

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
February 14, 2014**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, February 14, 2014 at 9:30 a.m. in the Conference Room at the Authority's Administrative Offices, Asheville Regional Airport ("Airport"), 61 Terminal Drive, Suite 1, Asheville, NC 28732.

MEMBERS PRESENT: David R. Hillier, Chair; Robert C. Roberts, Vice-Chair; Jeffrey A. Piccirillo; Andrew T. Tate; K. Ray Bailey; Douglas J. Tate; and Carol W. Peterson

MEMBERS ABSENT: None

STAFF AND LEGAL COUNSEL PRESENT: Victor Buchanan, Authority Legal Counsel; Lew Bleiweis, Executive Director; Michael Reisman, Deputy Executive Director of Development and Operations; Kevan Smith, Interim Chief of Public Safety; David Nantz, Director of Operations and Maintenance; Royce Holden, IT Director; Suzie Baker, Director of Administration; Tina Kinsey, Director of Marketing and Public Relations; and Ellen Heywood, Clerk to the Board

ALSO PRESENT: Amy Thomas, WNC Aviation; Cindy Rice, Patla, Straus, Robinson & Moore, PA; Henry Johnson, WNC Pilots Association

CALL TO ORDER: The Chair welcomed everyone in attendance and called the meeting to order at 9:30 a.m.

The Chair asked the Director to express the Board's appreciation to all Authority employees who worked during the snow storm to ensure the airport's continued operation.

The Chair advised the Board that Vic Buchanan has announced his retirement effective March 31, 2014.

PRESENTATIONS:

A. WNC Aviation: Amy Thomas, owner of WNC Aviation and Belle Aircraft Maintenance, presented an overview of both companies which included the services, challenges, and opportunities for the two companies. Mrs. Thomas also informed the Board that WNC Aviation is pursuing a partnership with AB Tech to provide an associate

degree program and hopes to have the program up and running by the fall. Mrs. Thomas concluded her presentation with a request for the Board's support of the aviation degree program WNC Aviation is aiming to provide in conjunction with AB Tech.

Mr. Roberts asked what the aviation degree program would entail. Mrs. Thomas responded that thirty hours of aviation related classes would be taught most likely at the AB Tech campus. The remaining portion of the program is comprised of private pilot course, the instrument course, and the commercial pilot instruction which would be taught at the airport. Mrs. Thomas further stated that there are very few community colleges in North Carolina with this two-year degree program.

The Chair asked how many students typically learn to fly each year from WNC Aviation. Mrs. Thomas stated that at any given time there are 60 to 70 full-time students enrolled. Of those students, 5 to 10% end up buying an aircraft which is kept at the airport. The cost for private pilot instruction is between \$6,500 and \$7,000 and takes three months. The cost for the full instruction from private through airline transport pilot including all the instructor certificates is between \$45,000 and \$50,000 and takes a full year.

Mr. Bailey moved to support the concept of an Aviation Degree Program at AB Tech in conjunction with WNC Aviation. Mrs. Peterson seconded the motion and it carried unanimously.

The Chair thanked Mrs. Thomas for her very informative presentation and for her association with the airport all these years.

FINANCIAL REPORT: The Director reviewed the airport activity section of the Financial Report for December which included enplanements, aircraft operations and general aviation activity. The Director noted that enplanements for the calendar year were up 6.7% over last year. The Director also reported on the Financial Results for the month of December.

CONSENT ITEMS: The Chair suggested that Consent Item B, Approval of the Greater Asheville Regional Airport Authority December 13, 2013 Closed Session Minutes, be pulled for review in Closed Session.

A. Approval of the Greater Asheville Regional Airport Authority December 13, 2013 Regular Meeting Minutes: Mr. Douglas Tate moved to approve Consent Item A, Approval of the Greater Asheville Regional Airport Authority December 13, 2013 Regular Meeting Minutes. Mr. Bailey seconded the motion and it carried unanimously.

OLD BUSINESS: None

NEW BUSINESS:

A. Approval to Unseal Closed Session Minutes: The Director reminded the Board that a policy was approved by the Board three years ago to review closed session minutes each year for possible unsealing. The Director advised the Board that there were two sets of minutes that dealt with economic incentives for Allegiant Airlines that have come to fruition and could be unsealed.

Mrs. Peterson moved to unseal those portions of Closed Session minutes as designated and recommended by the Executive Director. Mr. Piccirillo seconded the motion and it carried unanimously.

CONSENT ITEMS: The Chair stated that Consent Item C was excluded from the motion earlier.

C. Approval of Grant Agreement with the North Carolina Department of Transportation:

"Whereas, a Grant in the amount of \$1,200,000.00 has been approved by the Department based on total estimated cost of \$1,333,333.00; and

Whereas, an amount equal to or greater than 10 percent of the total estimated project cost has been appropriated by the Sponsor for this project.

NOW, THEREFORE, BE AND IT IS RESOLVED THAT THE Executive Director of the Sponsor be and he hereby is authorized and empowered to enter into a Grant Agreement with the Department, thereby binding the Sponsor to the fulfillment of its obligation incurred under this Grant Agreement or any mutually agreed upon modification thereof."

Adopted this 14th day of February, 2014

David R. Hillier, Chair

Attest:

Ellen M. Heywood, Clerk to the Board

Mr. Bailey moved to approve Consent Item C, Approval of Grant Agreement with the North Carolina Department of Transportation. Mr. Roberts seconded the motion and it carried unanimously.

DIRECTOR'S REPORT: The Director advised the Board that he had a few items to report that were not on the agenda.

A. Strategic Plan Update: The Director reported that several months ago the Board was informed that a consultant had been hired to assist staff with a strategic plan. Staff has met with the consultant three times and has come up with core values, as well as draft vision and mission statements. The Board's input is the next step so the intent is to have the consultant work with the Board after the Board meeting on March 21st. Later that afternoon, half of the Authority staff will work on the goals and action items. The remaining staff will be involved at a later point for the goals and action items and to help move them forward. The core values, vision and mission statements will be provided to the Board at the March 7th Board meeting.

B. Wings for Autism: ARC of Buncombe County is a non-profit organization that provides education services for developmentally delayed individuals. They have proposed collaborating on a program called Wings for Autism where families with autistic children can visit the airport to experience what air travel would be like. The visit helps to acclimate the children to the whole process from checking in, to going through security, as well as boarding an airplane. Staff is very excited about the program and anticipates a June event.

C. Allegiant Airlines Update: The Director informed the Board that Allegiant is performing well in Asheville and now commands up to 21% of the market share. Unfortunately there have been quite a lot of delays and cancellations recently which began when Allegiant was not able to accept shipment of new aircraft due to the federal government shut down last fall. Their pilots were in the process of being trained on the new aircraft and had to stop their training. Regulations also prohibited the pilots from going back to flying the older aircraft. Another setback was that Allegiant's new FAA training inspector required some changes to their training which took time to implement and added to the delays. Allegiant did contract with other

airlines to service some of the routes but was not successful in covering all of them. They have contracted with specific charter companies to handle any future routes when needed and not on an as call basis. Allegiant expects to be back to normal by March 1st. Allegiant has also reached the revenue point where they are required to report on-time performance to the Department of Transportation (DOT) like other airlines. This will help ensure Allegiant makes their on-time performance and comply with DOT performance requirements.

D. County Planning Information: When the GARAA was established in 2012 the zoning review process for the airport was transferred to the county rather than the city. For the airfield redevelopment project, staff had to submit a stormwater review program to the county for review. The county review fees are typically \$595 per acre and there is up to 300 acres included in the project which would total over \$150,000 in review and monitoring fees during the stormwater construction. Staff is trying to find a mechanism that would change the county rules and regulation that tops or caps this fee. In the meantime the county attorney advised staff that the county could not review the plans because the property is titled to the City. Staff looked into bringing the plans to the state for review but the state does not review stormwater construction plans. Staff is still researching this but at the present time is planning to move forward with the stormwater construction and will build to county specifications. Staff will continue to work with the county and state on this issue.

E. Gas station Update: The Director reported that Triangle Stop has also had similar issues. Triangle Stop submitted their building plans to the county for review but again the property is titled to the City. Triangle Stop was able to submit their plans to the state because they are dealing with cleanwater runoff rather than stormwater retention. They have already invested between \$40,000 and \$50,000 in design so far and hope to get approval of their plans soon.

Mr. Roberts asked what the estimated time frame was for this project. The Director responded that Triangle Stop hopes to break ground in April or May and it will take 8 to 12 months to build.

F. Airfield Redevelopment Project: Staff had anticipated having the design package for the first phase of construction out for bid by now but has run into some delays dealing with the FAA. Most of the delays are due to modification to standards which is basically asking for a variance to building codes. Four modifications to standards were submitted to the FAA last fall but staff was having trouble receiving answers from the FAA Memphis office. Staff has asked for help from the Atlanta office and Memphis did submit their decision up to Washington, DC for review. Staff decided

to move forward with some of the design so that the project would not be held up too much longer. As of yesterday staff received approval for two of the modifications to standards from DC. One is still under review and the indication for the last modification is that it will not be approved. Staff is trying to move forward with the design to try and salvage this construction year at reasonable prices. Staff will keep the Board apprised of the situation.

G. Checkpoint Exit Lane: As the Board was aware, TSA tried to transfer monitoring of the checkpoint exit lane to airports. In January the budget was approved and mandated for TSA to monitor the checkpoint exit lanes. During the time this issue was unsettled, several airports joined together with AAAE and ACI-NA to file suit against TSA on this issue and Asheville was a participant. The case was dismissed as the budget mandated TSA monitor the checkpoint exit lanes. However, the airport could see an expenditure of up to \$2,500 for legal fees associated with the suit.

INFORMATION SECTION: No comments

AUTHORITY MEMBERS REPORTS: None

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 March 7, 2014.

The Chair called for a break at 10:25 a.m.

The Board reconvened at 10:35 a.m.

CLOSED SESSION: At 10:35 a.m. Mr. Piccirillo moved to go into Closed Session pursuant to Subsection 143-318.11(a)(3) of the General Statutes of North Carolina to Consult with Legal Counsel in Order to Preserve the Attorney-Client Privilege. Mr. Roberts seconded the motion and it carried unanimously.

Open Session resumed at 11:34 a.m.

**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY FEBRUARY 14, 2014
CLOSED SESSION MINUTES:**

Mr. Piccirillo moved to seal the minutes for the February 14, 2014 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. Mrs. Peterson seconded the motion and it carried unanimously.

**APPROVAL OF THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
DECEMBER 13, 2013 CLOSED SESSION MINUTES:**

Mr. Piccirillo moved to approve the minutes for the December 13, 2013 Closed Session, and to seal and withhold such minutes from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Bailey seconded the motion and it carried unanimously.

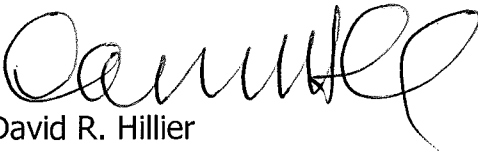
ADJOURNMENT: Mr. Piccirillo moved to adjourn the meeting at 11:36 a.m. Mrs. Peterson seconded the motion and it carried unanimously.

Respectfully submitted,



Ellen Heywood
Clerk to the Board

Approved:



David R. Hillier
Chair