

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
December 9, 2022**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, December 9, 2022 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: Brad Galbraith, Chair; Carl H. Ricker, Jr.; Susan Russo Klein; Britt Lovin; Nathan Kennedy; and Robby Russell

MEMBERS ABSENT: George H. Erwin, Jr., Vice-Chair

STAFF AND LEGAL COUNSEL PRESENT: Cindy Rice, Authority Legal Counsel; Lew Bleiweis, President & CEO ("president"); Michael Reisman, Chief Operating Officer; Tina Kinsey, VP - Marketing, Public Relations and Air Service Development; Janet Burnette, Chief Financial Officer; Shane Stockman, VP – Information Technology; John Coon, VP - Operations and Maintenance; Christina Madsen, VP – Business Development and Properties; Jared Merrill, VP – Planning; Samuel Sales, Chief of Public Safety; Angela Wagner, VP - Administration and Human Resources; and Ellen Heywood, Clerk to the Board

ALSO PRESENT: Steve Van Beek, Steer Davies and Gleave, Inc.; Richard Batty, Steer Davies and Gleave, Inc.; Amanda Sheridan, McFarland Johnson; Jon McCalmont, Parrish & Partners; Christian Smith, Asheville Citizen Times; Elsa Watts, Martin Starnes & Associates

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

BOARD MEMBER INTRODUCTION: Susan Russo Klein spoke about her professional background and her interest in serving on the Authority Board.

PRESENTATIONS:

A. Strategic Plan: The president introduced Steve Van Beek and Richard Batty with Steer Davies and Gleave, Inc. Mr. Van Beek presented an overview of the aviation industry in preparation for his assistance with strategic planning for the Authority. Mr. Van Beek also reviewed passenger and operational statistics for Asheville, customer experience challenges, and airports' capital funding sources. The Board thanked Mr. Van Beek for his presentation after discussions were held on pilot shortages, government

regulations, benchmarks for leisure and business travel, customer service rendered by tenants, and involvement of community partners in the strategic planning process.

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

CONSENT ITEMS: The Chair stated that Consent Item D, Approval of the Greater Asheville Regional Airport Authority November 18, 2022 Closed Session Minutes, would be pulled for review in Closed Session.

A. Approval of the Greater Asheville Regional Airport Authority November 18, 2022 Regular Meeting Minutes: Ms. Russo Klein moved to approve the Greater Asheville Regional Airport Authority November 18, 2022 Regular Meeting Minutes. Mr. Kennedy seconded the motion and it carried unanimously.

B. Approval of Amendment to the FY22/23 Budget for Salary Adjustment:

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, 2023:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Administration Dept.	\$347,815	
Executive Dept.		\$34,660
Finance Dept.		20,778
Guest Services Dept.		14,233
Information Tech. Dept.		29,435
Marketing Dept.		17,388
Operations/Maint. Dept.		111,463
Planning Dept.		18,931
Properties Dept.		8,533
Public Safety Dept.		92,394
	<u>\$347,815</u>	<u>\$347,815</u>

This will result in a net increase of \$0 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash _____		\$0
Totals _____		\$0

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 9th day of December 2022.

Brad Galbraith, Chair

Attested by:

Ellen Heywood, Clerk to the Board

C. Approval of Updates to Off-Airport Rent A Car Business Regulations Policy:

Mr. Lovin moved to approve Consent Items B and C. Mr. Russell seconded the motion and it carried unanimously.

OLD BUSINESS: None

NEW BUSINESS:

A. Presentation of Annual Audited Financial Report for Fiscal Year 2021/2022: Janet Burnette stated that Martin Starnes & Associates, CPAs performed the annual audit for the fiscal year ended June 30, 2022. The audited financial statements have been submitted to the Local Government Commission. Mrs. Burnette introduced Elsa Watts, Audit Manager with Martin Starnes. Ms. Watts presented the Annual Audited Financial Report for Fiscal Year 2021/2022 and informed the Board that an unmodified, or clean, opinion had been issued, that staff had been very cooperative to work with, and that there were no red flags. A high-level review of the unrestricted net position, revenue by category, and expenses by department was shared with the Board. The Board thanked Ms. Watts for her presentation.

Mr. Ricker moved to accept the 2021/2022 Audit Report as presented. Mr. Lovin seconded the motion and it carried unanimously.

B. Approval of Task Order No. 2 Part D with GS&P N.C. an Affiliate of Gresham Smith and Partners for Terminal Building Phase 2 Modernization

Temporary Checkpoint Design Services: Jared Merrill summarized the agreement entered into with GS&P, N.C. ("GS&P") for the design of the Terminal Building Modernization project. Mr. Merrill explained that design of the project had moved forward with the assumption that a temporary security checkpoint would not be necessary. GS&P and the contractor worked diligently to continue in that direction, however, due to the complexity of the project, it was decided that construction of a temporary checkpoint would be unavoidable. Mr. Merrill reported that the cost for design of the temporary checkpoint was \$380,000.00 and would be paid for with airport funds. The addition of that design work brought the total contract amount to \$20,226,396.00.

Mr. Lovin moved to approve Task Order No. 2 Part D with GS&P, N.C. in an amount not to exceed \$380,000.00 and authorize the President & CEO to execute the necessary documents. Mr. Kennedy seconded the motion and it carried unanimously.

C. Approval of Change Order No. 2 to Contract with Hensel Phelps Construction Company:

Michael Reisman reminded the Board that a contract with Hensel Phelps for Construction Manager at Risk Services was approved two years prior and that Change Order No. 1 was approved in February. Mr. Reisman stated that Change Order No. 2 incorporates the language required under NC State Statutes with regards to withholding of retainage throughout the project, and the change order also adds reference to Work Package 6 for the construction of the temporary security checkpoint into the contract documents. Mr. Reisman explained that there was no cost for Change Order No. 2, and that the cost for Work Package 6 would be included in the upcoming bidding process and incorporated in Component Guaranteed Maximum Price (CGMP) No 3 which would be presented to the Board in the near future.

Mr. Russell moved to approve Change Order No. 2 to the contract with Hensel Phelps Construction Company; and authorize the President & CEO to sign the necessary documents. Ms. Russo Klein seconded the motion and it carried unanimously.

PRESIDENT'S REPORT: The president stated that he had a couple of additional items to address that were not included on the agenda.

A. Change Order for Cell Phone Lot and Gravel Parking Lot: The president reported that a change order in the amount of \$69,305.00 was executed with Chatham Civil Contracting for the grading and graveling of the one-acre lot that was recently acquired as well as some work to finish the cell phone lot. While the change order increased the contract with Chatham by \$3,900 due to the work on the one-acre lot that

was not included in the original contract, the overall project came in under budget by \$9,500.00.

B. Board Industry Conference Schedule: The president remarked that a schedule of conferences had been distributed at the October Board meeting. If Board Members were interested in attending a particular conference, the president requested they specify which conference so that it could be incorporated into the upcoming budget. Ms. Russo Klein expressed interest in attending the ACI Legal Affairs conference in May and Mr. Russell mentioned attending the ACI Business of Airports conference in June.

C. Real ID: The Real ID requirement for air travel has been extended to May of 2025.

D. Grant: The president stated that the Authority would be receiving a \$4.3 million grant for the Terminal Expansion and Modernization Project. This was the second installment from the \$21 million grant the Authority was awarded last year from the Transportation and Infrastructure Bill.

INFORMATION SECTION: No comments

PUBLIC AND TENANTS COMMENTS: None

CALL FOR NEXT MEETING: The Chair stated that the next regular meeting of the Board will be held on January 5, 2023.

AUTHORITY MEMBER REPORTS: None

CLOSED SESSION: At 10:02 a.m. Mr. Lovin 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 and 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. Ms. Russo Klein seconded the motion and it carried unanimously.

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

Open Session resumed at 10:56 a.m.

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CLOSED SESSION MINUTES: Mr. Lovin 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. Ms. Russo Klein seconded the motion and it carried unanimously.

APPROVAL OF THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

NOVEMBER 18, 2022 CLOSED SESSION MINUTES: Mr. Lovin moved to approve the minutes for the Greater Asheville Regional Airport Authority November 18, 2022 Closed Session and to seal and withhold the minutes for the November 18, 2022 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Ms. Russo Klein seconded the motion and it carried unanimously.

ADJOURNMENT: Mr. Russell moved to adjourn the meeting at 10:59 a.m. Ms. Russo Klein seconded the motion and it carried unanimously.

Respectfully submitted,



Ellen Heywood
Clerk to the Board

Approved:



Brad Galbraith
Chair