



AGENDA

Greater Asheville Regional Airport Authority Regular Meeting
Friday, September 6, 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. RECOGNITION OF WILLIAM L. MOYER
- III. PRESENTATIONS:
 - A. ASQ Update – Tina Kinsey ([document](#))
 - B. Terminal Funding Presentation – Janet Burnette ([document](#))
- IV. FINANCIAL REPORT ([document](#))
- V. CONSENT ITEMS:
 - A. Approval of the Greater Asheville Regional Airport Authority August 9, 2019 Regular Meeting Minutes ([document](#))
 - B. Approval of the Greater Asheville Regional Airport Authority August 9, 2019 Closed Session Minutes
 - C. Approval of Position Reclassification and Amended Pay Grade Structure ([document](#))
- VI. OLD BUSINESS: None



VII. NEW BUSINESS:

- A. Approval of Agreement with LAZ Parking to Operate Shuttle Buses ([document](#))
- B. Approval of Contract for South Apron Expansion Project Construction ([document](#))
- C. Approval of Contract for Construction of Parking Lots ([document](#))
- D. Approval of Letter of Agreement for Airport Safety/Maintenance Projects and Resolution of the Sponsor with North Carolina Department of Transportation Division of Aviation ([document](#))
- E. Approval of an Agreement Amendment between The Paradies Shops, LLC. and the Greater Asheville Regional Airport Authority ([document](#))
- F. Approval of Revised Agreement for Professional Consulting Services Between the Greater Asheville Regional Airport Authority and GS&P, N.C. an Affiliate of Gresham Smith and Partners ([document](#))

VIII. DIRECTOR'S REPORT:

- A. PFC Update
- B. NCDOT Grant

IX. INFORMATION SECTION:

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

- A. July 2019 Traffic Report ([document](#))
- B. July 2019 Monthly Financial Report ([document](#))
- C. September 2019 Development/Project Status Report ([document](#))
- D. Potential Board Items for the Next Regular Meeting:
 - None identified at this time



X. PUBLIC AND TENANTS' COMMENTS

XI. CALL FOR NEXT MEETING

XII. CLOSED SESSION:

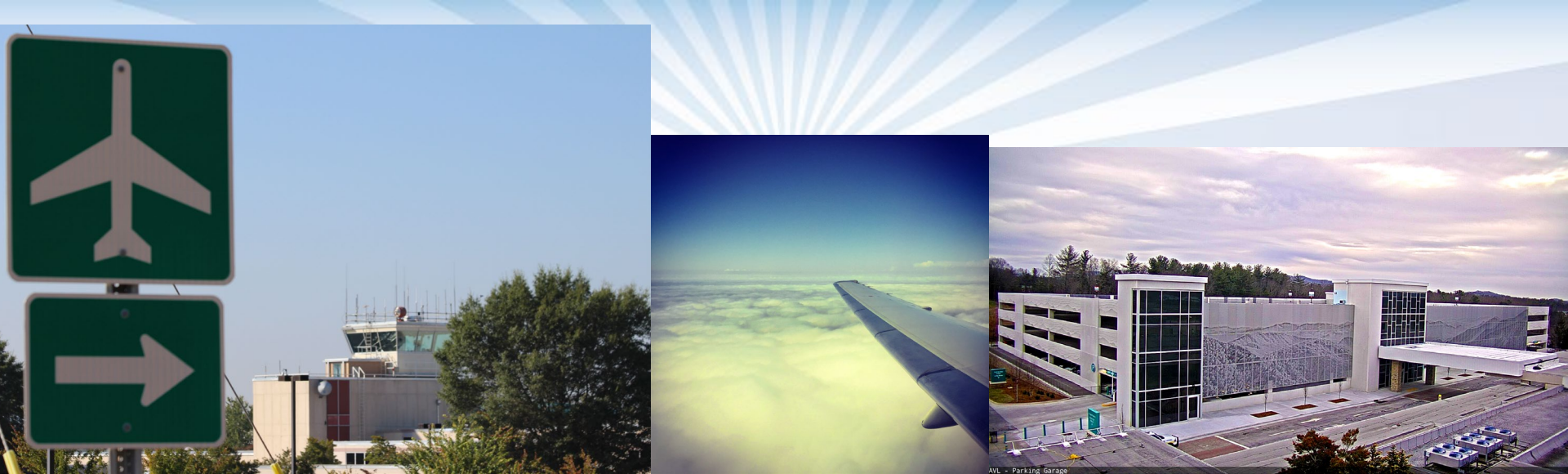
Pursuant to Subsections 143-318.11 (a) (3), (4), and (6) of the General Statutes of North Carolina to Consult with Legal Counsel in Order to Preserve the Attorney-Client Privilege, to Discuss Matters Relating to the Location and/or Expansion of Industries or Other Businesses in the Area Served by the Authority, Including Agreement on a Tentative List of Economic Development Incentives that may be Offered by the Authority in Negotiations, and to Consider Personnel Matters.

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

ASQ 2Q19

ASQ – Airport Service Quality

- AVL is part of the ASQ program
 - an empirical research program that measures airport users' satisfaction with various touch-points in their experience
- Results are available each quarter
- We compare AVL to a custom group of U.S. airports – either in the region or with similar characteristics (size, services)

Comparison Group – 2019

Airport Code	Airport Name	Comparison Value
AUS	Austin-Bergstrom International Airport	Similar services
CVG	Cincinnati/Northern Kentucky International Airport	Regional
ELP	El Paso International Airport	Size
JAX	Jacksonville International Airport	Regional
LAN	Capital Region International Airport (Lansing, MI)	Size
PWM	Portland International Jetport	Size
STL	St. Louis International Airport	Similar services
TPA	Tampa International Airport	Regional / nonstop service
YQR	Regina International Airport (Canada)	Size
YTZ	Billy Bishop Toronto City Airport (Canada)	Size
YYT	St. John's International Airport (Canada)	Size

AVL – Airport Performance

Focus on Q2 2019 – Mean Scores by Rated Item



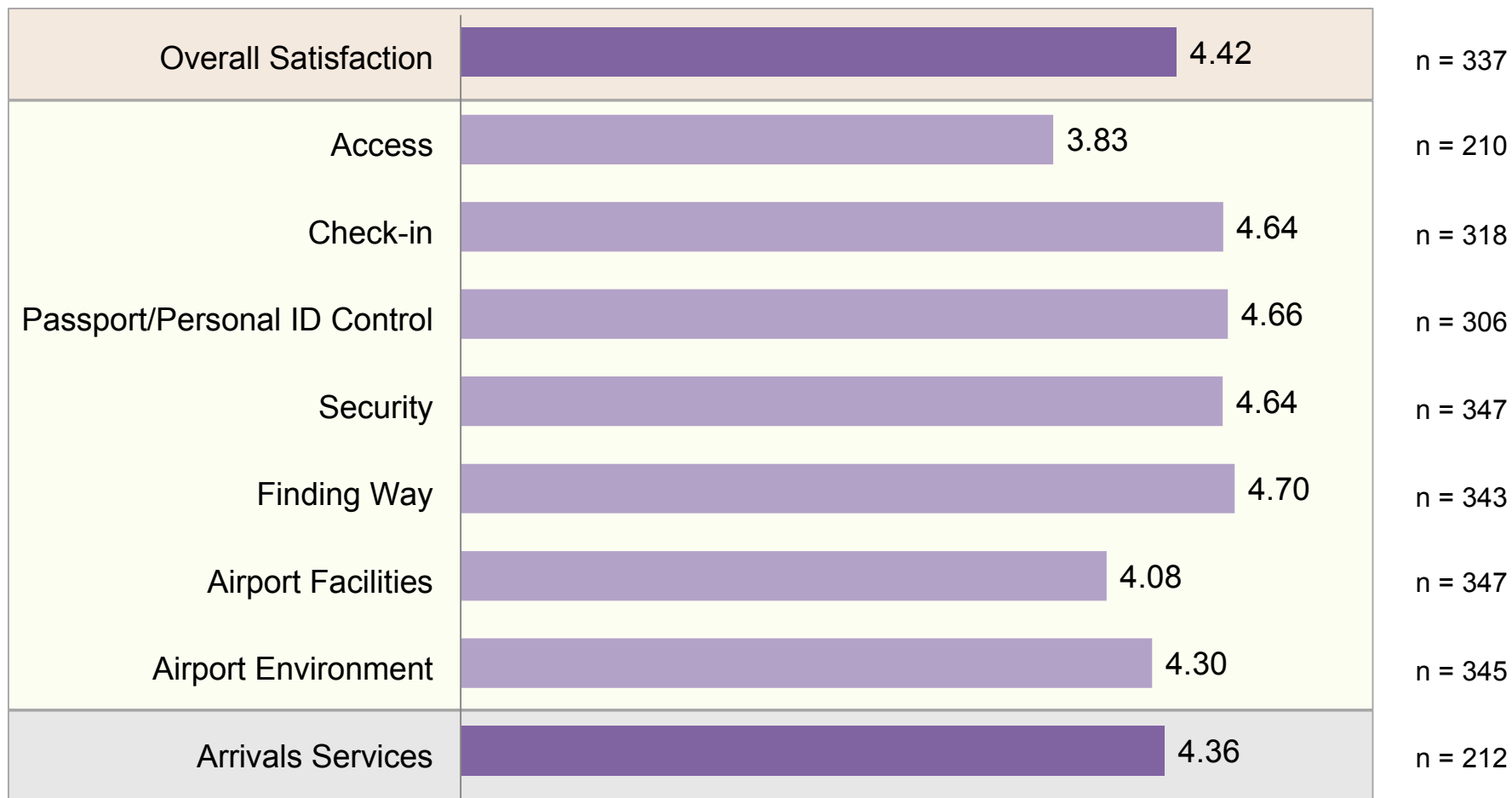
* Other may include Education, Family visit, Religious events, etc.

AVL – Airport Performance

Focus on Q2 2019 – Mean Scores by Category



Base



Notes:

Responding to all questions is not mandatory, the number of respondents could be different from one category to another.

Average scores by category are based on the average scores of all items within the category weighted by their number of respondents. All items have the same importance as there are no additional weights applied.

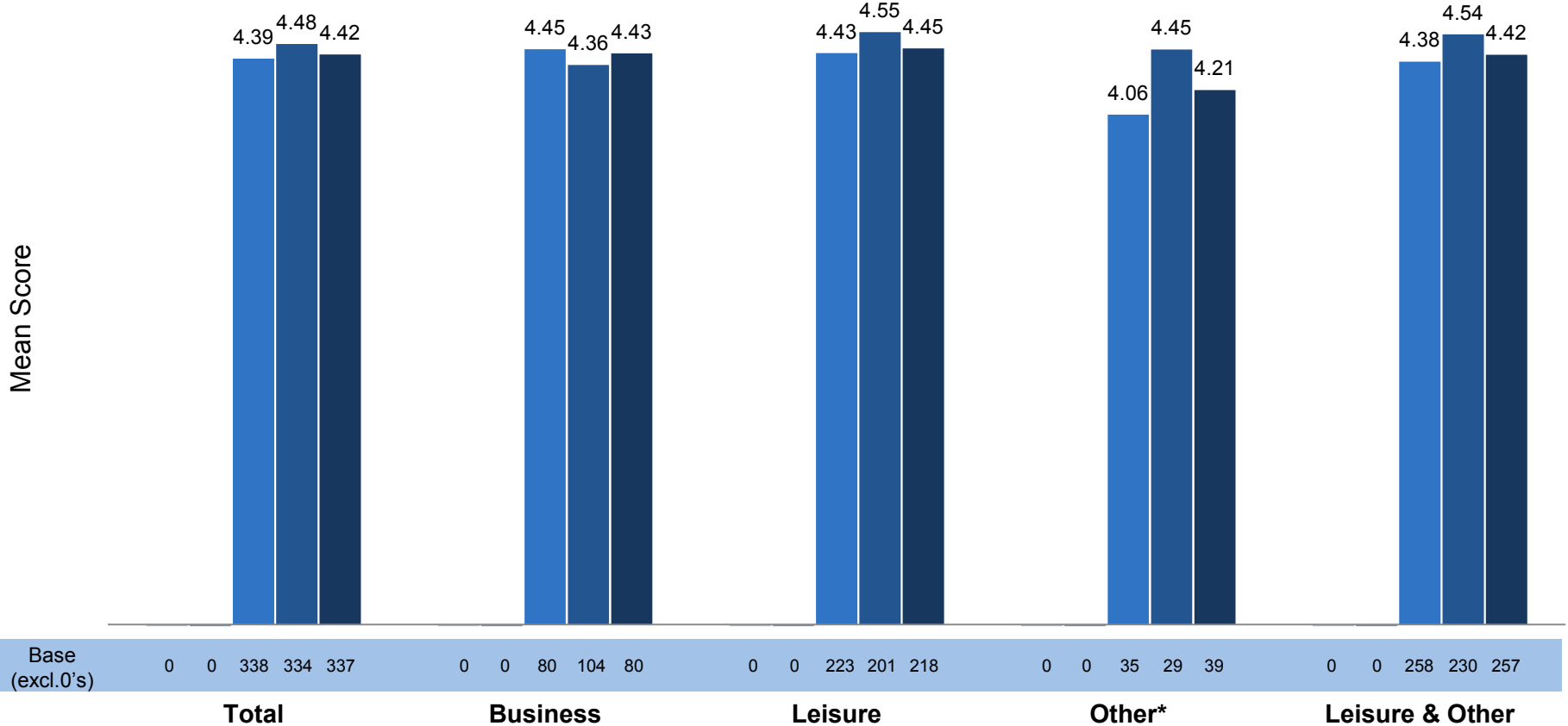
Base is Respondents providing a valid response

AVL – Airport Performance

Trend Over Time – Overall Satisfaction



■ Q2/2018 ■ Q3/2018 ■ Q4/2018 ■ Q1/2019 ■ Q2/2019



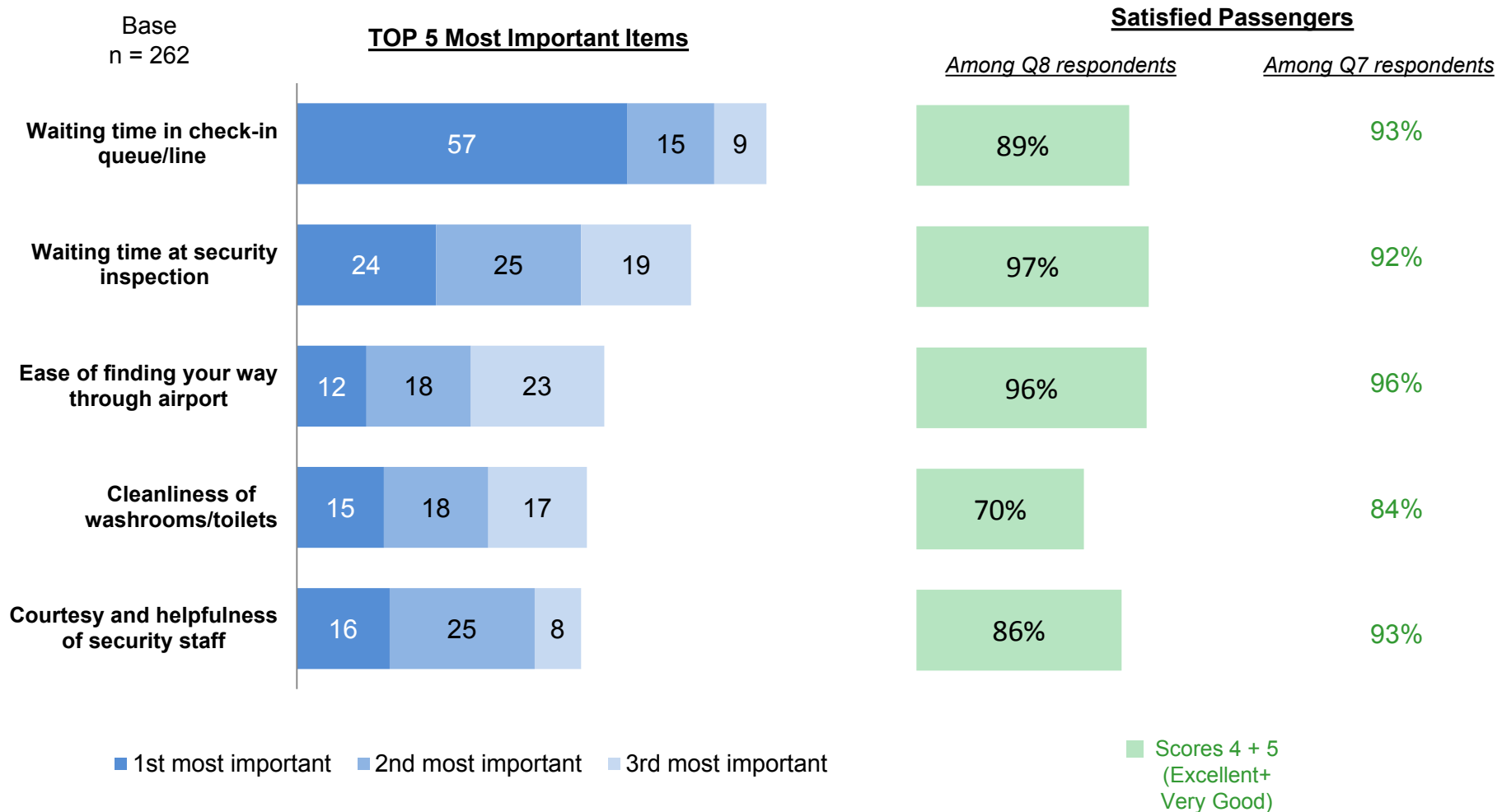
Notes:

Base is Respondents providing a valid response at Q7. Overall Satisfaction with the airport

* Other may include Education, Family visit, Religious events, etc.

AVL– Airport Performance

Top 5 Most Important Items – Satisfied Passengers



Notes:

Top 5: from Q8: “Which of the items listed in Question 7 are the 1st / 2nd / 3rd most important to you at this airport?”

The figures represent the number of respondents who mention the item.

Satisfied Passengers are among the respondents who mention the item as important at Q8.

Satisfied Passengers among the respondents to Q7 items “Based on your experience today, please rate this airport on each service item”.

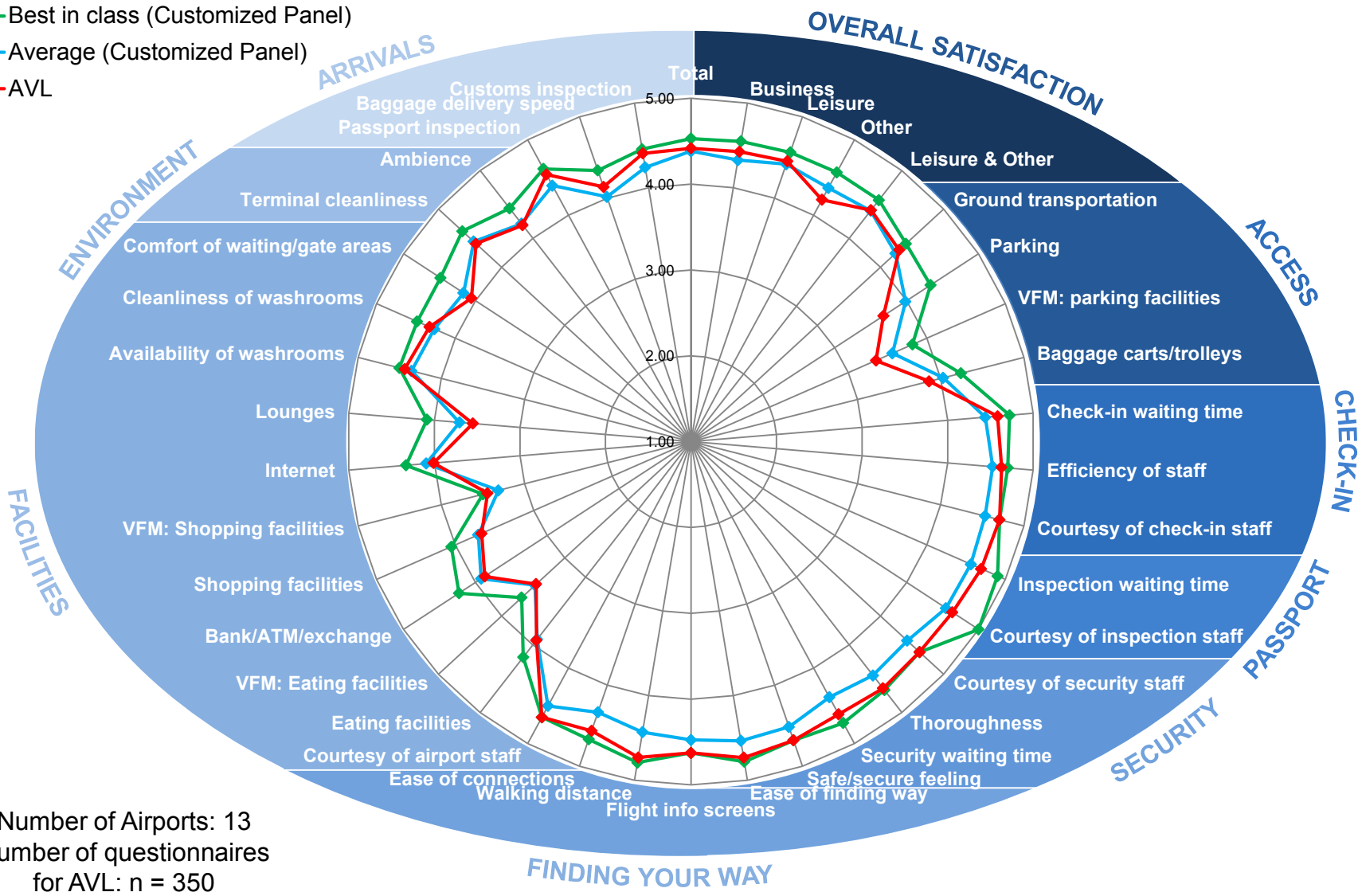
Base is Respondents providing a valid response

AVL – Performance vs. Customized Panel

Total Traffic



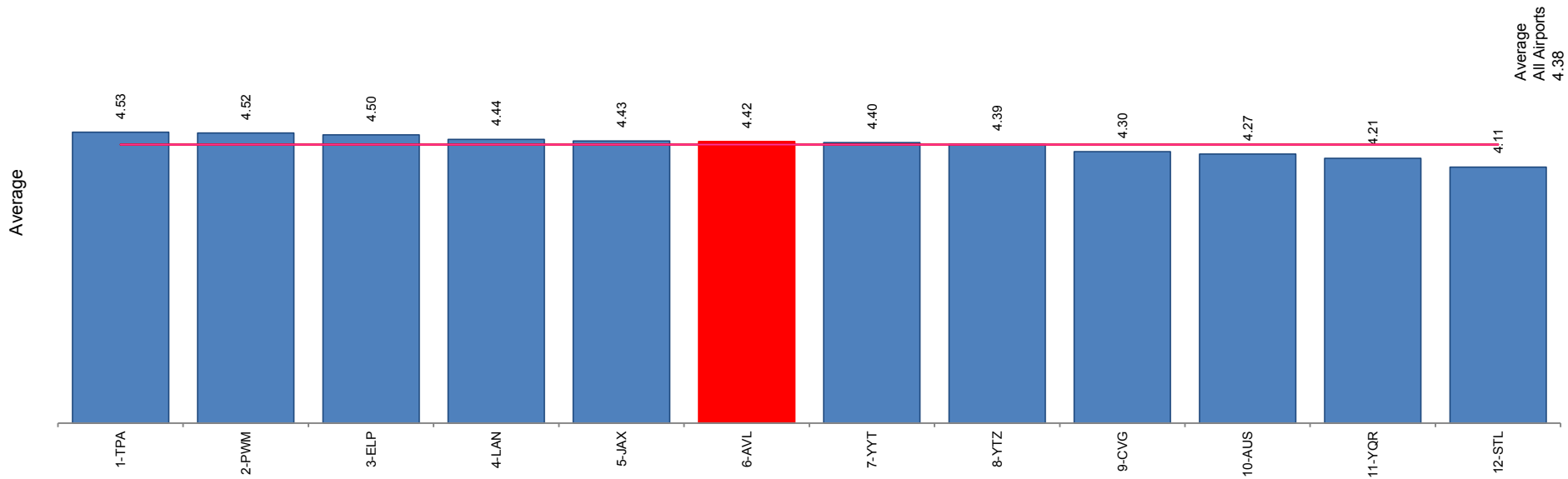
- Best in class (Customized Panel)
- Average (Customized Panel)
- AVL



Number of Airports: 13
 Number of questionnaires for AVL: n = 350

AVL – Ranking Within the Customized Panel

Overall Satisfaction – Total



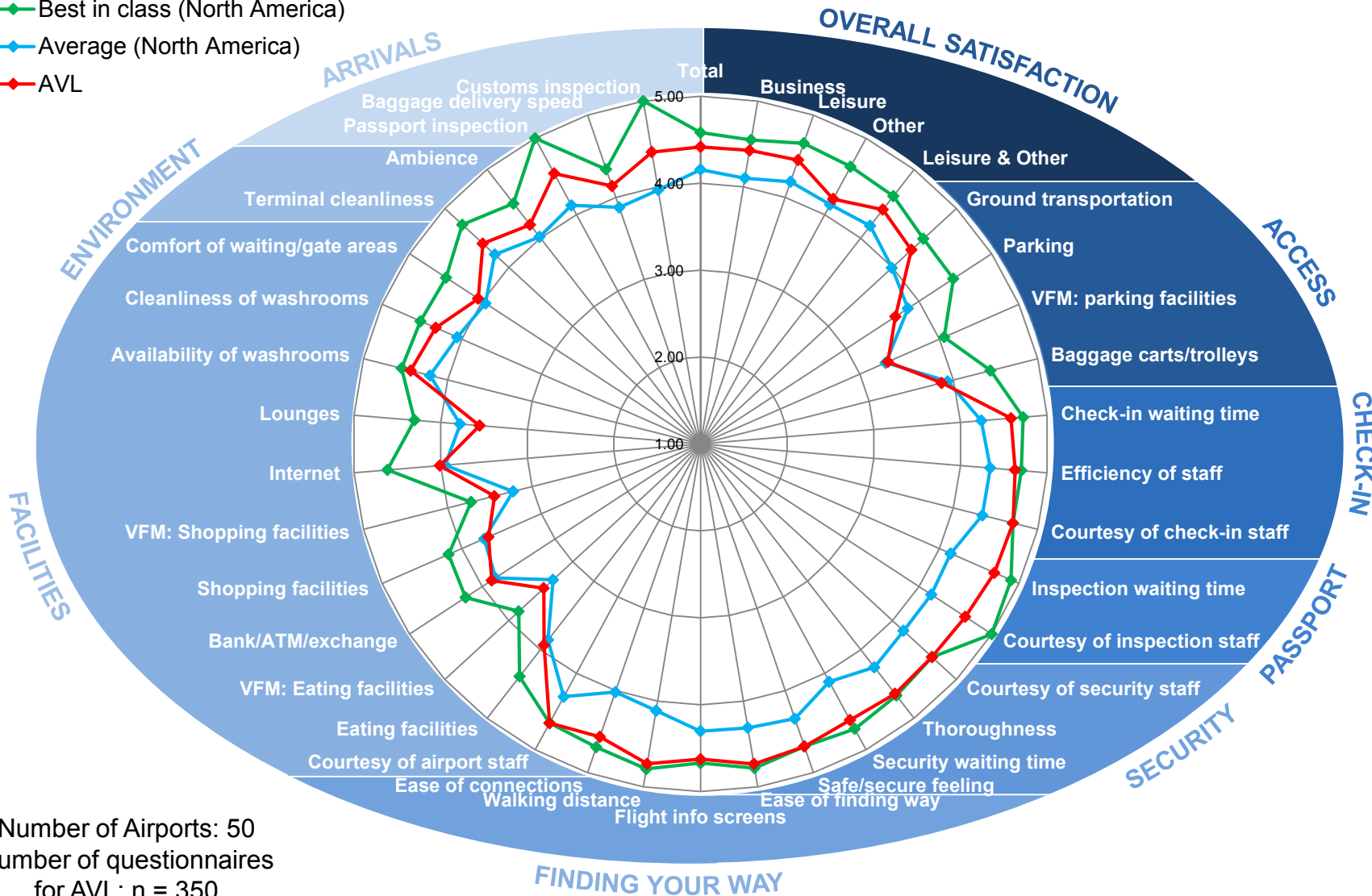
Q7. Based on your experience today, please rate this airport on each service item: Overall satisfaction with the airport.

AVL – Performance vs. Other Airports in North America

Total Traffic



- ◆ Best in class (North America)
- ◆ Average (North America)
- ◆ AVL



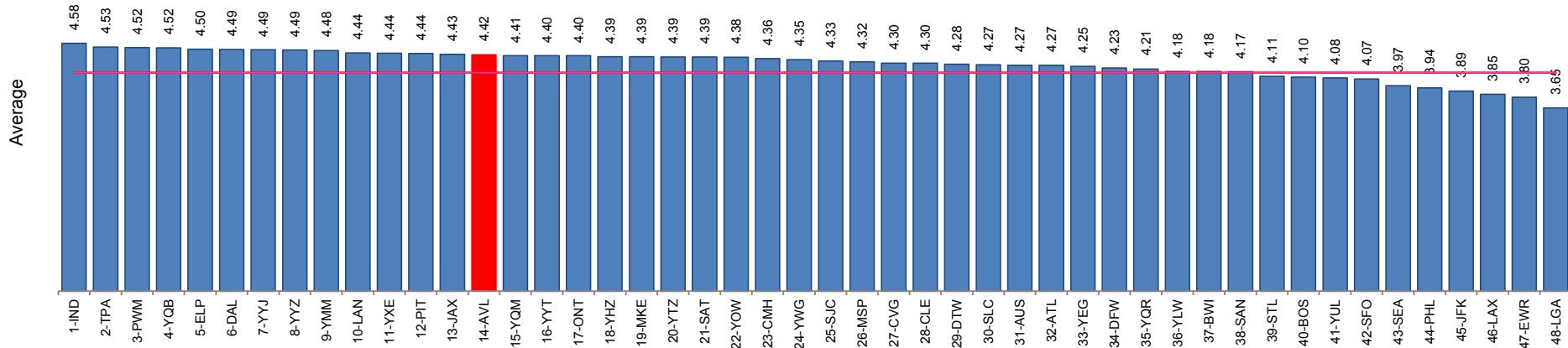
Number of Airports: 50
 Number of questionnaires
 for AVL: n = 350

AVL – Ranking Within North America

Overall Satisfaction – Total



Average
All Airports
4.16

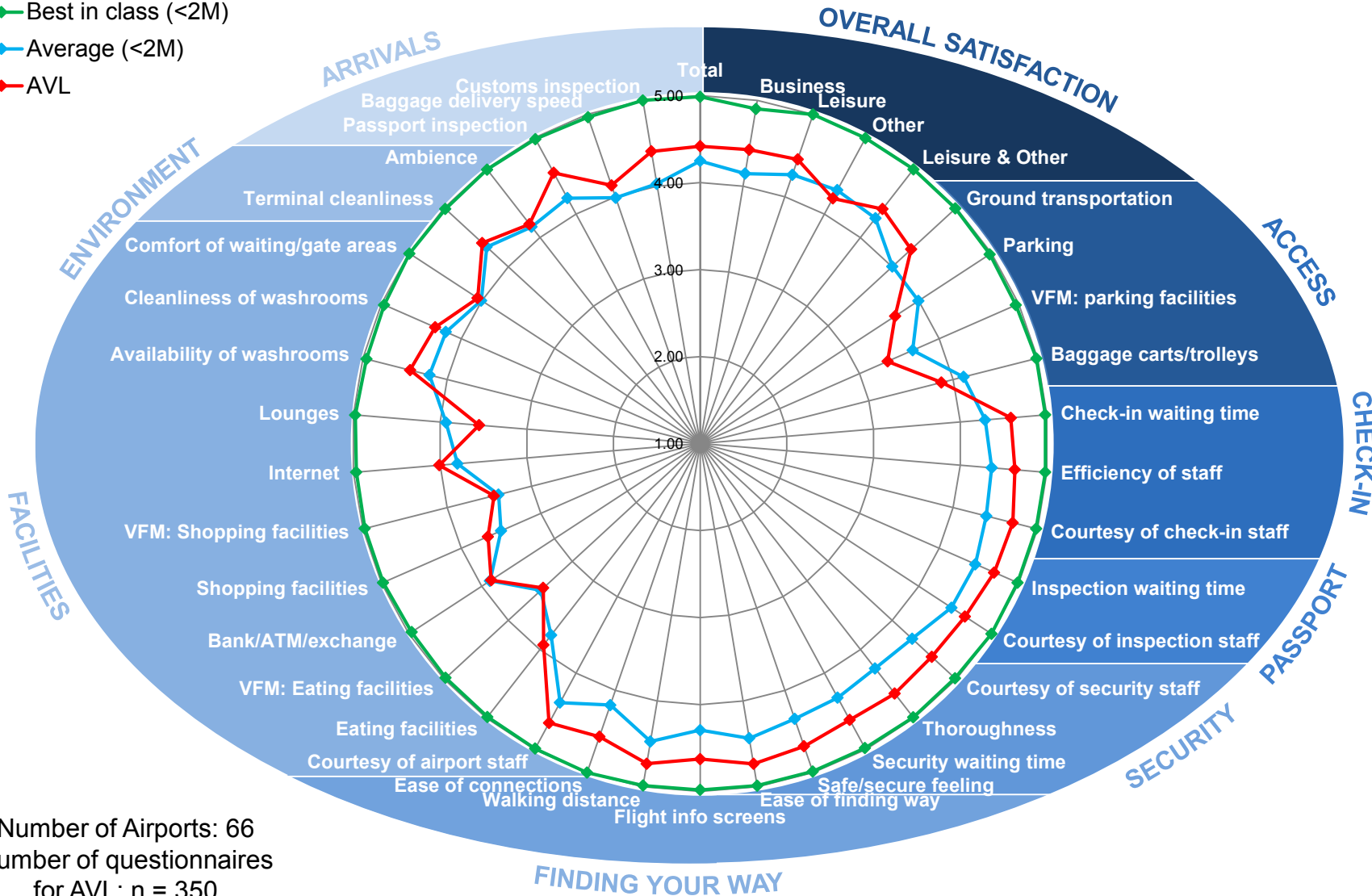


Q7. Based on your experience today, please rate this airport on each service item: Overall satisfaction with the airport.

AVL – Performance vs. Other Airports of <2M Total Traffic



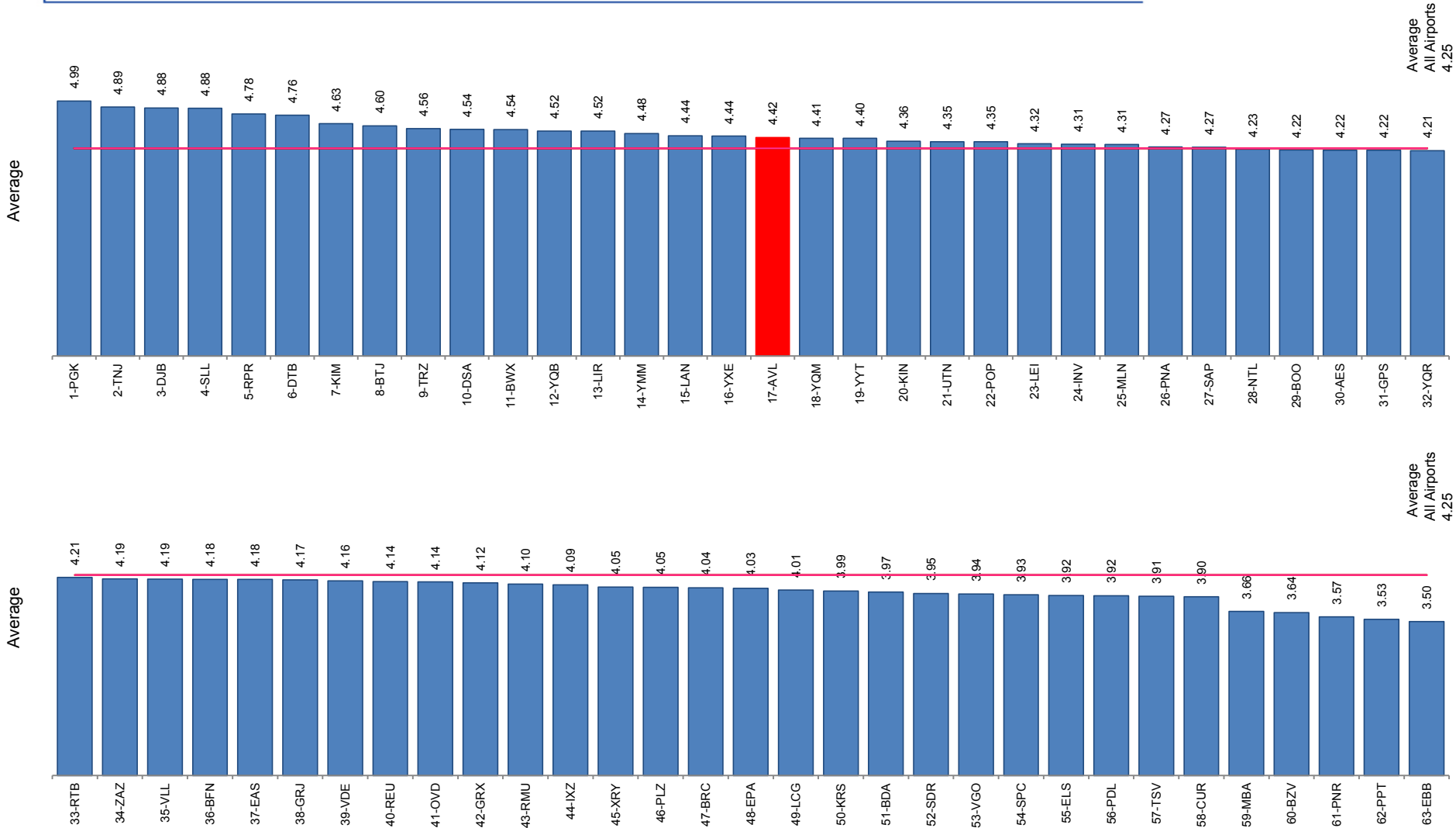
- Best in class (<2M)
- Average (<2M)
- AVL



Number of Airports: 66
 Number of questionnaires for AVL: n = 350

AVL – Ranking Among Airports of <2M

Overall Satisfaction – Total



Q7. Based on your experience today, please rate this airport on each service item: Overall satisfaction with the airport.

Questions?





Asheville Regional Airport

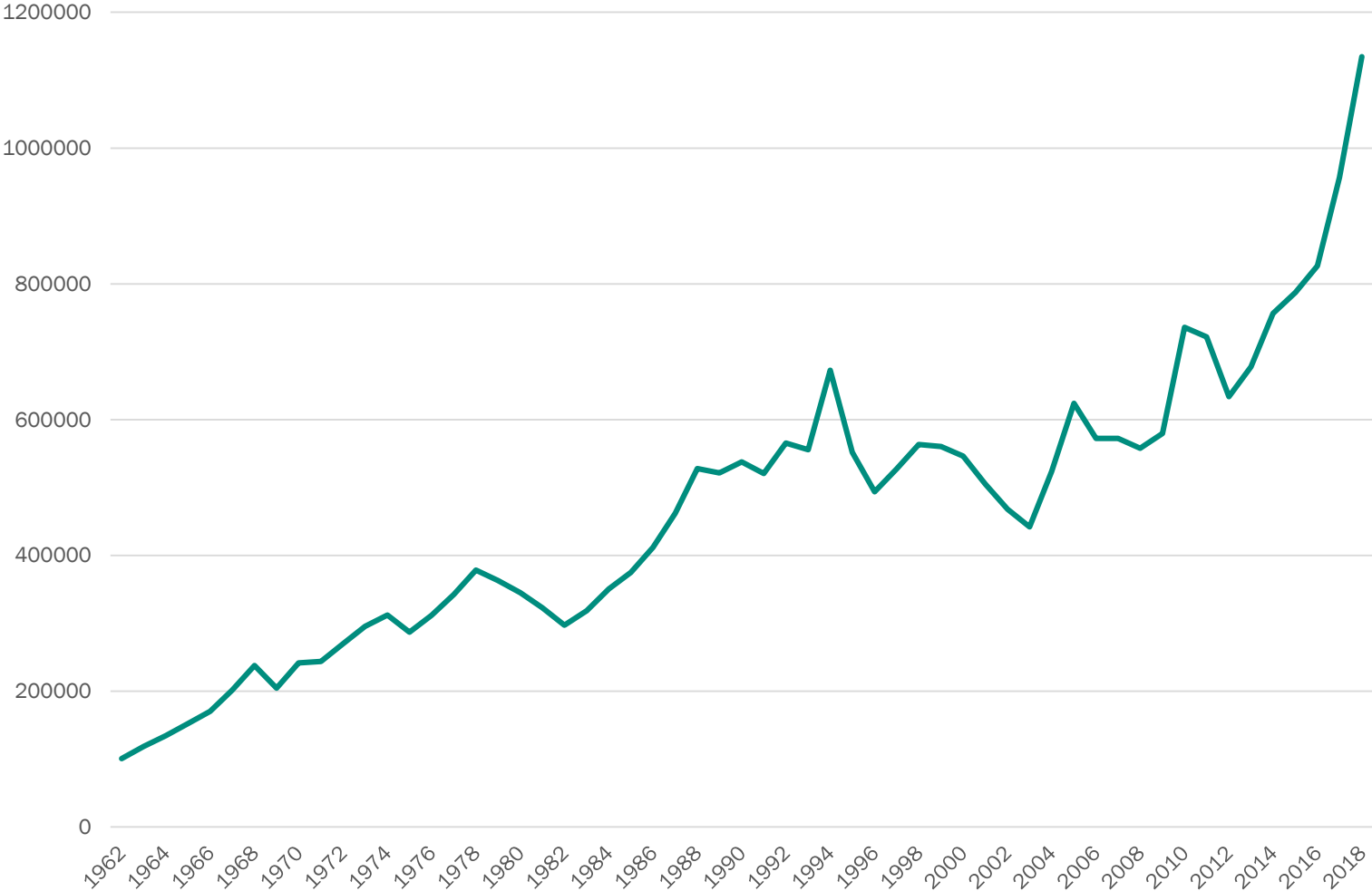
Asheville Regional Airport



Financial Analysis for Terminal Project

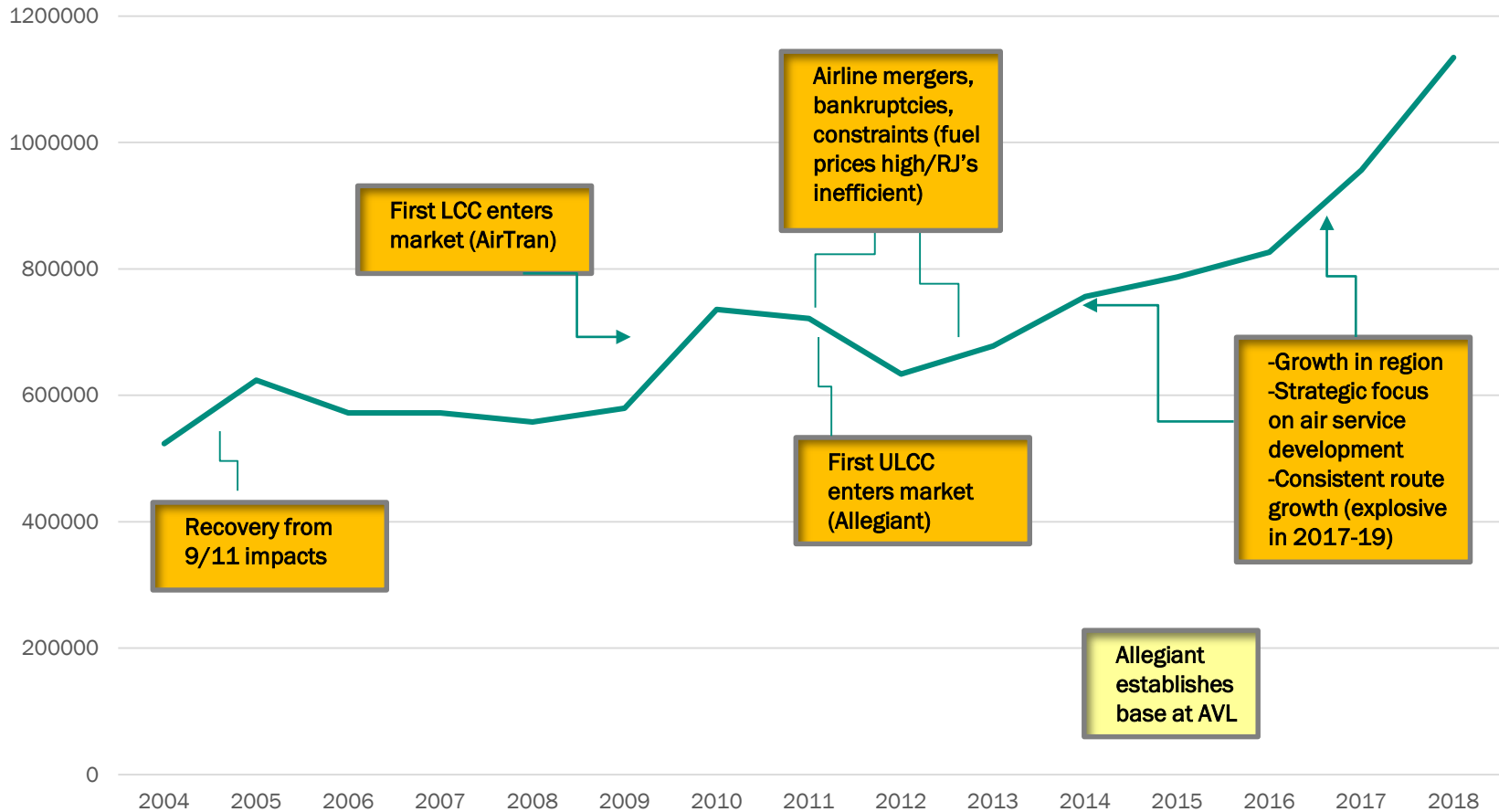
Growth trend

CY Passengers

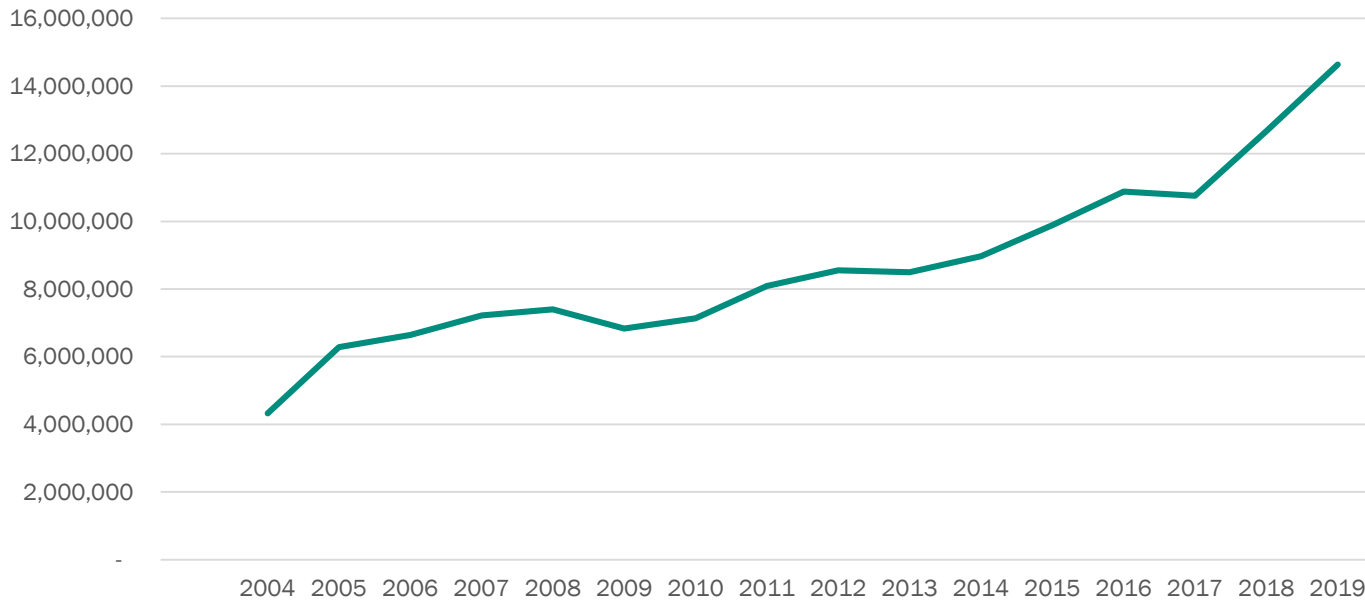


Impacts to growth

The past 15 years



Operating Revenue



Estimated Program Costs and Funding Sources

Greater Asheville Regional Airport Authority

(Fiscal Year Ending June 30)

Funding Sources

	Year	Total Cost	Funding Sources						Total
			AIP	State	PFC	TIFIA	Authority Capital		
			Entitlement				Cash Reserves	Bonds	
Ramp - South Expansion	FY 2020	10,664,537	2,937,817	882,000			6,844,720	0	10,664,537
Terminal Building - Design & Construction	FY 2020	25,000,000		2,000,000		9,250,000		13,750,000	25,000,000
Terminal Building - Design & Construction	FY 2021	75,000,000	2,948,083	2,000,000		27,750,000		42,301,917	75,000,000
Terminal Building - Design & Construction	FY 2022	50,000,000		2,000,000		18,500,000		29,500,000	50,000,000
Roadway Improvements	FY 2022	2,275,648	2,048,083				227,565	0	2,275,648
Total		\$162,940,185	\$7,933,983	\$6,882,000	\$0	\$55,500,000	\$7,072,285	\$85,551,917	\$162,940,185

Source: Airport management records

Compiled by PFM Financial Advisors LLC (August 2019)



(Fiscal Year Ending June 30)	GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY										
	Budget				Projected						
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
By Series:											
Series 2016 - Garage	1,703,952	1,705,800	1,703,261	1,701,115	1,703,253	1,704,554	1,700,019	1,704,766	1,703,558	1,701,513	1,703,631
Future Debt Service - Terminal (GARB + TIFIA)	0	0	0	0	3,388,350	3,388,350	4,370,331	7,889,143	7,933,717	7,975,972	8,015,925
Gross Debt Service	\$1,703,952	\$1,705,800	\$1,703,261	\$1,701,115	\$5,091,603	\$5,092,904	\$6,070,349	\$9,593,909	\$9,637,275	\$9,677,485	\$9,719,556
Less: Debt Service Offsets:											
Debt Service paid by CFCs	(851,976)	(852,900)	(851,631)	(850,558)	(851,627)	(852,277)	(850,009)	(852,383)	(851,779)	(850,756)	(851,816)
Future Debt Service paid with PFCs (Terminal)	0	0	0	0	(2,955,634)	(3,011,394)	(3,068,289)	(3,126,343)	(3,185,582)	(3,246,030)	(3,307,716)
Net Debt Service	\$851,976	\$852,900	\$851,631	\$850,558	\$1,284,343	\$1,229,233	\$2,152,051	\$5,615,183	\$5,599,914	\$5,580,698	\$5,560,025
Net Debt Service By Cost Center:											
Terminal Building	0	0	0	0	432,716	376,956	1,302,041	4,762,800	4,748,135	4,729,942	4,708,209
Parking, Roadway, and Ground Trans.	851,976	852,900	851,631	850,558	851,627	852,277	850,009	852,383	851,779	850,756	851,816
Total Net Debt Service	\$851,976	\$852,900	\$851,631	\$850,558	\$1,284,343	\$1,229,233	\$2,152,051	\$5,615,183	\$5,599,914	\$5,580,698	\$5,560,025

Source: Public Financial Management, Inc.
 Compiled by PFM Financial Advisors LLC (August 2019)



Financial Model Assumptions and Additional Information for Consideration

Financial Model Assumptions:

- Concession revenue expected to increase 25% in new facility
- Parking revenue expected to increase by 20%
- General Airport Revenue Bond at 3.5%
- TIFIA Loan at 2.39%

Results :

Years 2025-2030 : Net surplus between \$4 and \$5 million after debt service payments

Additional info for consideration:

- Financial projections are conservative
- Contracts with fixed rents provide guaranteed revenue
- This financial model does not include the increased state grant available toward debt service
- This financial model does not include the possibility of increased PFC revenue

**Asheville Regional Airport
Executive Summary
July-19**

AIRPORT ACTIVITY

	Month	Variance to Prior Year	Calendar Year to Date	Variance to Prior Year
Passenger Enplanements	81,749	46.7%	442,534	46.0%
Aircraft Operations				
Commercial	2,467	25.1%	13,161	29.1%
Scheduled Flights	1,047	43.8%		
Flight Cancellations	17			
Seats	97,558	51.2%	569,683	58.5%
Load Factor	83.8%	(3.0%)	77.7%	(7.9%)
General Aviation	5,262	22.6%	26,719	10.2%
Military	312	(17.2%)	1,803	(8.2%)

FINANCIAL RESULTS

	Month	Variance to Budget	Fiscal Year to Date	Variance to Budget
Operating Revenues	\$ 1,693,639	32.0%	\$ 1,693,639	32.0%
Operating Expenses	265,483	(64.6%)	265,483	(64.6%)
Net Operating Revenues before Depreciation	<u>\$ 1,428,156</u>	167.9%	<u>\$ 1,428,156</u>	167.9%
Net Non-Operating Revenues	<u>\$ 111,425</u>	(70.7%)	<u>\$ 111,425</u>	(70.7%)
Grants:				
FAA AIP Grants	\$ -		\$ -	
NC Dept of Transportation Grants	-		-	
Total	<u>\$ -</u>		<u>\$ -</u>	

CASH

Restricted	\$ 13,158,623
Designated for O&M Reserve	5,201,092
Designated for Emergency Repair	650,000
Unrestricted, Undesignated	11,197,739
Total	<u>\$ 30,207,454</u>

RECEIVABLES PAST DUE

	Total	1-30 Days	31-60 Days	Over 60 Days
Advertising Customers	32,919	13,548	4,871	14,500
Allegiant	13,440	-	631	12,809
American	7,940	-	583	7,357
Avis	4,828	462	737	3,629
Budget	1,588	-	263	1,325
Delta	235,318	75,461	74,029	85,828
Elite	4,198	3,125	1,073	-
Enterprise	1,444	425	922	97
TSA	4,352	130	355	3,867
Hertz	786	689	97	-
Paradies	5,967	2,363	666	2,938
Signature	4,279	-	-	4,279
Skywest	11,200	-	-	11,200
Spirit	4,101	357	341	3,403
Travelers	2,882	-	2,375	507
United	33,338	30,304	351	2,683
Vanguard	16,621	-	697	15,924
Worldwide	5,269	101	745	4,423
Miscellaneous	9,850	454	996	8,400
Total	<u>\$ 400,321</u>	<u>\$ 127,419</u>	<u>\$ 89,732</u>	<u>\$ 183,170</u>
% of Total Receivables	34.13%			

Note: Excludes balances paid subsequent to month-end.

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	1,835,000
	<u>\$ 21,000,000</u>	<u>\$ 17,585,000</u>

CAPITAL EXPENDITURES

Annual Budget	\$ 53,113,941
Year-to-Date Spending	\$ 27,601

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
August 9, 2019**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, August 9, 2019 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; George H. Erwin, Jr.; Brad Galbraith; Carl H. Ricker, Jr.; and Thomas M. Apodaca

MEMBERS ABSENT: K. Ray Bailey, Vice-Chair; Stephanie Pace Brown

STAFF AND LEGAL COUNSEL PRESENT: Cindy Rice, Authority Legal Counsel; Lew Bleiweis, Executive Director; Michael Reisman, Deputy Executive Director; 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 and Maintenance; Christina Madsen, Airport Properties and Contracts Manager; Lisa Jump, Director of Administration and Human Resources; Samuel Sales, Public Safety Captain; and Ellen Heywood, Clerk to the Board

ALSO PRESENT: David King, Gresham Smith; James Moose, Avcon; Jeff Kirby, Parrish & Partners; Jon McCalmont, Parrish & Partners; Patrick Pettit, Haskell; Paul Puckli, CHA Consulting

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

WELCOME OF NEW BOARD MEMBER – THOMAS M. APODACA: The Chair welcomed Mr. Apodaca to the Board.

INTRODUCTION: The Director introduced Lisa Jump as the Authority's new Director of Administration and Human Resources. The Board welcomed Ms. Jump.

PRESENTATIONS: None

FINANCIAL REPORT: The Director reported on the airport activity for the month of June which included enplanements, aircraft operations, and general aviation activity. Janet Burnette reported on the financial activity for the month of June. The Chair requested information on the \$91,000 loss for the month. Mrs. Burnette responded that

this was attributable to repairs for the ARFF truck in the amount of \$166,000 as well as the payment to Spirit Airlines for \$295,000.

CONSENT ITEMS: The Chair stated that Consent Item B, Approval of the Greater Asheville Regional Airport Authority June 14, 2019 Closed Session Minutes, would be pulled for review in Closed Session.

A. Approval of the Greater Asheville Regional Airport Authority June 14, 2019 Regular Meeting Minutes: Mr. Erwin moved to approve the Greater Asheville Regional Airport Authority June 14, 2019 Regular Meeting Minutes. Mr. Ricker seconded the motion and it carried unanimously.

OLD BUSINESS: None

NEW BUSINESS:

A. Approval of Agreement with GS&P, NC, an Affiliate of Gresham Smith & Partners for Terminal Building Design Services: Michael Reisman explained to the Board that the scope of Task Order No. 2 with GS&P is the actual design services for the terminal building project. In order to ensure flexibility for the Authority in committing funds for this project, the design services can be split into two phases. The first phase will include design development and schematic design. This will bring the project to near the 30% design point and will provide a clear path on what is built as well as how the terminal will be built. A Construction Manager at Risk (CMR) could be selected for the project at the conclusion of phase I, as well as time for an evaluation and refinement of the scope of work for any adjustments to the scope and design fees. The second phase would then see the design work through to the end, with construction starting at the conclusion. Once the CMR selection is completed it will be possible to complete the scope of Resident Project Representative (RPR) services either with GS&P or another outside firm. RPR services will be added to the agreement under separate action by the Board. Mr. Reisman reviewed the fees for the design services which included \$3,969,904.50 for Phase I and \$8,638,889.50 for Phase II for a total of \$12,608,794.00. As required by the FAA, an Independent Fee Estimate (IFE) was conducted by Mead and Hunt to validate the proposal submitted by GS&P. The IFE estimated the cost at \$11,741,040.00, however, the FAA considers a fee proposal to be reasonable if the proposal and IFE are within 10% of each other. Mr. Reisman informed the Board that \$25 million has been approved by the Board in the current fiscal year's capital budget for the terminal project. Mr. Reisman pointed out to the Board that in the time since the Board memo was prepared for the agenda package, staff has received the FAA's approval of the overall

scope of work. The FAA has also approved the fee for Phase I, but have asked staff to come back separately for approval of the fee for Phase II once the work is completed in Phase I. Mr. Reisman stated that David King with GS&P was in attendance and could answer any questions the Board may have.

The Board inquired if Ms. Rice had read through the agreement. Ms. Rice responded that she had read through the documents that had been included in the agenda package and that late the day before was provided the underlying Agreement for Professional Services that relates to this project. Mr. Reisman stated that the master consulting services agreement which was executed in August of 2018 was the Authority's standard boiler plate contract. This agreement was produced by the Authority and has been used for every other consulting contract since both the Director and Mr. Reisman have been with the Authority.

A question was asked regarding use of a CMR and if this was included in past documents. Mr. Reisman stated that the Authority has never used a CMR, however, this project was fairly complex because the terminal will be built on top of the existing footprint and there were a lot of unknowns. Using a CMR is the most practical and effective method and puts the risk for additional costs and unknowns on the CMR. Mr. Reisman further stated that by using the CMR process, the Authority will be picking a contractor based upon their qualifications rather than on a low bid. The contractor's bid may not be as low as picking a contractor through the low bid process, however, this project will be best served with a quality contractor. The FAA does have a process for an airport to go through using a CMR and staff will need their approval, however, a contractor will not need to be picked based on a low bid. Mr. King informed the Board that the CMR will be brought on board after the first phase and that the CMR will have a direct contract with the Authority.

The Board asked for the opinion of Ms. Rice and if she felt she needed to review the contracts. Ms. Rice responded that she has reviewed the documents but not for the purpose of providing a legal opinion and that it was up to the Board if they chose to have her review from a legal perspective. A brief discussion ensued regarding the review of contracts by legal counsel. Ms. Rice stated that she will be happy to review the contract for professional services that is already in place as well as the current scope of work to determine if anything needed to be modified and to report back with recommendations. The possibility was brought up of the Board approving the scope of work with GS&P contingent upon legal review with no substantial changes or allowing time for Ms. Rice to review the contracts and then schedule a special meeting. Ms. Rice stated that her preference is always for the Board to approve a final document as there can be a question as to what is considered a major revision or she would err on the side of caution and request a special meeting if there was anything remotely major. Mr. Reisman advised

the Board that any changes to the scope of services would require review and approval by the FAA and changes to the master agreement will require staff to renegotiate the terms with GS&P and then approval by the Board.

Mr. Apodaca moved to approve Task Order No. 2 with GS&P N.C. an Affiliate of Gresham Smith and Partners for Phase 1 in the amount of \$3,969,904.50 pending legal review of the contract with no material changes and to authorize the Executive Director to sign the necessary documents. Mr. Galbraith seconded the motion and it carried unanimously.

The Chair stated that a review of contracts as policy for the Board may be something to look at for the future. Ms. Rice said that she would be happy to discuss this, and for the Board to set some parameters and the scope to ensure the role of the Board is to assist and not hinder administration. The Director stated that a review of new boiler plate documents would be a good idea.

B. Ratify Approval of Right of Way Encroachment Agreement with NCDOT and Three Party Right of Way Encroachment Agreement with NCDOT and the City of Asheville Water Department: Michael Reisman informed the Board that the design work for the water and sewer infrastructure along Terminal Drive has been substantially completed. The new water and sewer lines will tie in with existing water and sewer main lines located in the NCDOT right of way along NC-280 at two locations. The airport's contractors will be required to encroach into both locations of the NCDOT right of way to accomplish the work and the airport's privately owned water and sewer lines will remain permanently inside the right of way as will a portion of the water system that will belong to the City of Asheville Water Department. Mr. Reisman stated that the agreement between the Authority and the NCDOT is for the sewer line encroachment and the agreement between the Authority and the City of Asheville is for the water line encroachment. In order to keep the project on schedule, it was necessary to execute the documents. In the absence of the Executive Director, the Deputy Executive Director, with authorization, executed these documents on behalf of the Authority.

Mr. Erwin moved to ratify approval for the Deputy Executive Director to execute the Right of Way Encroachment Agreement with NCDOT, and the Three Party Right of Way Encroachment Agreement with NCDOT and the City of Asheville Water Department. Mr. Ricker seconded the motion and it carried unanimously.

C. Approval of Agreement with LAZ Parking to Operate Shuttle Buses: The Director advised the Board that this item was pulled from the agenda. Staff has not received a complete agreement, therefore, this item will be brought back to the Board in September.

D. Approval of Contract for South Apron Expansion Project: The Director stated that this item was also pulled from the agenda. Bids were set to be opened on July 30th, however, only two bids were received. North Carolina requires three bids, therefore, the bid opening was rescheduled for August 22nd. Staff will bring this back to the Board in September.

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

A. Allegiant Operations: The Director reported that Allegiant is basing a third aircraft in Asheville beginning on August 14th. A fourth aircraft could also be scheduled to be based in Asheville in December. Staff is working with Allegiant on parking options. Allegiant has notified staff that they will be scaling back their Fort Lauderdale service from the 17 flights per week that are currently offered. Staff does not yet have the new Fort Lauderdale schedule.

B. Spirit Airlines: Spirit Airlines has released their fall schedule and are pulling both the Fort Lauderdale and Tampa service to concentrate on daily Orlando service.

C. Broadmoor Golf Course: The Authority is owed \$12,000 by Broadmoor Golf Course and Broadmoor has filed for bankruptcy. The Director informed the Board that since Patla, Straus, Robinson & Moore does not specialize in bankruptcy, the Authority has retained Gum, Hillier & McCroskey to file a bankruptcy claim on behalf of the Authority.

D. Airline Rates and Charges: The Director stated that the Authority is ending the fiscal year with almost \$6 million net into the fund balance. The airport's intent is to keep the rates and charges as low as possible for the airlines to ensure profitability in Asheville. The airport has made approximately \$500,000 in net revenue above and beyond what the airlines expensed using the facility. Staff met with the airlines last week and may move forward with an amendment to the ordinance reducing the rates for the next fiscal year.

E. United Airlines: The Director reported that all the airlines, with the exception of United Airlines, have signed the airport's operating agreement. The agreement contains a clause stating the airlines will strive to deliver baggage within 25 minutes of the flight landing or the airport can assess fines. Staff has talked with a consultant who confirmed that it is extremely rare for an airline to not sign the operating agreement. Staff may seek approval for a new rate ordinance on a penalty for those airlines that elect not to sign.

F. Airfield Update: Michael Reisman informed the Board that since the revised takeover agreement has been in place, there has been a very aggressive effort to get the work done. Unfortunately, Rogers Group, the paving contractor, is having difficulties meeting the specifications on grade control and the process to protect the surface. They have been working to correct the issues, but in the process the paving has stopped for the time being. In the interim, a lot of electrical work and secondary dirt work is taking place. RS&H will be detailing the issues in a letter which will be supplied to Ms. Rice for submittal to Travelers.

INFORMATION SECTION: No comments

PUBLIC AND TENANTS COMMENTS: None

CALL FOR NEXT MEETING: The Chair stated that the next regular meeting of the Authority Board will be held on September 6, 2019.

AUTHORITY MEMBER REPORTS: None

CLOSED SESSION: At 9:36 a.m. Mr. Erwin moved to go into Closed Session Pursuant to Subsections 143-318.11 (a)(3), (4) and (6) 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 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, and to Consider Personnel Matters. Mr. Galbraith 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 10:52 a.m.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY AUGUST 9, 2019

CLOSED SESSION MINUTES: Mr. Erwin 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. Ricker seconded the motion and it carried unanimously.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY JUNE 14, 2019 CLOSED

SESSION MINUTES: Mr. Erwin moved to approve the minutes for the June 14, 2019 Closed Session and to seal and withhold the minutes for the June 14, 2019 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Ricker seconded the motion and it carried unanimously.

ADJOURNMENT: Mr. Erwin moved to adjourn the meeting at 10:55 a.m. Mr. Ricker seconded the motion and it carried unanimously.

Respectfully submitted,

Ellen Heywood
Clerk to the Board

Approved:

Matthew C. Burrell
Chair



MEMORANDUM

TO: Members of the Airport Authority

FROM: Lisa Jump, Director of Administration and Human Resources

DATE: September 6, 2019

ITEM DESCRIPTION – CONSENT ITEM C

Approval of Position Reclassification and Amended Pay Grade Structure

BACKGROUND

The Asheville Regional Airport has had substantial growth in passenger traffic over the last eighteen months. The increase in traffic requires custodial staff to be available during the hours of operation to maintain the cleanliness of airport facilities. To ensure that the facility is maintained, and custodial work is managed outside of the hours of the Custodial Supervisor, staff is requesting that we re-classify an existing Custodial Technician in Pay Grade 1 to the newly created position of Custodial Lead in Pay Grade 2. This position would be responsible for planning, organizing, and assigning work priorities for the custodial staff assigned to their shift and would have the ability to amend priorities as necessary to ensure all airport facilities are clean.

ISSUES

The position reclassification and amended Pay Grade Structure will help the airport maintain clean facilities by creating a lead position.

ALTERNATIVES

The Authority Board could decide not to approve the proposed position reclassification and amended pay structure.

FISCAL IMPACT

The salary adjustment will affect one position in Pay Grade 1 by moving it to Pay Grade 2. The expense for these adjustments is minimal. The recommended pay adjustment is a tool to ensure that pay levels for Authority positions are competitive externally and equitable internally. This is an ongoing budget commitment for the Authority.



RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the position reclassification and amended Pay Grade Structure; and (2) authorize the Executive Director to implement such changes effective September 6, 2019; and amend the FY2019/2020 budget by adopting the following budget ordinance 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, 2020:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Operations Department		<u>\$4,000</u>
Total		<u>\$4,000</u>

This will result in a net increase of \$4,000 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash		<u>\$4,000</u>
Total		<u>\$4,000</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 6th day of September 2019.

Matthew C. Burril, Chair

Attested by:

Ellen Heywood, Clerk to the Board

ASHEVILLE REGIONAL AIRPORT AUTHORITY POSITION DESCRIPTION	
POSITION TITLE: Custodial Lead	DATE: 09/06/2019
DEPARTMENT/TITLE OF SUPERVISOR: Operations/Custodial Supervisor	GRADE/LEVEL: 2

Position Summary (Primary Function)

Serves as lead worker in performing routine common and manual work in cleaning of all airport facilities. Maintains airport facility interior and exterior on a daily basis.

- Reports to: Custodial Supervisor
- Directs Work: Custodial Technician and Supplemental staff.

An employee in this class performs manual labor involving cleaning and janitorial services. The position participates in completing custodial tasks with subordinate staff. Work involves the use of a variety of cleaning tools and cleaning agents. Work includes the performance of routine, established tasks such as cleaning restrooms, collecting garbage from garbage cans, restocking restroom supplies, and cleaning offices. Lead responsibilities include responding to radio calls and reviewing work of Custodian Technicians in the absence of the Custodial Supervisor. Work is performed under the immediate supervision of the Custodial Supervisor and is evaluated through observation and inspection of work for adherence to established work standards. Work involves assigning work to subordinate employees, staffing, training, and monitoring quality, and effectiveness. This position must exercise considerable tact and judgment in corresponding with the general public regarding complaints, problems, and requests for service.

Responsibilities (Essential Functions)

- Plans, organizes, and determines work priorities for the Custodial Technicians, adjusts and amends priorities as necessary for those assigned to his/her shift.
- Assigns and inspects work; trains, coaches' employee performance.
- Unloads and stocks delivered supplies in the absence of supervisor.
- Responds to radio calls for custodial and operational assistance.
- Assists custodians in completing assigned work.
- Cleans restrooms, restroom fixtures polishes chrome fixtures, mirrors and cleans windows and door glass.
- Completes restroom checklist of tasks.
- Stocks restrooms with supplies such as toilet paper, paper towels and soap; monitors supplies for usage and restocks as necessary.
- Sweeps curbside outside terminal building.
- Provides direction to the public and answers general inquiries.
- Spot cleans carpet as necessary.
- Shampoos vacuums, buffs, mops and sweeps all floors.
- Dusts light fixtures, vents, displays and furniture.
- Stocks cleaning cart.

ASHEVILLE REGIONAL AIRPORT AUTHORITY POSITION DESCRIPTION

POSITION TITLE: Custodial Lead	DATE: 09/06/2019
DEPARTMENT/TITLE OF SUPERVISOR: Operations/Custodial Supervisor	GRADE/LEVEL: 2

- Empties ashtrays and trash cans.
- Cleans windows and glass doors.
- Operates carpet shampooer, vacuum, and floor buffing machine.
- Performs snow removal along sidewalks and other areas using supplied equipment during winter events.
- Maintains current knowledge of all Asheville Regional Airport Authority rules, regulations, directives, and policies.
- Responds to requests for services and complaints concerning facility cleanliness from tenants, visitors, and airport staff.
- Performs related tasks as required.

Education Requirements (Evaluation Factors: Skills, Education, Experience and Ability)

- Completion of high school or equivalent education required. Experience working in the custodial field, or any combination of education and experience that produces the required knowledge, skills, and abilities listed above.

Experience Requirements

- Considerable knowledge of occupational hazards and applicable job-relative safety precautions associated with assigned work.
- Thorough knowledge of the methods, principles and techniques, tools, and equipment utilized in custodial maintenance and cleaning.
- Thorough knowledge of safety regulations, occupational hazards, and related safety precautions.
- Thorough knowledge of cleaning chemicals, solutions, tools, and equipment.
- Skill in using custodial materials, tools, and equipment utilized in the cleaning of buildings.
- Ability to establish and maintain effective working relationships with staff, tenants, visitors, supervisors, and subordinates.
- Ability to follow established directions and procedures for completing work assigned.
- Ability to respond courteously to passengers, tenants, and guests.

ASHEVILLE REGIONAL AIRPORT AUTHORITY POSITION DESCRIPTION	
POSITION TITLE: Custodial Lead	DATE: 09/06/2019
DEPARTMENT/TITLE OF SUPERVISOR: Operations/Custodial Supervisor	GRADE/LEVEL: 2

Other Requirements

- Maintains a Valid North Carolina driver's license.
- Ability to pass and maintain security clearance.
- Ability to pass a medical exam that demonstrates that the employee can perform the required duties of this position.
- Ability to pass drug screening as may be required.

Working Conditions

- Physical Demand - Work in this position is light work exerting up to 50 lbs. of force occasionally, and/or up to 20 lbs of force frequently, and/or negligible amounts of force constantly to move objects.
- Physical activities include some climbing, balancing, stooping, kneeling, crouching, reaching, standing, walking, pushing, pulling, lifting, fingering, feeling, talking, hearing, grasping, and repetitive motions.
- This position is required to have the visual acuity to determine the accuracy, neatness, and thoroughness of work assigned, and make visual inspection of facilities, operate equipment, and determine the accuracy, neatness, and thoroughness of work assigned. This position is exposed to chemicals used for cleaning.
- This position is primarily subject to inside conditions; however, the duties require the position to assist the Snow Boss with snow removal activities around the Airport as needed from time to time.
- The position is expected to assist greeters and is on the emergency response team. Team members are expected to respond as necessary in the day-to-day operation of the Airport.
- This position is subject to inside and outside environmental conditions, including extreme hot and cold weather, noise, physical hazards, and narrow passageways. Work hours vary and are assigned as needed to meet operational requirements.
- This position is expected to assist with other duties as being requested and required from time to time.

**ASHEVILLE REGIONAL AIRPORT AUTHORITY
POSITION DESCRIPTION**

POSITION TITLE: Custodial Lead	DATE: 09/06/2019
DEPARTMENT/TITLE OF SUPERVISOR: Operations/Custodial Supervisor	GRADE/LEVEL: 2

APPROVAL SIGNATURES:

Department Director

Date: _____

Administration Director

Date: _____

Executive Director

Date: _____

Level	Category	Job Title	Pay Range		
			Min	Mid	Max
10	Dep. Ex. Dir.	Deputy Executive Airport Director	\$ 99,000	\$137,000	\$ 175,000
9	Finance	Director of Finance & Accounting	\$ 85,000	\$107,000	\$ 128,000
8	DPS	Chief of Public Safety	\$ 80,000	\$99,500	\$ 122,000
8	IT	Director of IT	\$ 80,000	\$99,500	\$ 122,000
8	Operations	Director of Operations & Maintenance	\$ 80,000	\$99,500	\$ 122,000
8	Administration	Director of Administration & HR	\$ 80,000	\$99,500	\$ 122,000
8	Marketing	Director of Mkg, PR & Air Service	\$ 80,000	\$99,500	\$ 122,000
7	Development	Development Manager	\$ 68,000	\$ 77,500	\$ 100,000
7	Safety	Safety Manager	\$ 68,000	\$ 77,500	\$ 100,000
7	Contracts	Properties and Contracts Mgr	\$ 68,000	\$ 77,500	\$ 100,000
6	DPS	DPS Captain	\$ 52,000	\$63,000	\$ 75,000
6	Maintenance	Maintenance Supervisor II	\$ 52,000	\$63,000	\$ 75,000
6	IT	Systems Administrator	\$ 52,000	\$63,000	\$ 75,000
6	Operations	Operations Supervisor	\$ 52,000	\$63,000	\$ 75,000
6	Finance	Accounting Administrator	\$ 52,000	\$63,000	\$ 75,000
5	IT	Airport Systems Technician II	\$ 42,000	\$51,500	\$ 62,000
5	Custodial	Custodial Supervisor I	\$ 42,000	\$50,250	\$ 58,500
5	Maintenance	Maintenance Tech IV	\$ 42,000	\$50,250	\$ 58,500
5	Marketing	Brand and Experience Mgr	\$ 42,000	\$50,250	\$ 58,500
5	Operations	Operations Specialist II	\$ 42,000	\$50,250	\$ 58,500
5	DPS	PSO Lieutenant	\$ 42,000	\$50,250	\$ 58,500
5	Executive	Executive Assistant	\$ 42,000	\$50,000	\$ 58,500
5	Guest Services	Guest Services Supervisor	\$ 42,000	\$50,000	\$ 58,500
4	Finance	Accounting Coordinator II	\$ 38,000	\$45,500	\$ 52,000
4	Development	Development Coordinator II	\$ 38,000	\$45,500	\$ 52,000
4	IT	IT Coordinator II	\$ 38,000	\$45,500	\$ 52,000
4	Maintenance	Maintenance Tech III	\$ 38,000	\$45,500	\$ 52,000
4	Operations	Operations Specialist I	\$ 38,000	\$45,500	\$ 52,000
4	DPS	Public Safety Officer	\$ 38,000	\$45,500	\$ 52,000
3	Administration	P/T Admin Coordinator I	\$ 33,000	\$40,500	\$ 47,250
3	DPS	Fire Fighter	\$ 33,000	\$40,500	\$ 47,250
3	Maintenance	Maintenance Technician II	\$ 33,000	\$40,500	\$ 47,250
3	Marketing	Marketing & PR Coordinator	\$ 27,500	\$33,000	\$ 38,750
2	Maintenance	Maintenance Technician I	\$ 27,500	\$33,000	\$ 38,750
2	Custodial Lead	Custodial Lead	\$ 27,500	\$33,000	\$ 38,750
1	Custodial	Custodial Technician	\$ 26,000	\$31,500	\$ 37,000
1	Guest Services	Guest Services Clerk	\$ 26,000	\$31,500	\$ 37,000



MEMORANDUM

TO: Members of the Airport Authority

FROM: John G. Coon, A.A.E.
Director of Operations and Maintenance

DATE: September 6, 2019

ITEM DESCRIPTION – New Business Item A

Approval of Agreement with LAZ Parking to Operate Shuttle Buses

BACKGROUND

At the May 10, 2019 meeting, the Board approved the purchase of buses for passenger shuttle operations. LAZ Parking, current operator of the parking system, will operate the buses on behalf of the authority. LAZ has submitted a one-year budget to operate the shuttle buses at a cost of \$385,257.00. The proposed agreement reflects operating the buses for approximately 20 hours per day 7 days a week, depending upon demand.

ISSUES

None.

ALTERNATIVES

None.

FISCAL IMPACT

The total expense of \$385,257.00 will be paid from the GARAA funds.

RECOMMENDED ACTION

It is respectfully requested that the Greater Asheville Regional Airport Authority Board resolve to (1) authorize the execution of shuttle agreement with LAZ Parking in the amount of \$385,257.00; (2) authorize the Executive Director to execute the necessary documents; and (3) amend the FY2019/2020 budget by adopting the following budget ordinance amendment:

New Business – Item A



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, 2020:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Operations Department	_____	\$385,257.00
Total	_____	\$385,257.00

This will result in a net increase of \$385,257.00 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash	_____	\$385,257.00
Total	_____	\$385,257.00

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 6th day of September 2019.

 Matthew Burrell, Chair

Attested by:

 Ellen Heywood, Clerk to the Board

SHUTTLE SERVICE AGREEMENT

This Shuttle Service Agreement ("Agreement") is made this _____ day of _____ ("Effective Date") by and between the Greater Asheville Regional Airport Authority ("Owner"), a body corporate and politic in the State of North Carolina, having its office and principal place of business at 61 Terminal Drive, Suite 1, Fletcher, North Carolina 28732 and LAZ PARKING GEORGIA, LLC, a limited liability company, having its office and principal place of business at 3500 Lenox Road, N.E., Suite 700, Atlanta, Georgia 30326 ("Agent").

Owner is the owner of the property known as Asheville Regional Airport and surrounding property ("Property") and Owner has requested that Agent manage and operate shuttle services ("Shuttle Services") on the Property, and Agent is experienced in providing such Shuttle Services and is willing to do so on the terms and conditions described below.

NOW THEREFORE, for good and valuable consideration, the parties agree as follows:

1. Engagement of Agent. Owner engages Agent to operate and provide, as an independent contractor, for and on behalf of Owner shuttle services between the various parking areas, on routes within the Property, pursuant to a schedule and route determined by Owner in consultation with Agent, during the term of this Agreement.

2. Term. The initial term of this Agreement shall be for a period of one year commencing on the Effective Date (the "Term"). Thereafter, the Term shall be extended on a month-to-month basis, and either party may terminate this Agreement without penalty by giving thirty (30) days advance written notice to the other party. Owner shall be liable for payment for services only up to and including the date of termination.

3. Scope of Operation: Agent's Duties. Agent shall provide regular Shuttle Services at the Property on routes and pursuant to a schedule determined by Owner in consultation with Agent. Agent shall perform and furnish the Shuttle Services in compliance with all laws and ordinances applicable thereto, including without limitation, laws requiring proper licensure and certification of drivers and laws and regulations, if any, applicable to the provision of transportation services in and upon public ways. Agent shall consult with Owner in all matters affecting the provision of Shuttle Services, provided that Agent shall remain solely responsible therefor and for all acts of Agent's contractors, subcontractors, agents and employees. In connection with providing the Shuttle Services, Agent shall be responsible for the following:
 - a. Agent shall provide all equipment and vehicles required to operate Shuttle Services on the Property in accordance with this Agreement (which may either be leased or owned by Owner) with all such Shuttle vehicles being subject to Owner's approval, which approval will not be

unreasonably withheld.

- b. Agent shall maintain all vehicles used for the Shuttle Services in first quality clean condition and in good and safe mechanical repair and condition.
- c. Agent shall obtain, and throughout the term of this Agreement, at all times maintain all applicable permits, licenses and approvals required by any State and/or local governmental laws, ordinances or regulations in order to lawfully provide the Shuttle Services to the Property and operate the Shuttle Services vehicles.
- d. Agent shall employ, discharge and supervise all persons including, without limitation, managers, attendants, drivers or any other personnel, necessary for the efficient operation of Shuttle Services. Agent shall instruct its drivers and other employees used for the Shuttle Services as to their duties, schedule such employees, and oversee their work. All Shuttle drivers utilized by Agent for the Shuttle Services shall meet or be subject to the following requirements:
 - must be neat in appearance and be properly uniformed (which uniform shall be subject to Owner's reasonable approval) while on duty;
 - must have the ability and speak fluent English;
 - must have a valid driver's license to operate the Shuttle Services vehicles in the State of North Carolina;
 - must be customer service friendly in greeting passengers;
 - must not use profanity in the presence of passengers;

At Owner's request, Agent shall remove and replace any driver/employee that does not meet or follow the requirements of this Section 3d.

- e. The Agent shall be responsible to install directional and operational signage approved by Owner. Such approval shall not be unreasonably withheld. Owner shall be responsible for all costs and permit requirements for such signage.
- f. The Shuttle Services shall be operated at the Property. The pick-up and drop-off area at the Property will be determined by Owner in consultation with Agent and made known before operations commence.
- g. Agent shall carry and provide Owner with acceptable evidence of the following types and kinds of insurance, with coverage for persons providing service under this Agreement:

- Worker's Compensation & Employer's Liability in the statutory limits for the State of North Carolina covering all employees of Agent while carrying out the services under this Agreement, provided that Employee Liability limits shall be no less than \$1,000,000 each person;
- Commercial General Liability (including Automobile Liability) with limits of no less than \$5,000,000.
- Automobile Liability insurance coverages are subject to an Owner deductible or self-insured retained amount not to exceed \$5,000.00, provided such coverage is not for the sole negligence of the Agent or its employees. The Owner deductible amount and insurance premiums may be changed upon 60 days written notice to Owner. Owner acknowledges that the actual deductibles or Self-Insured Retained amount may exceed the Owner deductibles or the Agent Self Insured Retained amounts, however, Owner is not liable for any amount in excess of \$5,000. Owner agrees that Agent may self-insure a portion of the insurance noted above and must notify Owner of such amount. It is understood that the liability policies carried by Agent as noted above do not provide coverage for any claim pertaining to security issues or services.

The above limits can be provided by a combination of primary and excess liability policies. Such policies, to the extent applicable, shall include Owner as additional insured parties and shall be primary and non-contributory to any insurance available to Owner. Certificates of all such policies shall be furnished to Owner prior to the commencement of Agent's services under this Agreement. In connection with any such insurance, Agent may insure under its blanket policies and provide proof of cost of such insurance to Owner. All insurance policies required under this Agreement shall be issued by insurance carriers authorized to transact business in North Carolina and be rated at least A IX at all times by AM Best & Company or otherwise satisfactory to Owner. All such policies shall provide that they may not be cancelled or materially and adversely altered without endeavoring to provide at least thirty (30) days' prior written notice to the other party. At least ten (10) days prior to the expiration of any such insurance policies, Agent shall deliver to Owner evidence that such policy has been renewed or replaced with a different policy which complies with the requirements of this Agreement.

4. Waiver of Subrogation. Agent hereby waives any claims against Owner, or its agents or employees, that would be covered by insurance required to be maintained by Agent pursuant to this Agreement, and Agent agrees to obtain

endorsements from all insurance carriers providing insurance coverage pursuant to this Agreement, waiving any rights of subrogation which might otherwise exist.

5. Claims. Agent will provide a written report to Owner of the occurrence of any claims pertaining to injury, damage, theft or casualty losses within twenty-four (24) hours of the occurrence of the claim. Under no circumstances shall Agent be responsible for theft, loss or damage (or any claims pertaining to the same) for objects left inside the Shuttle Services vehicles and all such objects being left therein shall be at the passenger's/property owner's sole risk.

6. Indemnification. Except as otherwise provided in this Agreement, and to the extent permitted by law, Agent shall indemnify, defend and hold harmless Owner, its past present, and future appointed officials, officers, agents and employees from and against all claims, liabilities, losses, damages or expenses (including, without limitation, court costs, attorney's fees and other litigation related expenses) arising out of or relating to providing the Shuttle Services by Agent and/or its employees, except to the extent any such claims, liabilities, losses, damages or expenses arise out of the gross negligence or intentional misconduct of Owner, its employees or contractors. It is understood and agreed that Agent shall have none of the above-described liabilities or obligations with respect to Owner's employees, for whom Owner shall be directly responsible. Agent's obligations under this Section 6 shall survive the expiration or termination of this Agreement.

7. Operating Expenses, Management Fee & Billing "Operating Expenses" shall include all the expenses of providing Shuttle Services, other than (i) expenses of a capital cost nature; (ii) those expenses to be borne by Agent; and (iii) those expenses to be borne by Owner (set forth in Exhibit B); provided that the Operating Expenses shall be limited to and reasonably consistent with those expenditure categories and related cost estimates set forth on the one-year Approved Budget, a copy of which is attached hereto as Exhibit "B". Subject to the foregoing, Operating Expenses for the Shuttle Services to be provided in accordance with this Agreement as allowed within the budget shall include:

- 1) Any sales, service, parking and other similar taxes imposed on Agent by any governmental authority for services rendered by Agent or imposed or assessed for providing the Services, but specifically excluding taxes on the income of Agent and business taxes, other than franchise taxes on income or profit;
- 2) Wages of employees directly engaged in the Shuttle Services operation;
- 3) Payroll Taxes, worker's compensation insurance, retirement benefits, and payroll processing;
- 4) Group health care expenses;

- 5) Employee training and safety incentive programs for on-site personnel;
 - 6) Payment to independent contractors performing maintenance and repair services in connection with providing the Services;
 - 7) Costs of purchasing supplies and signs used in providing the Services;
 - 8) Costs of equipment, including time clock devices;
 - 9) On-site telephone, cellular, and data communication charges to the extent that such charges are directly related to the operation of this Agreement;
 - 10) Fees for license, permits, approvals and bonds required for the operation;
 - 11) Liability Insurance;
 - 12) Advertising and promotion costs;
 - 13) Normal maintenance and;
 - 14) Legal or audit charges directly attributable to the operation of the Shuttle Services other than those performed by the staff of Owner or Agent if approved in advance by the Owner;
- (a) In accordance with Owner budget and board approval process, prior to the commencement of each anniversary of this Agreement, Agent shall prepare and submit to Owner for its approval a proposed operating budget for the next year. The proposed budget shall include all categories of expenses to be paid by Agent in the operation of the Shuttle Services and shall include an automatic adjustment tied to the Consumer Price Index for all Urban Consumers (CPI-U). In the event the parties cannot agree on the proposed budget by the beginning of the next anniversary, Agent shall utilize the last Approved Budget, adjusted by the CPI-U until such time as the proposed budget is approved. Agent shall not, without first obtaining the prior written approval of Owner, incur any expense item in excess of the greater of Two Thousand Dollars (\$2,000) and 110% of the budgeted amount, unless such item is necessitated by an emergency not created by Agent which does not permit Agent to obtain the prior written approval of Owner; provided Owner shall be informed by the next business day of any such expenditure.

8. As compensation for the Shuttle Services provided under this Agreement, Agent

will be paid a Management Fee equal to eighteen thousand and 00/100 dollars per year (\$18,000), paid in equal monthly installments over a twelve (12) month period.

9. (a) On or before the fifteenth (15th) day of each and every month during the term of this Agreement, Agent shall provide Owner with a statement of the Operating Expenses for the prior month. Each statement will include appropriate invoice back-up for all Operating Expenses. Owner shall pay such Operating Expenses together with the above Management Fee within thirty (30) days following receipt of such statement.

(b) Agent agrees to keep, maintain and make available to Owner a complete set of books and records of all Operating Expenses and costs incurred by Agent in connection with the operation of the Shuttle Services on the Property. During the term of this Agreement, and within 12 months post contract term, Owner shall have the right to inspect, copy and audit, during normal business hours, all such records and supporting documentation at Owner's expense. Owner reserves the right to contest any Operating Expense incurred by Agent.

10. Assignment by Agent. Subject to the consent of Owner, which consent shall not be unreasonably withheld, Agent may assign its rights and obligations under this Agreement to any parent, subsidiary, or affiliate, provided that such assignee assumes all obligations to be performed by Agent under this Agreement. Except as otherwise provided in the preceding sentence, Agent shall not assign or delegate its rights or obligations under this Agreement without the prior written consent of Owner.

11. Transfer By Owner. In the event of any transfer or sale of the Property, this Agreement shall continue in full force and effect and Owner shall assign its rights and obligations under this Agreement to such successor owner of the Property and from and after the date of transfer, such successor shall assume and be responsible for the performance of all obligations to be performed by Owner in this Agreement.

12. Default/Remedies/Termination. In the event that either party fails to comply with any provision of this Agreement, then the non-defaulting party may give written notice to the other party describing the default. The party alleged to be in default shall have ten (10) days from the date of such notice to cure the default provided that in the event such default cannot be cured within said ten (10) days period, and the defaulting party is diligently pursuing the cure of such default, the ten (10) days cure period will be extended accordingly. In the event the defaulting party fails to cure the default within the forgoing cure period, the non-defaulting party shall have the right to immediately or at any time thereafter terminate this Agreement upon written notice to the defaulting party.

In the event that this agreement is terminated for any reason at any time prior to the end of the Initial Term, vehicles must be immediately returned and Owner.

13. Notices. Any notice which either party is required or may desire to give to the other under this Agreement shall be in writing and shall be deemed to have been duly given when mailed postage prepaid by a nationally recognized overnight courier service, or by certified U.S. mail, return receipt requested. A Notice shall be deemed to be given for all purposes (i) one (1) business day after delivery to a nationally recognized, overnight courier service, and (ii) three (3) business days after mailing by certified or registered mail, return receipt requested, addressed as follows:

Owner:

Greater Asheville Regional Airport Authority
Attention: Executive Director
61 Terminal Drive, Suite 1
Fletcher, North Carolina 28732

Agent:

LAZ PARKING GEORGIA, LLC,
Attention: Executive VP – Airports Division
3500 Lenox Road, N.E., Suite 700
Atlanta, Georgia 30326

or to such other addresses as either party shall designate by notice to the other party in writing.

14. Entire Agreement. This Agreement represents the entire agreement between the parties, and all understandings and agreements heretofore or simultaneously had between the parties are merged into this Agreement and are contained herein, and this Agreement fully and completely expresses the

Agreement between the parties with respect to the subject matter hereof. This Agreement may be changed or modified only by means of a written instrument signed by the parties hereto.

15. Multiple Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one agreement.

16. Successor and Assigns. This Agreement shall be binding upon the parties hereto and their permitted successors and assigns.

17. Legal Matters/Venue. This Agreement is governed by the laws of the State of North Carolina.

18. Document Interpretation. Neither party to this Agreement shall be benefited or burdened by any rule of document construction that suggests that an instrument shall be interpreted against the interests of its author.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the day and year first above written.

AGENT:

LAZ PARKING GEORGIA, LLC.

BY: _____

Its _____

DATE _____

OWNER:

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

BY: _____

**Lew Bleiweis, A.A.E.
Executive Director**

DATE _____

EXHIBIT "A"

OWNER PROVIDED EQUIPMENT

1. 2019 F350 Ford – leased to Agent by Owner
2. 2019 F350 Ford – leased to Agent by Owner
3. 2016 Transit Ford – used as replacement vehicle, if necessary, as determined by Agent in coordination with Owner.
4. Fuel

EXHIBIT "B"
APPROVED BUDGET

OPERATING STATEMENT			
LAZ Parking - Airports			
Asheville Shuttle Economy Lot			
Fletcher, NC			
Lease 3 shuttles 2 running			
LAZ PARKING YEAR 1			NOTATIONS
OPERATING EXPENSES			
<u>PAYROLL RELATED</u>			
Hourly Wages	\$ 193,702		Shuttle Drivers @ \$12.73 per hour 40 hrs per day
PTO Accruals	\$ 12,833		Per Laz HR policies
PR Tax - FICA	\$ 15,800		Federal Payroll taxes
PR Tax - FUTA	\$ 1,239		Federal Payroll taxes
PR Tax - SUTA	\$ 5,886		State Payroll taxes
Worker's Compensation	\$ 14,496		7 % of payroll
Health Insurance	\$ 14,880		2 employee taking insurance
401k Contribution	\$ 2,906		1.5% of payroll
Total Direct Payroll & Related	\$ 262,297		
<u>NON-PAYROLL RELATED</u>			
Vehicle Maintenance	\$ 17,400		Monthly Maintenance, Oil Changes, small repairs
Vehicle Fuel	\$ -		AVL supplying fuel
Misc Vehicle Expenses	\$ 14,910		Misc expenses, driver testing, camera system fees.
Uniforms	\$ 3,650		New Uniforms
Signage	\$ 3,600		Misc shuttle identification
Office Supplies	\$ 600		Office and Bus supplies
Telephone and Communication	\$ 1,800		Radio rentals
Total Non-Payroll Related	\$ 41,960		
<u>ADMINISTRATIVE & FEES</u>			
Licenses and Permits	\$ 3,000		Misc Expense/Registrations
Liability Insurance	\$ 60,000		Shuttle Insurance 3 buses
Professional Services	\$ -		Secret Shopper paid by LAZ
Management Fee	\$ 18,000		LAZ Fee
	\$ 81,000		
TOTAL OPERATING EXPENSES	\$ 385,257		
NET OPERATING INCOME	\$ (385,257)		

LEASE

This Lease ("Lease") is made and entered into as of this _____ day of _____ 2019, between LAZ Parking of Georgia, LLC, a Georgia Limited Liability Company ("Lessee"), and the Greater Asheville Regional Airport Authority, a body corporate and politic in the State of North Carolina ("Lessor").

RECITALS

- A. Lessor is the owner of the Asheville Regional Airport within the city limits of the City of Asheville, NC (the "Airport"); and
- B. Lessor is the owner of certain vehicles as are set forth on Exhibit A attached hereto and made a part hereof (the "Vehicles"); and
- C. Lessor desires to lease the Vehicles to Lessee for the purpose of operating and providing shuttle services ("Shuttle Services") on the Airport and Lessee desires to hire same from Lessor in accordance with the terms of this Lease.

AGREEMENT

For the sum of \$1 and other good and valuable consideration the parties agree as follows:

1. Term. The term of this Lease shall be for a period of one year commencing on the Effective Date ("Term") and unless earlier terminated as hereinafter set forth notwithstanding anything contained herein to the contrary, either party shall have the right to terminate this Lease for any reason or for no reason upon thirty days advance written notice to the other party, or at such time shuttle operation is no longer necessary due to the opening and completion of the parking garage facility. At termination, all equipment and Vehicles will be returned to Lessor in good condition, less normal wear and tear.

2. Leases. Lessor shall lease to Lessee for sole and exclusive use the Vehicles, as set forth on Exhibit A.

3. Scope of Operation: Lessee's Duties. Lessee shall utilize the Vehicles to provide regular Shuttle Services at the Property on routes and pursuant to a schedule determined by Lessor, which is in conjunction with the Management and Operations of Public Parking Facilities Agreement and the Shuttle Service Agreement ("Agreements"). Lessee shall maintain the Vehicles in first quality clean condition and in good and safe mechanical repair and condition.

4. Insurance. Lessee shall carry and provide Lessor with acceptable evidence of the following types and kinds of insurance, with coverage for persons providing service under this Agreement:

- Worker's Compensation & Employer's Liability in the

statutory limits for the State of North Carolina covering all employees of Lessee while carrying out the services under this Agreement, provided that Employee Liability limits shall be no less than \$1,000,000 each person;

- Commercial General Liability (including Automobile Liability) with limits of no less than \$5,000,000.
- Automobile Liability insurance coverages are subject to a Lessor deductible or self-insured retained amount not to exceed \$5,000.00, provided such coverage is not for the sole negligence of the Lessee or its employees. The Lessor deductible amounts, and insurance premiums may be changed upon 60 days written notice to Lessor. Lessor acknowledges that the actual deductibles or Self-Insured Retained amount may exceed the Lessor deductibles or the Lessee Self Insured Retained amounts, however, Lessor is not liable for any amount in excess of \$5,000. Lessor agrees that Lessee may self-insure a portion of the insurance noted above and must notify Lessor of such amount. It is understood that the liability policies carried by Lessee as noted above do not provide coverage for any claim pertaining to security issues or services.

The above limits can be provided by a combination of primary and excess liability policies. Such policies, to the extent applicable, shall include Lessor as additional insured parties and shall be primary and non-contributory to any insurance available to Lessor. Certificates of all such policies shall be furnished to Lessor prior to the commencement of Lessee's services under this Agreement. In connection with any such insurance, Lessee may insure under its blanket policies and provide proof of cost of such insurance to Lessor. All insurance policies required under this Agreement shall be issued by insurance carriers authorized to transact business in North Carolina and be rated at least A IX at all times by AM Best & Company or otherwise satisfactory to Lessor. All such policies shall provide that they may not be cancelled or materially and adversely altered without endeavoring to provide at least thirty (30) days' prior written notice to the other party. At least ten (10) days prior to the expiration of any such insurance policies, Lessee shall deliver to Lessor evidence that such policy has been renewed or replaced with a different policy which complies with the requirements of this Agreement.

5. Indemnification. Lessee shall defend, indemnify and hold harmless the Lessor, its past, present and future appointed officials, officers, agents and employees against and from any and all claims, demands, debts, liabilities, penalties, fines, and causes of action, including without limitation reimbursing the Lessor for all expenses and reasonable attorneys' fees incurred in connection therewith, whether in law or in equity, by reason of death, injury or damage to any person or persons, or loss or damage or destruction of property or loss of use thereof, whether it be the person or property of Lessee, or Lessor or their agents, employees, invitees or of any third persons, from any cause or causes whatsoever arising from any event or occurrence in conjunction with the Shuttle Services.

6. Legal Matters/Venue. This Lease is governed by the laws of North Carolina.

IN WITNESS WHEREOF, the parties hereto have signed this Lease as of the day and year first above written.

LESSEE:

LAZ Parking of Georgia, LLC

Signature: _____

By: _____

Title: _____

LESSOR:

Greater Asheville Regional Airport Authority

Signature: _____

By: Lew Bleiweis, A.A.E.

Title: Executive Director

EXHIBIT "A"
LEASED VEHICLES

1. 2019 F350 Ford – leased to Lessee by Lessor
2. 2019 F350 Ford – leased to Lessee by Lessor
3. 2016 Transit Ford – used as replacement vehicle, if necessary, as determined by Lessee in coordination with Lessor.



MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director

DATE: September 6, 2019

ITEM DESCRIPTION – New Business Item B

Approval of Contract for South Apron Expansion Project Construction

BACKGROUND

The continued growth at the Asheville Regional Airport, which has resulted in additional flights, has also resulted in additional aircraft that Remain Overnight (RON). The number of RON aircraft has grown to the point where inadequate space exists on the existing Terminal Building apron to efficiently accommodate existing demand. The expansion of the terminal apron to the south is identified in the Airport Master Plan. In addition to the immediate need for more terminal apron parking space, this project is a pre-requisite to the terminal building expansion project, which will ultimately see that space converted to terminal gate locations.

The project was advertised for bids on June 26, 2019, and bids were received on July 30, 2019. Only two bids were received, where a minimum of three bids are required under North Carolina public procurement rules. Bid documents were therefore returned to each company unopened, and the project was re-advertised on July 30, with a revised bid opening date of August 22, 2019.

Bids were subsequently received from three contractors, with the apparent low bid submitted by Zachry Construction Corporation of Morrisville, NC in the amount of \$9,087,857.00 for the base bid. None of add/deduct scenarios included in the bid are recommended.

ISSUES

None.

New Business – Item B



ALTERNATIVES

There are no alternatives to the south apron project other than postponement. That would ultimately have an increasing effect on the ability to accommodate the airports current operations and future growth.

FISCAL IMPACT

The current fiscal year's budget includes \$10,664,537.00 for this project from Airport Funds. However, \$2,937,817.00 is expected to come from an Airport Improvement Program Grant.

RECOMMENDED ACTION

It is respectfully requested that the Greater Asheville Regional Airport Authority Board resolve to (1) approve the South Apron Expansion construction project with Zachry Construction Corporation in the amount of \$9,542,250.00 (\$9,087,857.00 plus \$454,393.00 allowance); and, (2) authorize the Executive Director to execute the necessary documents

PARRISH & PARTNERS

11325 N. COMMUNITY HOUSE ROAD, SUITE 260 ♦ CHARLOTTE, NC ♦ 28277 | O:980.819.0490 ♦ F:980.819.0491
PARRISHANDPARTNERS.COM

August 23, 2019

via e-mail

Mr. Michael A. Reisman, AAE
Deputy Executive Director
Asheville Regional Airport
61 Terminal Drive, Suite 1
Fletcher, NC 28732

Re: **Recommendation to Award**
Expand Terminal Apron – South
Asheville Regional Airport (AVL)

Dear Mr. Reisman:

Following review of the bids received for the above referenced project on August 22, 2019, we hereby recommend award of the construction contract to Zachry Construction Corporation. This recommendation to award is based on the determination that Zachry is the lowest, responsive, responsible bidder in accordance with the bidding criteria. The detailed bid tabulation was provided under separate cover. Additional details of our recommendation are as follows:

1. Although the lowest bid provided was for Bid Scenario Two (2), we recommend awarding **Bid Scenario One (1)** in the amount of **\$9,087,857.00**.
 - a. Bid Scenario 1 is more than \$2M under the estimated construction total.
 - b. In order to accomplish Bid Scenario 2, the Contractor would be required to haul material from the west side of the airfield, through active airfield operations areas, which would only provide a portion of the required material. The remaining material would come from a different location, located off site.
 - c. Bid Scenario 1 also significantly reduces the potential of responsibility on the Owner associated with the sources and quality of borrow material.
2. Parrish and Partners of North Carolina, PLLC has performed a review of the three (3) bid proposals submitted and aside from a simple extension error in Vecellio & Grogan's bid for Bid Scenario 2, it appears that each proposal submitted complied with the submittal requirements.

We greatly appreciate the opportunity to be of continued services to the Greater Asheville Regional Airport Authority. Please feel free to contact us with any comments or questions you may have.

Sincerely,
Parrish and Partners of North Carolina, PLLC



Jon M. McCalmont, PE

Greater Asheville Regional Airport Authority - Bid Tabulation

Project Name: **Terminal Apron Expansion - South**

Date/Time: **August 22, 2019**

10:00AM

	Company Name & Address	Acknowledgement of Addendum(s) 1-5	Bid Bond (Yes/No)	Base Bid Scenario 1	Base Bid + Scenario 2	Base Bid + Scenario 3	Base Bid + Scenario 4
1	Vecellio & Grogan, Inc 2251 Robert C. Byrd Dr. Beckley, WV 25801	Yes	Yes	\$12,407,448.56	\$11,570,988.56	\$0.00	\$0.00
2	Zachry Construction Corporation 808 Aviation Parkway, Ste 1300 Morrisville, NC 27560	Yes	Yes	\$9,087,857.00	\$8,657,857.00	\$0.00	\$9,806,207.00
3	Blythe Development Company 1415 E. Westinghouse Blvd Charlotte, NC 28273	Yes	Yes	\$12,649,355.00	\$10,919,355.00	\$12,790,855.00	\$12,606,105.00
4							
5							

The bid summary is certified to be true and correct to the best of my knowledge.

M. A. Reisman

Date:

8-23-19

Michael A. Reisman, Deputy Executive Director, Development & Operations
Greater Asheville Regional Airport Authority

CONTRACT
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
DRAFT AGREEMENT

THIS AGREEMENT made and entered into this day of _____, ____ by and between the **GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY** (Party of the First Part, hereinafter called the Owner) and _____ (Party of the Second Part, hereinafter called the Contractor).

WITNESSETH:

That the said Contractor has agreed and by these presents does agree with the said Owner, for the consideration herein mentioned in his proposal and under the penalty expressed in Bonds, hereto attached, to furnish all equipment, tools, material, skill and labor of every description necessary to carry out and complete in good firm, substantial, and workmanlike manner, the work specified in strict conformity with the drawings, and the specifications hereinafter set forth, which drawings and specifications together with foregoing Proposal made by the Contractor, the Instructions to Bidders, Mandatory Contract Provisions, Special Conditions, General Provisions, Technical Specifications and this Agreement constitute the contract. The work covered by this Agreement includes all work shown on the plans and specifications and listed in the attached Proposal, at the Asheville Regional Airport, to-wit:

Project Name: Expand Terminal Apron – South

The Contractor shall commence the work with adequate forces and equipment on a date to be specified in a written order of the Owner and shall complete the work within 10 Calendar Days, from and including the date stipulated in the "Notice to Proceed."

The Contractor shall fully guarantee the workmanship and materials furnished for a period of one year following the date of final acceptance of the work (unless otherwise stipulated in the contract documents). The performance and payment bonds shall remain in full force for this one year period.

If Contractor fails to complete the work by the date specified herein for achievement of Substantial Completion, such as date may be adjusted pursuant to the Contract Documents, Owner shall deduct from progress payments or any other funds remaining due to Contractor or, if no funds remain due, Contractor shall pay to Owner the amount specified under the General Provisions for each day that the Work remains uncompleted beyond the specified Substantial Completion Date for each phase of work. Such sum is hereby, in view of the difficulty of estimating such damages, agreed upon, fixed and determined by Contractor and Owner as the liquidated damages that Owner shall suffer by such default and not by way of penalty.

The Owner shall pay and the Contractor shall receive the unit prices stipulated in the Contractor's Proposal hereto attached as full compensation for everything furnished and accepted and done by the Contractor in an acceptable manner, \$_____, which sum shall be paid in the manner and terms specified in the Contract Documents but, before issuance of certificates of payments if the

Contractor shall not have submitted evidence satisfactory to the Owner that all payrolls, materials, bills, and other indebtedness connected with the work have been paid, the Owner may withhold, in addition to the retained percentages such amount or amounts as may be necessary to pay just claims for labor and services rendered and materials in and about the work, and such amount or amounts withheld or retained may be applied by the Owner to the payment of such just claim.

It is further mutually agreed between the parties hereto that if, at any time after the execution of this agreement and the surety bond hereto attached for its faithful performance, the first party shall deem the surety or sureties upon such bonds to be unsatisfactory, or if, for any reason, such bonds cease to be adequate to cover the performance of the work, the second party shall at its expense, within five days after the receipt of notice from the first party so to furnish an additional bond or bonds in such form and amount, and with surety or sureties as shall be satisfactory to the first party. In such event, no further payment to the second party shall be deemed to be due under this agreement until such new or additional security for the faithful performance of the work shall be furnished in manner and form satisfactory to the first party.

This Agreement will be governed by and construed in accordance with the laws of the State of North Carolina. Venue for any actions arising out of the Agreement will lie in Buncombe County, North Carolina.

IN WITNESS WHEREOF, the parties hereto have executed this agreement in quadruplicate, this _____ day of _____, 2019.

OWNER:

CONTRACTOR:

Greater Asheville Regional Airport Authority

By: _____

Signature

Print Name & Title

By: _____

Signature

Print Name & Title

Attested By: _____

Attested By: _____

This instrument has been pre-audited in the manner required by the Local Government and Fiscal Control Act.

Finance Officer

Date

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS, THAT WE _____
of the State of and County of hereinafter, known as the Principal, and a corporation chartered and existing under the laws of the State of and duly authorized to do business in the State of North Carolina as Surety, are held and firmly bound unto the Greater Asheville Regional Airport Authority hereinafter known as the Owner, in the penal sum of _____ Dollars (\$ _____) to be paid to the Owner, for the use and benefit of all persons doing work or furnishing skill, tools, machinery or materials, or subcontracting under or for the purpose of the hereinafter named contract, for which payment, well and truly to be made, we hereby bind ourselves, our heirs, executors, administrators, successors and assignees, jointly and severally, by these presents.

This obligation is, however, subject to the following conditions:

The above bound Principal has entered into a contract with the Owner under which it agrees to furnish all the labor and material and do all work necessary to construct all improvements described in these contract documents under certain terms, conditions, and stipulations and in accordance with the plans and specifications for the project, which are hereto attached and made a part of this obligation.

NOW, THEREFORE, the conditions of this obligation are such that the above bound Principal shall faithfully and fully carry out and comply with the terms and conditions of said contract, to complete the work therein specified and in the event Contractor fails to perform, it shall be the duty of the Surety herein to assume the responsibility for the performance of the contract and to complete the work specified therein, including, but not limited to, obligations created by way of warranties and/or guarantees for workmanship and materials which warranty and/or guarantee may extend for a period of time beyond completion of said contract, and such alterations or additions as may be made therein or in the plans and specifications, and shall indemnify and save the Owner and Owner's Agents harmless against any claims for using any form of material process, composition or anything which is patented, and likewise indemnify and save the Owner and the Owner's Agents harmless against all claims for damages by reason of any default or negligence, want of skill or care on the part of said Principal or Agents in and about the performance of said contract, and shall comply with all laws pertaining to said work, and shall comply with and perform any and all warranties and/or guarantees provided for in said contract, then this obligation shall be void; otherwise it shall remain in full force and effect.

And the Surety to this bond, for value received agrees that no change, extensions of time, alterations or additions to the terms of the contract or to the work to be performed thereunder of the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alterations or additions to the terms of the Contract or the work or to the Plans and Specifications.

Said Principal and Surety hereby for themselves and their families waive and renounce the benefit of all homestead and exemption laws of this or any other state or the laws of the United States, as against any claim or judgment based upon the obligations of this bond.

It is agreed that this bond is executed pursuant to and in accordance with the provisions of Chapter 44A, Article 3 of the North Carolina General Statutes, and is intended to be and shall be construed to be a bond on compliance with the requirements thereof, except and to the extent that this bond provides Owner with greater or additional rights than those set forth in Chapter 44A, Article 3. The payment bond required to exempt an Owner under this part shall be furnished by the Contractor in at least the amount of the original contract price before commencing the construction of the improvement under the direct contract. The bond shall be executed as surety by a surety insurer authorized to do business in this state and shall be conditioned that the Contractor shall promptly make payments for labor, services, and material to all lienors under the Contractor's direct contract. Any form of bond given by a Contractor conditioned to pay for labor, services, and material used to improve real property shall be deemed to include the condition of this subsection.

IN WITNESS WHEREOF, said Principal and Surety have thereunto affixed their hands and seals on this _____ day of _____, 2019, either in person or by agents fully authorized.

As to Principal:

Signed, sealed and delivered in the presence of:

Principal

Witness

By: _____ (L.S.)

Notary Public

State of _____

County of _____

As to Surety:

Signed, sealed and delivered in the presence of:

Surety

Witness

By: _____ (L.S.)

Notary Public

State of _____

County of _____

PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, THAT WE _____
of the State of and County of hereinafter, known as the Principal, and , a corporation chartered and existing under the laws of the State of and duly authorized to business in the State of North Carolina as Surety, are held and firmly bound unto the Greater Asheville Regional Airport Authority hereinafter known as the Owner, in the penal sum of _____ Dollars (\$ _____) to be paid to the Owner, for the use and benefit of all persons doing work or furnishing skill, tools, machinery or materials, or subcontracting under or for the purpose of the hereinafter named contract, for which payment, well and truly to be made, we hereby bind ourselves, our heirs, executors, administrators, successors and assignees, jointly and severally, by these presents.

This obligation is, however, subject to the following conditions:

The above bound Principal has entered into a contract with the Owner under which agrees to furnish all the labor and material and do all work necessary to construct all improvements described in these contract documents under certain terms, conditions, and stipulations and in accordance with the plans and specifications for the project, which are hereto attached and made a part of this obligation.

NOW should the above named Principal and all subcontractors, if any, to whom any portion of the work provided for in the attached contract is sublet and all assignees of the said Principal and of such subcontractors shall promptly make payments to all persons supplying him or them with labor, materials, or supplies for or in the prosecution of the work provided for in such Contract, or in any amendment or extension of or addition to said contract, and for the payment of reasonable attorney's fees, incurred by the claimant or claimants in suits on said bond, then the above obligation shall be void; otherwise, to remain in full force and effect.

And the Surety to this bond, for value received agrees that no change, extensions of time, alterations or additions to the terms of the contract or to the work to be performed thereunder or the specifications accompanying the same shall in any way affect its obligation on this bond, and it does hereby waive notice of any such change, extension of time, alterations or additions to the terms of the Contract or the work to the Plans and Specifications.

Said Principal and Surety hereby for themselves and their families waive and renounce the benefit of all homestead and exemption laws of this or any other state or the laws of the United States, as against any claim or judgement based upon the obligations of this bond.

It is agreed that this bond is executed pursuant to and in accordance with the provisions of Chapter 44A, Article 3 of the North Carolina General Statutes, and is intended to be and shall be construed to be a bond on compliance with the requirements thereof. The payment bond required to exempt an Owner under this part shall be furnished by the Contractor in at least the amount of the original contract price before commencing the construction of the improvement under the direct contract. The bond shall be executed as surety by a surety insurer authorized to do business in this state and shall be conditioned that the Contractor shall promptly

make payments for labor, services, and material to all lienors under the Contractor's direct contract. Any form of bond given by a Contractor conditioned to pay for labor, services, and material used to improve real property shall be deemed to include the condition of this subsection.

IN WITNESS WHEREOF, said Principal and Surety have thereunto affixed their hands and seals on this _____ day of _____, 2019, either in person or by agents fully authorized.

As to Principal:

Signed, sealed and delivered in the presence of:

Principal

Witness

Notary Public

By: _____ (L.S.)

State of _____

County of _____

As to Surety:

Signed, sealed and delivered in the presence of:

Surety

Witness

Notary Public

By: _____ (L.S.)

State of _____

County of _____

Approved as to form:

Owner's Attorney

FINAL RELEASE OF LIEN

KNOWN ALL MEN BY THESE PRESENTS, that the undersigned, for and in consideration of the payment of the sum of _____ Dollars (\$ _____), paid by the Greater Asheville Regional Airport Authority, hereinafter referred to as "Owner", receipt of which is hereby acknowledged as total compensation for performance of the below-described Contract for Bid Schedule(s), does hereby fully and completely discharge and release the Owner from and waives any and all debts, accounts, promises, damages, liens, encumbrances, causes of action, suits, bonds, judgments, claims and demands whatsoever, in law or in equity, which the undersigned ever had, now has or might hereafter have on account of labor performed, material furnished or services rendered, directly or indirectly, for the Contract between the parties dated , 2019, known as _____

_____ except for those claims, disputes and other matters arising out of or relating to said Contract which have been raised by written demand in accordance with the Contract Documents prior to this date and identified by the Contractor as unsettled in the final Application for Payment and are either in arbitration or court litigation, as the case may be, in accordance with the Contract Documents.

The undersigned further covenants that subcontractors, suppliers, and material suppliers, and any or all other persons supplying materials, supplies, service or labor used directly or indirectly in the prosecution of the work provided for in the Contract, have been paid in full for all work under this contract.

The undersigned agrees to maintain in full force and effect the provisions of the Contract Documents respecting the guaranty against defective work, and any other special guaranties required by the Contract Documents, for the terms provided in the Contract Documents, which terms shall begin to run from the date specified in the Contract Documents.

The undersigned represents and warrants that the statements contained in the foregoing Release are true and correct.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this _____ day of _____, 20____.

WITNESSES:

CONTRACTOR
By: _____

STATE OF _____ Title: _____
COUNTY OF _____

Sworn to and subscribed before me this _____ day of _____, 2019.

(NOTARY SEAL)

NOTARY PUBLIC
My Commission Expires: _____

GENERAL CONDITIONS

EXPAND TERMINAL APRON – SOUTH

FOR THE

THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

I. GENERAL DESCRIPTION

The Authority intends to grant to the most qualified and responsible low Bidder (the “Company”) the right and obligation to Extend Terminal Apron - South (the “Product”) to the Asheville Regional Airport (the “Airport”) for the Greater Asheville Regional Airport Authority (the “Authority”), as more fully described herein. The Company shall base its price generally upon the conditions and specifications contained in this document. The Company shall furnish, without limitation, all labor, equipment and materials as specified herein all at the successful Bidders expense.

II. BIDDER QUALIFICATIONS

2.1 In order to be considered qualified to provide the Product or Service hereunder, each Bidder must, at a minimum, meet the following criteria:

- a. Have not less than five years’ experience in providing the Product required in this Agreement, to which the Bidder must give documentation and contact references to the Authority, if the Authority so desires.
- b. Provide satisfactory evidence that it can meet or exceed every minimum standard stipulated in the Specifications and/or the Agreement.

2.2 It is mandatory that the individual, partnership, joint venture, limited liability company or corporation submitting a bid have the above minimum qualifications; and if such is found not to be the case, any Bid submitted by such individual, partnership, joint venture, or corporation will be rejected. In the case of a Bid submitted by a partnership or a joint venture, at least one of the general partners thereof or one of the constituent members of such partnership or joint venture must possess said minimum qualifications.

III. SCOPE OF WORK

3.1 The Company agrees to manufacture, sell, transfer and deliver, in accordance with the terms set forth in the Bid Documents, the Product or Service, as the Authority has described in the Specifications. The terms of the Bid Documents shall supersede any contrary or inconsistent terms set forth on any purchase orders, purchase order acknowledgements, invoices, confirmations and/or other similar documents. No supplemental provisions of any such purchase orders, purchase order confirmations, invoices, confirmations or other similar documents shall be binding upon the Authority unless such document is signed by an authorized representative of the Authority.

3.2 The Company agrees to provide all personnel, labor, supplies and equipment required for the purchase or service.

IV. SPECIFICATIONS

4.1 The Company shall submit the brand name, descriptive literature and photograph of the Product provided in its Bid. If the Company is unable to provide the Product as described in the Specifications, please indicate so with specificity.

4.2 Specifications may reference name brands or model numbers. The intent is to establish a desired quality level of merchandise or to meet a pre-established standard due to like existing items. Company may offer like items of equal quality and the burden of proof of such similarity and quality rests with the Company. The Authority shall act as sole judge in determining similarity, quality and acceptability of the Product.

Note: Specifications establish a minimum standard of quality only. Bidders shall meet or exceed the minimum specifications indicated below.

4.3 Detailed specifications for the Product are included with these Bid Documents.

V. PROMPT PAYMENT

5.1 Prompt Payment Mechanisms. The GARA requires that all subcontractors performing work on a DOT/FAA-assisted contract shall be promptly paid for work performed pursuant to their agreements, in accordance with all relevant federal, state and local laws.

In accordance with 49 CFR § Part 26, the GARA established a contract clause implementing this requirement and requires prime contractors to pay subcontractors for satisfactory performance of their contracts no later than 30 days from the prime contractor's receipt of each payment from the GARA.

The GARA will ensure prompt and full payment of retainage from the prime contractor to the subcontractor within 30 consecutive days after the subcontractor's work is satisfactorily completed. The following mechanisms will be in place to ensure prompt payment.

5.2 Prime Contract. The GARA will include the following clause in each DOT/FAA assisted prime contract:

"The Prime Contractor agrees to pay each sub-contractor under this prime contract for satisfactory performance of its contract within, but not later than, thirty (30) days from the receipt of each payment the prime contractor receives from the GARA. The Prime Contractor agrees to return retainage payments to each sub-contractor within thirty (30) days after the sub-contractor's work is satisfactorily completed. Any delay or postponement of payment, from the above referenced time frame, may result in held retainage from prime contractor until subcontractor payments are resolved or paid following written

approval of the GARAA. Other actions the GARAA has in place may be enforced with a potential of liquidated damages, work-stop order or contract termination. This clause applies to both DBE and non-DBE subcontractors."

5.3 Subcontracts. The GARAA will consider a subcontractor's work is satisfactorily completed when all the tasks called for in the subcontract have been accomplished and documented as required by the GARAA. When the GARAA has made an incremental acceptance of a portion of a prime contract, the work of a subcontractor covered by the acceptance is deemed to be satisfactorily completed.

5.4 The GARAA will provide appropriate means to enforce the requirements of this section. These means include:

- a. The GARAA will hold additional payment applications from prime contractor until/unless payment arrangements between prime and subcontractors can be resolved for work performed/satisfactorily completed.
- b. Any delay or postponement of payment from the prime contractor to the subcontractor(s) must have good cause and be approved by the GARAA, submitted in writing and copied to the subcontractor(s) involved.
- c. Other mechanisms, consistent with this part and applicable state and local law, to ensure that DBEs and other contractors are fully and promptly paid.

VI. MISCELLANEOUS

Each Bidder should examine the Draft Agreement for a specific understanding of its terms.

6.1 Term: The Authority anticipates delivery deadline for the Product under the time frame of the project, indicated and agreed upon, with the execution of the contract. The Company shall be bound by its obligation to provide the Product until such time as the Product is delivered and accepted by the Authority in accordance with the specifications.

6.2 Insurance Requirements: The general liability insurance and automobile liability insurance requirements for this Agreement are \$1,000,000.00. The Authority will be listed as an additional Certificate Holder.

6.3 Safety and Security Requirements: Safety and security of Airport operations are a prime and overriding concern of the Authority. Therefore, the Company shall be bound and shall abide by all rules, procedures, regulations and laws of all governmental bodies, including regulations and rules and procedures of the Authority, as the same may be promulgated from time to time, that relate to Airport access, security and/or safety.

6.4 The Company agrees to perform and to abide by the covenants, agreements, terms and conditions set forth and mandated by the Federal Aviation Administration (FAA), or other Federal Regulations, to be included in all agreements for projects or equipment funded, in whole or in part, by Federal Grants.

VII. DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL

7.1 The GARAA's policy is to provide opportunities for DBE companies to bid or participate as a subcontractor in Products or Services offered by the Authority on Airport property. When Federal or State funding is involved within a Product or Service, a DBE Goal is defined for such Products or Services. Each Product or Service is evaluated and assigned a goal or the annual goal described within the three year DBE Methodology Goal for the particular fiscal year is utilized, in this case, a goal of 12.2% is assigned.

7.2 The Company who is awarded the bid for this Product or Service will need to meet the DBE goal assigned. If the goal is unable to be obtained or met, a detailed Good Faith Efforts record, as defined in 49CFR Part 23, will be utilized and provided to the Authority. If sufficient evidence of Good Faith Efforts is not provided, the Authority may ask for additional means/effort to obtain the DBE goal.

7.3 Failure to meet the DBE goal or provide sufficient Good Faith Effort documentation to obtain the goal, may result in reconsideration of the Companies bid, which could result in a re-bid or consideration of the other Bidders being awarded the Product or Service.

END OF GENERAL CONDITIONS



MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director

DATE: September 6, 2019

ITEM DESCRIPTION – New Business Item D

Approval of Letter of Agreement for Airport Safety/Maintenance Projects and Resolution of the Sponsor with North Carolina Department of Transportation Division of Aviation

BACKGROUND

The NCDOT Division of Aviation manages a statewide grant program referred to as the Safety, Preservation, and Maintenance (SPAM) Program, which includes the ability of public airports to receive direct assistance in the form of safety or maintenance related projects. These projects are carried out by companies directly under contract to the NCDOT, and the program typically covers 100 percent of the cost for projects included in the program each year. The program requires renewal of a standing agreement with each participating airport every few years. The renewal of this agreement will permit the GARAA to participate in the program through December 31, 2023.

ISSUES

None.

ALTERNATIVES

The Airport Board could elect not to participate in this program, which would eliminate the possibilities of obtaining state funded safety and maintenance construction projects when needed.

FISCAL IMPACT

There is no cost associated with this action.

New Business – Item D



RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the Letter of Agreement for Airport Safety/Maintenance Projects and Resolution of the Sponsor with the NCDOT; and (2) authorize the Executive Director to execute the necessary documents.

**LETTER OF AGREEMENT FOR
AIRPORT SAFETY/MAINTENANCE PROJECTS**

THIS AGREEMENT is made, this _____ day of _____, 20____ by the
(Airport Owner) _____
as owner and operator (hereinafter referred to as “Sponsor”) of the
(Official Airport Name) _____
(hereinafter referred to as “Airport,”) and the North Carolina Department of Transportation (Division
of Aviation), an agency of the State of North Carolina (hereinafter referred to as “Department”), for
the purposes of future and as-yet unspecified safety or maintenance services to be performed by said
Department in accordance with the terms, conditions and provisions hereof.

WITNESSETH

WHEREAS, the Sponsor is primarily responsible for maintaining the facilities of the Airport to
protect and preserve the safety of flight operations at, from and to the Airport; and

WHEREAS, and the Department shares the interest of the Sponsor in the prompt and adequate
maintenance and repair of the paved surfaces of the Airport which support aircraft movements on the
Airport; and

WHEREAS, the Sponsor and the Department may, from time to time, mutually determine that
certain paved surfaces and adjacent areas on the airport have aged and deteriorated and/or that other
infrastructure is in need of maintenance or repair, and that the Sponsor could benefit from the
assistance of the Department in accomplishing such maintenance and repair; and

WHEREAS, pursuant to Article 7 of North Carolina General Statute 63, the Department is
authorized to undertake safety improvements of aircraft movement areas, on publicly owned and
operated airports in North Carolina; and

WHEREAS, the Sponsor and the Department agree that upon the request by the sponsor and the
acceptance by the Department, certain needed improvements at the Airport may be undertaken by the
Department in conformance with the provision of North Carolina General Statute 63; and

WHEREAS, the Department requires a Commitment and Release of Liability statement to be on file
in its offices, in order to be able provide and oversee such maintenance and repair at the Airport;

NOW THEREFORE, the Sponsor does hereby commit to the following measures:

1. This Letter of Agreement supersedes all prior agreements between the Department and Sponsor
with respect to the subject matter of this Letter of Agreement.

2. Upon the Sponsor's approval, the Department, using NCDOT state forces and/or private contractor(s) under a Purchase Order Contract, may perform the requested maintenance and repair to the Airport. This work may include, but not be limited to; Joint and Crack Sealing, Pavement Repairs and Patching, Surface Treatments, Maintenance Overlays, Electrical, Grading, Drainage Improvements, Pavement Markings, or other infrastructure maintenance.
3. The Sponsor will receive notification from the Department of the Department's willingness to perform (or pay to have performed) any item or items of work approved by the Sponsor and a proposed schedule for performing the work and the force or contractor the Department proposes to perform the work.
4. If the schedule and the force or contractor proposed by the Department for performing the work is acceptable to the Sponsor, the Sponsor shall authorize the Department (or its contractors) to enter upon the property of the Airport during the scheduled time to perform the work.
5. If the schedule and the force or contractor proposed by the Department for performing the work is unacceptable to the Sponsor, the Sponsor shall inform the Department of the reasons for its objections and the Sponsor and the Department will engage in dialogue with the intent of determining if an alternative schedule or force or contractor is acceptable to both the Sponsor and the Department. If the Sponsor and the Department cannot reach agreement through the process described in paragraph 4 then the Department will withdraw its offer to perform the requested work.
6. The Sponsor hereby represents to the Department that the title to the pavement and adjacent areas of the Airport is vested in the Sponsor.
7. The Sponsor agrees to provide a duly authorized representative who will be present and/or available at all times the work is in progress (including nights and weekends, as applicable) to monitor project operations and assist the Department's representative.
8. The Sponsor agrees to provide a duly qualified operator who will monitor the airport's UNICOM radio transceiver at all times the work is in progress (including nights and weekends, as applicable) and will issue airport advisories as necessary on the UNICOM radio transceiver.
9. The Sponsor agrees, when needed, to formally close any runway, taxiway, or apron at all times when the work is in progress on that pavement area and to take appropriate steps to prohibit use of such areas by aircraft and/or ground vehicles while the work is being performed or the subject pavement areas are in an unsafe or uncured condition due to the conduct of the work.
10. The Sponsor agrees to issue and keep current the necessary Notices to Airmen (NOTAMS) through the Federal Aviation Administration (FAA) until all work is completed and the Department's representative notifies the Sponsor's representative that the affected areas may be returned to service.

11. The Sponsor agrees that the Department may, in its sole discretion, determine the design, scope of work, materials to be used, and methods of accomplishing the authorized work. The Department covenants that any and all such work as it performs or has performed at the Airport pursuant to this agreement will meet or exceed all relevant State of North Carolina and Federal Aviation Administration specifications for the type of pavement concerned and the type of maintenance or repair that is being performed.

12. To the maximum extent allowed by law, the Sponsor shall indemnify and hold harmless the Department and its officers and employees from all suits, actions, or claims of any character because of injury or damage received or sustained by any person, persons, or property resulting from work performed under this Commitment. This indemnity does not extend to causes of action arising from the negligence of the Department, its officers and employees or any of Department's contractors who performed the work.

13. Should Sponsor fail to comply with any material duty required of it under this Agreement the Department shall give written notice to the sponsor of the details of its non-compliance and provide a reasonable period in which the Sponsor can cure its non-compliance. Upon the expiration of said cure period without the Sponsor having come into compliance, the Sponsor agrees that, at its sole and unlimited discretion, the Department shall have the right to immediately stop all work being performed at the Airport and release the work area to the jurisdiction of the Sponsor.

14. The Sponsor understands that for the Department to perform maintenance or safety services, the Airport and Sponsor must be in good standing on all State and Federal Grant Requirements and Assurances before any project shall be performed under this Commitment.

15. Subject to the provisions of paragraph 13 above, this Commitment will expire on December 31, 2023. Subject to the provisions of paragraph 13 above, this Commitment may be terminated by either the Department or the Sponsor by providing written notification of termination. The effective date of termination pursuant to this paragraph shall be the date of receipt of the notice of written termination by the non-terminating party.

NC Division of Aviation

BY: _____

DATE: _____

Bobby Walston, P.E.
Aviation Director

WITNESS WHEREOF, the Sponsor has executed this Commitment on the date first written on Page 1 of this document.

FOR THE LOCAL AIRPORT SPONSORING AGENCY

Signed: _____

Title: _____

Official Sponsor: _____

Attest: _____

SEAL OF THE SPONSOR

A digital copy of this LETTER OF AGREEMENT in adopted form should be emailed to the Statewide Program Manager and your Airport Project Manager. General telephone number is: (919) 814-0550.

Statewide Program Manager - Randy Finger, P.E. afinger@ncdot.gov

Airport Project Manager (NW) - Rachel Bingham, P.E. rsbingham@ncdot.gov

Airport Project Manager (NE) – Ron McCollum, P.E. remccollum@ncdot.gov

Airport Project Manager (SW) – Jared Penny jjpenny@ncdot.gov

Airport Project Manager (SE) – Ashley Clowes, P.E. aeclowes@ncdot.gov

Airport Project Manager (Commercial Service) – Todd Meyer, P.E. tmeyer@ncdot.gov

Resolution of the Sponsor

A motion was made by (Name and title) _____
and seconded by (Name and Title) _____
for the adoption of the following resolution, upon being put to a vote it was duly adopted:

THAT WHEREAS (Airport Owner) _____
(hereinafter referred to as "Sponsor") the North Carolina Department of Transportation (hereinafter referred to as "Department") requires a Commitment and Release of Liability statement to be on file, in order to provide and oversee maintenance and safety improvements on the operational surfaces of the (Official Airport Name) _____ ;
in accordance with the provisions of North Carolina General Statute 63.

NOW THEREFORE, BE IT AND IS HEREBY RESOLVED, that the
(Title of Airport Official) _____
of the Sponsor be and is hereby authorized and empowered to enter into a Commitment and Release of Liability with the Department, thereby binding the Sponsor to fulfillment of its obligation as incurred under this resolution and its commitment to the Department.

I, (Name and title of Public Notary) _____ ,
of the (Name of Sponsoring Agency) _____ ,
do hereby certify that the above is a true and correct copy of the minutes of
(Name of Authorizing Board of the Sponsoring Agency) _____ ,
held on (Date of Meeting) _____ .

WITNESS my hand and the official seal of the Sponsor.
This the day of (month, day, year) _____ .
Signed: _____

NOTARY SEAL



MEMORANDUM

TO: Members of the Airport Authority

FROM: Christina M. Madsen, Airport Properties and Contracts Manager

DATE: September 6, 2019

ITEM DESCRIPTION – New Business Item E

Approval of an Agreement Amendment between The Paradies Shops, LLC., (“Paradies”) and the Greater Asheville Regional Airport Authority (“Authority”)

BACKGROUND

The Paradies Shops, LLC., (Paradies) entered into the Food and Beverage/Sundries/Vending/Gift Concession Agreement (“Agreement”) at the Asheville Regional Airport in 2010. The Agreement was amended in 2018 to provide additional food offerings and concession space with the addition of the Auntie Anne’s Pretzel and Cinnabon concept.

Staff has been working with Paradies to identify increased services and operational efficiencies that will enhance the customer experience and increase revenues. The vending machines is one amenity that was identified for improvement.

There are two vending machine areas in the terminal building, one pre-security located in the baggage claim area and one post-security located adjacent to Gate 7. The Authority and Paradies worked collaboratively to create an area that was not only aesthetically pleasing, but also allowed additional options for beverages and snacks. These changes will enhance the customer experience and increase revenues. Therefore, the proposed amendment will increase the revenue sharing to the Authority for the vending sales.

Paradies contracted with a new vending company, Canteen, through a sublease to provide new machines and better product offerings to the airport and our passengers. The Authority created a more visual appealing “sense of place” location to draw passengers to this area.

New Business Item E



Paradies will share with the Authority, half of their revenue received from the vending subtenant, Canteen. Paradies and the Authority will each receive 16.5% of the total Vending Concession Sales received at the Airport, retroactive from July 15, 2019 and continuing through the Agreement Period.

ISSUES

None.

ALTERNATIVES

The Board could deny the request to amend the concession agreement.

FISCAL IMPACT

It is anticipated with this contract change, the additional revenue to the Authority will be approximately \$20,000 per year.

RECOMMENDED ACTION

It is respectfully requested that the Greater Asheville Regional Airport Authority Board resolve to (1) approve the agreement amendment as described above with The Paradies Shops, LLC., and (2) authorize the Executive Director to execute the necessary documents.

Attachment

AMENDMENT No. 3

**TO FOOD AND BEVERAGE/SUNDRIES/VENDING/GIFT
CONCESSION AGREEMENT
ASHEVILLE REGIONAL AIRPORT**

This Amendment No. 3 to Food and Beverage/Sundries/Vending/Gift Concession Agreement ("Amendment") is made and entered into to be effective on this 6th day of September 2019, by and between the GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY, f/k/a Asheville Regional Airport Authority, (the "Authority"), and THE PARADIES SHOPS, LLC, a Georgia limited liability company (the "Company").

WITNESSETH:

WHEREAS, Authority and Company entered into that certain Food and Beverage/Sundries/Vending/Gift Concession Agreement dated December 31, 2010 (the "Concession Agreement"); and,

WHEREAS, Authority and Company entered into Amendment No. 1 to the Concession Agreement, effective June 1, 2012, to allow Company to be reimbursed by the Authority for additional equipment; 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, Authority and Company entered into Amendment No. 2 to the Concession Agreement, effective November 7, 2018 to add additional concession space and food offerings; and,

WHEREAS, the Agreement between Company and Authority needs to be assigned to GARAA; and,

WHEREAS, the parties desire to modify the revenue sharing from the vending machines sales at the airport as more particularly set forth herein.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the parties hereby agree that the Concession Agreement be amended, effective upon execution, as follows:

1. ARTICLE 5 - CONCESSION FEES AND ACCOUNTING RECORDS, is hereby amended by adding Paragraph B, Concession Fees for Vending, and adding Paragraph C, Reporting for Concession Vending Fees as follows:

- B. Concession Fees for Vending.** Company and Authority will equally share the revenue received from vending services at the airport, which shall not be included in the definition of Gross Receipts under the Concession Agreement. Company shall pay to the Authority, half of the revenue received from vending company ("Vending Company"). The current amount received by the Company from the Vending Company is 33% of the total net vending sales ("Gross Vending Receipts" or "Commissions"), therefore, the Company will receive 16.5% ("Company Vending Share"), and the Authority will receive 16.5%, ("Authority Vending Share") of the Gross Vending Receipts from the airport vending locations retroactive to July 15, 2019 and continuing through the Agreement Period. The Parties must agree in writing prior to any renegotiated fees with the Vending Company prior to modifications being implemented.
- C. Reporting for Concession Vending Fees.** The parties agree and acknowledge that within thirty (30) days of the end of each month ("Due Date"), the Vending Company has committed to send Company that month's Gross Vending Receipts and a report detailing relevant sales and Commissions ("Commissions Report"). The Authority Vending Share shall be remitted on a monthly basis to the Authority by Company within thirty (30) days of the Due Date of the Commission Report of the previous month. The separate monthly report will be remitted by Company each month reflecting Gross Vending Receipts at the Airport, including Company and Authority's share of the Gross Vending Receipts.

2. ARTICLE 15, ASSIGNMENT AND SUBCONTRACTS, is hereby amended by adding Paragraph C, Authority Assignment, as follows:

- C. Authority Assignment.** Company acknowledges that on June 28, 2012, the General Assembly of North Carolina enacted Session Law 2012-121, House Bill 552 creating The Greater Asheville Regional Airport Authority. GARAA shall be a body corporate and politic having the powers, authority, and jurisdiction to operate and manage the Airport. Asheville Regional Airport Authority shall assign, and GARAA shall assume, all of Asheville Regional Airport Authority's interest. Such assignment and assumption to be effected in such manner as shall be determined by Asheville Regional Airport Authority in its sole discretion and without need for

consent by Company. All references to Asheville Regional Airport Authority in this Agreement shall mean and refer to GARAA. Notwithstanding the foregoing, however, Asheville Regional Airport Authority shall not be released from any of its obligations or liabilities under this Agreement.

All other terms of this Food and Beverage/Sundries/Vending/Gift Concession Agreement 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 effective as of the day and year first above written.

PARADIES SHOPS, LLC

**GREATER ASHEVILLE REGIONAL AIRPORT
AUTHORITY**

BY: _____
**Gregg S. Paradies
President and CEO**

BY: _____
**Lew Bleiweis, A.A.E.
Executive Director**



MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director

DATE: September 6, 2019

ITEM DESCRIPTION – New Business Item F

Approval of Revised Agreement for Professional Consulting Services Between the Greater Asheville Regional Airport Authority and GS&P, N.C. an Affiliate of Gresham Smith and Partners

BACKGROUND

The Board entered into an agreement for professional consulting services with GS&P, N.C. an Affiliate of Gresham Smith and Partners (Gresham) on August 10, 2018 after a qualifications-based selection process in accordance with FAA requirements. The proposed list of work in the Agreement included consulting and design services associated with the Terminal Building improvement program. At its January 18, 2019 meeting, the Board approved Scope of Services No. 1 to the Agreement, for utility infrastructure design. At its August 9, 2019 meeting, the Board conditionally approved Scope of Services No. 2, for Phase I design of the Terminal Modernization Program. Conditional approval was granted with the Board's direction to the Authority's legal counsel to review the current Gresham Agreement and scope prior to execution of Scope of Services No. 2. The Executive Director's execution of this document was authorized provided legal counsel had no recommendations for "material" changes to the document.

Upon review, the Authority's legal counsel had recommendations for revision to the Agreement with Gresham that would require Board approval. These recommended revisions were mainly to add a list of definitions of industry standard terms used in the Agreement, and the addition of certain FAA required provisions, and other similar additions.

New Business – Item F



ISSUES

Although Gresham is willing to amend the Agreement as needed to satisfy any concerns over ensuring an updated document, depending upon the extent of these changes, it may require in-depth legal review on their part, which could further postpone the start of their design efforts.

ALTERNATIVES

The Board could elect to permit design work on the project to begin under the current version of the Agreement with the understanding that Gresham and the Authority will continue to work towards mutually agreeable revisions.

FISCAL IMPACT

None. This action would only affect what is referred to as the Master Agreement, which has no fiscal implications associated with it.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the Revised Agreement for Professional Consulting Services Between the Greater Asheville Regional Airport Authority and GS&P, N.C. an Affiliate of Gresham Smith and Partners; and (2) authorize the Executive Director to execute the necessary documents.



MEMORANDUM

TO: Members of the Airport Authority
FROM: Lew Bleiweis, A.A.E., Executive Director
DATE: September 6, 2019

ITEM DESCRIPTION – Information Section Item A

July, 2019 Traffic Report – Asheville Regional Airport

SUMMARY

July, 2019 overall passenger traffic numbers were up 46.2% compared to the same period last year. Passenger traffic numbers reflect a 46.7% increase in passenger enplanements from July, 2018.

AIRLINE PERFORMANCE

Allegiant Airlines: Year over Year passenger enplanements for Allegiant in July 2019 were up by 52.7%. There were no flight cancellations for the month.

American Airlines: American's July 2019 passenger enplanements represent a 48.8% increase over the same period last year. There were twelve (12) flight cancellations for the month.

Delta Airlines: Delta's July 2019 enplanements increased by 26.4% compared to July 2018. There were no flight cancellations for the month.

Elite Airways: Year over Year passenger enplanements for Elite in July 2019 were down by 5.7%. There were no flight cancellations for the month.

United Airlines: In July 2019, United Airlines saw a decrease in enplanements by 3.9% over the same period last year. There were five (5) flight cancellations for the month.

Monthly Traffic Report

Asheville Regional Airport

July 2019



Category	Jul 2019	Jul 2018	Percentage Change	*CYTD-2019	*CYTD-2018	Percentage Change	*MOV12-2019	*MOV12-2018	Percentage Change
Passenger Traffic									
Enplaned	81,749	55,728	46.7%	442,534	303,082	46.0%	707,628	526,188	34.5%
Deplaned	<u>81,520</u>	<u>55,936</u>	45.7%	<u>439,294</u>	<u>302,643</u>	45.2%	<u>703,043</u>	<u>527,671</u>	33.2%
Total	163,269	111,664	46.2%	881,828	605,725	45.6%	1,410,671	1,053,859	33.9%
Aircraft Operations									
Airlines	1,118	788	41.9%	7,013	4,910	42.8%	11,333	8,372	35.4%
Commuter/ Air Taxi	<u>1,349</u>	<u>1,184</u>	13.9%	6,148	5,284	16.4%	11,004	10,710	2.7%
Subtotal	<u>2,467</u>	<u>1,972</u>	25.1%	<u>13,161</u>	<u>10,194</u>	29.1%	<u>22,337</u>	<u>19,082</u>	17.1%
General Aviation	5,262	4,293	22.6%	26,719	24,252	10.2%	41,198	43,596	-5.5%
Military	<u>312</u>	<u>377</u>	-17.2%	<u>1,803</u>	<u>1,964</u>	-8.2%	<u>3,036</u>	<u>4,045</u>	-24.9%
Subtotal	<u>5,574</u>	<u>4,670</u>	19.4%	<u>28,522</u>	<u>26,216</u>	8.8%	<u>44,234</u>	<u>47,641</u>	-7.2%
Total	8,041	6,642	21.1%	41,683	36,410	14.5%	66,571	66,723	-0.2%
Fuel Gallons									
100LL	16,725	16,332	2.4%	98,424	89,912	9.5%	171,959	164,806	4.3%
Jet A (GA)	193,068	184,402	4.7%	726,355	777,090	-6.5%	1,407,212	1,475,495	-4.6%
Subtotal	<u>209,793</u>	<u>200,734</u>	4.5%	<u>824,779</u>	<u>867,002</u>	-4.9%	<u>1,579,171</u>	<u>1,640,301</u>	-3.7%
Jet A (A/L)	<u>668,441</u>	<u>448,934</u>	48.9%	<u>3,593,435</u>	<u>2,361,453</u>	52.2%	<u>5,589,931</u>	<u>4,043,001</u>	38.3%
Total	878,234	649,668	35.2%	4,418,214	3,228,455	36.9%	7,169,102	5,683,302	26.1%

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

Monday, August 26, 2019

Airline Enplanements, Seats, and Load Factors

Asheville Regional Airport

July 2019



	Jul 2019	Jul 2018	Percentage Change	*CYTD-2019	*CYTD-2018	Percentage Change
Allegiant Air						
Enplanements	36,539	23,923	52.7%	186,649	111,875	66.8%
Seats	42,762	27,513	55.4%	242,649	132,231	83.5%
Load Factor	85.4%	87.0%	-1.7%	76.9%	84.6%	-9.1%
American Airlines						
Enplanements	16,623	11,172	48.8%	92,626	64,009	44.7%
Seats	19,432	13,322	45.9%	110,918	78,220	41.8%
Load Factor	85.5%	83.9%	2.0%	83.5%	81.8%	2.0%
Delta Air Lines						
Enplanements	14,893	11,783	26.4%	88,552	83,271	6.3%
Seats	16,370	13,208	23.9%	100,760	95,063	6.0%
Load Factor	91.0%	89.2%	2.0%	87.9%	87.6%	0.3%
Elite Airways						
Enplanements	265	281	-5.7%	537	773	-30.5%
Seats	460	450	2.2%	1,080	1,570	-31.2%
Load Factor	57.6%	62.4%	-7.7%	49.7%	49.2%	1.0%
Spirit Airlines						
Enplanements	5,197	0	#Div/0!	30,328	0	#Div/0!
Seats	8,918	0	#Div/0!	58,422	0	#Div/0!
Load Factor	58.3%	#Num!	#Type!	51.9%	#Num!	#Type!
United Airlines						
Enplanements	8,232	8,569	-3.9%	43,842	43,154	1.6%
Seats	9,616	10,050	-4.3%	55,854	52,233	6.9%
Load Factor	85.6%	85.3%	0.4%	78.5%	82.6%	-5.0%

Friday, August 23, 2019

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

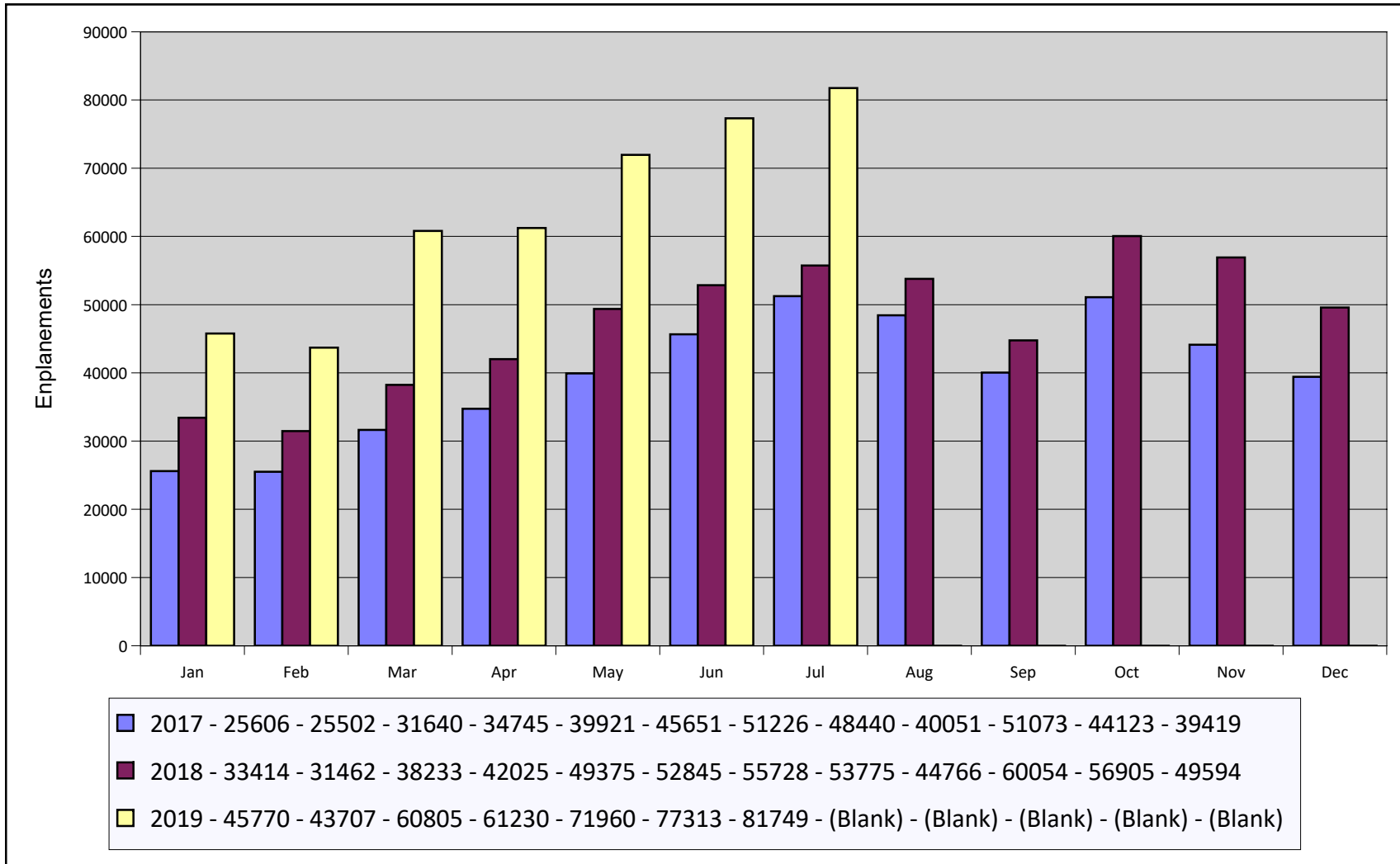
	Jul 2019	Jul 2018	Percentage Change	*CYTD-2019	*CYTD-2018	Percentage Change
Totals						
Enplanements	81,749	55,728	46.7%	442,534	303,082	46.0%
Seats	97,558	64,543	51.2%	569,683	359,317	58.5%
Load Factor	83.8%	86.3%	-3.0%	77.7%	84.3%	-7.9%

Airline Flight Completions Asheville Regional Airport July 2019

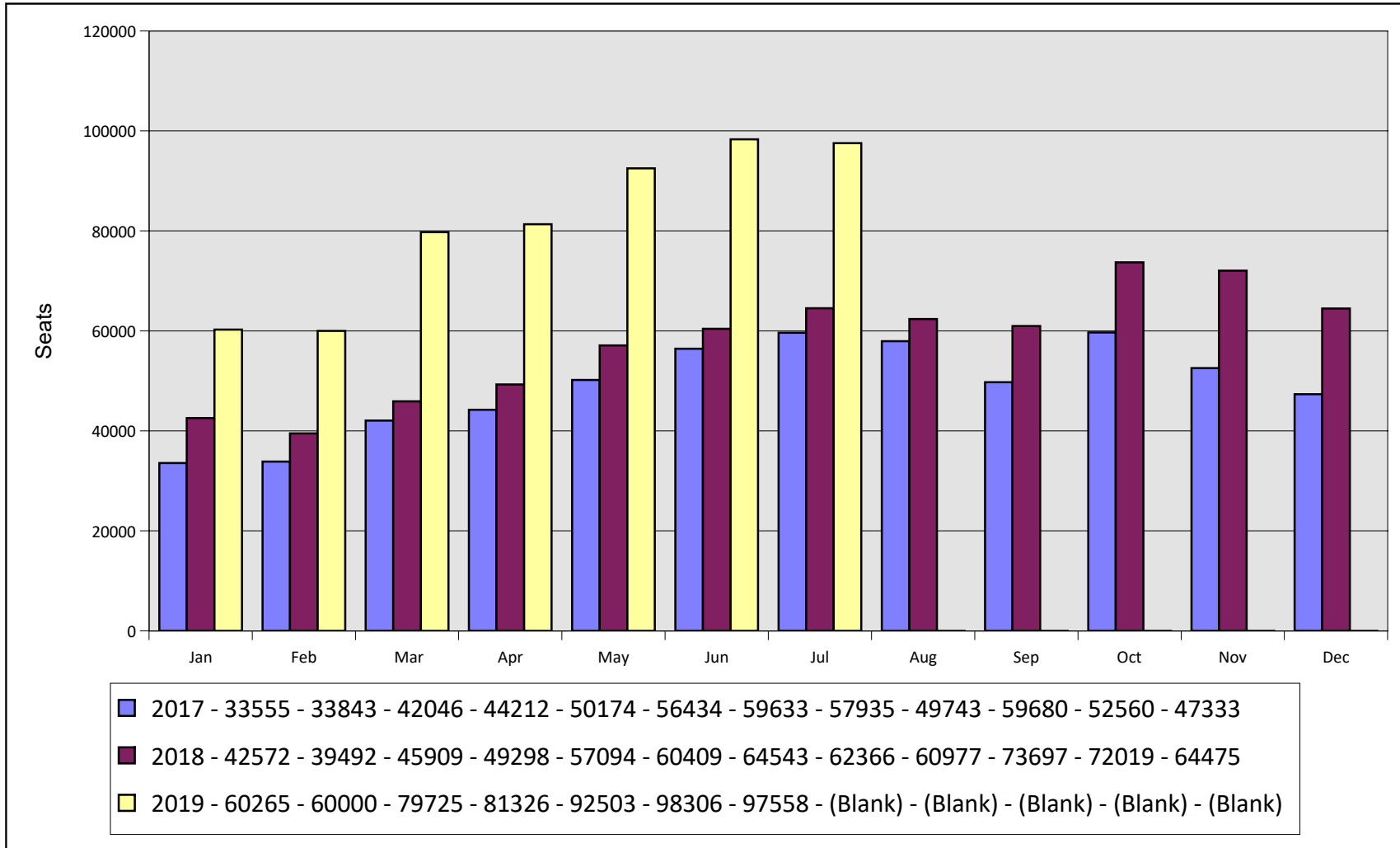


Airline	Scheduled Flights	Field	Cancellations Due To			Total Cancellations	Percentage of Completed Flights
			Mechanical	Weather	Other		
Allegiant Air	235	0	0	0	0	0	100.0%
American Airlines	312	0	1	11	0	12	96.2%
Delta Air Lines	247	0	0	0	0	0	100.0%
Elite Airways	8	0	0	0	0	0	100.0%
Spirit Airlines	49	0	0	0	0	0	100.0%
United Airlines	196	0	1	3	1	5	97.4%
Total	1,047	0	2	14	1	17	98.4%

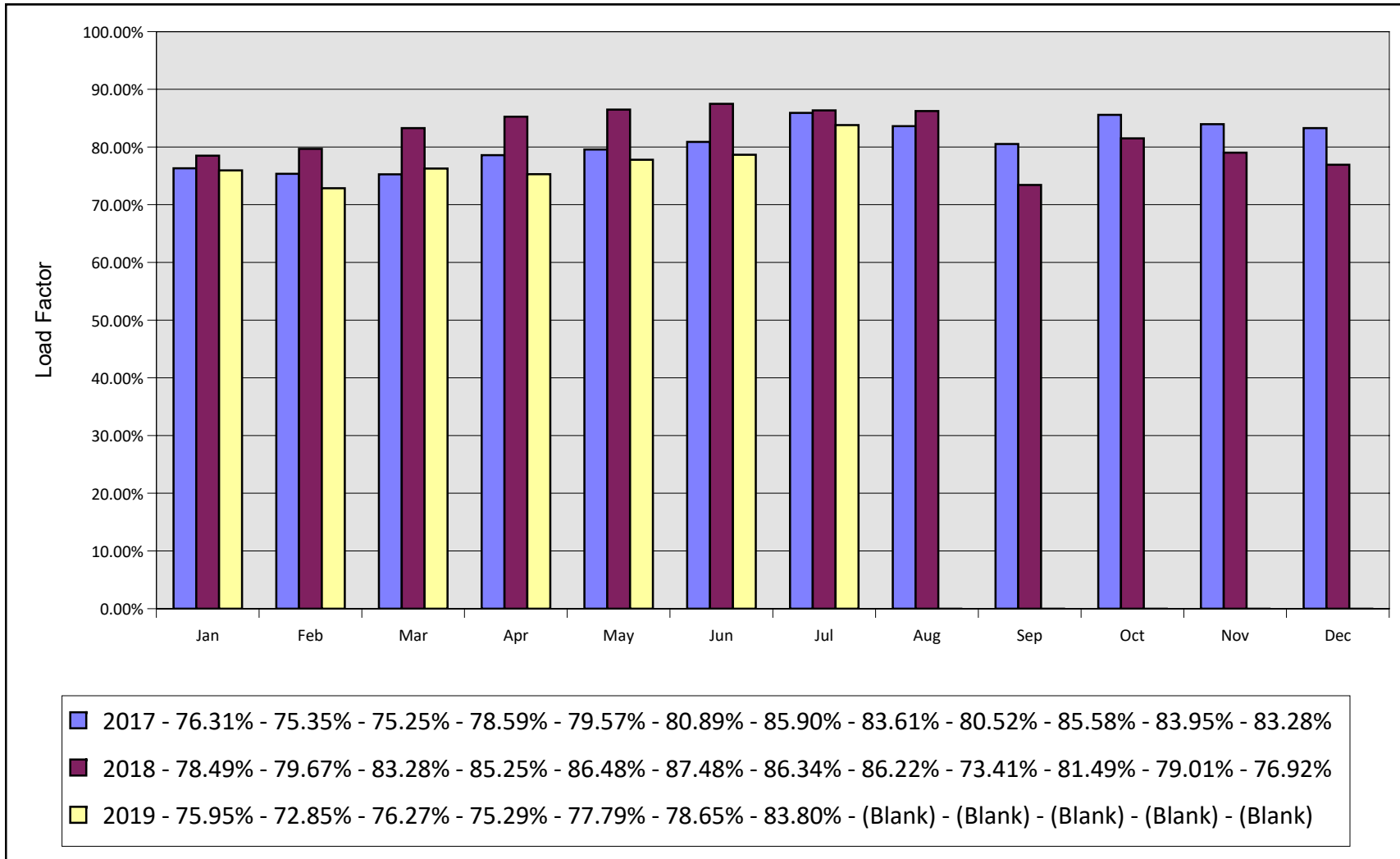
Monthly Enplanements By Year Asheville Regional Airport



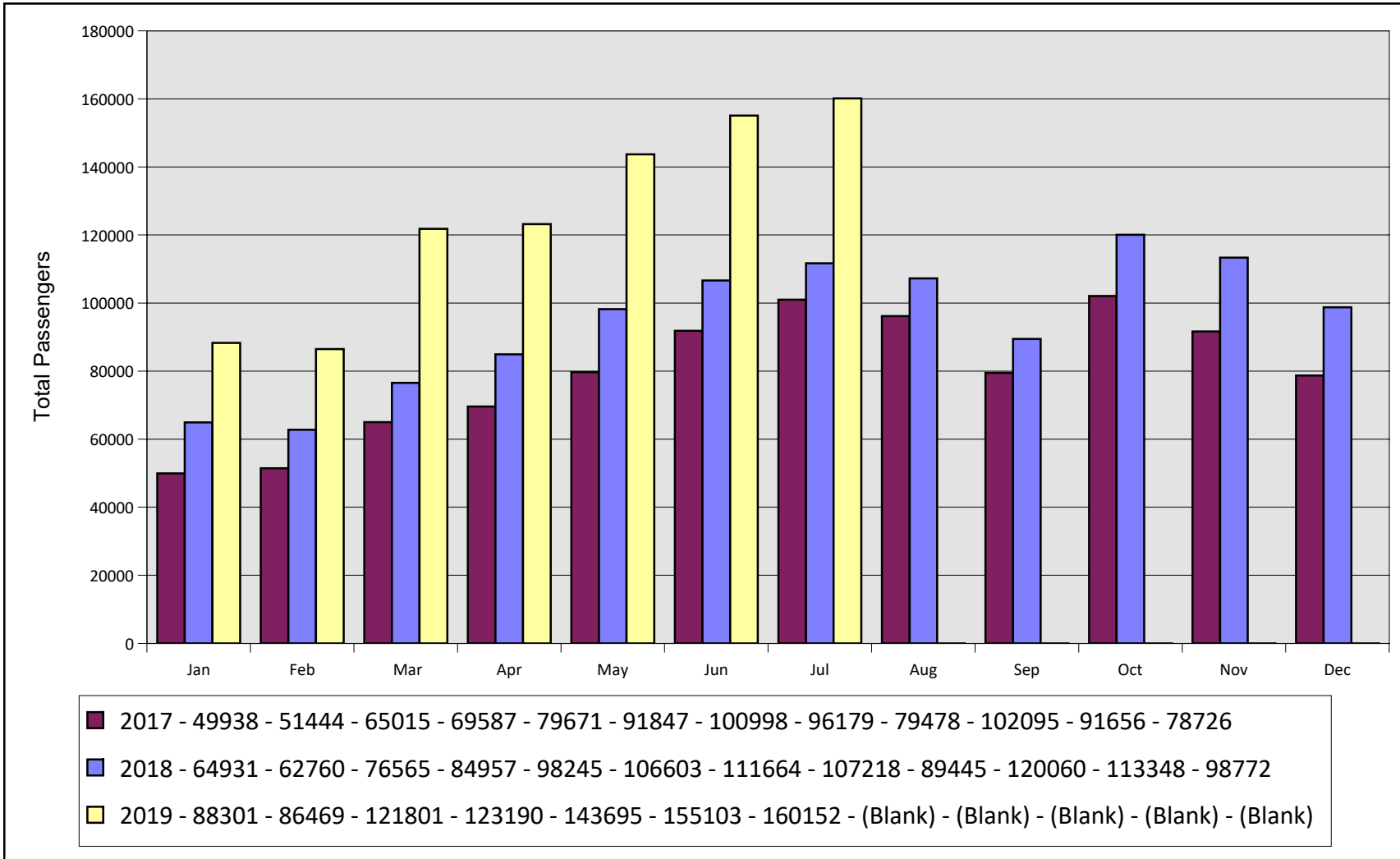
Monthly Seats By Year Asheville Regional Airport



Monthly Load Factors By Year Asheville Regional Airport

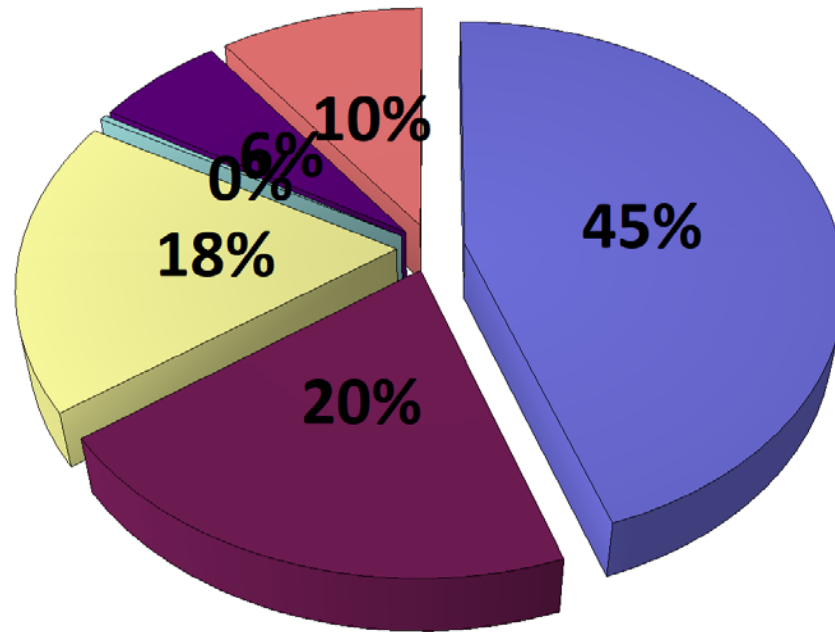


Total Monthly Passengers By Year Asheville Regional Airport



Airline Market Share Analysis (Enplanements) Asheville Regional Airport

Report Period From July 2019 Through July 2019



 Allegiant Air	 American Airlines
 Delta Air Lines	 Elite Airways
 Spirit Airlines	 United Airlines

October 2019 vs. October 2018

Travel Period			Oct-19		Oct-18		Diff		Percent Diff	
Mkt AI	Orig	Dest	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats
7Q	AVL	VRB	0	0	2	100	(2)	(100)	(100.0%)	(100.0%)
7Q	VRB	AVL	0	0	2	100	(2)	(100)	(100.0%)	(100.0%)
AA	AVL	CLT	55	3,767	51	3,343	4	424	7.8%	12.7%
AA	CLT	AVL	55	3,767	51	3,343	4	424	7.8%	12.7%
AA	AVL	DFW	7	532	0	0	7	532		
AA	DFW	AVL	7	532	0	0	7	532		
AA	AVL	LGA	2	152	0	0	2	152		
AA	LGA	AVL	2	152	0	0	2	152		
AA	AVL	PHL	7	350	0	0	7	350		
AA	PHL	AVL	7	350	0	0	7	350		
DL	ATL	AVL	48	3,773	46	3,440	2	333	4.3%	9.7%
DL	AVL	ATL	48	3,773	46	3,440	2	333	4.3%	9.7%
DL	AVL	DTW	1	50	0	0	1	50	-	-
DL	DTW	AVL	1	50	0	0	1	50	-	-
G4	AVL	BWI	3	558	2	354	1	204	50.0%	57.6%
G4	BWI	AVL	3	558	2	354	1	204	50.0%	57.6%
G4	AVL	DEN	2	372	0	0	2	372		
G4	DEN	AVL	2	372	0	0	2	372		
G4	AVL	EWR	5	930	3	531	2	399	66.7%	75.1%
G4	EWR	AVL	5	930	3	531	2	399	66.7%	75.1%
G4	AVL	FLL	18	3,276	14	2,478	4	798	28.6%	32.2%
G4	FLL	AVL	18	3,276	14	2,478	4	798	28.6%	32.2%
G4	AVL	PGD	5	903	5	885	0	18	0.0%	2.0%
G4	PGD	AVL	5	903	5	885	0	18	0.0%	2.0%
G4	AVL	PIE	12	2,157	9	1,593	3	564	33.3%	35.4%
G4	PIE	AVL	12	2,157	9	1,593	3	564	33.3%	35.4%
G4	AVL	SFB	12	2,052	7	1,184	5	868	71.4%	73.3%
G4	SFB	AVL	12	2,052	7	1,184	5	868	71.4%	73.3%
G4	AVL	SRQ	2	372	0	0	2	372		
G4	SRQ	AVL	2	372	0	0	2	372		
NK	AVL	FLL	7	1,015	3	546	4	469	133.0%	85.9%
NK	FLL	AVL	7	1,015	3	546	4	469	133.0%	85.9%
NK	AVL	MCO	3	435	3	546	0	(111)	0.0%	(20.3%)
NK	MCO	AVL	3	435	3	546	0	(111)	0.0%	(20.3%)
NK	AVL	TPA	2	290	2	364	0	(74)	0.0%	(20.3%)
NK	TPA	AVL	2	290	2	364	0	(74)	0.0%	(20.3%)
UA	AVL	EWR	7	350	7	584	0	(234)	0.0%	(40.1%)
UA	EWR	AVL	7	350	7	584	0	(234)	0.0%	(40.1%)
UA	AVL	IAD	14	700	0	0	14	700		
UA	IAD	AVL	14	700	0	0	14	700		
UA	AVL	ORD	28	1,400	28	1,400	0	0	0.0%	0.0%
UA	ORD	AVL	28	1,400	28	1,400	0	0	0.0%	0.0%
Total			478	46,868	364	34,696	116	12,172	31.9%	35.1%

November 2019 vs. November 2018

Travel Period		Nov-19		Nov-18		Diff		Percent Diff		
Mkt Al	Orig	Dest	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats
AA	AVL	CLT	55	3,855	53	3,639	2	216	3.8%	5.9%
AA	CLT	AVL	55	3,855	53	3,639	2	216	3.8%	5.9%
AA	AVL	DFW	7	532	0	0	7	532		
AA	DFW	AVL	7	532	0	0	7	532		
AA	AVL	LGA	2	152	0	0	2	152		
AA	LGA	AVL	2	152	0	0	2	152		
AA	AVL	PHL	7	350	0	0	7	350		
AA	PHL	AVL	7	350	0	0	7	350		
DL	ATL	AVL	48	3,572	45	3,442	3	130	6.7%	3.8%
DL	AVL	ATL	48	3,572	45	3,442	3	130	6.7%	3.8%
G4	AVL	BWI	2	372	2	354	0	18	0.0%	5.1%
G4	BWI	AVL	2	372	2	354	0	18	0.0%	5.1%
G4	AVL	DEN	2	372	0	0	2	372		
G4	DEN	AVL	2	372	0	0	2	372		
G4	AVL	EWR	5	930	2	354	3	576	150.0%	162.7%
G4	EWR	AVL	5	930	2	354	3	576	150.0%	162.7%
G4	AVL	FLL	14	2,550	14	2,467	0	83	0.0%	3.4%
G4	FLL	AVL	14	2,550	14	2,467	0	83	0.0%	3.4%
G4	AVL	PGD	4	726	4	708	0	18	0.0%	2.5%
G4	PGD	AVL	4	726	4	708	0	18	0.0%	2.5%
G4	AVL	PIE	10	1,833	6	1,041	4	792	66.7%	76.1%
G4	PIE	AVL	10	1,833	6	1,041	4	792	66.7%	76.1%
G4	AVL	SFB	12	2,133	7	1,228	5	905	71.4%	73.7%
G4	SFB	AVL	12	2,133	7	1,228	5	905	71.4%	73.7%
G4	AVL	SRQ	2	372	0	0	2	372		
G4	SRQ	AVL	2	372	0	0	2	372		
NK	AVL	FLL	3	435	4	728	(1)	(293)	(25.0%)	(40.2%)
NK	FLL	AVL	3	435	4	728	(1)	(293)	(25.0%)	(40.2%)
NK	AVL	MCO	5	873	4	728	1	145	25.0%	19.9%
NK	MCO	AVL	5	873	4	728	1	145	25.0%	19.9%
NK	AVL	TPA	0	0	3	546	(3)	(546)	(100.0%)	(100.0%)
NK	TPA	AVL	0	0	3	546	(3)	(546)	(100.0%)	(100.0%)
UA	AVL	EWR	0	0	7	740	(7)	(740)	(100.0%)	(100.0%)
UA	EWR	AVL	0	0	7	740	(7)	(740)	(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%
Total			426	41,614	344	34,050	82	7,564	23.8%	22.2%

December 2019 vs. December 2018

Mkt AI	Travel Period		Dec-19		Dec-18		Diff		Percent Diff	
	Orig	Dest	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats
AA	AVL	CLT	49	3,155	48	3,303	1	(148)	2.1%	(4.5%)
AA	CLT	AVL	49	3,155	48	3,303	1	(148)	2.1%	4.5%
AA	AVL	DFW	7	532	0	0	7	532		
AA	DFW	AVL	7	532	0	0	7	532		
AA	AVL	LGA	2	152	0	0	2	152		
AA	LGA	AVL	2	152	0	0	2	152		
AA	AVL	PHL	7	350	0	0	7	350		
AA	PHL	AVL	7	350	0	0	7	350		
DL	ATL	AVL	46	3,482	46	3,140	0	342	0.0%	10.9%
DL	AVL	ATL	46	3,482	46	3,140	0	342	0.0%	10.9%
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	1	177	0	0	1	177		
G4	DEN	AVL	1	177	0	0	1	177		
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	13	2,301	1	177	7.7%	7.7%
G4	FLL	AVL	14	2,478	13	2,301	1	177	7.7%	7.7%
G4	AVL	PBI	2	354	0	0	2	354		
G4	PBI	AVL	2	354	0	0	2	354		
G4	AVL	PGD	2	354	2	354	0	0	0.0%	0.0%
G4	PGD	AVL	2	354	2	354	0	0	0.0%	0.0%
G4	AVL	PIE	11	1,947	6	1,062	5	885	83.3%	83.3%
G4	PIE	AVL	11	1,947	6	1,062	5	885	83.3%	83.3%
G4	AVL	SFB	11	1,947	7	1,218	4	729	57.1%	59.9%
G4	SFB	AVL	11	1,947	7	1,218	4	729	57.1%	59.9%
G4	AVL	SRQ	2	354	0	0	2	354		
G4	SRQ	AVL	2	354	0	0	2	354		
NK	AVL	FLL	0	0	3	546	(3)	(546)	(100.0%)	(100.0%)
NK	FLL	AVL	0	0	3	546	(3)	(546)	(100.0%)	(100.0%)
NK	AVL	MCO	7	1,274	3	546	4	728	133.3%	133.3%
NK	MCO	AVL	7	1,274	3	546	4	728	133.3%	133.3%
NK	AVL	TPA	0	0	2	364	(2)	(364)	(100.0%)	(100.0%)
NK	TPA	AVL	0	0	2	364	(2)	(364)	(100.0%)	(100.0%)
UA	AVL	EWR	0	0	7	350	(7)	(350)	(100.0%)	(100.0%)
UA	EWR	AVL	0	0	7	350	(7)	(350)	(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%
Total			400	38,028	324	29,884	76	8,144	23.5%	27.3%



MEMORANDUM

TO: Members of the Airport Authority

FROM: Janet Burnette, Director of Finance & Accounting

DATE: September 6, 2019

ITEM DESCRIPTION – Information Section Item B

Greater Asheville Regional Airport – Explanation of Extraordinary Variances
Month of July 2019

SUMMARY

Operating Revenues for the month of July were \$1,693,639, 32% over budget. Operating Expenses for the month were \$265,483, 64.6% under budget. As a result, Net Operating Revenues before Depreciation were \$1,428,156, 167.9% over budget. Net Non-Operating Revenues were \$111,425, 70.7% under budget.

STATEMENT OF NET ASSETS

Significant variations to prior month were:

Cash and Cash Equivalents – Cash and Cash Equivalents decreased by \$1,995k mainly due to the annual bond payment made July 1st.

Grants Receivable – Grants Receivable decreased by \$597k due to the receipt of Grant funds.

Property and Equipment, Net – Property and Equipment, Net increased by \$27k due to capitalization of assets.

**ASHEVILLE REGIONAL AIRPORT
INVESTMENT AND INTEREST INCOME SUMMARY
As of July 31, 2019**

<u>Institution:</u>	<u>Interest Rate</u>	<u>Investment Amount</u>	<u>Monthly Interest</u>
Bank of America - Operating Account	0.80%	\$ 7,290,313	6,667
First Citizens - Money Market Account	0.35%	404,068	0
NC Capital Management Trust - Cash Portfolio		17,898	34
NC Capital Management Trust - Term Portfolio		9,336,352	18,075
Petty Cash		200	
 <u>Restricted Cash:</u>			
BNY Mellon		142,006	
Bank of America - PFC Revenue Account	0.80%	2,826,503	1,702
NC Capital Management Trust - Term Port - PFC		10,190,114	19,728
 Total		 <u>\$ 30,207,454</u>	 <u>\$ 46,206</u>

Investment Diversification:

Banks	35%
NC Capital Management Trust	65%
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 July 31, 2019**

	<u>Current Month</u>	<u>Prior Period</u>
Cash and Investments Beginning of Period	\$ 32,202,756	\$ 34,730,778
Net Income/(Loss) Before Capital Contributions	1,100,768	293,651
Depreciation	438,813	773,158
Decrease/(Increase) in Receivables	890,138	(4,313,956)
Increase/(Decrease) in Payables	(3,153,864)	912,946
Decrease/(Increase) in Prepaid Expenses	939	(108,773)
Decrease/(Increase) in Fixed Assets	(27,096)	(4,159,428)
Principal Payments of Bond Maturities	(1,245,000)	-
Capital Contributions	-	4,074,380
Increase(Decrease) in Cash	<u>(1,995,302)</u>	<u>(2,528,022)</u>
Cash and Investments End of Period	<u><u>\$ 30,207,454</u></u>	<u><u>\$ 32,202,756</u></u>

**ASHEVILLE REGIONAL AIRPORT
STATEMENT OF FINANCIAL POSITION
As of July 31, 2019**

	Current Month	Last Month
<u>ASSETS</u>		
Current Assets:		
Unrestricted Net Assets:		
Cash and Cash Equivalents	\$17,048,831	\$18,375,402
Investments	0	0
Accounts Receivable	1,172,900	1,148,754
Passenger Facility Charges Receivable	280,000	600,000
Refundable Sales Tax Receivable	221,387	218,118
Grants Receivable	9,105,285	9,702,838
Prepaid Expenses	127,806	128,745
Total Unrestricted Assets	27,956,209	30,173,857
Restricted Assets:		
Cash and Cash Equivalents	13,158,623	13,827,353
Total Restricted Assets	13,158,623	13,827,353
Total Current Assets	41,114,832	44,001,210
Noncurrent Assets:		
Construction in Progress	62,587,603	62,560,507
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	74,105,608	74,544,422
Total Noncurrent Assets	136,576,054	136,987,772
	\$177,690,886	\$180,988,982
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Payable from Unrestricted Assets:		
Accounts Payable & Accrued Liabilities	\$65,401	\$3,005,529
Customer Deposits	12,785	12,785
Unearned Revenue	46,966	67,932
Construction Contracts Payable	0	0
Construction Contract Retainages	574,507	574,507
Revenue Bond Payable - Current	1,280,000	1,245,000
Interest Payable	35,329	228,099
Total Payable from Unrestricted Assets	2,014,988	5,133,852
Total Current Liabilities	2,014,988	5,133,852
Noncurrent Liabilities:		
Pension Deferrals - OPED	56,737	56,737
Other Postemployment Benefits	1,248,463	1,248,463
Compensated Absences	346,617	346,617
Net Pension Obligation-LEO Special Separation Allowance	474,558	474,558
Revenue Bond Payable - Noncurrent	16,305,000	17,585,000
Total Noncurrent Liabilities	18,431,375	19,711,375
Total Liabilities	20,446,363	24,845,227
Net Assets:		
Invested in Capital Assets	119,108,211	118,274,929
Restricted	13,158,623	13,827,353
Unrestricted	24,977,689	24,041,473
Total Net Assets	157,244,523	156,143,755
	\$177,690,886	\$180,988,982

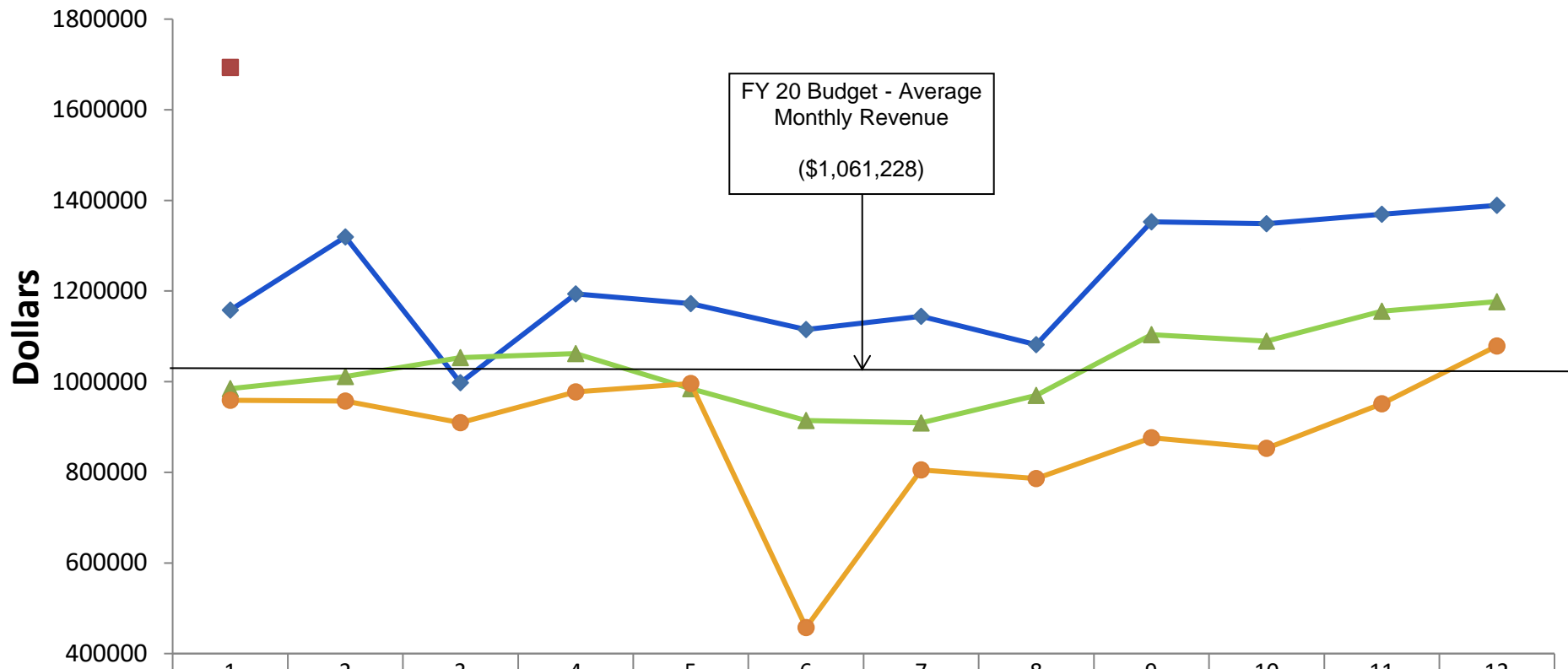


Income Statement

Through 07/31/19
Summary Listing

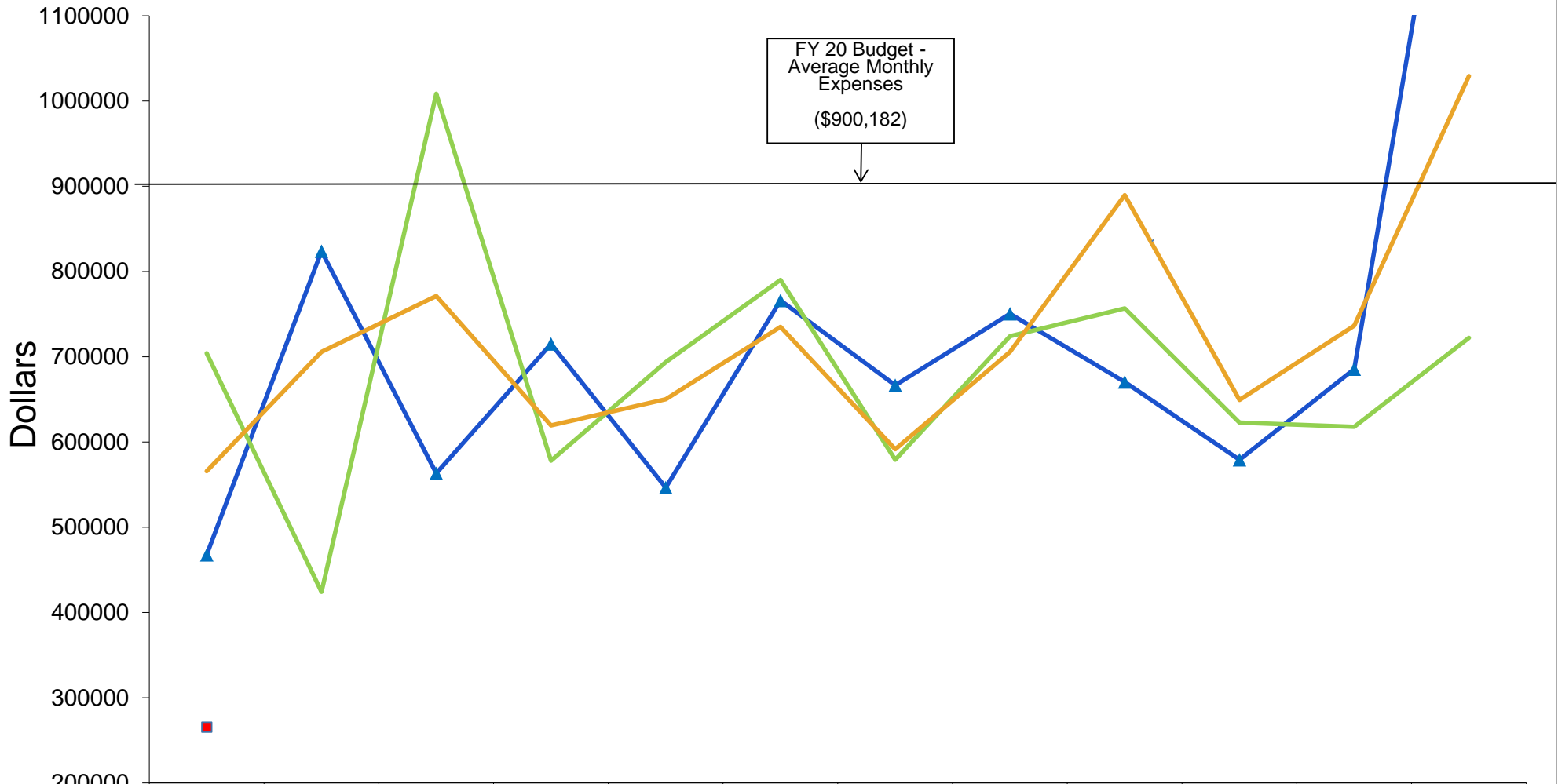
Classification	Annual Budget Amount	MTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% of Budget	Prior Year Total Actual
Fund Category Governmental Funds						
Fund Type General Fund						
Fund 10 - General Fund						
<i>Operating revenues</i>						
Terminal space rentals - non airline	252,866.00	20,780.13	20,780.13	232,085.87	8.22%	239,292.43
Terminal space rentals - airline	1,981,281.00	247,059.79	247,059.79	1,734,221.21	12.47%	2,362,337.76
Landing fees	1,031,246.00	117,131.48	117,131.48	914,114.52	11.36%	1,159,610.44
Concessions	559,020.00	84,998.57	84,998.57	474,021.43	15.20%	722,027.06
Auto parking	4,508,500.00	641,902.54	641,902.54	3,866,597.46	14.24%	5,900,212.88
Rental car - car rentals	1,711,283.00	319,556.99	319,556.99	1,391,726.01	18.67%	2,404,392.34
Rental car - facility rent	573,803.00	53,090.01	53,090.01	520,712.99	9.25%	663,178.67
Commerce ground transportation	180,000.00	25,753.00	25,753.00	154,247.00	14.31%	308,678.83
FBO's	1,056,304.00	92,682.70	92,682.70	963,621.30	8.77%	1,072,689.31
Building leases	95,486.00	9,490.20	9,490.20	85,995.80	9.94%	84,910.51
Land leases	82,833.00	5,799.14	5,799.14	77,033.86	7.00%	55,587.61
Other leases and fees	702,118.00	75,394.36	75,394.36	626,723.64	10.74%	193,011.95
<i>Operating revenues Totals</i>	\$12,734,740.00	\$1,693,638.91	\$1,693,638.91	\$11,041,101.09	13.30%	\$15,165,929.79
<i>Non-operating revenue and expense</i>						
Customer facility charges	1,600,000.00	232,853.25	232,853.25	1,367,146.75	14.55%	1,827,347.50
Passenger facility charges	2,250,000.00	320,942.47	320,942.47	1,929,057.53	14.26%	3,034,176.93
Interest revenue	250,000.00	46,206.89	46,206.89	203,793.11	18.48%	510,562.20
Interest expense	.00	(35,329.29)	(35,329.29)	35,329.29	0.00%	(456,197.04)
Reimbursable cost expenses	.00	(453,248.19)	(453,248.19)	453,248.19	0.00%	(649,919.93)
Gain or loss on disposal of assets	.00	.00	.00	.00	0.00%	61,044.85
P-card rebate	.00	.00	.00	.00	0.00%	2,472.15
<i>Non-operating revenue and expense Totals</i>	\$4,100,000.00	\$111,425.13	\$111,425.13	\$3,988,574.87	2.72%	\$4,329,486.66
Capital contributions	.00	.00	.00	.00	0.00%	11,313,951.06
<i>Operating expenses</i>						
Personnel services	6,657,771.00	212,212.20	212,212.20	6,445,558.80	3.19%	4,951,230.80
Professional services	384,950.00	1,086.25	1,086.25	383,863.75	0.28%	297,973.72
Other contractual services	978,646.00	21,646.05	21,646.05	956,999.95	2.21%	762,669.54
Travel and training	260,850.00	298.70	298.70	260,551.30	0.11%	194,353.75
Communications	65,590.00	3,252.11	3,252.11	62,337.89	4.96%	81,901.61
Utility services	539,867.00	.00	.00	539,867.00	0.00%	452,834.01
Rentals and leases	14,100.00	1,037.35	1,037.35	13,062.65	7.36%	13,639.09
Insurance	260,600.00	.00	.00	260,600.00	0.00%	259,926.91
Advertising, printing and binding	19,200.00	.00	.00	19,200.00	0.00%	9,893.66
Promotional activities	303,800.00	1,221.94	1,221.94	302,578.06	0.40%	307,862.03
Other current charges and obligations	85,100.00	3,112.08	3,112.08	81,987.92	3.66%	60,526.52
Operating supplies	456,610.00	14,812.67	14,812.67	441,797.33	3.24%	436,073.68
Publications, subscriptions, memberships, etc.	61,900.00	160.00	160.00	61,740.00	0.26%	50,868.12
Repairs and maintenance	255,200.00	3,730.70	3,730.70	251,469.30	1.46%	192,009.86
Small equipment	8,000.00	2,912.67	2,912.67	5,087.33	36.41%	280,193.14
Emergency repairs	50,000.00	.00	.00	50,000.00	0.00%	24,014.58
Business development	300,000.00	.00	.00	300,000.00	0.00%	309,205.11
<i>Operating expenses Totals</i>	\$10,702,184.00	\$265,482.72	\$265,482.72	\$10,436,701.28	2.48%	\$8,685,176.13
<i>Depreciation</i>						
Depreciation	.00	438,813.58	438,813.58	(438,813.58)	0.00%	5,033,403.13
<i>Depreciation Totals</i>	\$0.00	\$438,813.58	\$438,813.58	(\$438,813.58)	0.00%	\$5,033,403.13
Grand Totals						
REVENUE TOTALS	16,834,740.00	1,805,064.04	1,805,064.04	15,029,675.96	10.72%	30,809,367.51
EXPENSE TOTALS	10,702,184.00	704,296.30	704,296.30	9,997,887.70	6.58%	13,718,579.26
Grand Total Net Gain (Loss)	\$6,132,556.00	\$1,100,767.74	\$1,100,767.74	\$5,031,788.26	17.95%	\$17,090,788.25

ASHEVILLE REGIONAL AIRPORT Annual Operating Revenue by Month July 2019



	1	2	3	4	5	6	7	8	9	10	11	12
2020	1693639											
2019	1157880	1319448	997702	1193707	1171956	1114742	1144401	1081933	1352795	1348310	1369108	1388974
2018	984749	1011431	1052878	1062064	984291	914297	909078	969671	1103476	1089449	1155693	1176670
2017	958743	957359	909258	977579	996133	457472	805436	786217	876033	852930	950921	1078756

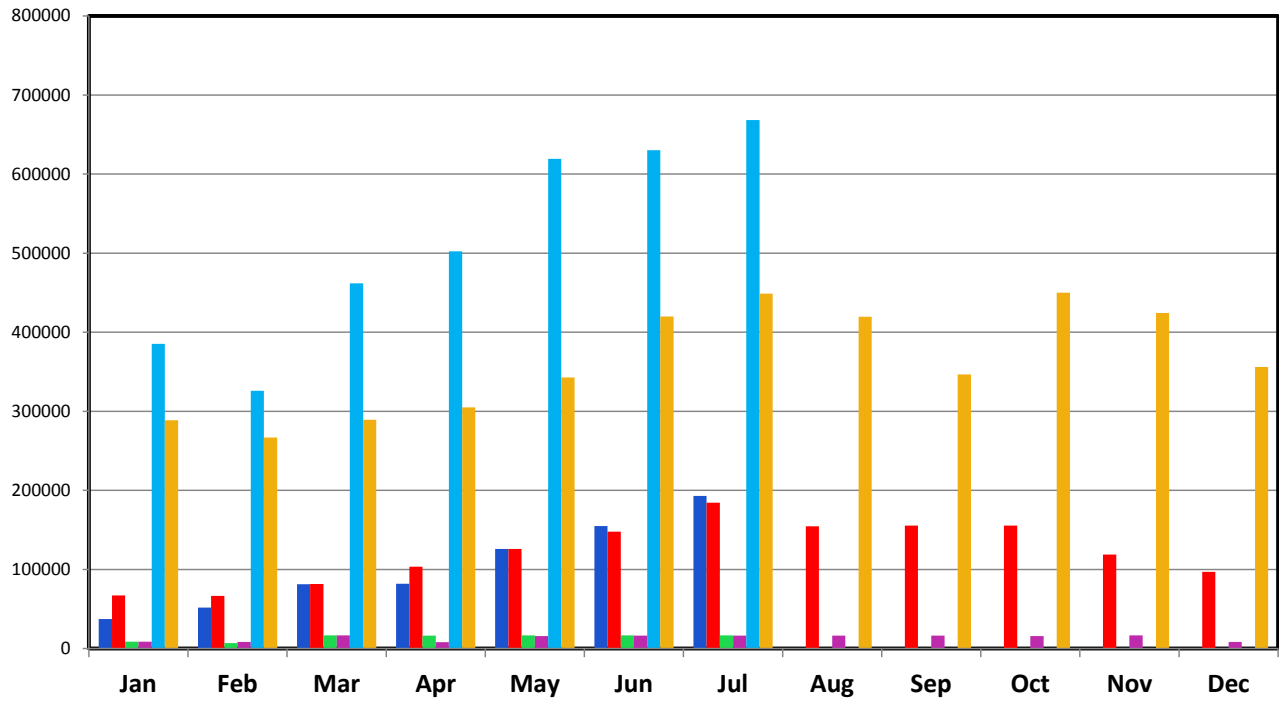
ASHEVILLE REGIONAL AIRPORT Annual Operating Expenses by Month July 2019



	1	2	3	4	5	6	7	8	9	10	11	12
2020	265483											
2019	467701	823824	563350	714938	546502	766012	666544	750376	670406	579071	685414	1480804
2018	704085	424161	1008520	578153	693612	790093	579052	724027	756743	622562	617623	722128
2017	565737	705715	771249	619423	649959	734910	591499	705568	889485	649186	736270	1029219

**ASHEVILLE REGIONAL AIRPORT
FUEL SALES - GALLONS
July 2019**

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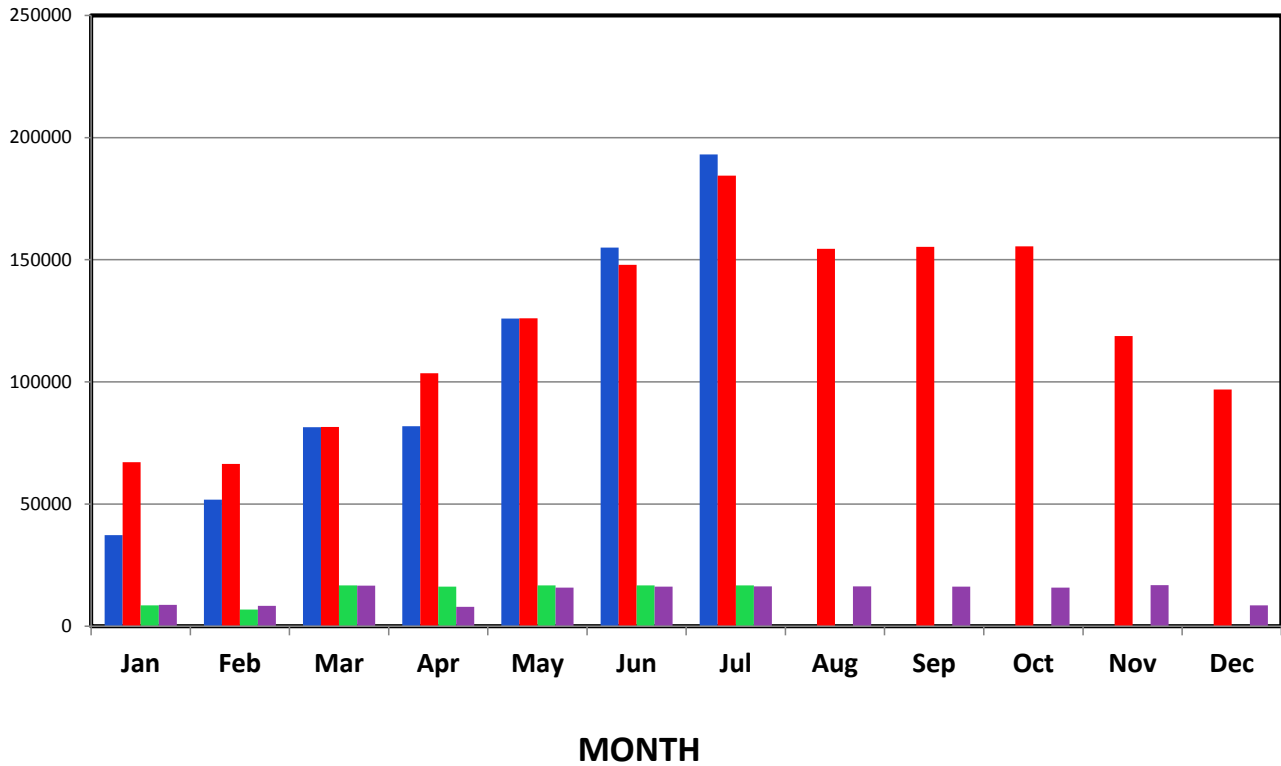
■ Jet A 2019
■ Jet A - 2018
■ 100LL - 2019
■ 100LL - 2018
■ Airline 2019
■ Airline - 2018

Jet A - 193,068 Gallons
 100LL - 16,725 Gallons
 Airline - 668,441 Gallons

MONTH

ASHEVILLE REGIONAL AIRPORT
GENERAL AVIATION FUEL SALES - GALLONS
July 2019

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■ Jet A - 2019
■ Jet A - 2018
■ 100LL - 2019
■ 100LL - 2018

Jet A - 193,068 Gallons
100LL - 16,725 Gallons

Design Phase

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 09/01/2019)	Percent of Original Contract	Board Approved Project Cost	Percent Complete	Expensed to Date (thru 09/01/2019)	Start Date	End Date	Current Project Status (as of 09/01/2019)
1	Airfield Re-Development Project	Budget for the complete project				\$64,100,000.00	\$15,900,000.00		\$80,000,000.00	83.0%	\$66,376,494.51			All Engineer contracts, completed construction contracts and expenses will be inclusive of budget.
1A	Airfield Re-Development Project	Phase I - Design Services This portion of project is completed.	RS&H											COMPLETED.
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%	<i>(Overall total included in above number)</i>	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	\$4,417,146.00	65.90%	<i>(Overall total included in above number)</i>	34%	\$2,311,996	Dec-14	Dec-19	Phase IV Project Management continues.
1D	Airfield Re-Development Project	New Runway Design	AVCON	\$1,967,476.00	N/A	N/A	\$185,924.00	4.40%	<i>(Overall total included in above number)</i>	89.7%	\$1,932,146	Mar-13	Dec-19	Phase IV Project Management continues.
1E	Airfield Re-Development Project	Miscellaneous and Administrative Expenses			N/A	N/A	\$0.00	0.0%	<i>(Overall total included in above number)</i>		\$4,042,174	Jan-13	Dec-19	Miscellaneous Administrative Expenses, Reimbursable Agreement and Land Acquisition
2	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	0.0%	\$327,486.27	52.3%	\$171,453.00	Aug-18	Jan-20	Project Management continues.
3	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%	\$0.00	45.0%	\$368,774.00	Nov-18	Nov-19	Bid opening held July 30 resulted in only 2 bids. Re-Bid is scheduled for August 22nd.
4	Terminal Building Renovations	Phase 1 - Utility Modernization of Water and Sewer	Gresham Smith	\$168,820.00	N/A	N/A	\$0.00	0.0%	\$168,820.00	30.7%	\$51,930.44	Jan-19	Oct-19	Design complete; awaiting review from City of Asheville and easements.
5	Pipe Repairs	60" Stormwater Pipe repairs in North area of property	Kimley Horn	\$152,700.40	N/A	N/A	\$0.00	0.0%	\$170,840.40	31.7%	\$48,387.37	Apr-19	Aug-19	Design continues.

Construction Phase

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 09/01/2019)	Percent of Original Contract	Board Approved Project Cost	Percent Complete	Expensed to Date (thru 09/01/2019)	Start Date	End Date	Current Project Status (as of 09/01/2019)
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	\$42,171,424.11	\$0.00	0.0%	\$42,171,424.11	12.8%	\$5,377,980.28	Mar-17	Dec-19	Electrical, sign pads, PAPI foundations, shoulder work and some paving continue weather permitting.
2	Airport Security & Identity Management System	Replace, Upgrade and Install new Security System	Faith Group	Amount in Design Fees	Johnson Control, Inc.	\$2,197,707.00	\$0.00	0.0%	\$2,605,672.28	0%	\$0.00	May-19	Feb-20	Equipment is scheduled to be ordered late August, door assessment and badge design continue.

(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