

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
May 14, 2021**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, May 14, 2021 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 VIA TELEPHONE/VIDEO: Matthew C. Burrell, Chair; Brad Galbraith, Vice-Chair; George H. Erwin, Jr.; Carl H. Ricker, Jr.; Thomas M. Apodaca; Susan Russo Klein; and Britt Lovin

MEMBERS ABSENT: None

STAFF PRESENT IN PERSON: Lew Bleiweis, Executive Director; Michael Reisman, Deputy Executive Director; Michael Merideth, Systems Administrator; and Ellen Heywood, Clerk to the Board

STAFF AND LEGAL COUNSEL PRESENT VIA VIDEO: Cindy Rice, Authority Legal Counsel; 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; Lisa Jump, Director of Administration and Human Resources; Christina Madsen, Properties and Contracts Manager; Jared Merrill, Airport Planning Manager; and Samuel Sales, Chief of Public Safety

ALSO PRESENT VIA TELEPHONE: John Kasuda, Siemens; James Moose, Avcon; Jon McCalmont, Parrish & Partners; Jason Sandford, AshVegas; Nick Loder, RS&H; Brandon Rutherford, Hensel Phelps; and Sandra Kilgore, Asheville City Council

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

PRESENTATIONS: None

FINANCIAL REPORT: A review of enplanements, aircraft operations, and general aviation activity for the month of March was provided by the Director. Janet Burnette reported on the financial activity for the month of March.

The Chair requested that Mrs. Burnette provide a forecast of the cash balance for the end of the fiscal year. Mrs. Burnette responded that she believed the Authority would be in a positive position. While several invoices have been paid on construction projects leaving

a lower cash balance, some of the CARES Act funding was remaining and would be drawn down. Mrs. Burnette also stated that she would be submitting a request for reimbursements from the FAA. The Director talked about the funds received from the CARES Act and CRRSAA as well as anticipated funding from the American Recovery Act. The Director commented that some of these funds would be used to pay operational expenses while the Authority funds would be used for construction projects not covered by the grants, and that the airport should be in good financial shape moving forward.

CONSENT ITEMS:

A. Approve the Greater Asheville Regional Airport Authority April 9, 2021 Special Meeting Minutes:

B. Approve the Greater Asheville Regional Airport Authority April 21, 2021 Special Meeting Minutes:

C. Approve Amendment to Airfield Re-development Project Budget:

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, 2021:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

| | <u>Decrease</u> | <u>Increase</u> |
|----------------------|-----------------|-----------------|
| Capital Improvements | | \$5,000,000 |
| Totals | | \$5,000,000 |

This will result in a net increase of \$5,000,000 in the appropriations. Revenues will be revised as follows:

REVENUES:

| | <u>Decrease</u> | <u>Increase</u> |
|--------------------------|-----------------|-----------------|
| Transfer from GARAA Cash | | \$5,000,000 |
| Totals | | \$5,000,000 |

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 14th day of May, 2021.

Matthew C. Burril, Chair

Attested by:

Ellen Heywood, Clerk to the Board

Mr. Galbraith moved to approve Consent Items A through C. Mr. Erwin seconded the motion and it carried unanimously.

OLD BUSINESS: None

NEW BUSINESS:

A. Approve Change Order No. 2 to Partial Tender Agreement with APAC-Atlantic, Inc., d/b/a Harrison Construction Company: Michael Reisman provided the Board with a brief explanation of the Partial Tender Agreement entered into with APAC-Atlantic, Inc., d/b/a Harrison Construction Company (HCC) through a Second Amendment to Takeover Agreement with Travelers Casualty and Surety Company (Travelers) for the Airfield Re-development Project. Mr. Reisman described the details for Change Order No. 1 to the agreement with HCC, and advised the Board that it was discovered after execution of the Second Amendment to Takeover Agreement with Travelers that JS Held, Traveler's on-site project manager, had miscalculated the amount of asphalt needed to complete the project. The additional quantities of asphalt that would be documented as installed on the project and accepted would need to be billed at the agreed upon unit price causing an overage of the original cost estimate for this job. Additionally, during the course of HCC's work on the widening of Taxiway F, it was discovered that the condition of the sub-surface under the pavement had deteriorated and required total reconstruction, adding to the cost of the original estimate. Mr. Reisman informed the Board that the total additional cost for Change Order No. 2 was \$2,057,081.58 bringing the total contract with HCC from \$12,030,584.75 to \$14,087,666.33. Funds for the additional cost were available in the current project budget.

Ms. Russo Klein moved to approve Change Order No. 2 to Partial Tender Agreement with APAC-Atlantic, Inc. d/b/a Harrison Construction Company – Asheville Division in the amount of \$2,057,081.58 and authorize the Executive Director to execute the necessary documents. Mr. Ricker seconded the motion and it carried unanimously.

B. Approve Contract with Landrum & Brown for Financial Feasibility

Consulting Work: The Director advised the Board that PFM was the consultant contracted by the Authority to assist with the bonds for the terminal building. PFM has advised staff that financial feasibility reports will be required to provide evidence of the Authority’s ability to repay the debt taken through the bonds and loans. Landrum & Brown provided the feasibility survey for the parking garage bond issuance as well as assistance with the airline rates and charges. Staff recommends utilizing Landrum & Brown for the financial feasibility reports needed for the funding of the terminal building project. The Director stated that the not-to-exceed fee for Landrum and Brown’s scope of work is \$196,000.00 and includes reimbursable expenses. The following budget ordinance amendment will be necessary:

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2021:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

| | <u>Decrease</u> | <u>Increase</u> |
|----------------------|-----------------|-----------------|
| Executive Department | | \$196,000 |
| Totals | | \$196,000 |

This will result in a net increase of \$196,000.00 in the appropriations. Revenues will be revised as follows:

REVENUES:

| | <u>Decrease</u> | <u>Increase</u> |
|--------------------------|-----------------|-----------------|
| Transfer from GARAA Cash | | \$196,000 |
| Totals | | \$196,000 |

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 14th day of May, 2021.

Matthew C. Burril, Chair

Attested by:

Ellen Heywood, Clerk to the Board

Mr. Erwin moved to approve a contract with Landrum & Brown for airport financial feasibility consulting services in relation to the new terminal public bond issuance and TIFIA loan process for a not-to-exceed fee of \$196,000.00; amend the FY2020/2021 budget by adopting the budget ordinance amendment presented by staff; and authorize the Executive Director to execute the necessary documents. Mr. Lovin seconded the motion and it carried unanimously.

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

A. State Land Use Regulations: The Director reported that another airport in North Carolina was seeing a lot of development encroaching upon the safety zones around the airport. Senator Michael Lee has proposed legislation that will require more work on the part of municipalities before approving development proposals on land surrounding airports. The ten commercial airports in the state are supportive of this legislation. The Director stated that he would continue to support this legislation provided the Board was in agreement. The Board suggested that a copy of the draft legislation would be helpful, and the Director assured the Board that he would send out a copy.

B. Ground Transportation: With the increase of passenger traffic at the airport, there has been an issue with a lack of available ground transportation operators, especially in the evenings. Staff is considering options to ensure passengers have a good experience while at the airport. A meeting has been set up with ground transportation providers for the following week to discuss the matter. Staff is also contemplating using the airport's parking lot shuttle vans to drive passengers to hotels in downtown Asheville. This service would be modeled after one that is currently in place at the Savannah International Airport. Staff has also placed warnings on the airport's website recommending passengers pre-arrange ground transportation prior to arrival. The Board

agreed that a positive experience for all passengers was paramount and were in support of any measures staff found necessary to ensure that good customer service was provided.

C. Parking Lot Construction: The Director stated that as part of the prior year's parking lot construction project across NC280, construction of the cell phone parking lot was put on hold due to a lack of passengers. With passenger traffic steadily increasing, staff has decided to move forward with construction of the cell phone parking lot. The scope of work remains the same, however, there will be an additional \$15,000 to the project cost due to re-mobilization of the paving contractor. Staff anticipates the project will be completed in the fall in time for the holiday season.

D. Administration and Human Resources Policies and Procedures: The Director stated that an update to some of the policies will be on the agenda for the June Board meeting. A copy of the policies would be delivered the following week to allow the Board time to review the policies.

E. Grant Funding: The Director reported that additional grants totaling \$2.1 million have been received from the FAA and will be used for the design of the south general aviation ramp as well as an update to the Master Plan.

F. North General Aviation Fill Area: Duke Energy has been working on the design of a cap for Area 1 and has advised staff that the Army Corps of Engineers will need to review the design plan prior to any work being done. Staff has been told that the plan should be approved in the fall with work beginning next year. Duke Energy has been made aware of staff's concerns regarding the delay of this project.

G. TSA Security Checkpoint Wait Times: In an attempt to minimize wait times, TSA has begun a reservation system pilot program at Seattle-Tacoma International Airport (SEA) enabling passengers to reserve an assigned time to go through the security checkpoint. TSA can accept 35 passenger reservations every 15 minutes. Also being tested at SEA is a QR code that passengers can scan with their phones that will assign a time the passenger should report to the checkpoint. Airports have some concerns over how this could affect concession sales. If the program is successful, it will be deployed at larger airports before making its way to smaller airports.

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 June 4, 2021.

AUTHORITY MEMBER REPORTS: None

CLOSED SESSION: At 9:31 a.m. Mr. Galbraith moved to go into Closed Session Pursuant to Subsections 143-318.11 (a)(3), (4) and (5) 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 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 Establish or Instruct the Authority Staff and Agents Concerning Negotiations on the Price and Other Material Terms of a Contract or Proposed Contract for the Acquisition of Real Property. Mr. Lovin 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 10:09 a.m.

Ms. Russo Klein left the meeting during the Closed Session

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY MAY 14, 2021 CLOSED SESSION MINUTES: Mr. Galbraith 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. Lovin seconded the motion and it carried by a 6 to 0 vote.

ADJOURNMENT: Mr. Ricker moved to adjourn the meeting at 10:10 a.m. Mr. Erwin seconded the motion and it carried by a 6 to 0 vote.



Approved:

Matthew C. Burrell
Chair

Respectfully submitted,



Ellen Heywood
Clerk to the Board