

**REGULAR MEETING  
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY  
March 13, 2020**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, March 13, 2020 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. Burril, Chair; K. Ray Bailey, Vice-Chair; Stephanie Pace Brown; George H. Erwin, Jr.; Carl H. Ricker, Jr.; and Thomas M. Apodaca

**MEMBERS ABSENT:** Brad Galbraith

**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; Jared Merrill, Airport Planning Manager; Samuel Sales, Public Safety Captain; and Ellen Heywood, Clerk to the Board

**ALSO PRESENT:** Jason Sandford, Ashvegas.com; Jon McCalmont, Parrish & Partners; Nick Loder, RS&H; Paul Puckli, CHA; Seth Chambers, American South General Contractors; J.R. Maxam, Holder Construction; Andy Myles, American South General Contractors

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

**PRESENTATIONS:**

**A. NonStop Flight Advertising Support:** Stephanie Pace Brown stated that the presentation has been postponed to the next Authority Board meeting.

**FINANCIAL REPORT:** The Director reported on the airport activity for the month of January which included enplanements, aircraft operations, and general aviation activity. Janet Burnette reported on the financial activity for the month of January.

**CONSENT ITEMS:** The Chair stated that Consent Item B, Approval of the Greater Asheville Regional Airport Authority February 14, 2020 Closed Session Minutes, would be pulled for review in Closed Session.

**A. Approval of the Greater Asheville Regional Airport Authority February 14, 2020 Regular Meeting Minutes:** Ms. Brown moved to approve the Greater Asheville Regional Airport Authority February 14, 2020 Regular Meeting Minutes. Mr. Ricker seconded the motion and it carried unanimously.

**OLD BUSINESS:** None

**NEW BUSINESS:**

**A. Preliminary Approval of Authority's Amended Ordinance of Airline Rates, Fees and Charges for the Asheville Regional Airport:** Janet Burnette reported that a new Schedule of Airline Rates, Fees and Charges for FY2020/2021 has been developed in accordance with Ordinance No. 201601. The airlines have received the proposed Rates, Fees and Charges and a meeting has been scheduled with the airlines for the following week. Mrs. Burnette called the Board's attention to the Summary Table of the Schedule and advised the Board that while the fees have increased, the projected increase in enplanements has resulted in a decrease in the cost per enplanement for the airlines. Mrs. Burnette reminded the Board that a public hearing will need to be held at the next Authority Board meeting prior to adoption of the new rates.

A brief discussion took place regarding the likelihood of needing to amend the Rates and Charges Schedule due to effects from the current health crisis. The Director commented that it may be too early to tell, and that staff has the ability to make adjustments if excess revenues are received. The Director also mentioned that staff would be working with a consultant to adjust the rate model to determine if changes could be made by staff to the rates without affecting the cost per enplanement.

Mr. Ricker moved to consider and approve the proposed Airline Rates, Fees and Charges; schedule a public hearing and accept public comment on the proposed Airline Rates, Fees and Charges; and following the minimum period for public comment and public hearing, adopt the Airline Rates, Fees and Charges for FY2020/2021 at the next scheduled Authority Board meeting. Mr. Erwin seconded the motion and it carried unanimously.

**B. Approval of the Authority's Preliminary Fiscal Year 2020/2021 Budget:** Janet Burnette presented the preliminary FY2020/2021 Budget to the Board. Mrs. Burnette reviewed operating revenue and expenses as well as the interest income and stated that the interest income was expected to be lower for 2021 due to cash being used to complete the Airfield Re-development project and some other capital projects. Mrs.

Burnette reviewed the proposed operating budget and noted increases in revenue from ground transportation, parking, and food and beverage due to increased passenger enplanements. Michael Reisman spoke about the 12 additional positions that were included in the operating expenses and advised the Board that some of these positions were being requested to expand staff coverage during nights and/or weekends to meet the demands of the airport's growth and also provide a higher level of service to the tenants and passengers. Sources of operating expenses and revenue as well as the proposed capital budget were also reviewed by Mrs. Burnette.

A brief discussion on the cost for design of the air traffic control tower took place and Mr. Reisman clarified that other work such as environmental assessment and other planning fees were included in that cost. The Director reminded the Board that any contracts for the replacement of the air traffic control tower would be brought to the Board for approval. The Board suggested a breakdown of the costs for the design of the tower would be helpful.

Mrs. Burnette spoke about the estimated cash balance and explained that the terminal expansion and air traffic control tower projects would not move forward until the funding sources have been identified. Once those funding sources were identified, the deficit that was showing would not be so deep in the red and would be adjusted to show a positive cash balance. Mrs. Burnette also briefly outlined some of the changes in fees in the Supplemental Fee schedule.

Mr. Erwin moved to approve the Proposed Preliminary Fiscal Year 2020/2021 Budget and accept public comment on the Proposed Fiscal Year 2020/2021 Budget during the next 10 days. Mr. Bailey seconded the motion and it carried unanimously.

**C. Approval of a Hangar and Facility Lease Agreement Between Allegiant Air, LLC. ("Allegiant") and the Greater Asheville Regional Airport Authority:**

Christina Madsen informed the Board that Allegiant has requested to consolidate their operations from the two buildings currently leased from the Authority into one building. At the February Board meeting, the Board approved removal of a hangar facility and aircraft ramp area from the Signature Flight Support leasehold. The new lease agreement will allow Allegiant to move into this hangar providing them approximately 33,000 sf of hangar and office space as well as landside parking and ingress and egress ramp area for their operations. The ramp area that was removed from the Signature Flight Support leasehold will be utilized by all airlines for aircraft parking and the fees for this ramp area will be included in the Authority's Rates, Fees and Charges. Mrs. Madsen reviewed the key terms of the five-year lease which included an option to renew for an additional five years, the annual rent amount, the net increase in revenue to the Authority as a result of the hangar lease to Allegiant, as well as a \$10,000 tenant allowance from the Authority for capital improvements to the facility.

Mr. Erwin moved to approve the agreement with Allegiant Air, LLC. and authorize the Executive Director to execute the necessary documents. Ms. Brown seconded the motion and it carried unanimously.

**DIRECTOR'S REPORT:** The Director advised the Board that he had an additional item to include that was not on the agenda.

**A. Results of AVL Forward Survey:** Tina Kinsey provided an update on the survey results for the design of the terminal expansion project which included amenities of most importance to travelers, descriptive words for the streets, towns and cities of the Western North Carolina region, and activities that draw people to the area. The information gathered from the survey will be utilized by the architect team in planning their next steps.

**B. TSA Equipment:** The Director stated that the airport was scheduled to get an updated CT x-ray machine, but delivery has been postponed until June. This new equipment will enable a more realistic 3D view of the baggage going through the x-ray machines.

**C. Annual Report:** The 2019 Annual Report was available at the Board Members' seats for their review. The Director remarked that he will begin state of the airport presentations to surrounding municipalities beginning in April.

**D. COVID-19 Update:** The Director provided an update to the Board on COVID-19 based on Chief Smith's attendance at emergency response and epidemiology meetings in the region. The Director reported on the airlines' flight cuts, the cash reserves held by the airline industry, and the revenue projected to be lost to airports in the country as a result of the health crisis.

**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 March 27, 2020. The Chair also reminded the Board that the April 9, 2020 regular meeting was cancelled and a Special Meeting will be held on April 3, 2020.

**AUTHORITY MEMBER REPORTS:** None

**CLOSED SESSION:** At 9:52 a.m. Mr. Bailey moved to go into Closed Session Pursuant to Subsections 143-318.11 (a)(3) and (4) of the General Statutes of North Carolina to Consult with Legal Counsel in Order to Preserve the Attorney-Client Privilege and to

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

Open Session resumed at 11:09 a.m.

**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY MARCH 13, 2020**

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

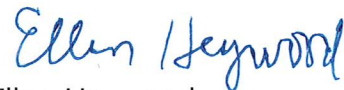
**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY FEBRUARY 14, 2020**

**CLOSED SESSION MINUTES:** Mr. Bailey moved to approve the minutes for the February 14, 2020 Closed Session and to seal and withhold the minutes for the February 14, 2020 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Apodaca seconded the motion and it carried unanimously.

**UNSEALING OF CLOSED SESSION MINUTES:** Mr. Bailey moved to unseal those portions of the July 22, 2016 and August 5, 2016 Closed Session Minutes relating to the discussion of sponsorship of the Tryon Equestrian Center. Mr. Erwin seconded the motion and it carried by a 5 to 0 vote. (Mr. Apodaca raised a potential conflict of interest, and was excused by the Board from participation in the discussion and from the vote.)

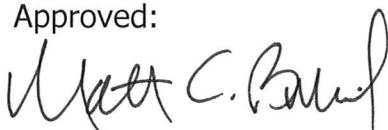
**ADJOURNMENT:** Mr. Apodaca moved to adjourn the meeting at 11:13 a.m. Mr. Bailey seconded the motion and it carried unanimously.

Respectfully submitted,



Ellen Heywood  
Clerk to the Board

Approved:



Matthew C. Burril  
Chair