	0
Spirit	0	0	0
United	80,000	108,000	100,000
Total	1,050,000	1,375,000	1,150,000
<u>Estimated Checked Bags:</u>			
Allegiant	149,568	184,987	230,700
American	104,656	149,911	95,060
Delta	142,870	169,021	127,000
Jet Blue	1,675	3,000	0
Sun Country	5,425	5,425	0
Spirit	0	0	0
United	41,821	52,727	52,800
Total	446,015	565,071	505,560
<u>Departures:</u>			
Allegiant	3,006	3,436	3,635
American	3,394	4,910	5,360
Delta	2,552	3,145	3,200
Jet Blue	56	130	150
Sun Country	104	104	0
Spirit	0	0	0
United	1,311	1,977	1,835
Total	10,423	13,702	14,180
<u>Landed Weight (1,000-lb units):</u>			
Allegiant	428,913	487,875	510,000
American	324,000	474,600	348,000
Delta	265,000	327,374	325,000
Jet Blue	5,455	13,696	18,000
Sun Country	15,000	15,000	0
Spirit	0	0	0
United	91,000	139,876	115,000
Total	1,129,368	1,458,421	1,316,000

Note: Amounts may not add due to rounding.

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

(Fiscal Years Ending June 30)

	2024	2025	2026
<u>Preferential Space:</u> ¹			
Allegiant	1,396	1,396	1,858
American	2,436	2,436	2,436
Delta	2,609	2,609	2,609
JetBlue	330	330	330
Sun Country	267	267	0
United	1,350	1,350	1,350
CRJ	462	462	0
Total Preferential Space	8,850	8,850	8,583
<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	34,855	34,855	34,588
<u>Other Rentable:</u>			
Ticket Counter (unassigned)	472	472	472
Queue (unassigned)	740	740	740
Vacant Airline Preferential Space	785	785	1,052
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	27,366	27,366	27,633
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.

Table 3

DEPRECIATION, AMORTIZATION, & CAPITAL OUTLAY

(Fiscal Years Ending June 30)

		2024	2025	2026
<u>Depreciation:</u> ¹				
Gross Depreciation		\$5,400,000	\$8,200,000	\$8,300,000
Less: Grant & PFC Amortization		(3,800,000)	(3,800,000)	(3,800,000)
Net Depreciation	[A]	\$1,600,000	\$4,400,000	\$4,500,000
<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	\$616,000	\$630,000
Terminal Building	[A*C]	480,000	1,320,000	1,350,000
Parking, Roadway, and Ground Trans.	[A*D]	528,000	1,452,000	1,485,000
General Aviation Area	[A*E]	256,000	704,000	720,000
Other Area	[A*F]	112,000	308,000	315,000
Net Depreciation	[A]	\$1,600,000	\$4,400,000	\$4,500,000
<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)

		2024	2025	2026
<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.

Table 4**OPERATION AND MAINTENANCE EXPENSES**

(Fiscal Years Ending June 30)

		Budget	Budget	Budget
		2024	2025	2026
<u>By Category:</u>				
Personnel Services		\$10,684,903	\$13,637,208	\$13,728,454
Professional Services		\$701,700	\$887,030	\$1,125,335
Utilities		\$495,565	\$628,010	\$545,375
Promotional Activities		\$337,600	\$464,000	\$375,725
Maintenance and Repairs		\$304,700	\$562,000	\$574,500
Contracted Services		\$2,214,305	\$3,605,987	\$4,643,913
Insurance Expense		\$398,607	\$480,000	\$772,318
Materials and Supplies		\$656,890	\$828,385	\$767,224
Other Expenses		\$540,545	\$665,714	\$633,909
Total O&M Expenses	[A]	\$16,334,815	\$21,758,334	\$23,166,753
<u>By Cost Center (%):</u>				
Airfield Area	[B]	26.0%	25.6%	25.1%
Terminal Building	[C]	45.9%	44.8%	43.7%
Parking, Roadway, and Ground Trans.	[D]	14.6%	16.3%	18.4%
General Aviation Area	[E]	9.7%	9.5%	9.3%
Other Area	[F]	3.9%	3.7%	3.5%
Total		100.0%	100.0%	100.0%
<u>By Cost Center:</u>				
Airfield Area	[A*B]	\$4,245,524	\$5,571,814	\$5,815,618
Terminal Building	[A*C]	7,492,146	9,754,558	\$10,120,453
Parking, Roadway, and Ground Trans.	[A*D]	2,377,810	3,553,914	\$4,269,721
General Aviation Area	[A*E]	1,587,389	2,064,126	\$2,153,837
Other Area	[A*F]	631,946	813,922	\$807,124
Total O&M Expenses	[A]	\$16,334,815	\$21,758,334	\$23,166,753

Note: Amounts may not add due to rounding.

Table 5

LANDING FEE AND REVENUE

(Fiscal Years Ending June 30)

		2024	2025	2026
<u>Airfield Requirement:</u>				
O&M Expenses		\$4,245,524	\$5,571,814	\$5,815,618
Less: Deicing Chemicals		(40,000)	(40,000)	(40,000)
O&M Reserve Requirement		348,805	663,145	121,902
Net Depreciation		224,000	616,000	630,000
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]	\$4,907,910	\$6,940,539	\$6,657,101
<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]	\$4,792,910	\$6,825,539	\$6,542,101
Airline Landed Weight	[F]	1,129,368	1,458,421	1,316,000
Airline Landing Fee (pre-Revenue Share)	[G=E/F]	\$4.24	\$4.68	\$4.97
Revenue Share Credit	[H]	\$1,917,078	\$2,050,644	\$2,587,310
Adjusted Airline Net Requirement	[I=E-H]	\$2,875,832	\$4,774,896	\$3,954,791
Airline Landing Fee	[J=I/F]	\$2.55	\$3.27	\$3.01
Airline Landing Fee Revenue	[K=F*J]	\$2,875,832	\$4,774,896	\$3,954,791

Note: Amounts may not add due to rounding.

Table 6

TERMINAL RENTAL RATE AND REVENUE
(Fiscal Years Ending June 30)

		2024	2025	2026
<u>Terminal Requirement:</u>				
O&M Expenses		\$7,492,146	\$9,754,558	\$10,120,453
O&M Reserve Requirement		588,012	1,131,206	182,947
Net Depreciation		480,000	1,320,000	1,350,000
Net Amortization		0	0	0
Capital Outlay		50,000	50,000	50,000
Debt Service		0	0	4,258,836
Debt Service Coverage (25%)		0	0	1,064,709
Total Requirement	[A]	\$8,610,158	\$12,255,765	\$17,026,946
<u>Terminal Credits:</u>				
Passenger-Related Security Charges		\$857,503	\$1,393,130	\$1,787,906
AirIT Landside Expenses		16,463	16,463	16,463
Loading Bridge or Ramp Fees		0	100,000	100,000
Total Terminal Credits	[B]	\$873,966	\$1,509,593	\$1,904,369
Net Requirement	[C=A-B]	\$7,736,191	\$10,746,172	\$15,122,577
Rentable Space (s.f.)	[D]	62,221	62,221	62,221
Terminal Rental Rate	[E=C/D]	\$124.33	\$172.71	\$243.05
Airline Rented Space (s.f.)	[F]	34,855	34,855	34,588
Airline Requirement	[G=E*F]	\$4,333,665	\$6,019,797	\$8,406,482
Revenue Share Credit	[H]	\$1,278,052	\$858,071	\$1,797,961
Adjusted Airline Requirement	[I=G-H]	\$3,055,613	\$5,161,727	\$6,608,521
Airline Rented Space (s.f.)	[F]	34,855	34,855	34,588
Adjusted Airline Terminal Rate	[J=I/F]	\$87.67	\$148.09	\$191.06
Airline Terminal Rentals	[K=F*J]	\$3,055,613	\$5,161,727	\$6,608,521

Note: Amounts may not add due to rounding.

Table 6A

LOADING BRIDGE OR RAMP FEE AND REVENUE

(Fiscal Years Ending June 30)

		2024	2025	2026
<u>Ramp Fee</u>				
Operating Expenses ¹		\$0	\$100,000	\$100,000
Capital Outlay		0	0	0
Debt Service		0	0	0
Debt Service Coverage (25%)		0	0	0
Total Requirement	[A]	\$0	\$100,000	\$100,000
Total Departures	[B]	10,423	13,702	14,180
Ramp Fee (per Departure)	[C=A/B]	\$0.00	\$7.30	\$7.05
Total Loading Bridge Revenue	[D=B*C]	\$0	\$100,000	\$100,000

Note: Amounts may not add due to rounding.

Table 6B

JOINT USE CHARGES

(Fiscal Years Ending June 30)

		2024	2025	2026
Adjusted Signatory Airline Terminal Rate	[A]	\$87.67	\$148.09	\$191.06
<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)]	\$641,367	\$1,083,437	\$1,397,824
Supply Costs - Bag Tags		\$0	\$130,000	\$90,000
Gate Areas Requirement	[E=A*(C1+C2+C3)]	1,638,398	2,767,681	3,570,795
Total Joint Use Requirement	[G=D+E+F]	\$2,279,765	\$3,981,118	\$5,058,619
<u>Baggage Make-Up & Claim:</u>				
Baggage Make-Up & Claim Requirement (85%)	[H=D*0.85]	\$545,162	\$920,921	\$1,264,650
Checked Bags	[I]	446,015	565,071	505,560
Baggage Make-Up & Claim Fee (per bag)	[J=H/I]	\$1.22	\$1.63	\$2.50
Baggage Make-Up & Claim Requirement (15%)	[K=D*0.15]	\$96,205	\$162,516	\$223,174
Number of Airlines	[L]	4	4	4
Baggage Make-Up & Claim Fee (per airline)	[M=K/L]	\$24,051	\$40,629	\$55,793
<u>Gate Area:</u>				
Gate Area Requirement (85%)	[N=E*85%]	\$1,392,638	\$2,352,529	\$3,035,175
Enplaned Passengers	[O]	1,050,000	1,375,000	1,150,000
Gate Area Charge per (enplaned pax)	[P=N/O]	\$1.33	\$1.71	\$2.64
Gate Area Requirement (15%)	[Q=E*15%]	\$245,760	\$415,152	\$535,619
Number of Airlines	[L]	4	4	4
Gate Area Fee (per airline)	[R=Q/L]	\$61,440	\$103,788	\$133,905
Total Joint Use Revenue	[G]	\$2,279,765	\$3,851,118	\$5,058,619

Note: Amounts may not add due to rounding.

Table 6C

TICKET COUNTER & QUEUE FEES (UNASSIGNED)
 (Fiscal Years Ending June 30)

		2024	2025	2026
Adjusted Signatory Airline Terminal Rate	[A]	\$87.67	\$148.09	\$191.06
<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]	\$402,915	\$680,628	\$878,130
AirIT Landside Expenses	[D]	16,463	16,463	16,463
Ticket Counter and Queue Requirement	[E=C+D]	\$419,378	\$697,091	\$894,593
Enplaned Passengers	[F]	1,050,000	1,375,000	1,150,000
Ticket Counter & Queue Fee (unassigned)	[G=E/F]	\$0.40	\$0.51	\$0.78
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.

Table 7

PASSENGER-RELATED SECURITY CHARGE

(Fiscal Years Ending June 30)

		2024	2025	2026
Personnel-Related Security Cost	[A]	\$1,935,605	\$2,167,975	\$2,215,894
<u>Officer Deployment Hours:</u>				
Total Hours (17 Officers at 42 hrs/week; 2 officers at 40 hrs/week)		2,174	2,174	2,064
Holiday (11 Holidays)		(198)	(198)	(187)
Vacation (12 Days)		(216)	(216)	(204)
Training (8 hrs per month per officer)		(144)	(144)	(136)
Sick Leave (12 Days Allowed; 9 Days Average Used)		(162)	(162)	(153)
Available Hours/Officer	[B]	1,454	1,454	1,384
Number of Officers	[C]	20	20	19
Total Available Hours	[D=B*C]	29,072	29,072	26,304
Less: Admin Hours Total	[E]	(2,880)	(2,880)	(2,736)
Total Officer Deployment Hours	[F=D-E]	26,192	26,192	23,568
Personnel-Related Security Cost per Hour	[G=A/F]	\$73.90	\$82.77	\$94.02
<u>Passenger-Related Security Charge:</u>				
Terminal Airlines (18 hrs/day Security Checkpoint)		\$485,527	\$543,815	\$583,412
Contract Security - Exit Lane & Employee Screening		\$60,000	\$55,000	\$235,000
Supply Costs - Boarding Passes, etc.		\$0	\$70,000	\$35,000
Less: TSA Reimbursement		(116,800)	0	0
Net Personnel-Related Costs	[H]	\$428,727	\$668,815	\$853,412
TSA Passenger Security Screening Space (s.f.)	[I]	4,891	4,891	4,891
Terminal Rental Rate	[J]	\$87.67	\$148.09	\$191.06
Security Checkpoint Space Costs	[K=I*J]	\$428,776	\$724,315	\$934,494
Passenger-Related Security Charges	[L=H+K]	\$857,503	\$1,393,130	\$1,787,906
Enplaned Passengers	[M]	1,050,000	1,375,000	1,150,000
Passenger-Related Security Charges per Enplaned Passenger	[N=L/M]	\$0.82	\$1.01	\$1.55
Passenger-Related Security Charges	[O=M*N]	\$857,503	\$1,393,130	\$1,787,906

Note: Amounts may not add due to rounding.

Table 8

COST PER ENPLANED PASSENGER

(Fiscal Years Ending June 30)

		2024	2025	2026
<u>Airline Revenue:</u>				
Terminal Rentals		\$3,055,613	\$4,627,010	\$6,239,709
Boarding Bridge or Ramp Fees		0	100,000	100,000
Landing Fees		2,875,832	4,774,896	3,954,791
Unassigned Ticket Counter Charges		0	0	0
Passenger Related Security Charges		857,503	1,393,130	1,787,906
Deicing Chemicals		40,000	40,000	40,000
Total	[A]	\$6,828,948	\$10,935,035	\$12,122,406
Enplaned Passengers	[B]	1,050,000	1,375,000	1,150,000
Cost Per Enplaned Passenger	[C=A/B]	\$6.50	\$7.95	\$10.54

Note: Amounts may not add due to rounding.

Table 9

PER TURN FEE FOR MARKET SHARE EXEMPT CARRIERS

(Fiscal Years Ending June 30)

		2024	2025	2026
<u>Per Turn Requirement:</u>				
Joint Use Cost ¹		\$2,279,765	\$3,981,118	\$5,058,619
Loading Bridge or Ramp Cost		0	100,000	100,000
Unassigned Ticket Counter Cost		419,378	697,091	894,593
Passenger Related Security Charge Cost		857,503	1,393,130	1,787,906
Deicing Chemicals Cost		40,000	40,000	40,000
Total	[A]	\$3,596,646	\$6,211,339	\$7,881,117
Total Departures	[B]	10,423	13,702	14,180
Average Per Turn Cost	[C=A/B]	\$345.07	\$453.32	\$555.79
Per Turn Fee for Exempt Carriers (0-70 seats)	[D=C*130%]	\$449.00	\$589.00	\$723.00
Per Turn Fee for Exempt Carriers (71-135 seats)	[E=C*150%]	\$518.00	\$680.00	\$834.00
Per Turn Fee for Exempt Carriers (136+ seats)	[F=C*175%]	\$604.00	\$793.00	\$973.00

Note: Amounts may not add due to rounding.

B. Public Hearing and Final Adoption of the Authority's Fiscal Year 2025/2026 Budget:

Janet Burnette reminded the Board that the proposed budget was presented to and approved at the Authority Board meeting on March 14, 2025. Mrs. Burnette remarked that the budget has remained available for public inspection and comment, with no comments being received to date.

At 8:41 am Mr. Lovin moved to go into public hearing for the FY 2025/2026 Budget and open the floor to public comments. Mr. Kennedy seconded the motion and it carried unanimously. There being no public comments by those present, Mr. Lovin moved to close the floor to public comments at 8:42 am. Mr. Kennedy seconded the motion and it carried unanimously.

Mr. Lovin moved to adopt the Fiscal Year 2025/2026 Budget Ordinance. Dr. Leatherwood seconded the motion and it carried unanimously:

[INTENTIONALLY LEFT BLANK]

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
2025-2026
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 2025-2026 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, 2025 and ending June 30, 2026 in accordance with the following schedules:

EXPENDITURES

Administration Department	\$ 1,935,238
Planning Department	748,232
Executive Department	1,664,806
Finance Department	953,027
Guest Services Department	415,681
Information Technology Department	2,675,502
Marketing Department	1,043,877
Operations Department	9,960,306
Properties & Contracts	378,278
Public Safety Department	3,851,806
Emergency Repair Costs	50,000
Carry-over Capital Expenditures from Prior Year	208,125,770
Capital Improvement	5,861,111
Equipment and Small Capital Outlay	553,000
Renewal and Replacement	336,750
Business Development	400,000
Debt Service	20,600,582
Contingency	100,000
Total Expenditures	<u>\$259,653,966</u>

Section 2. It is estimated that the following revenues will be available for the fiscal year beginning July 1, 2025 and ending June 30, 2026.

REVENUES

Administration (Interest Income)	\$ 1,800,000
Terminal	15,667,949
Airfield	4,031,160
General Aviation	1,441,461
Parking Lot	14,055,000
Other	956,808
Bond Interest	3,000,000
Passenger Facility Charges	4,500,000
Customer Facility Charges	2,800,000
Federal Grants (including AIP/BIL)	32,611,808
NC Department of Transportation Grants	8,643,276
Transfer from GARAA Cash/Investments	170,146,504
Total Revenues	<u><u>\$259,653,966</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 \$80,000 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 \$80,000 (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, 2025.

Adopted this ____ day of April, 2025

Brad Galbraith, Chair

Attested by:

Ellen Heywood, Clerk to the Board

NEW BUSINESS:

A. Approval of Amendment to Agreement for Professional Consulting Services with Parsons Transportation Group, Inc. for the Air Traffic Control Tower and TRACON Project Program Management Services: Jared Merrill stated that following Board approval last spring, Parsons Transportation Group, Inc. ("Parsons") has been managing the daily oversight and inspection services for the Air Traffic Control Tower and TRACON project since May of 2024. Staff estimated that their oversight has saved the project over \$2.5 million in detailed review and negotiations of change order requests. Mr. Merrill stated that an Amendment is needed for the services to be provided by Parsons for the May through December 2025 period. The anticipated expense for their services is \$385,804.00. The cost for these services will be paid from the Air Traffic Control Tower and TRACON project budget.

The Board questioned whether the Amendment was an estimated amount or a not-to-exceed amount. Mr. Merrill responded that it would be treated as a not-to-exceed amount.

Mr. Lovin moved to approve the Amendment with Parsons Transportation Group, Inc. for Program Management Services associated with the Air Traffic Control Tower and TRACON Project; approve the FY25/26 anticipated contract expenditures of \$385,804.00; and authorize the President & CEO to execute the necessary documents. Mr. Ricker seconded the motion and it carried unanimously.

B. Approval of Change Order No. 6 with Hensel Phelps for Owner Contingency Items:

Mr. Merrill informed the Board that there have been several owner-directed changes to the Terminal Modernization and Expansion project that Hensel Phelps has proceeded with and elected to use their contractor contingency to fund the changes in scope until a change order could be executed for owner contingency funding. Mr. Merrill stated that Change Order No. 6 incorporates the owner-directed changes and will replenish the contractor contingency with the necessary owner contingency funding. Mr. Merrill reviewed the items included in the change order including a credit for removal of passenger boarding bridge No. 4. The total for Change Order No. 6 amounts to \$1,993,057.00 and will be funded with the owner contingency that was part of the original project budget.

Dr. Leatherwood moved to approve Change Order No. 6 with Hensel Phelps in the amount of \$1,993,057.00 for the owner directed changes on the Terminal Modernization and Expansion project and authorize the President & CEO to execute the necessary documents. Mr. Bell seconded the motion and it carried unanimously.

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

A. NCDOT Aviation Economic Impact: An economic impact brochure from the NC Department of Transportation Department of Aviation was available for the Board Members at their seats.

B. Authority's Bond Rating: The president was pleased to report that the airport's bond rating is re-evaluated annually and the ratings have remained at an A+ with Kroll with stable outlook and a Baa2 with stable outlook with Moody's. Both firms commended the resilience of the airport while sustaining significant decline in traffic from Hurricane Helene and were appreciative of how staff managed the organization and maintained fiscal conservancy in the aftermath of Hurricane Helene.

C. Baggage Handling System: Start-up and testing of the new Baggage Handling System will take place on April 15th and the Board was invited to attend.

D. Aviation Update: The president reported that some airlines are becoming cautious and pulling back on seat capacity and destinations for the upcoming summer and fall months in reaction to the country's economy and also in response to a drop in travel to the US by Canadian leisure travelers. These changes are happening throughout the country as airlines make constant tweaks to their schedules.

AUTHORITY MEMBER REPORTS: None

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 May 9, 2025 at Council Chambers, Fletcher Town Hall.

CLOSED SESSION: At 8:53 a.m. Mr. Lovin moved that the Greater Asheville Regional Airport Authority go into closed session at this time pursuant to North Carolina General Statute 143-318.11(a) subsections (3), (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; and, to consider the qualifications, competence, performance, character, fitness and conditions of appointment of an individual, public officer, or employee or prospective public officer or employee. Mr. Kennedy seconded the motion and it carried unanimously.

Open Session resumed at 10:17 a.m.

Mr. Bell left the meeting during the Closed Session.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY APRIL 11, 2025

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. Dr. Leatherwood seconded the motion and it carried by a 5 to 0 vote.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY MARCH 14, 2025

CLOSED SESSION MINUTES: Mr. Lovin moved to approve the minutes for the Greater Asheville Regional Airport Authority March 14, 2025 Closed Session Parts A & B and to seal and withhold the minutes for the March 14, 2025 Closed Session Parts A & B from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Kennedy seconded the motion and it carried by a 5 to 0 vote.

PRESIDENT & CEO PERFORMANCE EVALUATION:

Following a performance discussion held during closed session, Mr. Lovin moved to approve an increase to the President & CEO's salary effective July 1, 2025 by 18% and an increase to the car allowance to \$2,000. Dr. Leatherwood seconded the motion and it carried by a 5 to 0 vote.

The president stated that Mrs. Burnette has announced her retirement to be effective at the end of August. Staff is working with a search firm and hopes to finalize an offer to have someone in place in June to work with Mrs. Burnette for a couple of months.

ADJOURNMENT: Mr. Lovin moved to adjourn the meeting at 10:23 a.m. Mr. Kennedy seconded the motion and it carried by a 5 to 0 vote.

Respectfully submitted,

A handwritten signature in cursive script that reads "Ellen Heywood".

Ellen Heywood
Clerk to the Board

Approved:

A handwritten signature in cursive script, appearing to be "Brad Galbraith".

Brad Galbraith
Chair