



## **AGENDA**

Greater Asheville Regional Airport Authority Regular Meeting  
Friday, January 18, 2019, 8:30 a.m.  
Conference Room at Administrative Offices

NOTICE TO THE PUBLIC: The Airport Authority welcomes comments from the public on any agenda item. Comments are received prior to the Board's discussion of the agenda item. Comments are limited to five minutes. If you wish to comment on an agenda item, please deliver a request card (available in the meeting room) to the Clerk to the Board prior to the agenda item being called by the Chair.

- I. CALL TO ORDER
- II. SERVICE AWARD PRESENTATIONS:
  - A. Cody Sifers – 10 Years
- III. PRESENTATIONS: None
- IV. FINANCIAL REPORT ([document](#))
- V. CONSENT ITEMS:
  - A. Approval of the Greater Asheville Regional Airport Authority November 9, 2018 Regular Meeting Minutes ([document](#))
  - B. Approval of the Greater Asheville Regional Airport Authority November 9, 2018 Closed Session Minutes
- VI. OLD BUSINESS: None
- VII. NEW BUSINESS:
  - A. Approval of a Recognition Agreement and Lease Amendment with J. Hall Waddell ([document](#))



- B. Approval to Unseal Closed Session Minutes ([document](#))
- C. Approval of Task Order No. 1 with GS&P N.C. an Affiliate of Gresham Smith and Partners for Terminal Building Phase 1 Utility Modernization Design Services ([document](#))

VIII. DIRECTOR'S REPORT:

- A. ACI Award

IX. INFORMATION SECTION:

(Staff presentations will not be made on these items. Staff will be available to address questions from the Board.)

- A. November 2018 Traffic Report ([document](#))
- B. November 2018 Monthly Financial Report ([document](#))
- C. January 2019 Development/Project Status Report ([document](#))
- D. Potential Board Items for the Next Regular Meeting:
  - Distribution of FY20 Budget Books

X. PUBLIC AND TENANTS' COMMENTS

XI. CALL FOR NEXT MEETING

XII. CLOSED SESSION:

Pursuant to Subsections 143-318.11 (a) (3) and (4) of the General Statutes of North Carolina to Consult with Legal Counsel in Order to Preserve the Attorney-Client Privilege and to Discuss Matters Relating to the Location and/or Expansion of Industries or Other Businesses in the Area Served by the Authority, Including Agreement on a Tentative List of Economic Development Incentives that may be Offered by the Authority in Negotiations.

XIII. AUTHORITY MEMBER REPORTS:

- A. Key Strategic Elements ([document](#))



#### XIV. ADJOURNMENT

*This agenda of the Greater Asheville Regional Airport Authority is provided as a matter of convenience to the public. It is not the official agenda. Although every effort is made to provide complete and accurate information in this agenda, the Greater Asheville Regional Airport Authority does not warrant or guarantee its accuracy or completeness for any purpose. The agenda is subject to change before and/or during the Board meeting.*

**Asheville Regional Airport  
Executive Summary  
November-18**

**AIRPORT ACTIVITY**

|                               | Month  | Variance to<br>Prior Year | Calendar<br>Year to Date | Variance to<br>Prior Year |
|-------------------------------|--------|---------------------------|--------------------------|---------------------------|
| <b>Passenger Enplanements</b> | 56,905 | 29.0%                     | 518,582                  | 18.4%                     |
| <b>Aircraft Operations</b>    |        |                           |                          |                           |
| Commercial                    | 1,778  | 10.5%                     | 17,828                   | 2.0%                      |
| Scheduled Flights             | 719    | 9.1%                      |                          |                           |
| Flight Cancellations          | 7      |                           |                          |                           |
| Seats                         | 72,019 | 37.0%                     | 628,376                  | 16.4%                     |
| Load Factor                   | 79.0%  | (5.9%)                    | 82.5%                    | 1.7%                      |
| General Aviation              | 2,561  | (29.7%)                   | 36,096                   | (9.5%)                    |
| Military                      | 251    | (28.3%)                   | 3,007                    | (30.6%)                   |

**FINANCIAL RESULTS**

|   | Month               | Variance<br>to Budget | Fiscal<br>Year to Date | Variance<br>to Budget |
|---|---------------------|-----------------------|------------------------|-----------------------|
| <b>Operating Revenues</b>                         | \$ 1,171,956        |                       | \$ 5,840,693           |                       |
| <b>Operating Expenses</b>                         | 546,502             |                       | 3,116,317              |                       |
| <b>Net Operating Revenues before Depreciation</b> | <u>\$ 625,454</u>   |                       | <u>\$ 2,724,376</u>    |                       |
| <b>Net Non-Operating Revenues</b>                 | <u>\$ (251,515)</u> |                       | <u>\$ 1,235,941</u>    |                       |
| <b>Grants:</b>                                    |                     |                       |                        |                       |
| FAA AIP Grants                                    | \$ 4,528            |                       | \$ 838,814             |                       |
| NC Dept of Transportation Grants                  | -                   |                       | 2,024,831              |                       |
| Total   | <u>\$ 4,528</u>     |                       | <u>\$ 2,863,645</u>    |                       |

**CASH**

|                                 |                      |
|---------------------------------|----------------------|
| Restricted                      | \$ 11,173,173        |
| Designated for O&M Reserve      | 4,608,465            |
| Designated for Emergency Repair | 650,000              |
| Unrestricted, Undesignated      | 18,829,856           |
| Total                           | <u>\$ 35,261,494</u> |

**RECEIVABLES PAST DUE**

|                        | Total             | 1-30 Days        | 31-60 Days       | Over 60 Days      |
|------------------------|-------------------|------------------|------------------|-------------------|
| Advertising Customers  | 19,293            | 1,146            | 6,300            | 11,847            |
| Allegiant              | 13,594            | 998              | 1,474            | 11,122            |
| American               | 4,848             | 472              | -                | 4,376             |
| Avis                   | 5,557             | 1,066            | -                | 4,491             |
| Budget                 | 907               | 313              | 180              | 414               |
| Delta                  | 35,660            | 34,121           | 460              | 1,079             |
| Elite Airways          | 9,651             | -                | 351              | 9,300             |
| Enterprise             | -                 | -                | -                | -                 |
| TSA                    | 20,234            | 10,460           | 9,600            | 174               |
| FAA                    | 39,632            | 13,384           | 13,384           | 12,864            |
| Hertz                  | 17,294            | 705              | -                | 16,589            |
| Paradies               | 19,323            | 19,323           | -                | -                 |
| Signature              | 3,932             | 265              | -                | 3,667             |
| Skywest                | 33,840            | 155              | -                | 33,685            |
| Spirit                 | 1,863             | 468              | 1,395            | -                 |
| United                 | 3,127             | 208              | -                | 2,920             |
| Vanguard               | 34,713            | 2,809            | 10,108           | 21,795            |
| Miscellaneous          | 9,739             | 1,102            | 1,183            | 7,454             |
| Total                  | <u>\$ 273,206</u> | <u>\$ 86,993</u> | <u>\$ 44,435</u> | <u>\$ 141,778</u> |
| % of Total Receivables | <u>33.98%</u>     |                  |                  |                   |

Note: Excludes balances paid subsequent to month-end.

|                     |         |     |   |         |
|---------------------|---------|-----|---|---------|
| Travelers Insurance | 466,456 | 420 | - | 466,036 |
|---------------------|---------|-----|---|---------|

**REVENUE BONDS PAYABLE**

|   | Original Amount      | Current Balance      |
|---|----------------------|----------------------|
| Parking Garage Revenue Bond, Series 2016A         | \$ 15,750,000        | \$ 15,750,000        |
| Parking Garage Taxable Revenue Bond, Series 2016B | 5,250,000            | 3,080,000            |
|   | <u>\$ 21,000,000</u> | <u>\$ 18,830,000</u> |

**CAPITAL EXPENDITURES**

|                       |               |
|-----------------------|---------------|
| Annual Budget         | \$ 31,516,785 |
| Year-to-Date Spending | \$ 1,844,368  |

**REGULAR MEETING  
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY  
November 9, 2018**

The Greater Asheville Regional Airport Authority (“Authority”) met on Friday, November 9, 2018 at 8:30 a.m. in the Conference Room at the Authority’s Administrative Offices, Asheville Regional Airport (“Airport”), 61 Terminal Drive, Suite 1, Asheville, NC 28732.

**MEMBERS PRESENT:** Matthew C. Burrell, Chair; K. Ray Bailey, Vice-Chair; William L. Moyer; George H. Erwin, Jr.; Brad Galbraith; and Carl H. Ricker, Jr.

**MEMBERS ABSENT:** Stephanie Pace Brown

**STAFF AND LEGAL COUNSEL PRESENT:** Cindy Rice, Authority Legal Counsel; Lew Bleiweis, Executive Director; Michael Reisman, Deputy Executive Director of Development and Operations; Kevan Smith, Chief of Public Safety; Tina Kinsey, Director of Marketing and Public Relations; Janet Burnette, Director of Finance and Accounting; Shane Stockman, IT Director; John Coon, Director of Operations; Frank Wheeler, Director of Administration and Human Resources; Samuel Sales, Public Safety Captain; David King, Guest Services & Sales Supervisor; Rita Yanz, Development Coordinator; and Ellen Heywood, Clerk to the Board

**ALSO PRESENT:** Jon McCalmont, Parrish & Partners; James Moose, Avcon; Jeff Kirby, Parrish & Partners; Tonya Marshall, Gould Killian CPA Group; and Nick Baldelli, Gould Killian CPA Group

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

**WELCOME OF NEW BOARD MEMBER – CARL H. RICKER, JR.:** The Chair welcomed Carl H. Ricker, Jr. to the Board.

**INTRODUCTION:** The Director introduced Frank Wheeler as the Authority’s new Director of Administration and Human Resources.

**SERVICE AWARD PRESENTATION:** The Chair recognized David King with a service recognition award and gift for his 10 years of service with the Authority.

**PRESENTATIONS:** None

**RECOGNITION:** The Director recognized Rita Yanz for receiving her ADA certification.

**FINANCIAL REPORT:** The Director advised the Board that the reports in the agenda package were a little different from past reports due to the data being merged from the old financial system with the new ERP system. The Director reported on the airport activity for the month of September which included enplanements, aircraft operations, and general aviation activity. Janet Burnette reported on the financial activity for the month of September.

**CONSENT ITEMS:** The Chair stated that Consent Item B, Approval of the Greater Asheville Regional Airport Authority October 12, 2018 Closed Session Minutes, would be pulled for review in Closed Session.

**A. Approval of the Greater Asheville Regional Airport Authority October 12, 2018 Regular Meeting Minutes:**

**C. Approval of Daily Deposit Requirements:**

**D. Approval of Resolution for Electronic Signatures:**

Mr. Moyer moved to approve Consent Items A, C, and D. Mr. Erwin seconded the motion and it carried unanimously.

**OLD BUSINESS:** None

**NEW BUSINESS:**

**A. Presentation of the Annual Audited Financial Report for Fiscal Year 2017/2018:** Janet Burnette informed the Board that the annual audit for the fiscal year ended June 30, 2018 was performed by the auditing firm, Gould Killian CPA Group. Mrs. Burnette introduced Tonya Marshall of Gould Killian. Ms. Marshall advised the Board that an unmodified or a clean opinion was issued with reasonable assurance that the financial statements were free from material misstatement and found no material weaknesses in internal control or no material noncompliance with laws and regulations. Ms. Marshall highlighted the key statistics for 2018 which included cash and investment, net position, debt service, revenue and expenses as well as capital projects. Bound copies of the annual financial statement and audit wrap up communication were provided to the Board Members.

Mr. Moyer moved to accept the 2017/2018 Audit Report as presented. Mr. Bailey seconded the motion and it carried unanimously.

**B. Adoption of the Asheville Regional Airport Five-Year Capital Improvement Plan (CIP) for FY 2020-2024:** Michael Reisman stated that an updated CIP was available at the Board members' seats. The Federal Aviation Administration requires that all airports submit a five-year CIP to be eligible for federal project funding. The CIP is considered a planning and administrative tool for staff, the FAA and the NCDOT Division of Aviation. Mr. Reisman advised the Board that adopting the CIP does not approve any contracts nor provide staff with authorization to award design or construction projects.

Mr. Moyer requested an explanation on how much of the new terminal facility was included in the CIP. Mr. Reisman responded that at this time staff is required to plug some numbers in that are somewhat reasonable. Since the project cannot be completed in one year, it has been phased out over a three-year period. The overall project cost is estimated to be \$150 million and was broken down as follows: terminal infrastructure improvements were included in FY2019 for \$2.2 million; terminal rehabilitation and expansion begins in FY2020 with \$25 million allocated, \$75 million in FY2021, and \$50 million for FY2022. Mr. Reisman stated in large part that these numbers are based upon the numbers in the presentation given by CHA, however, these are likely to change once the design phase begins.

Mr. Moyer asked if the FAA approves the CIP. The Director replied that the FAA doesn't really approve it, but uses the CIP as a planning tool so they know how much airports are expecting for future projects and can plan for how the funds are appropriated. The Director stated that this is a very fluid document that changes. Mr. Reisman stated that as each project gets closer, staff still has to go through an individual justification process with the FAA.

The Chair inquired if it was reasonable for the airport to ask for \$75 million three years out. The Director stated that the CIP shows airport capital at \$147 million over the next five years. However, staff has not yet determined where the money will come from for the terminal facility, which is the bulk of that money. The FAA will not fund a majority of that, therefore staff will likely shift it to other local funding, bonds, etc. Staff has listed it on the CIP, however, it will be moved to the appropriate categories once staff knows more.

Mr. Bailey moved to adopt the Asheville Regional Airport Five-Year Capital Improvement Plan for FY 2020-2024. Mr. Erwin seconded the motion and it carried unanimously.

**C. Approval of Work Authorization No. 2 with Parrish and Partners of North Carolina, PLLC for South Terminal Apron Expansion Project Engineering Services:** Michael Reisman reported that the Authority entered into an agreement with Parrish and Partners of North Carolina in August for professional consulting services.

Parrish and Partners provided a scope of services for the South Terminal Apron Expansion project and an Independent Fee Estimate (IFE) was conducted to validate the cost proposed by Parrish and Partners. The final agreed upon cost for this project is \$821,196 which is \$139,687 less than the amount identified in the IFE. Mr. Reisman advised the Board that the following budget amendment would be necessary:

**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, 2019:

**Section 1.** To amend the appropriations as follows:

**EXPENDITURES:**

|                      | <u>Decrease</u> | <u>Increase</u>     |
|----------------------|-----------------|---------------------|
| Capital Improvements | _____           | <u>\$821,196.00</u> |
| Totals               | _____           | <u>\$821,196.00</u> |

This will result in a net increase of \$821,196.00 in the appropriations. Revenues will be revised as follows:

**REVENUES:**

|                          | <u>Decrease</u> | <u>Increase</u>     |
|--------------------------|-----------------|---------------------|
| Transfer from GARAA Cash | _____           | <u>\$821,196.00</u> |
| Totals                   | _____           | <u>\$821,196.00</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 9<sup>th</sup> day of November, 2018.

\_\_\_\_\_  
Matthew Burrell, Chair

Attested by:

\_\_\_\_\_  
Ellen Heywood, Clerk to the Board



The Chair requested that Mr. Reisman provide a timeframe for how this project will unfold. Mr. Reisman responded that the consultant should get underway in the next few weeks with seven months of design work and preparation for bid. Construction should be able to begin in late spring or early summer and is expected to take seven months.

Mr. Erwin moved to approve Work Authorization No. 2 with Parrish and Partners of North Carolina, PLLC in the amount of \$821,196.00; to authorize the Executive Director to sign the necessary documents; and to amend the FY2018/2019 budget by adopting the budget ordinance amendment as presented by staff. Mr. Galbraith seconded the motion and it carried unanimously.

**D. Approval of Amendment to the FY 2018/2019 Budget:** The Director stated that at their seats was a new business item for consideration. The Director advised the Board that TSA has informed staff that in preparation for the addition of a third lane at the security checkpoint, the airport is responsible for moving the existing equipment at the checkpoint by a TSA approved contractor. TSA expects to have the third lane installed by December 10<sup>th</sup>. In addition to the \$60,000 budget amendment that was approved by the Board at the October Board meeting for the security checkpoint renovations, staff is requesting the following budget amendment to cover these unexpected costs:

**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, 2019:

**Section 1.** To amend the appropriations as follows:

**EXPENDITURES:**

|                      | <u>Decrease</u> | <u>Increase</u> |
|----------------------|-----------------|-----------------|
| Capital Improvements |                 | \$30,000        |
| Totals               |                 | \$30,000        |

This results in a net increase of \$30,000 in the appropriations. Revenues are revised as follows:

**REVENUES:**

|                          | <u>Decrease</u> | <u>Increase</u> |
|--------------------------|-----------------|-----------------|
| Transfer from GARAA Cash |                 | \$30,000        |
| Totals                   |                 | \$30,000        |

**Section 2.** Copies of this budget ratification 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.

Ratified this 9th day of November, 2018.

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Matthew C. Burril, Chair

Attested by:

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Ellen Heywood, Clerk to the Board

Mr. Galbraith moved to amend the FY2018/2019 budget by adopting the budget ordinance amendment as presented by staff. Mr. Erwin seconded the motion and it carried unanimously.

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

**A. Airfield Re-development Project Update:** Michael Reisman informed the Board that construction was winding down for the winter months. Work will be limited to electrical and some grading work as the weather allows. The paving contractor was demobilizing for the winter. Mr. Reisman updated the Board on the progress of the project and also presented a rendering of the areas of the airfield that would be open and operational through the winter as well as the areas that have been paved. Mr. Reisman stated that at present, the timeline for commissioning of the runway is expected to be in August of 2019.

**B. Wings for Autism:** The annual Wings for Autism event will be held on January 26<sup>th</sup> and Allegiant will partner with the airport again. The Director encouraged the Board to attend if their schedules allowed.

**C. American Airlines:** The Director reported that earlier that week American Airlines announced new daily non-stop service to Philadelphia beginning in May. American has been offered incentives up to \$150,000 for marketing as well as waived rent and fees for the Philadelphia service for up to a year.

**D. Aviation Industry Conference Schedule:** The Director informed the Board that the 2019 industry conference schedule was at their seats for their review. The Director recommended Board members discuss interest in attending any upcoming

conferences at the next couple of Board meetings. Mr. Moyer indicated interest in the Commissioners Conference in May. The Director also encouraged Board members to attend the ACI annual conference in Tampa in September.

**E. Kimley-Horn Contract:** The Director reminded the Board that a contract with Kimley-Horn in the amount not to exceed \$50,000 was approved at the October Board meeting. Kimley-Horn will conduct an inspection of a 60" reinforced concrete pipe used to convey storm water. Staff was able to negotiate a final contract with Kimley-Horn for \$31,000. Kimley-Horn will be able to use some camera footage previously taken which helped reduce the costs for this project.

**F. December Holiday Reception:** Staff has decided to postpone the annual reception rather than compete with other organizations' holiday events. A spring appreciation event will be held for the airport's tenants, consultants, and business partners.

**G. Boarding Bridge Damage:** An airline severely damaged a boarding bridge earlier in the week and the bridge is out of service. An inspection was completed by the manufacturer. The Director stated that the airline has been made aware of the damage. There is the potential for the repair to cost between \$100,000 and \$200,000. Passengers are being ground-boarded from this gate. Staff has also reached out to the Authority's insurance carrier as a property damage precaution. The repairs may be paid from the emergency repair funds and then the airline will be billed. Staff will also look into having card readers installed on the boarding bridges so staff can identify who is operating the boarding bridge.

**H. Passenger Appreciation:** The Director reported that staff had planned for a celebration to be held last year for completion of the parking garage and airfield project. Deposits were sent to some catering and rental companies. In lieu of that event, Mrs. Kinsey and her staff have decided to commemorate the airport's 1 million passenger mark. Mrs. Kinsey stated that January 15th is an important day in the airport's history as that day in 1961 the airport received certification to begin operating. Staff is planning a week-long celebration and the chambers from Asheville and Henderson County are willing to partner on a joint business event the evening of January 15th to which some frequent travelers, business partners, and elected officials will be invited.

**I. Parking Lot Feedback:** Signage for the parking lot is not quite finished, the signs will eventually display "full" rather than "0". A few negative comments have been received from people who feel they have been forced into the garage, but for the most part, the negative comments have died down.

**J. TSA Pre-Check:** The TSA Pre-check mobile sign-up event held at the airport was highly successful with an average of 90 people a day signing up for Pre-check.

**K. Wellness Program:** The Director was pleased to inform the Board that the Authority received an \$80,000 refund from Cigna for lower than expected claims in fiscal year ending June 30, 2018, due in large part to the Authority's wellness program and the employees' care for their health. Mrs. Burnette has recommended rewarding employees by giving some of that money back. The Authority currently gives staff a \$200 holiday bonus. Mrs. Burnette recommended increasing the bonus by \$800 for a total of \$1,000. The employees would have to be participating in the wellness program to receive the bonus and employed by the Authority last fiscal year. The Director stated that this would be a one-time bonus and would need the Board's approval in the form of the following budget amendment:

**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, 2019:

**Section 1.** To amend the appropriations as follows:

**EXPENDITURES:**

|                                      | <u>Decrease</u> | <u>Increase</u> |
|--------------------------------------|-----------------|-----------------|
| Administrative Department            |                 | \$933           |
| Development Department               |                 | \$2,798         |
| Executive Department                 |                 | \$1,865         |
| Finance Department                   |                 | \$2,798         |
| Guest Services Department            |                 | \$1,865         |
| Information Technology<br>Department |                 | \$2,798         |
| Marketing Department                 |                 | \$1,865         |
| Operations Department                |                 | \$17,718        |
| Public Safety Department             |                 | \$12,123        |
| Totals                               |                 | \$44,763        |

This will result in a net increase of \$44,763 in the appropriations. Revenues will be revised as follows:

**REVENUES:**

|                          | <u>Decrease</u> | <u>Increase</u> |
|--------------------------|-----------------|-----------------|
| Transfer from GARAA Cash |                 | \$44,763        |
| Totals                   |                 | \$44,763        |

**Section 2.** Copies of this budget ratification 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 9th day of November, 2018.

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Matthew C. Burril, Chair

Attested by:

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Ellen Heywood, Clerk to the Board

Mr. Erwin moved to amend the FY2018/2019 budget by adopting the budget ordinance amendment as presented by staff. Mr. Bailey seconded the motion and it carried unanimously.

**INFORMATION SECTION:** No comments

**PUBLIC AND TENANTS COMMENTS:** None

**CALL FOR NEXT MEETING:** The Chair stated that the December 14, 2018 regular meeting of the Authority Board may not be necessary, but requested the Board Members keep their calendars open.

The Chair proposed a meeting be set up in January or February with the consultants to further discuss the terminal facilities project. The Director stated that some time could be set aside during a regular Board meeting to discuss intentions, next steps, etc. Gresham Smith and CHA Consulting would be invited and more of a round-table discussion could be held. The Chair stated that if the rest of the Board approved, a special meeting for this discussion should be kept as a consideration. Mr. Erwin inquired if staffing levels would be looked at with an expansion of the terminal and the additional passengers the airport could serve. The Director responded that Mr. Wheeler would be looking at that as would Mr. Reisman.

**CLOSED SESSION:** At 10:02 a.m. Mr. Bailey moved to go into Closed Session Pursuant to Subsections 143-318.11 (a) (3) and (4) of the General Statutes of North Carolina to Consult with Legal Counsel Regarding, Among Other Things, That Lawsuit Entitled Tricor Construction, Inc. vs. RS&H Architects-Engineers-Planners, Inc., Thalle Construction Co., Inc. and Liberty Mutual Insurance Company and vs. Defendant & Third-Party Plaintiff, Greater Asheville Regional Airport Authority, vs. Third-Party Defendant, Avcon, Inc. d/b/a Avcon Engineers and Planners, Inc. in Order to Preserve the Attorney-Client Privilege;

and to Discuss Matters Relating to the Location and/or Expansion of Industries or Other Businesses in the Area Served by the Greater Asheville Regional Airport Authority, Including Agreement on a Tentative List of Economic Development Incentives that may be Offered by the Greater Asheville Regional Airport Authority in Negotiations. Mr. Moyer seconded the motion and it carried unanimously.

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

Open Session resumed at 11:05 a.m.

**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY NOVEMBER 9, 2018**

**CLOSED SESSION MINUTES:** Mr. Bailey 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. Mr. Moyer seconded the motion and it carried unanimously.

**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY OCTOBER 12, 2018**

**CLOSED SESSION MINUTES:** Mr. Bailey moved to approve the minutes for the October 12, 2018 Closed Session and to seal and withhold the minutes for the October 12, 2018 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Moyer seconded the motion and it carried unanimously.

**Approval of Amendment to the FY 2018/2019 Budget:** The Director stated that the following amendment to the budget would need to be approved for additional funds to be moved into business development:

**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, 2019:

**Section 1.** To amend the appropriations as follows:

**EXPENDITURES:**

|                      | <u>Decrease</u> | <u>Increase</u>       |
|----------------------|-----------------|-----------------------|
| Business Development |                 | \$150,000             |
| Totals               | <hr/>           | <hr/> \$150,000 <hr/> |

This results in a net increase of \$150,000 in the appropriations. Revenues are revised as follows:





## **MEMORANDUM**

TO: Members of the Airport Authority

FROM: Lew Bleiweis, A.A.E., Executive Director

DATE: January 18, 2019

### **ITEM DESCRIPTION – New Business Item A**

Approval of a Recognition Agreement and Lease Amendment with J. Hall Waddell

### **BACKGROUND**

J. Hall Waddell (Waddell) leases approximately 2.15 acres of airport property for a gas station and convenience store located at the airport exit. The intent of this lease was always to include some form of a quick service restaurant adjoining the convenience store facility. Since the beginning of the lease, they have been working diligently to find a restaurant partner with no success. They have now entered into an agreement, pending Board approval, with Citi Brands, LLC. to add a Dunkin restaurant to the facility. In addition to the approval needed for the sublease, the original lease was for five years with six five-year renewals, for a total of 35 years. With the addition of the Dunkin, they have requested one additional five-year term. The current lease requires land rent for the total term of the lease, and beginning in year ten, a fuel gallonage fee of \$0.01 per gallon of fuel delivered to the property. In return for the lease extension, Waddell has proposed paying the fuel gallonage fee beginning August 1, 2019, which is four years earlier.

### **ISSUES**

The recognition agreement between the Authority, is requesting the Authority assume the sublease with Citi Brands, LLC., if the lease with Waddell were to terminate early. The current lease requires Waddell to pay the fuel gallonage fee based on the fuel being delivered to the property. Waddell has requested that the earlier payments be based on gallons sold or dispensed vs. delivered. Their accounting system is more detailed and accurate for the dispensing.





## **ALTERNATIVES**

The Board could deny the sublease request with Citi Brands, deny the lease extension with Waddell or require different terms and conditions that have been proposed.

## **FISCAL IMPACT**

Based on current fuel sale figures provided by Waddell, the fuel gallonage fee paid to the Authority four years earlier could bring in an additional  $\pm$  \$100,000.

## **RECOMMENDED ACTION**

It is respectfully requested that the Greater Asheville Regional Airport Authority Board (1) approve the Recognition Agreement between the Authority, Waddell, and Citi Brands, LLC; and (2) Approve Amendment No. 2 to Lease with J. Hall Waddell as described in the attached amendment; and (3) authorize the Executive Director to execute the necessary documents.

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Signature of Finance Officer or  
Deputy Finance Officer

## RECOGNITION AGREEMENT

THIS RECOGNITION AGREEMENT (“Agreement”) is entered into by and between the GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY (“GARAA”), a body corporate and politic created by North Carolina session law 2012-121; J. HALL WADDELL (“Waddell”); and CITI BRANDS, LLC (“Citi Brands”), a North Carolina limited liability company having an address of 2 Clingman Avenue, Asheville, NC 288091. The effective date of this Agreement is \_\_\_\_\_, 2018.

### Recitals

A. GARAA and Waddell entered into a sublease dated August 19, 2013 (the “2013 Sublease”). The 2013 Sublease granted Waddell a leasehold estate in that parcel of real property containing approximately 2.15 acres as shown on a survey recorded in Plat Book 140 at Page 107 in the Office of the Register of Deeds for Buncombe County, North Carolina (the “2.15-Acre Parcel”) as well as certain use rights on adjoining portions of the Airport Property. GARAA joined in the 2013 Sublease as it was anticipated that GARAA may acquire the Airport Property from the City, and if this occurred it would then step into the shoes of landlord as to the 2013 Sublease in place of ARAA.

B. On April 25, 2017, the City executed and delivered to GARAA a deed that is recorded in Book 5565 at Page 1196 in the Office of the Register of Deeds for Buncombe County, North Carolina (the “2017 Deed”). The 2017 Deed conveyed the Airport Property to GARAA, and GARAA acquired the Airport Property subject to the 2013 Sublease (herein known as the “Lease”). GARAA is now the sole Lessor and Landlord under the Lease.

C. Waddell and Citi Brands entered into a sublease dated \_\_\_\_\_, 2018 (the “2018 Sublease”). The 2018 Sublease granted Citi Brands a leasehold estate in a portion of the 2.15-Acre Parcel as shown or described on Exhibit A annexed hereto and made a part hereof (the “Dunkin’ Parcel”) and has granted certain use rights to other portions of the 2.15-Acre Parcel as well as certain use rights on adjoining portions of the Airport Property as granted by the 2013 Lease.

D. As a condition to entering into the 2018 Sublease, Citi Brands required certain agreements and assurances from the GARAA and Waddell, and such parties are willing to provide such agreements and assurances as hereafter set forth.

## Terms

NOW, THEREFORE, for good and adequate consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

- 1. Status of Lease.** GARAA represents and agrees that (a) the Lease has not been modified and remains in full force and effect; (b) the Lease will currently expire at midnight on August 18, 2023, although Waddell has the option to renew the Lease for five (5) separate and successive periods, with each option period to be for a period of five (5) years; (c) Waddell is not in default under the Lease nor has any event occurred which would, after notice to Waddell and the passage of time, become a default of Waddell under the Lease; and (d) ARAA has been dissolved, and GARAA is now the landlord, , as to the Lease..
- 2. Consent to 2018 Sublease.** GARAA consents to the 2018 Sublease and its terms and agrees that the rights and benefits therein granted to Citi Brands are not prohibited by and shall not constitute a default under or breach of the Lease. Without limiting the generality of the foregoing, GARAA approves of the construction of such improvements on the Dunkin' Parcel and on other portions of the 2.15-Acre Parcel to establish and operate a restaurant or food and beverage facility, subject to Citi Brands complying with such regulations and requirements of the Federal Aviation Administration as described in the Lease.
- 3. Obligations under Lease.** Until its termination or expiration and in connection with its use of the Dunkin' Parcel, Citi Brands agrees to be bound by and subject to those sections of the Lease that prohibit discrimination and require compliance with applicable laws and regulations, including regulations and requirements of the Federal Aviation Administration, and such future agreements between GARAA and the United States of America relative to the operation of the nearby airport; however, it is acknowledged and agreed that Citi Brands may terminate the 2018 Sublease, without any consequence to it, in the event any regulation, requirement or agreement enacted or put in place after the effective date of the 2018 Sublease may have a material adverse impact on Citi Brands, as reasonably determined by it. GARAA represents and agrees that, notwithstanding any provision in the Lease to the contrary, Citi Brands shall have no responsibility for payment or other monetary obligations of Waddell as addressed in the Lease.
- 4. Peaceful Enjoyment by Citi Brands.** GARAA shall not, in the exercise of any of its rights arising out of the Lease, disturb or deprive Citi Brands in its possession of the Dunkin' Parcel or of any right or privilege granted to Citi Brands in the 2018 Sublease as long as Citi Brands is not in default under the 2018 Sublease.
- 5. Consequence of the Termination or Expiration of the 2013 Sublease.** In the event of the termination or expiration of the Lease before the termination or expiration of the 2018 Sublease (as extended by available renewal options), Citi Brands shall not be evicted or removed from the property in which it has a leasehold estate or use rights as set forth in the 2018 Sublease, and at the option of Citi Brands, the 2018 Sublease shall continue in full force and effect as a direct lease from GARAA to Citi Brands.

**6. Waiver of Rights Against Subtenant's Property.** GARAA and Waddell hereby waive and relinquish any and all rights or remedies against Citi Brands as to any lien either of them may otherwise have as to the personal property, goods or chattels of Citi Brands in which any lender to Citi Brands may claim a lien to secure debt.

**7. General.** No modification, amendment, waiver or release of any provision of this Agreement shall be valid or binding for any purpose whatsoever unless in writing and duly executed by the party against whom the same is sought to be asserted. This Agreement shall be binding on and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, assigns and sublessees.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed under seal to be effective the date first above written.

[Signature pages follow.]

**Signature Page to Recognition Agreement**

GREATER ASHEVILLE REGIONAL  
AIRPORT AUTHORITY

By: \_\_\_\_\_(SEAL)

Print Name: \_\_\_\_\_

Title/Office: \_\_\_\_\_

Attest:

\_\_\_\_\_

Print Name: \_\_\_\_\_

Title/Office: \_\_\_\_\_

(SEAL)

STATE OF NORTH CAROLINA

COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public of \_\_\_\_\_ County in the State of North Carolina, do hereby certify that \_\_\_\_\_ personally came before me this day and acknowledged that he/she is the \_\_\_\_\_ of the GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY, a body corporate and politic created by North Carolina session law 2012-121, and that by authority duly given and as an act of the GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY the foregoing instrument was signed in its name by \_\_\_\_\_, its \_\_\_\_\_, sealed with its corporate seal, and attested by himself/herself as \_\_\_\_\_ of the GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY.

Witness my hand and official stamp or notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

(SEAL)

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**Signature Page to Recognition Agreement**

\_\_\_\_\_(SEAL)  
J. HALL WADDELL

STATE OF NORTH CAROLINA

COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public of \_\_\_\_\_  
County in the State of North Carolina, do hereby certify that the following individual personally came  
before me this day and acknowledged that he voluntarily signed this document for the purposes stated  
therein: J. HALL WADDELL in his individual capacity.

Witness my hand and official stamp or notarial seal this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

(SEAL)

\_\_\_\_\_  
Notary Public

My commission expires: \_\_\_\_\_

**Signature Page to Recognition Agreement**

CITI BRANDS, LLC

By: \_\_\_\_\_(SEAL)  
Scott E. Shealy, Manager

STATE OF NORTH CAROLINA

COUNTY OF BUNCOMBE

I, \_\_\_\_\_, a Notary Public of \_\_\_\_\_ County in the State of North Carolina, do hereby certify that Scott E. Shealy personally came before me this day and acknowledged that he is the Manager of CITI BRANDS, LLC, a North Carolina limited liability company, and that by authority duly given and as an act of such company, he, in such representative capacity, voluntarily signed this document for the purposes stated therein.

Witness my hand and official stamp or notarial seal this \_\_\_\_ day of \_\_\_\_\_, 2018.

(SEAL)

\_\_\_\_\_  
Notary Public

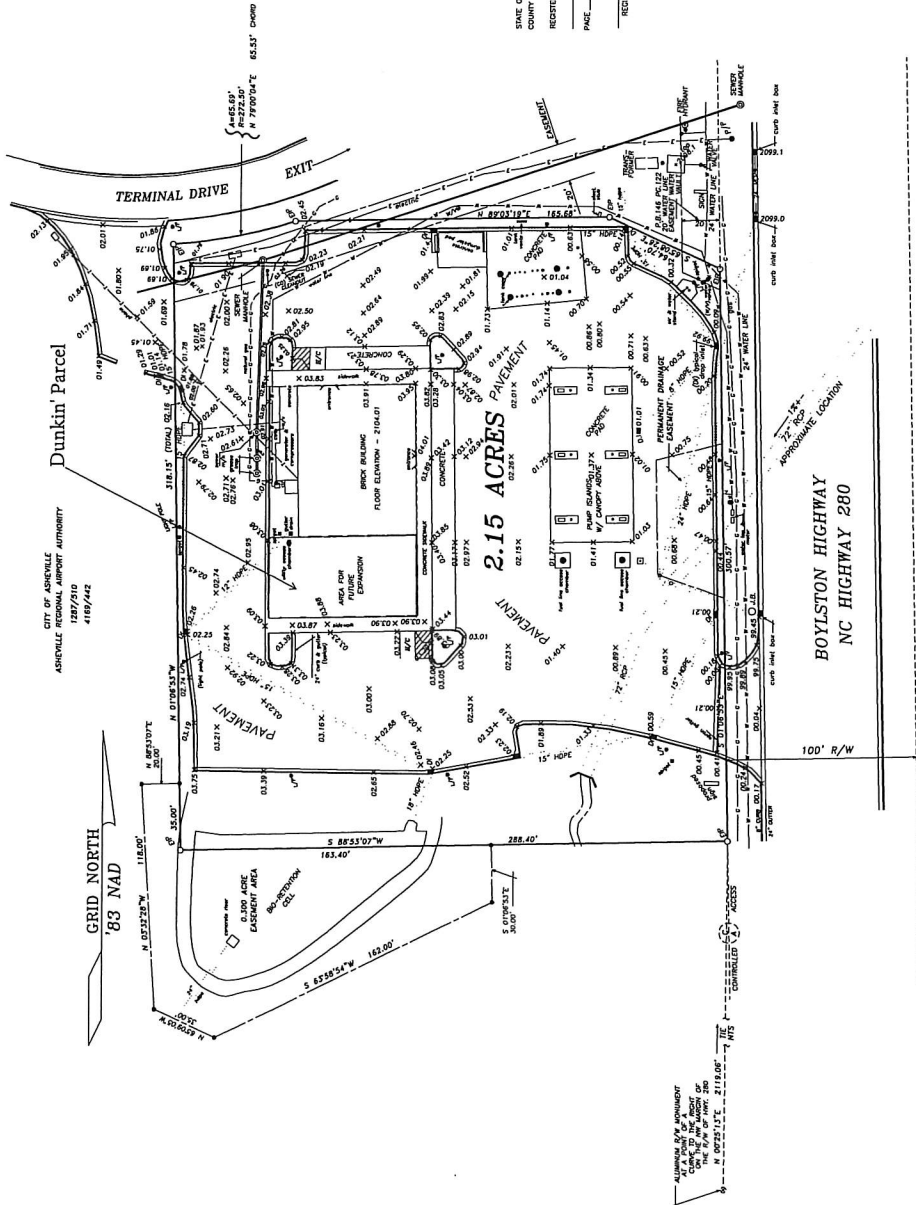
My commission expires: \_\_\_\_\_

## **EXHIBIT A**



Exhibit A

AS-BUILT LOCATION OF IMPROVEMENTS  
ON LEASED PREMISES FOR  
**J.H. REABEN OIL & SUPPLY CO., INC.**  
**J. HALL WADDELL**  
A PORTION OF THE PROPERTY OF  
THE CITY OF ASHEVILLE /  
ASHEVILLE REGIONAL AIRPORT AUTHORITY  
CITY OF ASHEVILLE  
LIMESTONE TOWNSHIP  
BUNCOMBE COUNTY  
NORTH CAROLINA  
AUGUST 14th, 2015  
SCALE 1"=30'



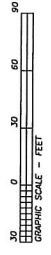
I, STEVEN LLOYD WAGGONER, a PROFESSIONAL LAND SURVEYOR, certify that this plan was drawn under my supervision from an actual survey made under my supervision in accordance with the description recorded in Book 25, Page 2088E, 1; drawn from information found in Book 25, Page 2088E; that the ratio of precision as calculated is 1/100,000; that the survey was made in accordance with G.S. 17-20; and that the same is a true and correct representation of the number and set. Day of August, A.D. 2015.

REGISTERED THIS THE 14th DAY OF AUGUST, 2015 AT 10:00 O'CLOCK, RECORDED IN PLAT BOOK PAGE 1 BY [Signature] DEPUTY REGISTER OF DEEDS

State of North Carolina  
County of Buncombe  
I, [Signature], Review Officer of the Register of Deeds, do hereby certify that this plan is in accordance with all statutory requirements for recording.  
Date [Date] Review Officer

CITY OF ASHEVILLE  
Approved by the Planning Director of the City of Asheville, N.C., on this [Date] day of [Month], 2015. The [Project Name] is registered in the office of the Register of Deeds of Buncombe County, N. C. within thirty (30) days from date of this approval.  
Signed: [Signature] Planning Director

I, STEVEN LLOYD WAGGONER, a PROFESSIONAL LAND SURVEYOR, certify that this plan was drawn under my supervision from an actual survey made under my supervision in accordance with the description recorded in Book 25, Page 2088E, 1; drawn from information found in Book 25, Page 2088E; that the ratio of precision as calculated is 1/100,000; that the survey was made in accordance with G.S. 17-20; and that the same is a true and correct representation of the number and set. Day of August, A.D. 2015.



LOCATION MAP (N.T.S.)



- NOTES:
- 1) THE OWNER OF RECORD IS THE CITY OF ASHEVILLE
  - 2) PROPERTY SHOWN IS SUBJECT TO ALL RIGHT OF WAYS AND/OR EASEMENTS OF RECORD, EITHER ACQUIRED OR CLAIMED.
  - 3) LOCATION OF UNDERGROUND UTILITIES SERVING THE SITE ARE APPROXIMATE

- LEGEND
- EXISTING CORNER MONUMENT
  - NEW IRON PIPE SET OR AS NOTED
  - NEW IRON PINE-NOT STAKED
  - CONCRETE MONUMENT
  - AS NOTED

|   |   |
|---|---|
| REFERENCES:<br>PLAN P.B.140 P.C.108<br>P.B.140 P.C.107<br>TAX ID REFERENCE:<br>#4432-1770<br>SCEN FILE 17008AP<br>COUNTY: BUNCOMBE<br>DISTRICT: 02/07/718 edition of 1997 Plat Book | SURVEY BY<br><b>STEVEN LLOYD WAGGONER</b><br>NC PLS 2874<br>WAGGONER & BROTHERS<br>LAND SURVEYOR, P.L.L.C.<br>545 SOUTH CRAIG STREET<br>HENDERSONVILLE NORTH CAROLINA 28742<br>PHONE: 704-892-4332<br>FAX: 704-892-4331 |
| DATE: 08/14/15  | DRAWN BY: SLW   |
| JOB NUMBER: 14-008  |   |

**AMENDMENT No. 2**

**TO LEASE**

THIS SECOND AMENDMENT made and entered into this \_\_\_\_ day of January, 2019, by and between THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY, hereinafter referred to as Authority, and J. HALL WADDELL hereinafter referred to as Tenant.

W I T N E S S E T H:

WHEREAS, the parties hereto have previously entered into a lease Agreement ("Lease") on August 19, 2013 for the construction and operation of a convenience store and gas station at the Asheville Regional Airport ("Airport"); and

WHEREAS, The Greater Asheville Regional Airport Authority ("GARAA") was created pursuant to Session Law 2012-121 by the General Assembly of North Carolina on June 28, 2012; and

WHEREAS, the Lease between Tenant and GARAA was assumed by GARAA when GARAA was deeded the airport property by the City of Asheville in 2017; and

WHEREAS, Tenant is engaged in and has significant experience in the business of managing and operating convenience stores and gas stations; and

WHEREAS, the Lease anticipated, within the Premises, a quick service restaurant to be contiguous with the convenience store and gas station; and

WHEREAS, the Tenant desires to add, by sublease with Citi Brands, LLC., a Dunkin restaurant on the Premises and GARAA is in agreement with Tenant to add a Dunkin to the airport property; and

WHEREAS, Tenant desires to amend the term of Lease in return for additional compensation; and

WHEREAS, Tenant and GARAA have a desire to enter into this Amendment No. 2 to expand the Lease terms and conditions; and

WHEREAS, Tenant and GARAA request such changes to be effective immediately, and for the remainder of the Lease;

NOW, THEREFORE, in consideration of the foregoing, the parties hereby agree that the Lease be amended, effective upon execution, as follows:

1. **Term of Lease is hereby deleted in its entirety and replaced with the following:**

The initial period of this Lease shall be for five (5) years. The Tenant has, so long as it is not in breach hereof, the option to renew this Lease for seven (7) separate and successive periods, with each option period to be for a period of five (5) years, thus a total of 40 years, expiring 2053, if all options are exercised (by Tenant's silence). If Tenant fails to give GARAA written notice at least six (6) months prior to the end of the initial period of the Term, or by the end of the then current option period of the Term, that he does not elect to exercise the option for the next five (5) year option period, then (in the absence of such notice) the Lease Term shall be automatically extended for the next five (5) years. If he does give such timely written notice of termination, the Lease shall terminate at the end of that period of the Term. The period from the Effective Date of this Lease through its end is the "Term" or "term".

2. **Fixed Rent and Net Lease Provisions is hereby deleted in its entirety and replaced with the following:**

The Tenant shall from and after the Rent Commencement Date, as defined below, pay to GARAA, in advance, base rent for the initial period of the term in the amount of Thirty Five (\$.35) Cents per square foot of Premises per year, payable in advance, in equal monthly payments. Upon the commencement of the first renewal period of the Term, and at the beginning of every subsequent renewal period, so long as the Tenant's option to terminate is not exercised, the base rent for the upcoming period shall be 110% of that for the immediately preceding five year period (i.e. the base rent for the first renewal period shall be \$0.385 per square foot of Premises per year, for the second renewal period shall be \$0.4235 per square foot of Premises per year, etc.).

Beginning August 1, 2019, and at all times thereafter during the term of the Lease, additional rental (over and above the said base rent) shall be paid in an amount equal to one cent per gallon of gasoline and diesel fuel sold or dispensed from the Premises, this being identified as "Gallonage Fee". Gallonage Fee shall be based on the previous year's July 1 through June 30 twelve month figures equally divided by 12 monthly payments added to the monthly base rent. At early termination of the Lease, regardless of reason or default, any remaining unpaid previous year's total Gallonage Fee is due and payable within 30 days. The annual report of sales and dispensed fuel shall be provided to GARAA within 21 days of each June 30<sup>th</sup>. In the event Tenant maintains on Premises for use by customers any type of gambling device in which there is consideration provided by customer, and a chance for customer to earn a reward, Tenant will be deemed to be

conducting "Gambling"; however, any game sanctioned by the North Carolina State Lottery Commission, or its successor in function, as created by the North Carolina State Lottery Act, N.C.G.S. 18C-101, *et. seq.*, or any other entity authorized by law to govern state or federally operated lotteries, shall not be included in the definition of "Gambling". In the event Tenant conducts Gambling on Premises during the term of the Lease, including all extensions, Tenant shall pay to ARAA, over and above the base rent, 10% of all net profits from Gambling above \$150,000.00 per calendar year ("Gambling Fee").

GARAA shall have the right to audit the Tenant for its operations on the Premises. Tenant shall maintain accurate records of the Gallonage Fee and Gambling Fee on the Premises, and shall no less than Annually for the Gallonage Fee and monthly for the Gambling Fee, provide GARAA with copies thereof. In the event that the amounts of Gallonage Fee and/or Gambling Fee is understated by more than 2%, the cost of the audit shall be borne by Tenant, in addition to Tenant paying the shortfall to GARAA, within ten days thereof.

The term "rent" or "rental" as used hereafter shall include both the base rent, any "Gallonage Fee" owed and any "Gambling Fee" owed.

Upon the Rent Commencement Date, Tenant shall deliver to GARAA the proportional amount of the base rent for the period beginning on the Rent Commencement Date through the last day of that calendar month. The base rent shall thereafter be due and payable, in advance, on the first day of each month at the office of GARAA or at such other place as GARAA may designate from time to time in writing. Any Gambling Fees shall be likewise paid by the fifteenth day of the following month. The Tenant shall pay the rent at the time and place herein specified without notice of demand, and with no offset therefrom. The "Rent Commencement Date" is the earliest to occur of (a) the expiration of the Due Diligence Period without Tenant having terminated this Lease; (b) the day that Tenant has commenced construction on (some or all) the Premises; (c) the first day business is conducted on (some or all) of the Premises; or (d) the day that Tenant informs GARAA in writing that Tenant waives the balance of the Due Diligence Period, and such waiver is irrevocable. Upon the request of either or both parties, the parties hereto shall enter into a written document confirming the dates hereof.

3. All other terms of this Lease not specifically amended shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto by their duly authorized officers have caused this Amendment to be executed in their names and their seals to be affixed hereto as of the day and year first above written.

**J. HALL WADDELL**

**THE GREATER ASHEVILLE  
REGIONAL AIRPORT AUTHORITY**

BY: \_\_\_\_\_

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

Lew Bleiweis, AAE

TITLE: \_\_\_\_\_

Executive Director



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## **MEMORANDUM**

TO: Members of the Airport Authority

FROM: Lew Bleiweis, A.A.E., Executive Director

DATE: January 18, 2019

### **ITEM DESCRIPTION – New Business Item B**

Approval to Unseal Closed Session Minutes

### **BACKGROUND**

The Board approved the Disposition of Authority Board Closed Session Minutes Policy at the April 15, 2011 Authority Board Meeting. The policy provides for the review of the preceding year's Closed Session Minutes at the first Authority Board meeting of each calendar year.

The Director has reviewed those Closed Session Minutes and has provided a recommendation for the unsealing of those certain minutes. The minutes recommended to be unsealed are of a business matter that has come to fruition and is no longer of a confidential nature.

### **ISSUES**

None

### **ALTERNATIVES**

The Board can decide to keep all Closed Session Minutes sealed.

### **FISCAL IMPACT**

None

### **RECOMMENDED ACTION**

It is respectfully requested that the Greater Asheville Regional Airport Authority Board resolve to unseal those portions of Closed Session Minutes as designated and recommended by the Executive Director.

New Business – Item B



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## MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.  
Deputy Executive Director, Development and Operations

DATE: January 18, 2019

### ITEM DESCRIPTION – New Business Item C

Approval of Task Order No. 1 with GS&P N.C. an Affiliate of Gresham Smith and Partners for Terminal Building Phase 1 Utility Modernization Design Services

### BACKGROUND

The Authority entered into an Agreement for Professional Consulting Services with GS&P N.C. an Affiliate of Gresham Smith and Partners (Gresham Smith) on August 14, 2018. The scope of services included design and engineering services associated with the Terminal Building expansion and renovation project. The scope of Task Order No. 1 is the design of utility infrastructure modernization to support the current and future water and sewer demands for the existing and future Terminal Building.

The cost proposal for Task Order No. 1 submitted by Gresham Smith is not to exceed \$168,975.00.

In conjunction with FAA requirements, an Independent Fee Estimate (IFE) was conducted by Rood and Associates to validate the cost proposal submitted by Gresham Smith. The IFE estimated the cost at \$176,530.00, which is 4.2% higher than Gresham Smith's proposal.

### ISSUES

Because potential federal funding for this project is being considered, the cost proposal and IFE need to be reviewed and approved by the FAA. However, due to the current partial shutdown of the Federal Government, such approval has not been able to be submitted or received.

New Business – Item C



## **ALTERNATIVES**

The Board could elect to postpone this project. This however would impact the long-term schedule for potential Terminal Building improvements which are dependent upon the upgrade of basic utility infrastructure in advance of that project.

## **FISCAL IMPACT**

The fee for this project is not to exceed \$168,975.00. This amount may potentially be recovered through either Airport Improvement Program or State funding. The project however will initially be funded with Airport Funds included in the 2018/2019 GARAA budget.

## **RECOMMENDED ACTION**

It is respectfully requested that the Airport Authority Board resolve to (1) approve Task Order No. 1 with GS&P N.C. an Affiliate of Gresham Smith and Partners in the amount not to exceed \$168,975.00, pending review and approval by the FAA; and (2) to authorize the Executive Director to sign the necessary documents.



November 20, 2018

Mr. Michael Riesman  
Deputy Executive Director, Development & Operations  
Greater Asheville Regional Airport Authority  
61 Terminal Drive  
Fletcher, North Carolina 28732

**Subject: FEE PROPOSAL**  
**AVL Phase 1 Utility Modernization**  
**Asheville Regional Airport**  
Gresham Smith Project No. 43483.xx

Dear Mr. Reisman:

Please find attached our fee proposal for the Phase 1 Utility Modernization at Asheville Regional Airport.

Gresham Smith and its consultants will provide Overall Project Management, Civil Site Design, Water Service & Sanitary Sewer Line Design & Improvements, Architecture Services, and Construction Contract Administration for the Phase 1 Utility Modernization.

#### **Scope of Work**

The scope of work for the Phase 1 Utility will require the review of existing documentation provided by the Owner, additional survey work required to complete the design, design of the replacement water service & sanitary sewer lines, bidding phase services, construction contract administration, and inspection of the water line & sanitary sewer improvements..

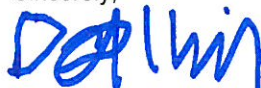
#### **Compensation**

We propose to be compensated for services described herein by a lump sum fee of \$161,675.00.

We anticipate reimbursable expenses for travel, printing, shipping and related expenses as a result of this project's scope. The estimated reimbursable expenses is \$7,300.00. If additional reimbursable expenses become necessary, we will notify you in advance and request that an addendum be issued to cover the additional expenses.

We appreciate the opportunity to provide our proposal and look forward to completing this project. If you have any questions or wish to discuss this further, please do not hesitate to contact me.

Sincerely,



David L. King, AIA, NCARB  
Project Executive

| Gresham Smith and Partners Fee Proposal <b>11.20.2018</b>                               |  |          |        |            |          |                   |          |     |                      |
|---|--|----------|--------|------------|----------|-------------------|----------|-----|----------------------|
| Greater Asheville Regional Airport Authority  |  |          |        |            |          |                   |          |     |                      |
| Project: AVL Phase 1 Utility Modernization  |  |          |        |            |          |                   |          |     |                      |
| GS&P Project No. 43483.xx   | Classification Per GS&P 2017/2018 Hourly Billing Rates |          |        |            |          |                   |          |     |                      |
|   | Proj. Exec./Proj. Man.                                 | Sr. Arch | Sr. ID | Proj. Arch | Proj. ID | Proj. Coord. Arch | Admin    | ttl |                      |
| Refer to attached proposal for description of work.                                     |  |          |        |            |          |                   |          |     |                      |
| <b>Construction Documentation - 3 Months</b>  |  |          |        |            |          |                   |          |     |                      |
| Project Management  | 7  |          |        |            |          |                   | 8        | 15  | \$2,905              |
| Phase Kickoff Meeting   |  | 2        |        |            |          |                   | 1        | 3   | \$565                |
| Specifications  |  | 28       |        |            |          |                   |          | 28  | \$6,440              |
| Sub Consultant Coordination   |  | 12       |        |            |          |                   |          | 12  | \$2,760              |
| Design Review Meeting (2 meetings)  |  | 10       |        |            |          |                   | 1        | 11  | \$2,405              |
| Finalize Drawings and Specifications  |  | 16       |        |            |          |                   |          | 16  | \$3,680              |
| QA/QC   |  | 16       |        |            |          |                   | 1        | 17  | \$3,785              |
| Print, Seal and Issue Bid Package   |  | 2        |        |            |          |                   | 2        | 4   | \$670                |
| Phase Subtotal  | 7  | 86       | 0      | 0          | 0        | 0                 | 13       | 106 | \$23,210             |
| <b>Bidding - 1 Month</b>  |  |          |        |            |          |                   |          |     |                      |
| Project Management  | 3  |          |        |            |          |                   | 8        | 11  | \$1,725              |
| Pre-Bid Meeting   |  | 4        |        |            |          |                   |          | 4   | \$920                |
| Respond to Bidder's questions/Issue Addenda   |  | 16       |        |            |          |                   |          | 16  | \$3,680              |
| Attend Bid Opening  |  | 4        |        |            |          |                   |          | 4   | \$920                |
| Phase Subtotal  | 3  | 24       | 0      | 0          | 0        | 0                 | 8        | 35  | \$7,245              |
| <b>Construction Administration - 5 Months</b>   |  |          |        |            |          |                   |          |     |                      |
| Project Management  | 10   |          |        |            |          |                   |          | 10  | \$2,950              |
| Attend Pre-construction meeting   |  | 8        |        |            |          |                   |          | 8   | \$1,840              |
| Attend Construction Progress Meetings / Site Visits (5 meetings/visits)                 |  | 20       |        |            |          |                   |          | 20  | \$4,600              |
| Process RFI's (12 Hours/Month)  |  |          |        |            |          |                   | 60       | 60  | \$6,300              |
| Review Change Orders  |  | 8        |        |            |          |                   |          | 8   | \$1,840              |
| Process Submittals (8 Hours/Month)  |  |          |        |            |          |                   | 40       | 40  | \$4,200              |
| Punch list (8 hours/utility)  |  | 16       |        |            |          |                   |          | 16  | \$3,680              |
| Project Closeout  |  | 16       |        |            |          |                   |          | 16  | \$3,680              |
| Record Drawing Production   |  | 4        |        |            |          |                   |          | 4   | \$920                |
| Phase Subtotal  | 10   | 72       | 0      | 0          | 0        | 0                 | 100      | 182 | \$30,010             |
| TOTAL GS&P Design Basic Services Hours  | 20   | 182      | 0      | 0          | 0        | 0                 | 121      | 323 |                      |
| Fee/Hour (with overhead)  | \$295  | \$230    | \$190  | \$195      | \$140    | \$150             | \$105    |     |                      |
| Total Fee by Classification   | \$5,900  | \$41,860 | \$0    | \$0        | \$0      | \$0               | \$12,705 |     |                      |
| Fee Subtotal  |  |          |        |            |          |                   |          |     | \$60,465             |
| <b>GS&amp;P Fee - Subtotal</b>  |  |          |        |            |          |                   |          |     | <b>\$60,465</b>      |
| <b>Sub-consultants</b>  |  |          |        |            |          |                   |          |     |                      |
| Signage and Wayfinding - <b>Not Applicable</b>  |  |          |        |            |          |                   |          |     | \$ -                 |
| Geo Technical Engineering - <b>TBD</b>  |  |          |        |            |          |                   |          |     | \$ -                 |
| Civil Engineering, Site Electrical Engineering & Surveying - <b>Vaughn &amp; Melton</b> |  |          |        |            |          |                   |          |     | \$ 101,210           |
| Mechanical, Electrical, Plumbing, & Fire Protection - <b>Not Applicable</b>             |  |          |        |            |          |                   |          |     | \$ -                 |
| IT, Data and Communications - <b>Not Applicable</b>                                     |  |          |        |            |          |                   |          |     | \$ -                 |
| Security - <b>Not Applicable</b>  |  |          |        |            |          |                   |          |     | \$ -                 |
| Structural - <b>Not Applicable</b>  |  |          |        |            |          |                   |          |     | \$ -                 |
| Cost Estimating Services - <b>CONNICO</b>   |  |          |        |            |          |                   |          |     | \$ -                 |
| <b>Consultant Fees - Subtotal</b>   |  |          |        |            |          |                   |          |     | <b>\$101,210</b>     |
| <b>TOTAL FEE</b>  |  |          |        |            |          |                   |          |     | <b>\$161,675</b>     |
| <b>Reimbursable Expenses</b>  |  |          |        |            |          |                   |          |     |                      |
| Copies/Printing   |  |          |        |            |          |                   |          |     | \$ 2,500.00          |
| Travel/Mileage/Parking  |  |          |        |            |          |                   |          |     | \$ 4,800.00          |
| Bid Document Management - Not Included  |  |          |        |            |          |                   |          |     | \$ -                 |
| <b>Reimbursable Expenses Subtotal</b>   |  |          |        |            |          |                   |          |     | <b>\$ 7,300.00</b>   |
| <b>GRAND TOTAL</b>  |  |          |        |            |          |                   |          |     | <b>\$ 168,975.00</b> |



# ROOD & ASSOCIATES

Mr. Michael A. Reisman, A.A.E.  
Deputy Executive Director  
Development & Operations  
Greater Asheville Regional Airport Authority  
61 Terminal Drive, Suite 1  
Fletcher, NC 28732-9442

December 28, 2018

Subject: Asheville Regional Airport (AVL)  
Asheville, North Carolina  
AVL Phase 1 Utility Modernization  
Design, Bidding and Construction Engineering Services  
Independent Fee Estimate

Dear Mr. Reisman:

In accordance with your Purchase Order #2019-00000108 dated December 21, 2018, transmitted herewith is the completed independent fee estimate for the subject project. This estimate was prepared in conformity with provisions relating to formal consultant/sponsor negotiations described in Federal Aviation Administration Advisory Circular 150/5100-14E. The titles on the provided spreadsheets have been revised to reflect **"INDEPENDENT FEE ESTIMATE"** to differentiate them from the engineer's proposal.

If you require additional supporting information, please feel free to contact me at any time.

Sincerely,



Neil E. Rood, P.E.  
Aviation Consultant

| <b>INDEPENDENT FEE ESTIMATE</b>   |                        |          |          |            |          |                   |         |     |                      |
|---|------------------------|----------|----------|------------|----------|-------------------|---------|-----|----------------------|
| Greater Asheville Regional Airport Authority  |                        |          |          |            |          |                   |         |     |                      |
| Project: AVL Phase 1 Utility Modernization  |                        |          |          |            |          |                   |         |     |                      |
| Classification Per GS&P 2017/2018 Hourly Billing Rates                                  |                        |          |          |            |          |                   |         |     |                      |
| GS&P Project No. 43483.xx   | Proj. Exec./Proj. Man. | Sr. Arch | Sr. ID   | Proj. Arch | Proj. ID | Proj. Coord. Arch | Admin   | ttl |                      |
| Refer to attached proposal for description of work.                                     |                        |          |          |            |          |                   |         |     |                      |
| <b>Construction Documentation - 3 Months</b>  |                        |          |          |            |          |                   |         |     |                      |
| Project Management  | 24                     |          |          |            |          |                   | 12      | 36  | \$5,400              |
| Phase Kickoff Meeting   | 8                      |          | 8        |            |          |                   |         | 16  | \$2,680              |
| Specifications  | 4                      |          | 4        |            |          |                   | 8       | 16  | \$1,980              |
| Sub Consultant Coordination   | 8                      |          | 8        |            |          |                   |         | 16  | \$2,680              |
| Design Review Meeting (2 meetings)  | 16                     |          | 16       |            |          |                   |         | 32  | \$5,360              |
| Finalize Drawings and Specifications  | 4                      |          | 8        |            | 24       |                   | 16      | 52  | \$6,220              |
| QA/QC   | 8                      |          | 8        |            |          |                   |         | 16  | \$2,680              |
| Print, Seal and Issue Bid Package   | 1                      |          | 4        |            | 4        |                   | 4       | 13  | \$1,605              |
| Phase Subtotal  | 73                     | 0        | 56       | 0          | 28       | 0                 | 40      | 197 | \$28,605             |
| <b>Bidding - 1 Month</b>  |                        |          |          |            |          |                   |         |     |                      |
| Project Management  | 8                      |          |          |            |          |                   | 4       | 12  | \$1,800              |
| Pre-Bid Meeting   | 8                      |          | 8        |            |          |                   |         | 16  | \$2,680              |
| Respond to Bidder's questions/Issue Addenda   | 4                      |          | 4        |            | 8        |                   | 8       | 24  | \$2,980              |
| Attend Bid Opening  | 8                      |          |          |            |          |                   |         | 8   | \$1,480              |
| Phase Subtotal  | 28                     | 0        | 12       | 0          | 8        | 0                 | 12      | 60  | \$8,940              |
| <b>Construction Administration - 5 Months</b>   |                        |          |          |            |          |                   |         |     |                      |
| Project Management  | 40                     |          |          |            |          |                   | 24      | 64  | \$9,320              |
| Attend Pre-construction meeting   | 8                      |          | 8        |            |          |                   |         | 16  | \$2,680              |
| Attend Construction Progress Meetings / Site Visits (5 meetings/visits)                 | 40                     |          | 40       |            |          |                   |         | 80  | \$13,400             |
| Process RFI's (12 Hours/Month)  | 12                     |          | 24       |            | 24       |                   |         | 60  | \$8,820              |
| Review Change Orders  | 16                     |          | 16       |            |          |                   |         | 32  | \$5,360              |
| Process Submittals (8 Hours/Month)  | 8                      |          | 16       |            | 16       |                   |         | 40  | \$5,880              |
| Punch list (8 hours/utility)  |                        |          | 8        |            | 8        |                   |         | 16  | \$2,200              |
| Project Closeout  | 8                      |          | 8        |            |          |                   | 8       | 24  | \$3,320              |
| Record Drawing Production   |                        |          |          |            | 24       |                   |         | 24  | \$3,000              |
| Phase Subtotal  | 132                    | 0        | 120      | 0          | 72       | 0                 | 32      | 356 | \$53,980             |
| TOTAL GS&P Design Basic Services Hours  | 233                    | 0        | 188      | 0          | 108      | 0                 | 84      | 613 |                      |
| Fee/Hour (with overhead)  | \$185                  |          | \$150    |            | \$125    |                   | \$80    |     |                      |
| Total Fee by Classification   | \$43,105               | \$0      | \$28,200 | \$0        | \$13,500 | \$0               | \$6,720 |     |                      |
| Fee Subtotal  |                        |          |          |            |          |                   |         |     | \$91,525             |
| <b>GS&amp;P Fee - Subtotal</b>  |                        |          |          |            |          |                   |         |     | <b>\$91,525</b>      |
| <b>Sub-consultants</b>  |                        |          |          |            |          |                   |         |     |                      |
| Signage and Wayfinding - <b>Not Applicable</b>  |                        |          |          |            |          |                   |         |     | \$ -                 |
| Geo Technical Engineering - <b>TBD</b>  |                        |          |          |            |          |                   |         |     | \$ -                 |
| Civil Engineering, Site Electrical Engineering & Surveying - <b>Vaughn &amp; Melton</b> |                        |          |          |            |          |                   |         |     | \$ 82,370            |
| Mechanical, Electrical, Plumbing, & Fire Protection - <b>Not Applicable</b>             |                        |          |          |            |          |                   |         |     | \$ -                 |
| IT, Data and Communications - <b>Not Applicable</b>                                     |                        |          |          |            |          |                   |         |     | \$ -                 |
| Security - <b>Not Applicable</b>  |                        |          |          |            |          |                   |         |     | \$ -                 |
| Structural - <b>Not Applicable</b>  |                        |          |          |            |          |                   |         |     | \$ -                 |
| Cost Estimating Services - <b>CONNICO</b>   |                        |          |          |            |          |                   |         |     | \$ -                 |
| <b>Consultant Fees - Subtotal</b>   |                        |          |          |            |          |                   |         |     | <b>\$82,370</b>      |
| <b>TOTAL FEE</b>  |                        |          |          |            |          |                   |         |     | <b>\$173,895</b>     |
| <b>Reimbursable Expenses</b>  |                        |          |          |            |          |                   |         |     |                      |
| Copies/Printing   |                        |          |          |            |          |                   |         |     | \$ 1,000.00          |
| Travel/Mileage/Parking  |                        |          |          |            |          |                   |         |     | \$ 1,635.00          |
| Bid Document Management - Not Included  |                        |          |          |            |          |                   |         |     | \$ -                 |
| <b>Reimbursable Expenses Subtotal</b>   |                        |          |          |            |          |                   |         |     | <b>\$ 2,635.00</b>   |
| <b>GRAND TOTAL</b>  |                        |          |          |            |          |                   |         |     | <b>\$ 176,530.00</b> |



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## MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, A.A.E., Executive Director

DATE: January 18, 2019

### **ITEM DESCRIPTION – Information Section Item A**

November, 2018 Traffic Report – Asheville Regional Airport

### **SUMMARY**

November, 2018 overall passenger traffic numbers were up 23.7% compared to the same period last year. Passenger traffic numbers reflect a 29.0% increase in passenger enplanements from November, 2017. Enplanements for Fiscal Year to Date total 275,977 which is a 15.6% increase over the same period last year.

### **AIRLINE PERFORMANCE**

Allegiant Airlines: Year over Year passenger enplanements for Allegiant in November 2018 were up by 56.4%. There were no flight cancellations for the month.

American Airlines: American's November 2018 passenger enplanements represent a 12.2% increase over the same period last year. There were six (6) flight cancellations for the month.

Delta Airlines: Delta's November 2018 enplanements increased by 5.8% compared to November 2017. There were no flight cancellations for the month.

United Airlines: In November 2018, United Airlines saw a decrease in enplanements by 22.5% over the same period last year. There was one (1) flight cancellation for the month.

# Monthly Traffic Report

## Asheville Regional Airport

### November 2018



| Category                   | Nov 2018       | Nov 2017       | Percentage Change | *CYTD-2018       | *CYTD-2017       | Percentage Change | *MOV12-2018      | *MOV12-2017      | Percentage Change |
|----------------------------|----------------|----------------|-------------------|------------------|------------------|-------------------|------------------|------------------|-------------------|
| <b>Passenger Traffic</b>   |                |                |                   |                  |                  |                   |                  |                  |                   |
| Enplaned                   | 56,905         | 44,123         | 29.0%             | 518,582          | 437,978          | 18.4%             | 558,001          | 471,054          | 18.5%             |
| Deplaned                   | <u>56,443</u>  | <u>47,533</u>  | 18.7%             | <u>517,214</u>   | <u>439,930</u>   | 17.6%             | <u>556,521</u>   | <u>473,050</u>   | 17.6%             |
| <b>Total</b>               | <b>113,348</b> | <b>91,656</b>  | <b>23.7%</b>      | <b>1,035,796</b> | <b>877,908</b>   | <b>18.0%</b>      | <b>1,114,522</b> | <b>944,104</b>   | <b>18.1%</b>      |
| <b>Aircraft Operations</b> |                |                |                   |                  |                  |                   |                  |                  |                   |
| Airlines                   | 966            | 665            | 45.3%             | 8,410            | 7,175            | 17.2%             | 9,075            | 7,522            | 20.6%             |
| Commuter/<br>Air Taxi      | <u>812</u>     | <u>944</u>     | -14.0%            | 9,418            | 10,295           | -8.5%             | 10,103           | 10,825           | -6.7%             |
| <b>Subtotal</b>            | <u>1,778</u>   | <u>1,609</u>   | 10.5%             | <u>17,828</u>    | <u>17,470</u>    | 2.0%              | <u>19,178</u>    | <u>18,347</u>    | 4.5%              |
| General Aviation           | 2,561          | 3,641          | -29.7%            | 36,096           | 39,904           | -9.5%             | 39,033           | 42,915           | -9.0%             |
| Military                   | <u>251</u>     | <u>350</u>     | -28.3%            | <u>3,007</u>     | <u>4,333</u>     | -30.6%            | <u>3,363</u>     | <u>4,573</u>     | -26.5%            |
| <b>Subtotal</b>            | <u>2,812</u>   | <u>3,991</u>   | -29.5%            | <u>39,103</u>    | <u>44,237</u>    | -11.6%            | <u>42,396</u>    | <u>47,488</u>    | -10.7%            |
| <b>Total</b>               | <b>4,590</b>   | <b>5,600</b>   | <b>-18.0%</b>     | <b>56,931</b>    | <b>61,707</b>    | <b>-7.7%</b>      | <b>61,574</b>    | <b>65,835</b>    | <b>-6.5%</b>      |
| <b>Fuel Gallons</b>        |                |                |                   |                  |                  |                   |                  |                  |                   |
| 100LL                      | 16,753         | 16,337         | 2.5%              | 154,955          | 155,156          | -0.1%             | 163,095          | 163,468          | -0.2%             |
| Jet A (GA)                 | 118,739        | 88,980         | 33.4%             | 1,361,089        | 1,337,419        | 1.8%              | 1,457,940        | 1,433,967        | 1.7%              |
| <b>Subtotal</b>            | <u>135,492</u> | <u>105,317</u> | 28.7%             | <u>1,516,044</u> | <u>1,492,575</u> | 1.6%              | <u>1,621,035</u> | <u>1,597,435</u> | 1.5%              |
| Jet A (A/L)                | <u>424,331</u> | <u>327,584</u> | 29.5%             | <u>4,001,864</u> | <u>3,286,481</u> | 21.8%             | <u>4,269,604</u> | <u>3,530,127</u> | 20.9%             |
| <b>Total</b>               | <b>559,823</b> | <b>432,901</b> | <b>29.3%</b>      | <b>5,517,908</b> | <b>4,779,056</b> | <b>15.5%</b>      | <b>5,890,639</b> | <b>5,127,562</b> | <b>14.9%</b>      |

\*CYTD = Calendar Year to Date and \*Mov12 = Moving Twelve Months.

Thursday, December 20, 2018

# Airline Enplanements, Seats, and Load Factors

## Asheville Regional Airport

November 2018



|                          | Nov 2018 | Nov 2017 | Percentage Change | *CYTD-2018 | *CYTD-2017 | Percentage Change |
|--------------------------|----------|----------|-------------------|------------|------------|-------------------|
| <b>Allegiant Air</b>     |          |          |                   |            |            |                   |
| Enplanements             | 22,102   | 14,128   | 56.4%             | 191,703    | 134,471    | 42.6%             |
| Seats                    | 26,639   | 17,612   | 51.3%             | 228,380    | 161,058    | 41.8%             |
| Load Factor              | 83.0%    | 80.2%    | 3.4%              | 83.9%      | 83.5%      | 0.5%              |
| <b>American Airlines</b> |          |          |                   |            |            |                   |
| Enplanements             | 12,097   | 10,785   | 12.2%             | 110,021    | 99,208     | 10.9%             |
| Seats                    | 14,502   | 12,822   | 13.1%             | 135,695    | 129,585    | 4.7%              |
| Load Factor              | 83.4%    | 84.1%    | -0.8%             | 81.1%      | 76.6%      | 5.9%              |
| <b>Delta Air Lines</b>   |          |          |                   |            |            |                   |
| Enplanements             | 12,768   | 12,065   | 5.8%              | 136,030    | 128,454    | 5.9%              |
| Seats                    | 14,590   | 13,812   | 5.6%              | 155,800    | 156,339    | -0.3%             |
| Load Factor              | 87.5%    | 87.4%    | 0.2%              | 87.3%      | 82.2%      | 6.3%              |
| <b>Elite Airways</b>     |          |          |                   |            |            |                   |
| Enplanements             | 0        | 44       | -100.0%           | 1,056      | 1,295      | -18.5%            |
| Seats                    | 0        | 100      | -100.0%           | 2,070      | 2,520      | -17.9%            |
| Load Factor              | #Num!    | 44.0%    | #Type!            | 51.0%      | 51.4%      | -0.7%             |
| <b>Spirit Airlines</b>   |          |          |                   |            |            |                   |
| Enplanements             | 4,437    | 0        | #Div/0!           | 10,428     | 0          | #Div/0!           |
| Seats                    | 7,462    | 0        | #Div/0!           | 19,450     | 0          | #Div/0!           |
| Load Factor              | 59.5%    | #Num!    | #Type!            | 53.6%      | #Num!      | #Type!            |
| <b>United Airlines</b>   |          |          |                   |            |            |                   |
| Enplanements             | 5,501    | 7,101    | -22.5%            | 69,344     | 74,550     | -7.0%             |
| Seats                    | 8,826    | 8,214    | 7.5%              | 86,981     | 90,313     | -3.7%             |
| Load Factor              | 62.3%    | 86.4%    | -27.9%            | 79.7%      | 82.5%      | -3.4%             |



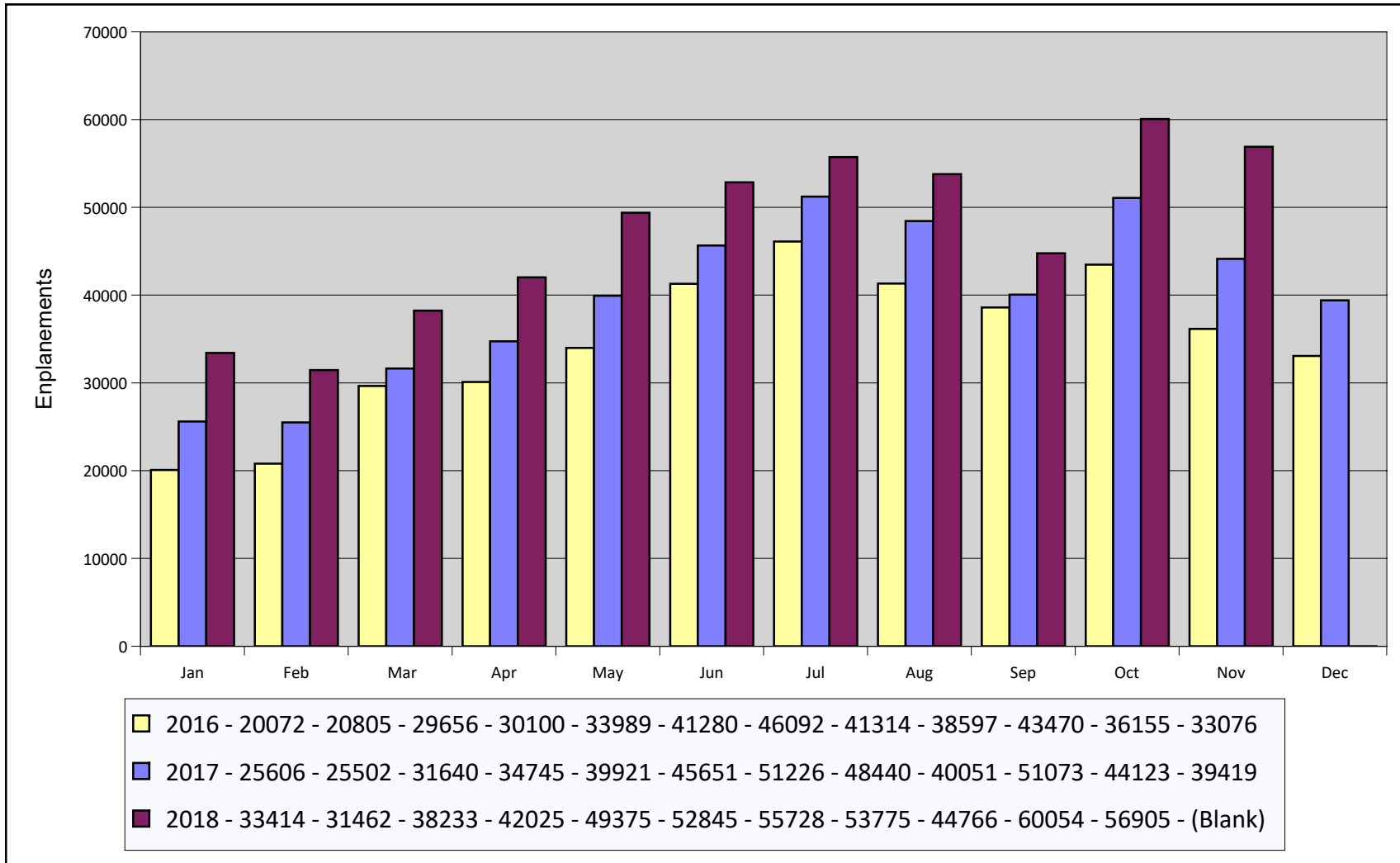
|               | Nov 2018 | Nov 2017 | Percentage Change | *CYTD-2018 | *CYTD-2017 | Percentage Change |
|---------------|----------|----------|-------------------|------------|------------|-------------------|
| <b>Totals</b> |          |          |                   |            |            |                   |
| Enplanements  | 56,905   | 44,123   | 29.0%             | 518,582    | 437,978    | 18.4%             |
| Seats         | 72,019   | 52,560   | 37.0%             | 628,376    | 539,815    | 16.4%             |
| Load Factor   | 79.0%    | 83.9%    | -5.9%             | 82.5%      | 81.1%      | 1.7%              |

# Airline Flight Completions Asheville Regional Airport November 2018

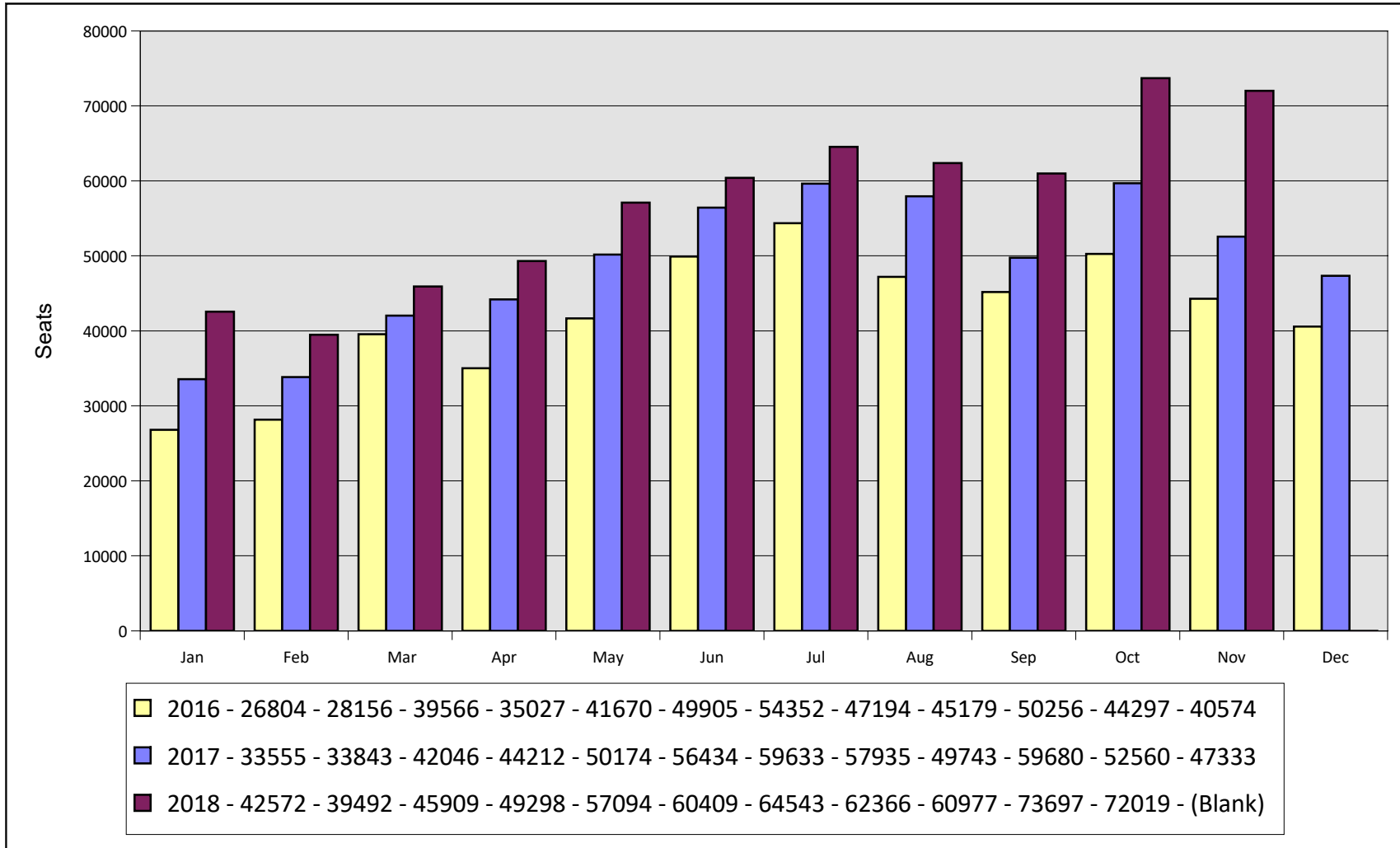


| Airline           | Scheduled Flights | Field    | Cancellations Due To |          |          | Total Cancellations | Percentage of Completed Flights |
|-------------------|-------------------|----------|----------------------|----------|----------|---------------------|---------------------------------|
|                   |                   |          | Mechanical           | Weather  | Other    |                     |                                 |
| Allegiant Air     | 155               | 0        | 0                    | 0        | 0        | 0                   | 100.0%                          |
| American Airlines | 217               | 0        | 0                    | 6        | 0        | 6                   | 97.2%                           |
| Delta Air Lines   | 195               | 0        | 0                    | 0        | 0        | 0                   | 100.0%                          |
| Elite Airways     | 0                 | 0        | 0                    | 0        | 0        | 0                   | #Num!                           |
| Spirit Airlines   | 41                | 0        | 0                    | 0        | 0        | 0                   | 100.0%                          |
| United Airlines   | 111               | 0        | 0                    | 1        | 0        | 1                   | 99.1%                           |
| <b>Total</b>      | <b>719</b>        | <b>0</b> | <b>0</b>             | <b>7</b> | <b>0</b> | <b>7</b>            | <b>99.0%</b>                    |

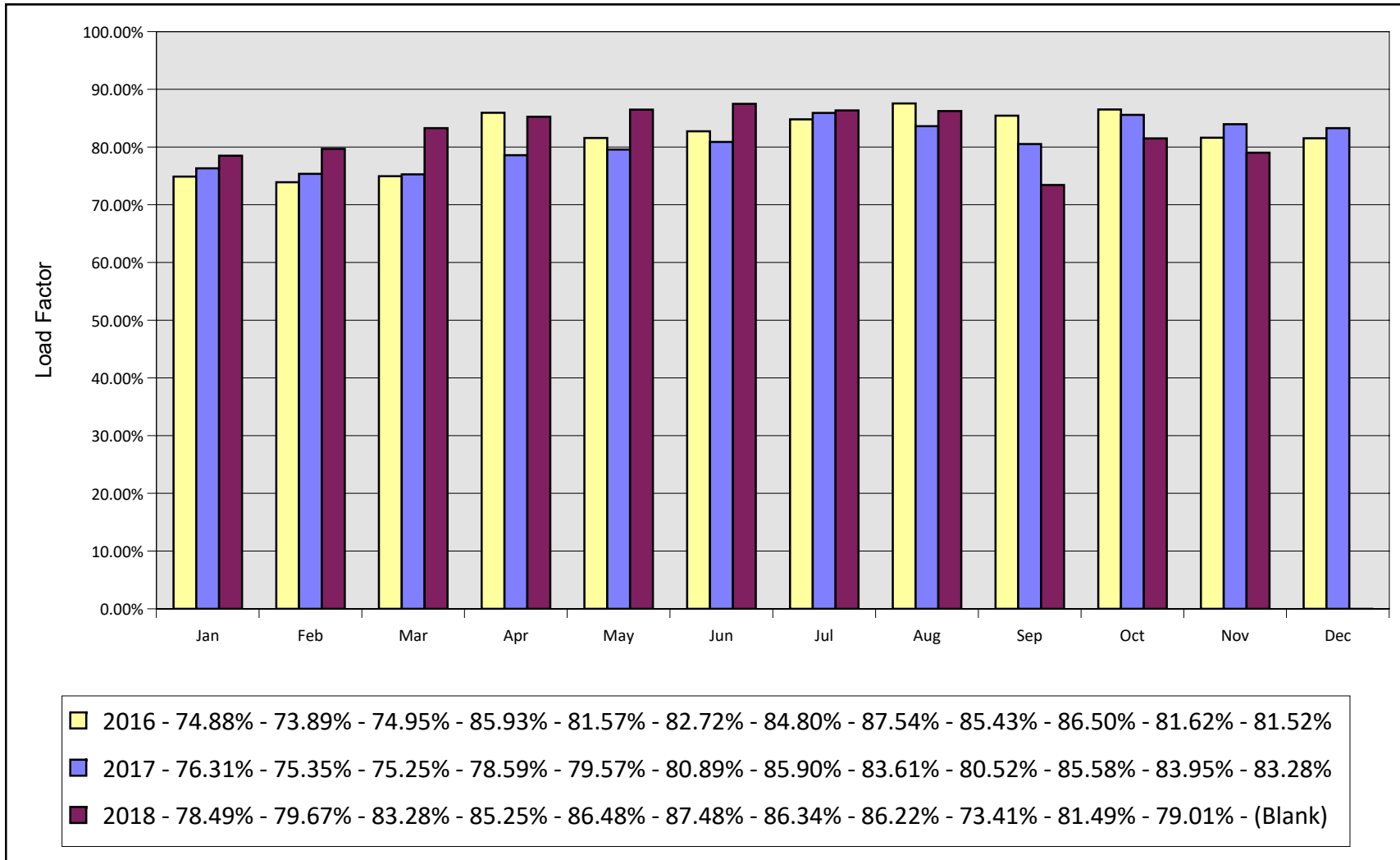
# Monthly Enplanements By Year Asheville Regional Airport



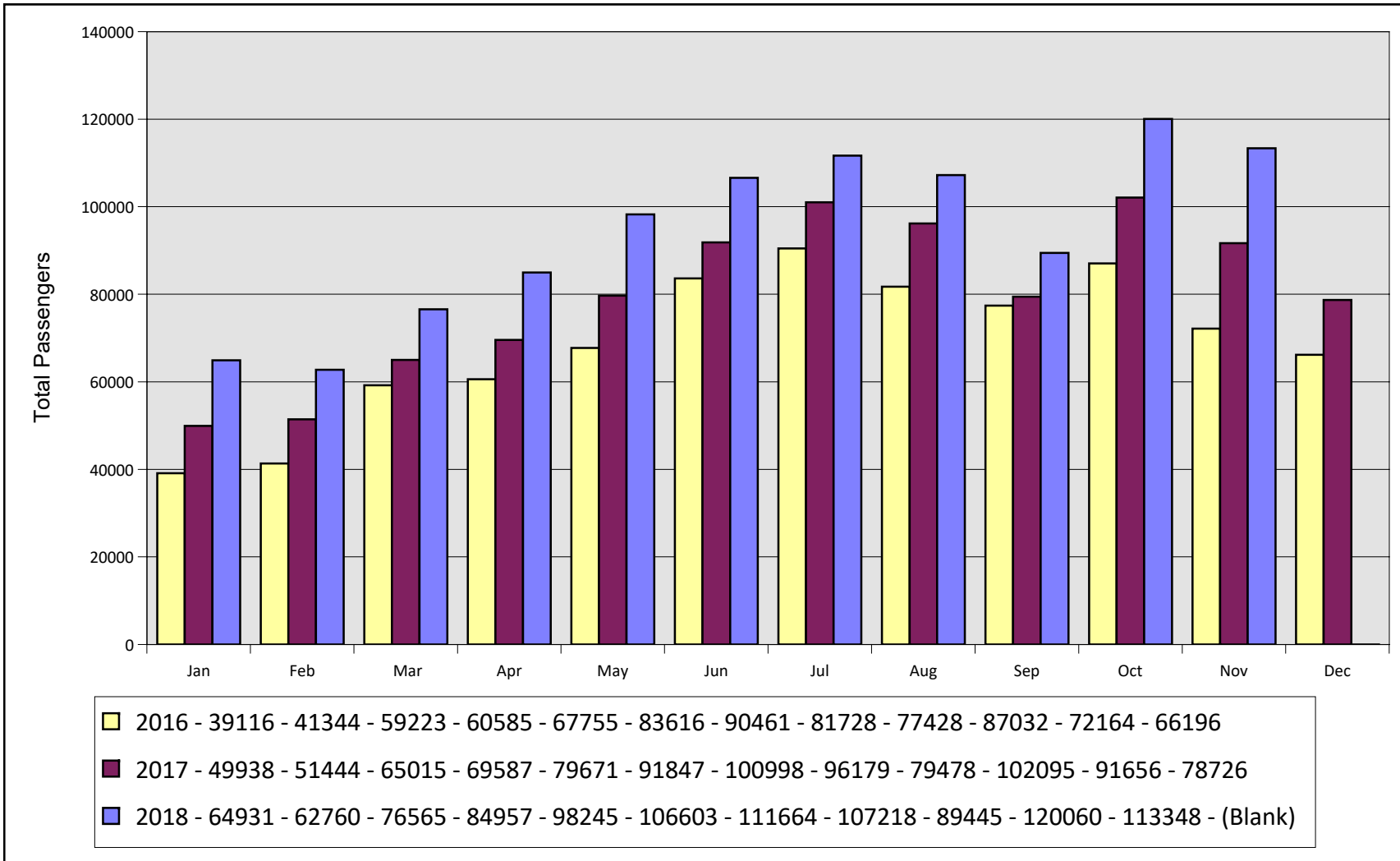
# Monthly Seats By Year Asheville Regional Airport



# Monthly Load Factors By Year Asheville Regional Airport

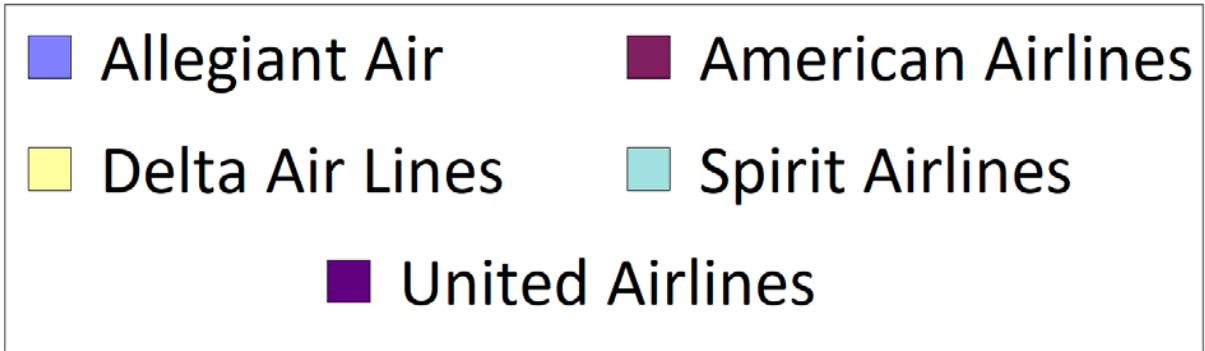
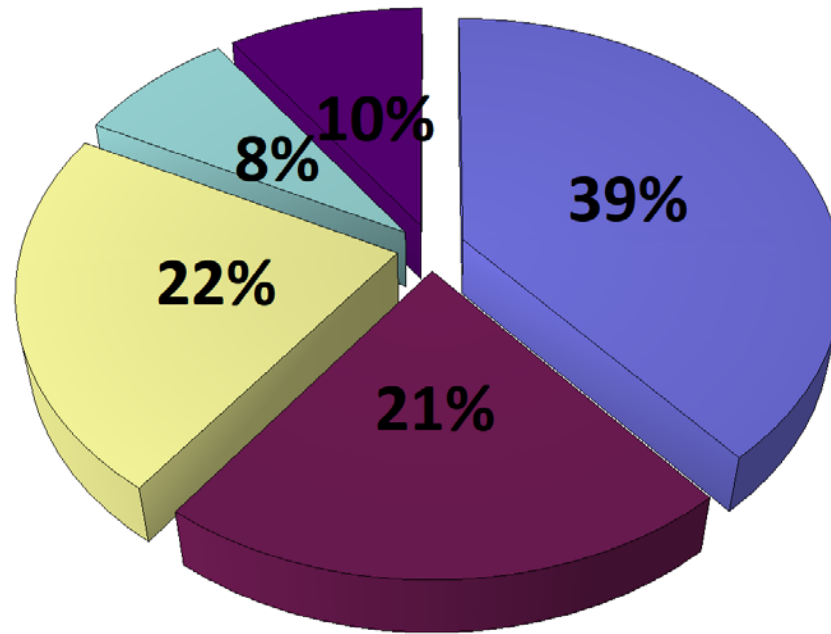


# Total Monthly Passengers By Year Asheville Regional Airport



# Airline Market Share Analysis (Enplanements) Asheville Regional Airport

Report Period From November 2018 Through November 2018



February 2019 vs. February 2018

| Mkt AI       | Travel Period |      |  | Feb-19     |               | Feb-18     |               | Diff      |              | Percent Diff |              |
|--------------|---------------|------|--|------------|---------------|------------|---------------|-----------|--------------|--------------|--------------|
|              | Orig          | Dest |  | Ops/Week   | Seats         | Ops/Week   | Seats         | Ops/Week  | Seats        | Ops/Week     | Seats        |
| AA           | AVL           | CLT  |  | 42         | 2,883         | 32         | 2,224         | 10        | 659          | 31.2%        | 29.6%        |
| AA           | CLT           | AVL  |  | 42         | 2,883         | 31         | 2,161         | 11        | 722          | 33.5%        | 33.4%        |
| DL           | ATL           | AVL  |  | 46         | 2,834         | 36         | 2,700         | 10        | 134          | 27.8%        | 5.0%         |
| DL           | AVL           | ATL  |  | 46         | 2,834         | 36         | 2,700         | 10        | 134          | 27.8%        | 5.0%         |
| G4           | AVL           | EWR  |  | 2          | 354           | 2          | 354           | 0         | 0            | 0.0%         | 0.0%         |
| G4           | EWR           | AVL  |  | 2          | 354           | 2          | 354           | 0         | 0            | 0.0%         | 0.0%         |
| G4           | AVL           | FLL  |  | 14         | 2,478         | 7          | 1,239         | 7         | 1,239        | 100.0%       | 100.0%       |
| G4           | FLL           | AVL  |  | 14         | 2,478         | 7          | 1,239         | 7         | 1,239        | 100.0%       | 100.0%       |
| G4           | AVL           | PGD  |  | 3          | 531           | 3          | 531           | 0         | 0            | 0.0%         | 0.0%         |
| G4           | PGD           | AVL  |  | 3          | 531           | 3          | 531           | 0         | 0            | 0.0%         | 0.0%         |
| G4           | AVL           | PIE  |  | 5          | 885           | 4          | 708           | 1         | 177          | 25.0%        | 25.0%        |
| G4           | PIE           | AVL  |  | 5          | 885           | 4          | 708           | 1         | 177          | 25.0%        | 25.0%        |
| G4           | AVL           | SFB  |  | 7          | 1,218         | 4          | 708           | 3         | 510          | 75.0%        | 72.0%        |
| G4           | SFB           | AVL  |  | 7          | 1,218         | 4          | 708           | 3         | 510          | 75.0%        | 72.0%        |
| NK           | AVL           | FLL  |  | 3          | 546           | 0          | 0             | 3         | 546          |              |              |
| NK           | FLL           | AVL  |  | 3          | 546           | 0          | 0             | 3         | 546          |              |              |
| NK           | AVL           | MCO  |  | 3          | 546           | 0          | 0             | 3         | 546          |              |              |
| NK           | MCO           | AVL  |  | 3          | 546           | 0          | 0             | 3         | 546          |              |              |
| NK           | AVL           | TPA  |  | 2          | 364           | 0          | 0             | 2         | 364          |              |              |
| NK           | TPA           | AVL  |  | 2          | 364           | 0          | 0             | 2         | 364          |              |              |
| UA           | AVL           | EWR  |  | 6          | 300           | 6          | 762           | 0         | (462)        | 0.0%         | (60.6%)      |
| UA           | EWR           | AVL  |  | 6          | 300           | 6          | 762           | 0         | (462)        | 0.0%         | (60.6%)      |
| UA           | AVL           | ORD  |  | 14         | 700           | 14         | 700           | 0         | 0            | 50.0%        | 50.0%        |
| UA           | ORD           | AVL  |  | 14         | 700           | 14         | 700           | 0         | 0            | 50.0%        | 50.0%        |
| <b>Total</b> |               |      |  | <b>294</b> | <b>27,278</b> | <b>215</b> | <b>19,789</b> | <b>79</b> | <b>7,489</b> | <b>36.7%</b> | <b>37.8%</b> |

March 2019 vs. March 2018

| Mkt AI       | Travel Period |      |  | Mar-19     |               | Mar-18     |               | Diff       |               | Percent Diff |              |
|--------------|---------------|------|--|------------|---------------|------------|---------------|------------|---------------|--------------|--------------|
|              | Orig          | Dest |  | Ops/Week   | Seats         | Ops/Week   | Seats         | Ops/Week   | Seats         | Ops/Week     | Seats        |
| AA           | AVL           | CLT  |  | 48         | 3,169         | 34         | 2,376         | 14         | 793           | 41.2%        | 33.4%        |
| AA           | CLT           | AVL  |  | 48         | 3,169         | 34         | 2,376         | 14         | 793           | 41.2%        | 33.4%        |
| DL           | ATL           | AVL  |  | 47         | 3,082         | 47         | 3,324         | 0          | (242)         | 0.0%         | (7.3%)       |
| DL           | AVL           | ATL  |  | 47         | 3,082         | 47         | 3,324         | 0          | (242)         | 0.0%         | (7.3%)       |
| G4           | AVL           | BWI  |  | 2          | 354           | 0          | 0             | 2          | 354           |              |              |
| G4           | BWI           | AVL  |  | 2          | 354           | 0          | 0             | 2          | 354           |              |              |
| G4           | AVL           | DEN  |  | 2          | 354           | 0          | 0             | 2          | 354           |              |              |
| G4           | DEN           | AVL  |  | 2          | 354           | 0          | 0             | 2          | 354           |              |              |
| G4           | AVL           | EWR  |  | 5          | 885           | 2          | 354           | 3          | 531           | 150.0%       | 150.0%       |
| G4           | EWR           | AVL  |  | 5          | 885           | 2          | 354           | 3          | 531           | 150.0%       | 150.0%       |
| G4           | AVL           | FLL  |  | 16         | 2,832         | 6          | 1,062         | 10         | 1,770         | 166.7%       | 166.7%       |
| G4           | FLL           | AVL  |  | 16         | 2,832         | 6          | 1,062         | 10         | 1,770         | 166.7%       | 166.7%       |
| G4           | AVL           | PGD  |  | 3          | 531           | 3          | 531           | 0          | 0             | 0.0%         | 0.0%         |
| G4           | PGD           | AVL  |  | 3          | 531           | 3          | 531           | 0          | 0             | 0.0%         | 0.0%         |
| G4           | AVL           | PIE  |  | 7          | 1,218         | 4          | 708           | 3          | 510           | 75.0%        | 72.0%        |
| G4           | PIE           | AVL  |  | 7          | 1,218         | 4          | 708           | 3          | 510           | 75.0%        | 72.0%        |
| G4           | AVL           | SFB  |  | 9          | 1,530         | 4          | 708           | 5          | 822           | 125.0%       | 116.1%       |
| G4           | SFB           | AVL  |  | 9          | 1,530         | 4          | 708           | 5          | 822           | 125.0%       | 116.1%       |
| G4           | AVL           | SRQ  |  | 2          | 354           | 0          | 0             | 2          | 354           |              |              |
| G4           | SRQ           | AVL  |  | 2          | 354           | 0          | 0             | 2          | 354           |              |              |
| NK           | AVL           | FLL  |  | 4          | 728           | 0          | 0             | 4          | 728           |              |              |
| NK           | FLL           | AVL  |  | 4          | 728           | 0          | 0             | 4          | 728           |              |              |
| NK           | AVL           | MCO  |  | 4          | 728           | 0          | 0             | 4          | 728           |              |              |
| NK           | MCO           | AVL  |  | 4          | 728           | 0          | 0             | 4          | 728           |              |              |
| NK           | AVL           | TPA  |  | 3          | 546           | 0          | 0             | 3          | 546           |              |              |
| NK           | TPA           | AVL  |  | 3          | 546           | 0          | 0             | 3          | 546           |              |              |
| UA           | AVL           | EWR  |  | 0          | 0             | 7          | 578           | (7)        | (578)         | (100.0%)     | (100.0%)     |
| UA           | EWR           | AVL  |  | 0          | 0             | 7          | 578           | (7)        | (578)         | (100.0%)     | (100.0%)     |
| UA           | AVL           | IAD  |  | 14         | 700           | 0          | 0             | 14         | 700           |              |              |
| UA           | IAD           | AVL  |  | 14         | 700           | 0          | 0             | 14         | 700           |              |              |
| UA           | AVL           | ORD  |  | 21         | 1,050         | 21         | 1,050         | 0          | 0             | 0.0%         | 0.0%         |
| UA           | ORD           | AVL  |  | 21         | 1,050         | 21         | 1,050         | 0          | 0             | 0.0%         | 0.0%         |
| <b>Total</b> |               |      |  | <b>374</b> | <b>36,122</b> | <b>256</b> | <b>21,382</b> | <b>118</b> | <b>14,740</b> | <b>46.1%</b> | <b>68.9%</b> |

April 2019 vs. April 2018

| Mkt AI       | Travel Period |      |  | Apr-19     |               | Apr-18     |               | Diff      |               | Percent Diff |              |
|--------------|---------------|------|--|------------|---------------|------------|---------------|-----------|---------------|--------------|--------------|
|              | Orig          | Dest |  | Ops/Week   | Seats         | Ops/Week   | Seats         | Ops/Week  | Seats         | Ops/Week     | Seats        |
| 7Q           | AVL           | VRB  |  | 0          | 0             | 2          | 94            | (2)       | (94)          | (100.0%)     | (100.0%)     |
| 7Q           | VRB           | AVL  |  | 0          | 0             | 2          | 94            | (2)       | (94)          | (100.0%)     | (100.0%)     |
| AA           | AVL           | CLT  |  | 49         | 3,155         | 42         | 2,553         | 7         | 602           | 16.7%        | 23.6%        |
| AA           | CLT           | AVL  |  | 49         | 3,155         | 42         | 2,553         | 7         | 602           | 16.7%        | 23.6%        |
| DL           | ATL           | AVL  |  | 47         | 3,676         | 47         | 3,351         | 0         | 325           | 0.0%         | 9.7%         |
| DL           | AVL           | ATL  |  | 47         | 3,494         | 47         | 3,351         | 0         | 143           | 0.0%         | 4.3%         |
| G4           | AVL           | BWI  |  | 2          | 354           | 2          | 354           | 0         | 0             | 0.0%         | 0.0%         |
| G4           | BWI           | AVL  |  | 2          | 354           | 2          | 354           | 0         | 0             | 0.0%         | 0.0%         |
| G4           | AVL           | DEN  |  | 2          | 354           | 0          | 0             | 2         | 354           |              |              |
| G4           | DEN           | AVL  |  | 2          | 354           | 0          | 0             | 2         | 354           |              |              |
| G4           | AVL           | EWR  |  | 5          | 885           | 2          | 354           | 3         | 531           | 150.0%       | 150.0%       |
| G4           | EWR           | AVL  |  | 5          | 885           | 2          | 354           | 3         | 531           | 150.0%       | 150.0%       |
| G4           | AVL           | FLL  |  | 16         | 2,832         | 6          | 1,062         | 10        | 1,770         | 166.7%       | 166.7%       |
| G4           | FLL           | AVL  |  | 16         | 2,832         | 6          | 1,062         | 10        | 1,770         | 166.7%       | 166.7%       |
| G4           | AVL           | PGD  |  | 4          | 708           | 3          | 531           | 1         | 177           | 33.3%        | 33.3%        |
| G4           | PGD           | AVL  |  | 4          | 708           | 3          | 531           | 1         | 177           | 33.3%        | 33.3%        |
| G4           | AVL           | PIE  |  | 7          | 1,239         | 4          | 708           | 3         | 531           | 75.0%        | 75.0%        |
| G4           | PIE           | AVL  |  | 7          | 1,239         | 4          | 708           | 3         | 531           | 75.0%        | 75.0%        |
| G4           | AVL           | SFB  |  | 9          | 1,509         | 4          | 708           | 5         | 801           | 125.0%       | 113.1%       |
| G4           | SFB           | AVL  |  | 9          | 1,509         | 4          | 708           | 5         | 801           | 125.0%       | 113.1%       |
| G4           | AVL           | SRQ  |  | 2          | 354           | 0          | 0             | 2         | 354           |              |              |
| G4           | SRQ           | AVL  |  | 2          | 354           | 0          | 0             | 2         | 354           |              |              |
| NK           | AVL           | FLL  |  | 4          | 728           | 0          | 0             | 4         | 728           |              |              |
| NK           | FLL           | AVL  |  | 4          | 728           | 0          | 0             | 4         | 728           |              |              |
| NK           | AVL           | MCO  |  | 4          | 728           | 0          | 0             | 4         | 728           |              |              |
| NK           | MCO           | AVL  |  | 4          | 728           | 0          | 0             | 4         | 728           |              |              |
| NK           | AVL           | TPA  |  | 3          | 546           | 0          | 0             | 3         | 546           |              |              |
| NK           | TPA           | AVL  |  | 3          | 546           | 0          | 0             | 3         | 546           |              |              |
| UA           | AVL           | EWR  |  | 0          | 0             | 8          | 780           | (8)       | (780)         | (100.0%)     | (100.0%)     |
| UA           | EWR           | AVL  |  | 0          | 0             | 8          | 780           | (8)       | (780)         | (100.0%)     | (100.0%)     |
| UA           | AVL           | IAD  |  | 14         | 700           | 0          | 0             | 14        | 700           |              |              |
| UA           | IAD           | AVL  |  | 14         | 700           | 0          | 0             | 14        | 700           |              |              |
| UA           | AVL           | ORD  |  | 21         | 1,050         | 21         | 1,050         | 0         | 0             | 0.0%         | 0.0%         |
| UA           | ORD           | AVL  |  | 21         | 1,050         | 21         | 1,050         | 0         | 0             | 0.0%         | 0.0%         |
| <b>Total</b> |               |      |  | <b>378</b> | <b>37,454</b> | <b>282</b> | <b>23,090</b> | <b>96</b> | <b>14,364</b> | <b>34.0%</b> | <b>62.2%</b> |





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## MEMORANDUM

TO: Members of the Airport Authority

FROM: Janet Burnette, Director of Finance & Accounting

DATE: January 18, 2019

### **ITEM DESCRIPTION – Information Section Item B**

Greater Asheville Regional Airport – Explanation of Extraordinary Variances  
Month of November 2018

### **SUMMARY**

Operating Revenues for the month of November were \$1,171,956. Operating Expenses for the month were \$546,502. As a result, Net Operating Revenues before Depreciation were \$625,454. Net Non-Operating Revenues were (\$251,515) due to the payment of the Board approved FAA reimbursable expense in the amount of \$649,920.

Year-to-date Operating Revenues were \$5,840,693, 53.2% of annual budget. Year-to-date Operating Expenses were \$3,116,317, 31.9% of annual budget. Both percentages represent positive results as we have now completed 42% of the fiscal year. Year-to-date Net Operating Revenues before Depreciation were \$2,724,376. Net Non-Operating Revenues for the year were \$1,235,941, 43.7% of annual budget.

### **STATEMENT OF NET ASSETS**

Significant variations to prior month were:

Cash and Cash Equivalents – Cash and Cash Equivalents decreased by \$272k due to the payment of construction costs on the Airfield Redevelopment project.

Construction in Progress – Construction in Progress increased by \$135k due to various capital projects.

Property and Equipment, Net – Property and Equipment, Net decreased by \$387k due to depreciation.

Information Section – Item B

**ASHEVILLE REGIONAL AIRPORT  
INVESTMENT AND INTEREST INCOME SUMMARY  
As of November 30, 2018**

| <b><u>Institution:</u></b>                    | <b><u>Interest<br/>Rate</u></b> | <b><u>Investment<br/>Amount</u></b> | <b><u>Monthly<br/>Interest</u></b> |
|---|---------------------------------|-------------------------------------|------------------------------------|
| Bank of America - Operating Account           | 0.60%                           | \$ 14,479,787                       | 7,334                              |
| First Citizens - Money Market Account         | 0.35%                           | 403,619                             | 116                                |
| NC Capital Management Trust - Cash Portfolio  |                                 | 17,632                              | 31                                 |
| NC Capital Management Trust - Term Portfolio  |                                 | 9,187,122                           | 17,142                             |
| Petty Cash                                    |                                 | 200                                 |                                    |
| <br><b><u>Restricted Cash:</u></b>            |                                 |                                     |                                    |
| BNY Mellon                                    |                                 | 708,839                             |                                    |
| Bank of America - PFC Revenue Account         | 0.60%                           | 437,097                             | 101                                |
| NC Capital Management Trust - Term Port - PFC |                                 | 10,027,237                          | 18,709                             |
| <b>Total</b>                                  |                                 | <b><u>\$ 35,261,533</u></b>         | <b><u>\$ 43,433</u></b>            |

**Investment Diversification:**

|                             |             |
|-----------------------------|-------------|
| Banks                       | 45%         |
| NC Capital Management Trust | 55%         |
| Commercial Paper            | 0%          |
| Federal Agencies            | 0%          |
| US Treasuries               | 0%          |
|                             | <u>100%</u> |

**ASHEVILLE REGIONAL AIRPORT**  
**STATEMENT OF CHANGES IN FINANCIAL POSITION**  
**For the Month Ended November 30, 2018**

|   | <b>Current<br/>Month</b> | <b>Prior<br/>Period</b> |
|---|--------------------------|-------------------------|
| <b>Cash and Investments Beginning of Period</b> | <b>\$ 35,534,059</b>     | <b>\$ 34,507,984</b>    |
| Net Income/(Loss) Before Capital Contributions  | (13,356)                 | 532,348                 |
| Depreciation                                    | 387,295                  | 387,295                 |
| Decrease/(Increase) in Receivables              | 238,800                  | (764,924)               |
| Increase/(Decrease) in Payables                 | (773,498)                | 754,825                 |
| Decrease/(Increase) in Prepaid Expenses         | 18,883                   | 19,573                  |
| Decrease/(Increase) in Fixed Assets             | (135,178)                | (872,098)               |
| Principal Payments of Bond Maturities           | -                        | -                       |
| Capital Contributions                           | 4,528                    | 926,111                 |
| System Conversion (Prior Period) Adjustment     | -                        | 42,945                  |
| <b>Increase(Decrease) in Cash</b>               | <b>(272,526)</b>         | <b>1,026,075</b>        |
| <b>Cash and Investments End of Period</b>       | <b>\$ 35,261,533</b>     | <b>\$ 35,534,059</b>    |

**ASHEVILLE REGIONAL AIRPORT  
STATEMENT OF FINANCIAL POSITION  
As of November 30, 2018**

|   | Current<br>Month | Last<br>Month |
|---|------------------|---------------|
| <b><u>ASSETS</u></b>                                    |                  |               |
| <b>Current Assets:</b>                                  |                  |               |
| <b>Unrestricted Net Assets:</b>                         |                  |               |
| Cash and Cash Equivalents                               | \$24,088,360     | \$24,756,119  |
| Investments   | 0                | 0             |
| Accounts Receivable                                     | 1,270,389        | 1,519,005     |
| Passenger Facility Charges Receivable                   | 400,000          | 400,000       |
| Refundable Sales Tax Receivable                         | 65,590           | 60,302        |
| Grants Receivable                                       | 1,252,532        | 1,248,004     |
| Prepaid Expenses  | 132,329          | 151,212       |
| Total Unrestricted Assets                               | 27,209,200       | 28,134,642    |
| <b>Restricted Assets:</b>                               |                  |               |
| Cash and Cash Equivalents                               | 11,173,173       | 10,777,940    |
| Total Restricted Assets                                 | 11,173,173       | 10,777,940    |
| Total Current Assets                                    | 38,382,373       | 38,912,582    |
| <b>Noncurrent Assets:</b>                               |                  |               |
| Construction in Progress                                | 77,843,555       | 77,708,377    |
| Net Pension Asset - LGERS                               | (760,162)        | (760,162)     |
| Benefit Payment - OPEB                                  | 25,682           | 25,682        |
| Contributions in Current Year                           | 617,323          | 617,323       |
| Property and Equipment - Net                            | 51,772,354       | 52,159,649    |
| Total Noncurrent Assets                                 | 129,498,752      | 129,750,869   |
|   | \$167,881,125    | \$168,663,451 |
| <b><u>LIABILITIES AND NET ASSETS</u></b>                |                  |               |
| <b>Current Liabilities:</b>                             |                  |               |
| <b>Payable from Unrestricted Assets:</b>                |                  |               |
| Accounts Payable & Accrued Liabilities                  | \$186,231        | \$1,022,861   |
| Customer Deposits                                       | 10,510           | 10,510        |
| Unearned Revenue  | 651,871          | 626,755       |
| Construction Contracts Payable                          | 0                | 0             |
| Construction Contract Retainages                        | 1,933,007        | 1,933,007     |
| Revenue Bond Payable - Current                          | 1,245,000        | 1,245,000     |
| Interest Payable  | 190,082          | 152,066       |
| Total Payable from Unrestricted Assets                  | 4,216,701        | 4,990,199     |
| Total Current Liabilities                               | 4,216,701        | 4,990,199     |
| <b>Noncurrent Liabilities:</b>                          |                  |               |
| Pension Deferrals - OPED                                | 56,737           | 56,737        |
| Other Postemployment Benefits                           | 1,248,463        | 1,248,463     |
| Compensated Absences                                    | 359,211          | 359,211       |
| Net Pension Obligation-LEO Special Separation Allowance | 474,558          | 474,558       |
| Revenue Bond Payable - Noncurrent                       | 17,585,000       | 17,585,000    |
| Total Noncurrent Liabilities                            | 19,723,969       | 19,723,969    |
| Total Liabilities                                       | 23,940,670       | 24,714,168    |
| <b>Net Assets:</b>                                      |                  |               |
| Invested in Capital Assets                              | 110,785,909      | 111,038,026   |
| Restricted  | 11,173,173       | 10,777,940    |
| Unrestricted  | 21,981,373       | 22,133,317    |
| Total Net Assets  | 143,940,455      | 143,949,283   |
|   | \$167,881,125    | \$168,663,451 |



# Income Statement

Through 11/30/18  
Summary Listing

| Classification                                  | Annual<br>Budget Amount | MTD<br>Actual Amount  | YTD<br>Actual Amount  | YTD<br>Encumbrances | Budget Less<br>YTD Actual | % of<br>Budget | Prior Year<br>Total Actual |
|---|-------------------------|-----------------------|-----------------------|---------------------|---------------------------|----------------|----------------------------|
| Fund Category <b>Governmental Funds</b>         |                         |                       |                       |                     |                           |                |                            |
| Fund Type <b>General Fund</b>                   |                         |                       |                       |                     |                           |                |                            |
| Fund <b>10 - General Fund</b>                   |                         |                       |                       |                     |                           |                |                            |
| <i>Operating revenues</i>                       |                         |                       |                       |                     |                           |                |                            |
| Terminal space rentals - non airline            | 247,909.00              | 20,640.11             | 102,413.29            | .00                 | 145,495.71                | 41             | .00                        |
| Terminal space rentals - airline                | 2,067,331.00            | 207,394.04            | 982,344.96            | .00                 | 1,084,986.04              | 48             | .00                        |
| Landing fees                                    | 904,038.00              | 95,501.64             | 464,721.31            | .00                 | 439,316.69                | 51             | .00                        |
| Concessions                                     | 490,780.00              | 39,162.81             | 241,077.79            | .00                 | 249,702.21                | 49             | .00                        |
| Auto parking                                    | 3,600,000.00            | 471,068.54            | 2,274,527.79          | .00                 | 1,325,472.21              | 63             | .00                        |
| Rental car - car rentals                        | 1,530,000.00            | 147,541.69            | 887,647.73            | .00                 | 642,352.27                | 58             | .00                        |
| Rental car - facility rent                      | 647,012.00              | 51,935.63             | 276,224.76            | .00                 | 370,787.24                | 43             | .00                        |
| Commerce ground transportation                  | 94,500.00               | 21,962.45             | 102,063.60            | .00                 | (7,563.60)                | 108            | .00                        |
| FBO's   | 1,038,185.00            | 86,987.04             | 443,770.40            | .00                 | 594,414.60                | 43             | .00                        |
| Building leases                                 | 73,197.00               | 8,042.03              | 27,756.06             | .00                 | 45,440.94                 | 38             | .00                        |
| Land leases                                     | 59,961.00               | 4,322.77              | 23,207.71             | .00                 | 36,753.29                 | 39             | .00                        |
| Other leases and fees                           | 221,800.00              | 17,397.21             | 14,937.42             | .00                 | 206,862.58                | 7              | .00                        |
| <i>Operating revenues Totals</i>                | <b>\$10,974,713.00</b>  | <b>\$1,171,955.96</b> | <b>\$5,840,692.82</b> | <b>\$0.00</b>       | <b>\$5,134,020.18</b>     | <b>53%</b>     | <b>\$0.00</b>              |
| <i>Non-operating revenue and expense</i>        |                         |                       |                       |                     |                           |                |                            |
| Customer facility charges                       | 1,400,000.00            | 155,860.25            | 818,503.75            | .00                 | 581,496.25                | 58             | .00                        |
| Passenger facility charges                      | 1,850,000.00            | 234,655.74            | 1,091,139.72          | .00                 | 758,860.28                | 59             | .00                        |
| Interest revenue                                | 35,000.00               | 43,432.94             | 163,826.97            | .00                 | (128,826.97)              | 468            | .00                        |
| Interest expense                                | (456,197.00)            | (38,016.42)           | (190,082.10)          | .00                 | (266,114.90)              | 42             | .00                        |
| Reimbursable cost expenses                      | .00                     | (649,919.93)          | (649,919.93)          | .00                 | 649,919.93                | +++            | .00                        |
| P-card rebate                                   | .00                     | 2,472.15              | 2,472.15              | .00                 | (2,472.15)                | +++            | .00                        |
| <i>Non-operating revenue and expense Totals</i> | <b>\$2,828,803.00</b>   | <b>(\$251,515.27)</b> | <b>\$1,235,940.56</b> | <b>\$0.00</b>       | <b>\$1,592,862.44</b>     | <b>44%</b>     | <b>\$0.00</b>              |
| Capital contributions                           | .00                     | 4,527.89              | 2,863,645.18          | .00                 | (2,863,645.18)            | +++            | .00                        |
| <i>Operating expenses</i>                       |                         |                       |                       |                     |                           |                |                            |
| Personnel services                              | 5,752,370.00            | 340,564.48            | 1,878,832.02          | .00                 | 3,873,537.98              | 33             | .00                        |
| Professional services                           | 387,450.00              | 27,540.07             | 81,751.95             | 128,977.12          | 176,720.93                | 54             | .00                        |
| Other contractual services                      | 826,723.00              | 59,132.10             | 335,037.16            | 25,739.05           | 465,946.79                | 44             | .00                        |
| Travel and training                             | 201,075.00              | 734.08                | 64,952.95             | .00                 | 136,122.05                | 32             | .00                        |
| Communications                                  | 62,850.00               | 4,722.86              | 27,110.36             | .00                 | 35,739.64                 | 43             | .00                        |
| Utility services                                | 525,467.00              | 17,427.90             | 167,727.59            | .00                 | 357,739.41                | 32             | .00                        |
| Rentals and leases                              | 13,600.00               | 1,229.10              | 6,060.67              | .00                 | 7,539.33                  | 45             | .00                        |
| Insurance                                       | 234,000.00              | 36,014.76             | 126,906.80            | .00                 | 107,093.20                | 54             | .00                        |
| Advertising, printing and binding               | 8,050.00                | 133.46                | 3,529.78              | .00                 | 4,520.22                  | 44             | .00                        |
| Promotional activities                          | 317,390.00              | 23,205.01             | 104,254.01            | 27,717.02           | 185,418.97                | 42             | .00                        |
| Other current charges and obligations           | 54,000.00               | 4,612.87              | 30,001.61             | .00                 | 23,998.39                 | 56             | .00                        |
| Operating supplies                              | 467,425.00              | 14,593.64             | 119,214.26            | 14,110.01           | 334,100.73                | 29             | .00                        |
| Publications, subscriptions, memberships, etc.  | 54,330.00               | 2,359.00              | 25,201.34             | .00                 | 29,128.66                 | 46             | .00                        |

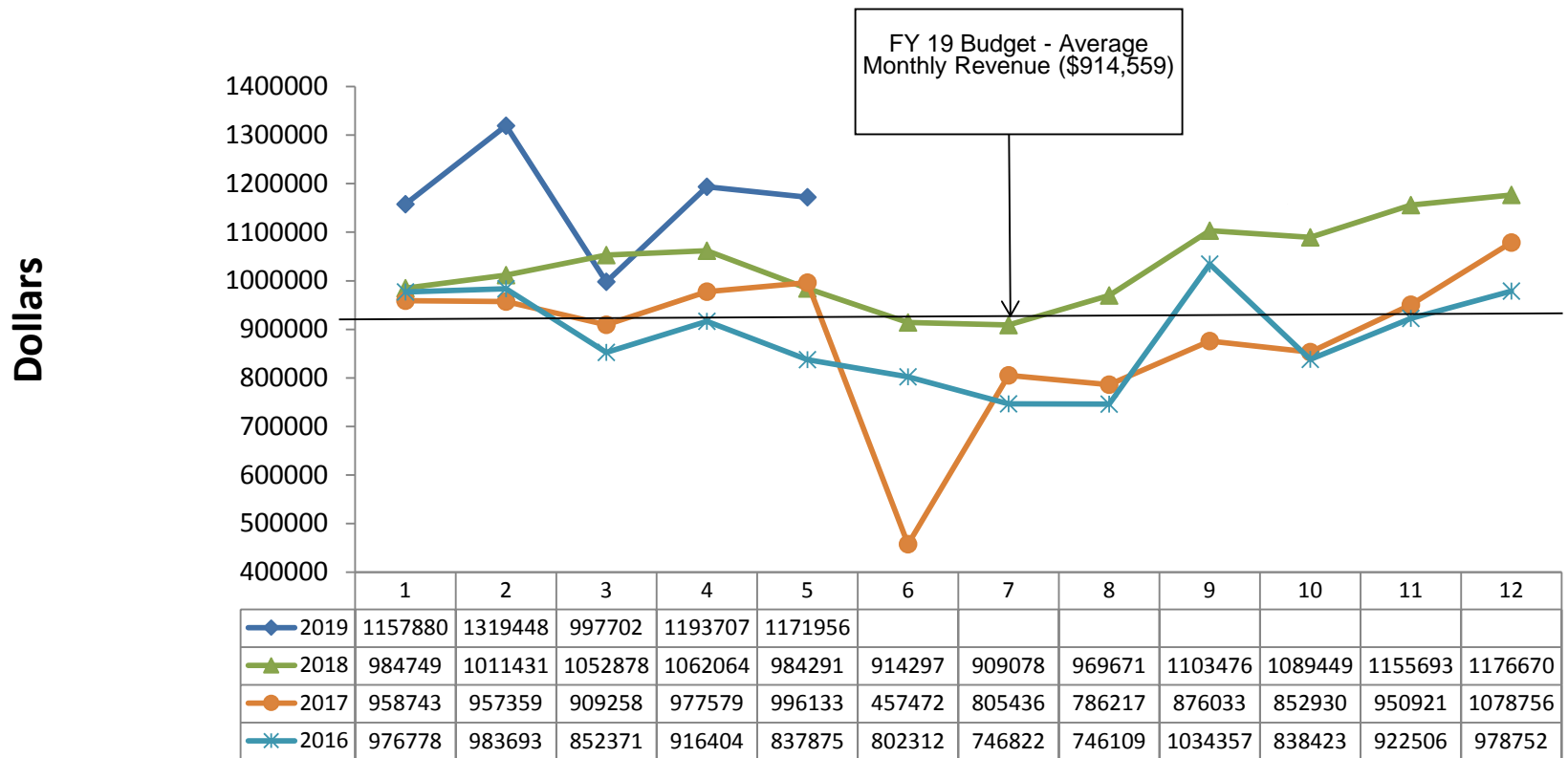


# Income Statement

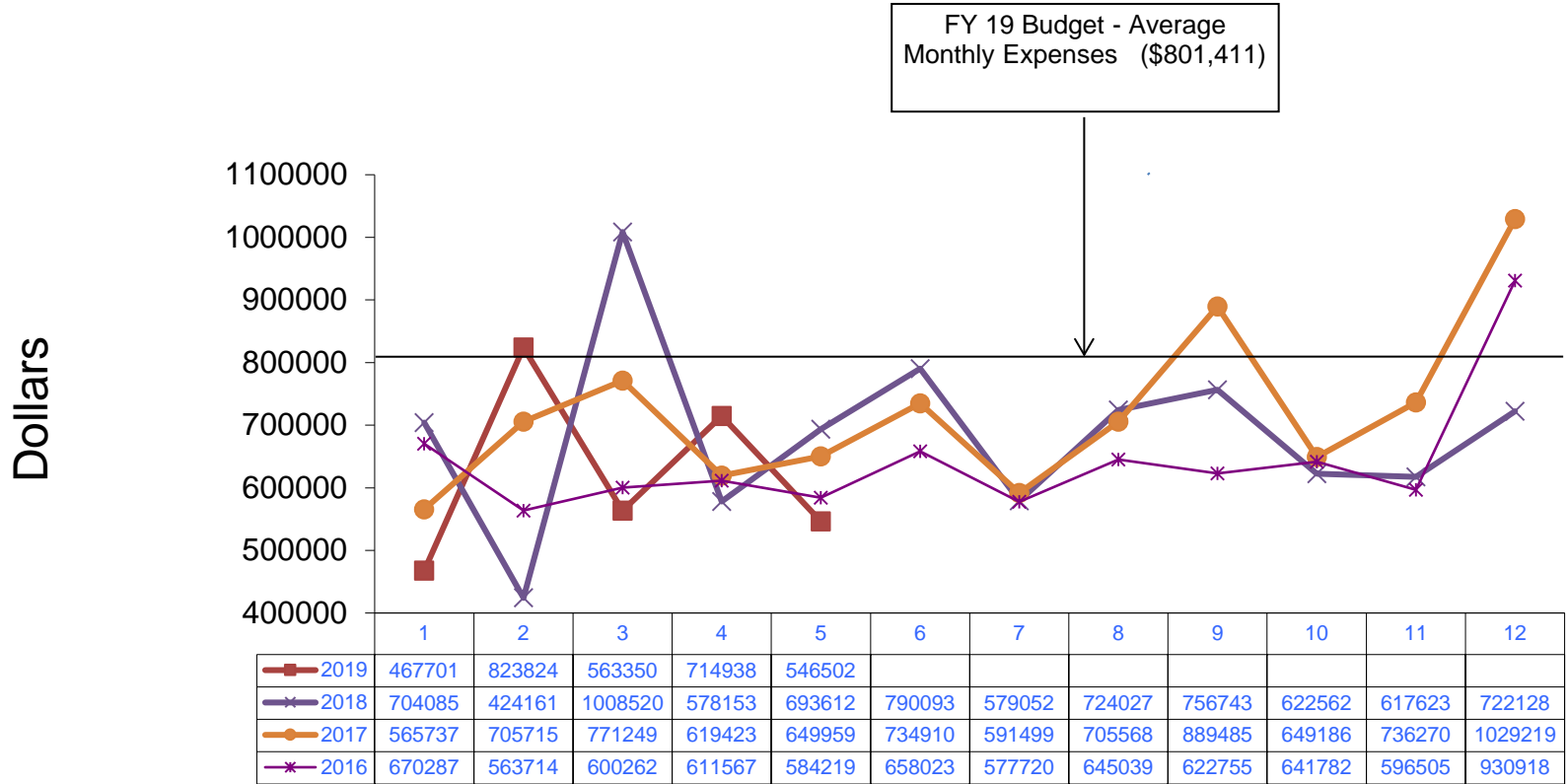
Through 11/30/18  
Summary Listing

| Classification  | Annual<br>Budget Amount | MTD<br>Actual Amount | YTD<br>Actual Amount  | YTD<br>Encumbrances   | Budget Less<br>YTD Actual | % of<br>Budget | Prior Year<br>Total Actual |
|---|-------------------------|----------------------|-----------------------|-----------------------|---------------------------|----------------|----------------------------|
| Fund Category <b>Governmental Funds</b>                 |                         |                      |                       |                       |                           |                |                            |
| Fund Type <b>General Fund</b>                           |                         |                      |                       |                       |                           |                |                            |
| Fund <b>10 - General Fund</b>                           |                         |                      |                       |                       |                           |                |                            |
| <i>Operating expenses</i>                               |                         |                      |                       |                       |                           |                |                            |
| Repairs and maintenance                                 | 181,700.00              | 13,514.52            | 89,712.44             | 12,497.20             | 79,490.36                 | 56             | .00                        |
| Small equipment   | 80,500.00               | 717.68               | 38,292.47             | .00                   | 42,207.53                 | 48             | .00                        |
| Contingency   | 100,000.00              | .00                  | .00                   | .00                   | 100,000.00                | 0              | .00                        |
| Emergency repairs                                       | 50,000.00               | .00                  | 7,383.92              | 126,703.31            | (84,087.23)               | 268            | .00                        |
| Business development                                    | 450,000.00              | .00                  | 10,347.50             | 303,819.00            | 135,833.50                | 70             | .00                        |
| <i>Operating expenses Totals</i>                        | <u>\$9,766,930.00</u>   | <u>\$546,501.53</u>  | <u>\$3,116,316.83</u> | <u>\$639,562.71</u>   | <u>\$6,011,050.46</u>     | <u>38%</u>     | <u>\$0.00</u>              |
| <i>Depreciation</i>                                     |                         |                      |                       |                       |                           |                |                            |
| Depreciation  | .00                     | 387,295.00           | 1,936,475.00          | .00                   | (1,936,475.00)            | +++            | .00                        |
| <i>Depreciation Totals</i>                              | <u>\$0.00</u>           | <u>\$387,295.00</u>  | <u>\$1,936,475.00</u> | <u>\$0.00</u>         | <u>(\$1,936,475.00)</u>   | <u>+++</u>     | <u>\$0.00</u>              |
| Fund <b>10 - General Fund Totals</b>                    |                         |                      |                       |                       |                           |                |                            |
| REVENUE TOTALS  | 13,803,516.00           | 924,968.58           | 9,940,278.56          | .00                   | 3,863,237.44              | 72%            | .00                        |
| EXPENSE TOTALS  | 9,766,930.00            | 933,796.53           | 5,052,791.83          | 639,562.71            | 4,074,575.46              | 58%            | .00                        |
| Fund <b>10 - General Fund Net Gain (Loss)</b>           | <u>\$4,036,586.00</u>   | <u>(\$8,827.95)</u>  | <u>\$4,887,486.73</u> | <u>(\$639,562.71)</u> | <u>\$211,338.02</u>       | <u>105%</u>    | <u>\$0.00</u>              |
| Fund Type <b>General Fund Totals</b>                    |                         |                      |                       |                       |                           |                |                            |
| REVENUE TOTALS  | 13,803,516.00           | 924,968.58           | 9,940,278.56          | .00                   | 3,863,237.44              | 72%            | .00                        |
| EXPENSE TOTALS  | 9,766,930.00            | 933,796.53           | 5,052,791.83          | 639,562.71            | 4,074,575.46              | 58%            | .00                        |
| Fund Type <b>General Fund Net Gain (Loss)</b>           | <u>\$4,036,586.00</u>   | <u>(\$8,827.95)</u>  | <u>\$4,887,486.73</u> | <u>(\$639,562.71)</u> | <u>\$211,338.02</u>       | <u>105%</u>    | <u>\$0.00</u>              |
| Fund Category <b>Governmental Funds Totals</b>          |                         |                      |                       |                       |                           |                |                            |
| REVENUE TOTALS  | 13,803,516.00           | 924,968.58           | 9,940,278.56          | .00                   | 3,863,237.44              | 72%            | .00                        |
| EXPENSE TOTALS  | 9,766,930.00            | 933,796.53           | 5,052,791.83          | 639,562.71            | 4,074,575.46              | 58%            | .00                        |
| Fund Category <b>Governmental Funds Net Gain (Loss)</b> | <u>\$4,036,586.00</u>   | <u>(\$8,827.95)</u>  | <u>\$4,887,486.73</u> | <u>(\$639,562.71)</u> | <u>\$211,338.02</u>       | <u>105%</u>    | <u>\$0.00</u>              |
| Grand Totals  |                         |                      |                       |                       |                           |                |                            |
| REVENUE TOTALS  | 13,803,516.00           | 924,968.58           | 9,940,278.56          | .00                   | 3,863,237.44              | 72%            | .00                        |
| EXPENSE TOTALS  | 9,766,930.00            | 933,796.53           | 5,052,791.83          | 639,562.71            | 4,074,575.46              | 58%            | .00                        |
| Grand Total Net Gain (Loss)                             | <u>\$4,036,586.00</u>   | <u>(\$8,827.95)</u>  | <u>\$4,887,486.73</u> | <u>(\$639,562.71)</u> | <u>\$211,338.02</u>       | <u>105%</u>    | <u>\$0.00</u>              |

## ASHEVILLE REGIONAL AIRPORT Annual Operating Revenue by Month November 2018



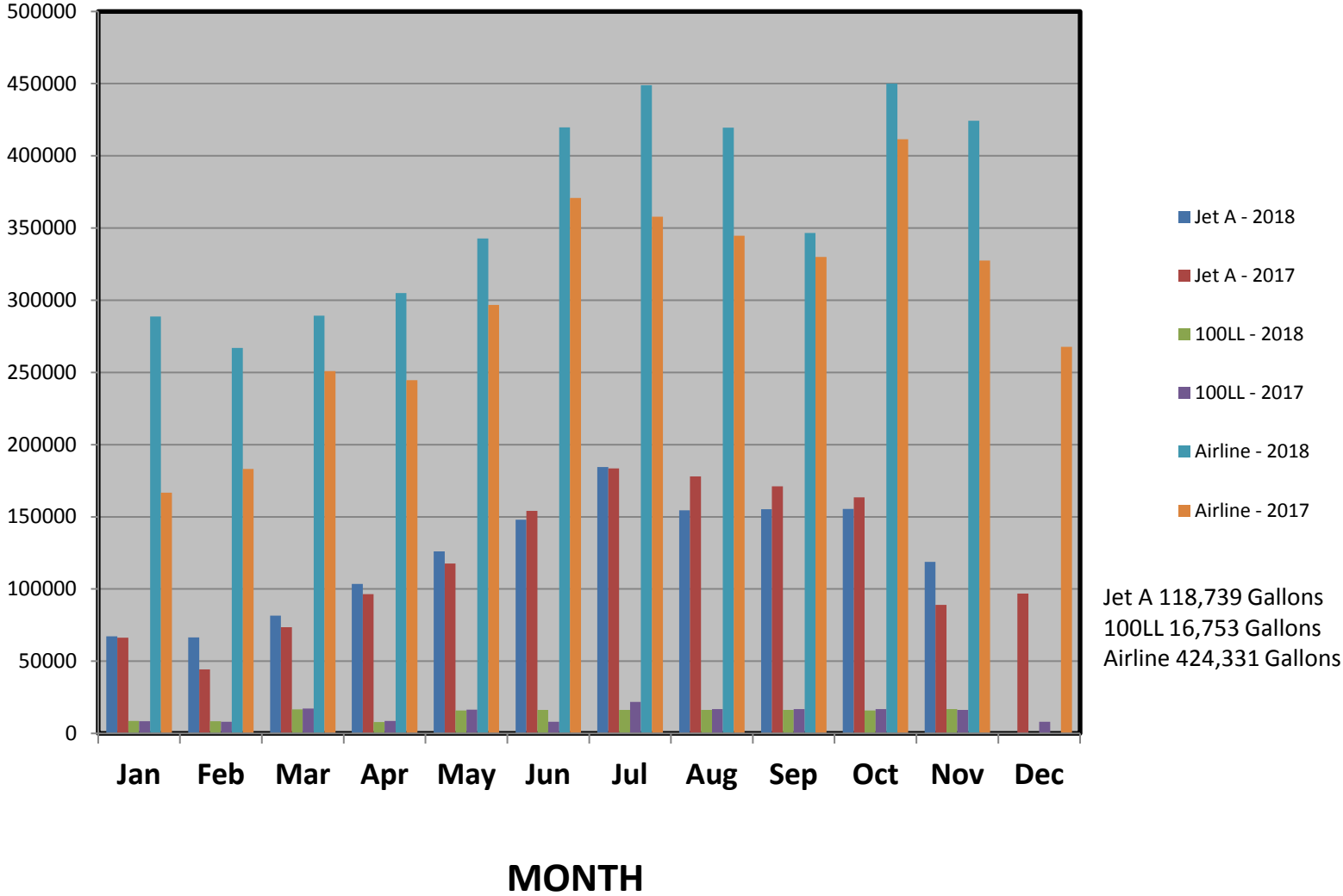
## ASHEVILLE REGIONAL AIRPORT Annual Operating Expenses by Month November 2018





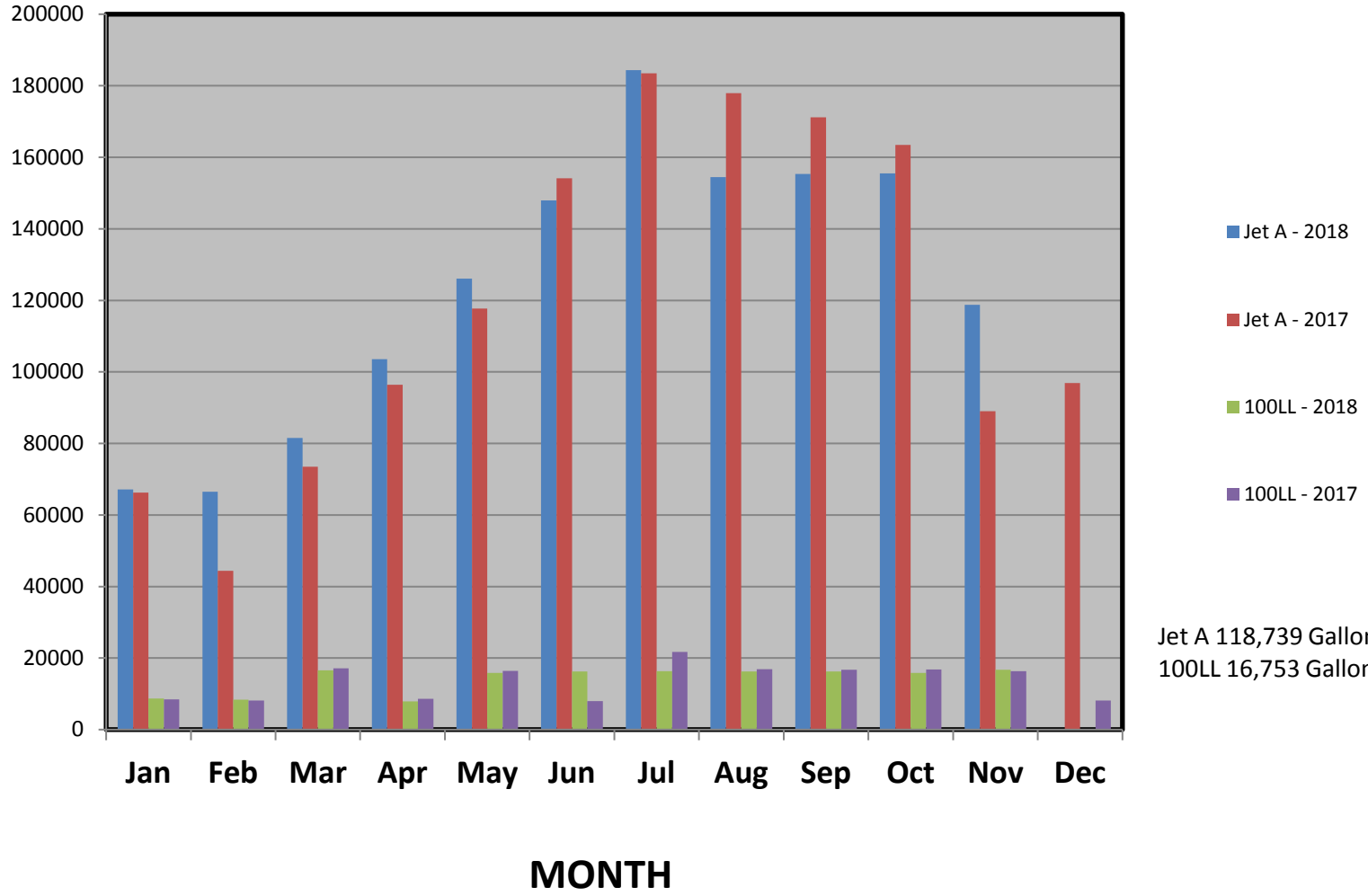
**ASHEVILLE REGIONAL AIRPORT  
FUEL SALES - GALLONS  
November 2018**

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**ASHEVILLE REGIONAL AIRPORT  
GENERAL AVIATION FUEL SALES - GALLONS  
November 2018**

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**Design Phase**

| Project Number | Project Name                             | Project Description  | Professional Services Consultant | Professional Services Contract | General Contractor | Original Construction Contract | Change Orders (thru 01/01/2019) | Percent of Original Contract | Board Approved Project Cost              | Percent Complete | Expensed to Date (thru 01/01/2019) | Start Date | End Date | Current Project Status (as of 01/01/2019)  |
|----------------|--|--|----------------------------------|--------------------------------|--------------------|--------------------------------|---------------------------------|------------------------------|--|------------------|------------------------------------|------------|----------|--|
| 1              | Airfield Re-Development Project          | Budget for the complete project  |                                  |                                |                    | \$64,100,000.00                | \$15,900,000.00                 |                              | \$80,000,000.00                          | 71.3%            | \$57,040,073                       |            |          | All Engineer contracts, completed construction contracts and expenses will be inclusive of budget. |
| 1A             | Airfield Re-Development Project          | Phase I - Design Services  | RS&H                             | \$447,983.00                   | N/A                | N/A                            | \$0.00                          | 0.00%                        | (Overall total included in above number) | 83%              | \$372,161                          | Dec-12     | Jun-16   | Project Management work primarily complete.  |
| 1B             | Airfield Re-Development Project          | Phase II - Design Services and Project Management.                                   | RS&H                             | \$1,842,318.00                 | N/A                | N/A                            | \$0.00                          | 0.00%                        | (Overall total included in above number) | 95%              | \$1,748,887                        | Jun-13     | Dec-16   | Project Management work continues, pending Contractor resolution.                                  |
| 1C             | Airfield Re-Development Project          | Phase III and IV - Design Services and Project Management.                           | RS&H                             | \$2,399,826.00                 | N/A                | N/A                            | \$1,469,611.00                  | 65.90%                       | (Overall total included in above number) | 81%              | \$3,134,056                        | Dec-14     | Jun-19   | Phase IV Project Management continues.   |
| 1D             | Airfield Re-Development Project          | New Runway Design  | AVCON                            | \$1,967,476.00                 | N/A                | N/A                            | \$86,653.00                     | 4.40%                        | (Overall total included in above number) | 95.3%            | \$1,959,197                        | Mar-13     | Jun-19   | Phase IV Project Management continues.   |
| 1E             | Airfield Re-Development Project          | Miscellaneous and Administrative Expenses  |                                  |                                | N/A                | N/A                            | \$0.00                          | 0.00%                        | (Overall total included in above number) |                  | \$5,264,058                        | Jan-13     | Dec-17   | Miscellaneous Administrative Expenses, Reimbursable Agreement and Land Acquisition                 |
| 2              | Expand Air Carrier Apron                 | Design additional apron space to hold RON Aircraft. Professional CA and Inspections. | Delta Airport Consultants        | \$99,000.00                    | N/A                | N/A                            | \$150,750.00                    | 66%                          | \$249,750.00                             | 89%              | \$223,242                          | Feb-17     | Jun-18   | Close out documentation being assembled.   |
| 3              | Airport Security and Identity Management | Security system, ID badging and CCTV camera equipment                                | Faith Group LLC                  | \$327,486.27                   | N/A                | N/A                            | \$0.00                          | 0.00%                        | \$327,486.27                             | 27.3%            | \$89,257.00                        | Aug-18     | Mar-19   | Review of findings scheduled.  |
| 4              | Apron Expansion South                    | Terminal apron to be expanded and added for aircraft use.                            | Parrish and Partners             | \$821,196.00                   | N/A                | N/A                            | \$0.00                          | 0%                           | \$0.00                                   | 2%               | \$0.00                             | Nov-18     | Mar-19   | Design continues with survey completed and core samples underway.                                  |

**Construction Phase**

| Project Number | Project Name  | Project Description  | Professional Services Consultant | Professional Services Contract         | General Contractor      | Original Construction Contract | Change Orders (thru 01/01/2019) | Percent of Original Contract | Board Approved Project Cost | Percent Complete | Expensed to Date (thru 01/01/2019) | Start Date | End Date | Current Project Status (as of 01/01/2019)                                       |
|----------------|---|--|----------------------------------|--|-------------------------|--------------------------------|---------------------------------|------------------------------|-----------------------------|------------------|------------------------------------|------------|----------|---|
| 1              | Permanent Runway 17-35 Construction, NAVAIDS and Taxiway Conversion | Construct new runway and convert temporary runway to a taxiway | RS&H and AVCON Inc.              | Amount Included in Phase 3 Design Fees | Travelers / Cedar Peaks | \$33,703,095.70                | \$0.00                          | 0.00%                        | \$34,703,095.70             | 41.4%            | \$13,963,534                       | Mar-17     | Jun-19   | Winter work includes erosion control maintenance, electrical and shoulder work. |
| 2              | Expand Air Carrier Apron  | Construct additional apron pavement for RON Aircraft           | Delta Airport Consultants        | \$0.00                                 | NHM Constructors        | \$1,043,023.50                 | \$1,448.87                      | 0.14%                        | \$1,147,380.85              | 54.7%            | \$571,210                          | Mar-18     | Nov-18   | Close out documentation being assembled.  |

(Construction and Administrative Costs included)

# Key strategic priorities

**Governance vs. Management** : Focus on setting governing direction (“guard rails”) for the organizational and holding management accountable for the execution of operational tactics. Pursue continuous educational opportunities for Authority Member development.

1. **Organizational Relevance**: Remaining relevant in an era of airport consolidation
2. **Financial Stewardship**: Sustainability/Operating Performance/Audit & Compliance
3. **Municipal Relations**: Positive relationships with all municipalities surrounding the airport
4. **Stakeholder Relations**: Positive relationships with neighbors and other community organizations
5. **Community Image**: Public Perception/Public Relations/Customer Service/Legal Entity
6. **Facilities Stewardship**: Future Master Facilities Plan
7. **Environmental Stewardship**: Accountability/Awareness of Environmental Issues
8. **Economic Development**: Engage Community Partners/Airline Service Development
9. **Vendor-Partner Relations**: General Aviation/Rental Car Agencies/Vendors
10. **Public Safety**: Airport Emergency Safety/TSA Relations/Municipal Partners
11. **Organizational Accountability**: Executive Director Supervision