

SPECIAL MEETING
ASHEVILLE REGIONAL AIRPORT AUTHORITY
June 21, 2013

The Asheville Regional Airport Authority ("Authority") met on Friday, June 21, 2013 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: David R. Hillier, Chairman; David Gantt, Vice-Chairman; Jeffrey A. Piccirillo, Secretary-Treasurer; Bob Roberts; and Douglas Tate

MEMBERS ABSENT: Martha W. Thompson; Bill Moyer

STAFF AND LEGAL COUNSEL PRESENT: Cindy Rice, Authority Legal Counsel; Lew Bleiweis, Executive Director; Michael Reisman, Deputy Executive Director of Development and Operations; C. Jeffrey Augram, Chief of Public Safety; David Nantz, Director of Operations and Maintenance; Royce Holden, IT Director; Vickie Thomas, Director of Finance and Accounting; Tina Kinsey, Director of Marketing and Public Relations; Kevan Smith, Public Safety Captain; Ron Mundy, Maintenance Supervisor; and Ellen Heywood, Recording Secretary

ALSO PRESENT: Mike Darcangelo, AVCON; Jeff Kirby, Parrish & Partners; Nate Otto, RS&H; Hall Waddell, Reaben Oil Company; Ted Abernathy, Southern Growth Policies Board; Stephanie Brown, Asheville Convention & Visitors Bureau

CALL TO ORDER: The Chairman welcomed everyone in attendance and called the meeting to order at 8:30 a.m. The Chair also welcomed Douglas Tate as a new Board member.

ASHEVILLE REGIONAL AIRPORT AUTHORITY OCTOBER 12, 2012 REGULAR MEETING MINUTES: Mr. Piccirillo moved to approve the Asheville Regional Airport Authority October 12, 2012 Regular Meeting Minutes. Mr. Gantt seconded the motion and it carried unanimously.

LEASE AGREEMENT TO J. HALL WADDELL: The Director informed the Board that staff was approached by a real estate broker representing a client that was interested in developing an area immediately south of the airport exit along Highway 280. This area has been identified as feasible for non-aeronautical development in the Master Land Use & Site Development Plan accepted by the Board in 2007. Through the broker, Mr. J. Hall Waddell, owner of Reaben Oil Company, has expressed an interest in opening and operating a gas station/convenience store/restaurant on approximately 2.15 acres in this area. Mr. Waddell's company owns and operates Triangle Stop Food Stores/Marathon Gas in Henderson, Polk, and Transylvania Counties. Enhanced

services for airport passengers are also being considered and include oil changes and car washes to be provided by Standard Parking under a partnership with the gas station/convenience store owner. The Director reviewed the terms of the proposed lease which calls for five years with six five-year renewal periods at the sole discretion of the lessee for a total of 35 years. The terms of the proposed lease call for \$0.35 per square foot for the land with an incremental increase every five years. In addition, starting in year 11, the Authority will receive \$0.01 for each gallon of petroleum delivered to the facility. The Director further stated that a six-month due diligence period has been extended to Mr. Waddell to investigate and mitigate any potential risk due to the ongoing process with the City of Asheville over the independent airport authority. The Director introduced Mr. Hall Waddell who presented and reviewed preliminary drawings of the proposed gas station/convenience store/restaurant.

Mr. Gantt moved to approve a Lease Agreement with J. Hall Waddell for the operation of a gas station/convenience store/restaurant; authorize the Executive Director to finalize the negotiations on the Lease Agreement as presented by staff; and authorize the Executive Director to execute the necessary documents. Mr. Roberts seconded the motion and it carried unanimously.

**WATERLINE EASEMENT AND ESTOPPEL CERTIFICATE FOR AIRCRAFT RESCUE
FIREFIGHTING FACILITY (ARFF):**

Cindy Rice stated that the documents for the dedication of the water line easement proposed by the City of Asheville as well as the estoppel certificate for the backflow protection device are in draft form and are still being worked on between Steve Goldstein, Vic Buchanan, and the City. The Director advised the Board that the main water line needs to be extended to the new fire station that is under construction. Since the property will eventually be transferred to the Greater Asheville Regional Airport Authority, the City will no longer maintain ownership and right of way for the waterline. The City is requiring the easement be executed in order to retain the right to work on these lines once they are on airport property. The Director further stated that the firehouse requires a backflow prevention valve that is usually built near the facility itself. Staff has asked the City to locate the valve closer to the waterline main as it is a cost savings for the airport to do so. Because of this, the airport would be responsible for any repairs to the main waterline from the backflow prevention device to the facility whereas normally the City would be responsible for maintenance of the waterline up to the facility. The City does not want responsibility since staff has asked that the backflow prevention valve be located closer to the waterline main. The two documents address this situation and staff is asking the Board to approve moving forward with the two documents once they are finalized with the City.

Mr. Gantt moved to authorize and direct the Chairman and/or Executive Director to negotiate an instrument or instruments by and between the City of Asheville and the Asheville Regional Airport Authority and/or the Greater Asheville Regional Airport Authority with respect to the construction of a new aircraft rescue and firefighting facility ("facility") at the Asheville Regional Airport, which instrument or instruments would serve to address the requests by the City of Asheville for a dedication of a waterline easement and a related estoppel certificate relative to a backflow protection

device; and to authorize and direct the Chairman and/or Executive Director to execute and deliver such instrument or instruments to the City of Asheville; and to Authorize payment of the filing or recording fee or fees related thereto, if such a payment is required as a result of negotiations with the City of Asheville. Mr. Roberts seconded the motion and it carried unanimously.

CONCEPT OF A SUB-CONCESSION AGREEMENT CONCERNING THE HERTZ CORPORATION RENTAL CAR CONCESSION AGREEMENT AND LEASE:

The Director advised the Board that Hertz Corporation, which recently acquired Dollar Rent A Car and Thrifty Rental Corporation, has decided to allow the Hertz location at the Asheville Regional Airport to be owned and operated by a franchisee. Hertz is proposing to enter into a sub-concession agreement with GSP Transportation, Inc., the current owner and operator of the Dollar Rent A Car and Thrifty Car Rental franchise in Asheville and several other locations, to operate the Asheville Hertz location for the remainder of the rental car concession agreement and lease. The Director further advised that Board that the Hertz Corporation will remain liable to the Authority for all terms and conditions in the Rental Car Concession Agreement and Lease, including default of payment, through the remainder of the agreement term and through the five year option.

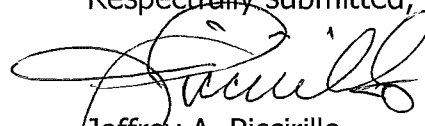
Mr. Roberts questioned when the five year rental car contract ended. The Director responded that the contract ends in August, 2013, however a few months ago the Board extended the option for the additional five year term.

Mr. Piccirillo moved to approve the concept of a sub-concession agreement concerning the Hertz Corporation Rental Car Concession Agreement and Lease; and to authorize the Executive Director to negotiate and execute such instrument or instruments (if any) with respect thereto as he may deem to be appropriate and in the best interests of the Asheville Regional Airport Authority. Mr. Roberts seconded the motion and it carried unanimously.

CLOSED SESSION: None

ADJOURNMENT: At 8:52 a.m. Mr. Roberts moved to adjourn the meeting. Mr. Piccirillo seconded the motion and it carried unanimously.

Respectfully submitted,


Jeffrey A. Piccirillo
Secretary-Treasurer

Approved:



David R. Hillier
Chairman