



AGENDA

Asheville Regional Airport Authority Regular Meeting
Friday, August 13, 2010, 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 Recording Secretary prior to the agenda item being called by the Chairman.

- I. CALL TO ORDER:
- II. WELCOME OF NEW BOARD MEMBER - BOB ROBERTS
- III. APPEARANCES: None
- IV. PRESENTATIONS: None
- V. FINANCIAL REPORT ([document](#))
- VI. CONSENT AGENDA:
 - A. Approval of the Asheville Regional Airport Authority June 11, 2010 Regular Meeting Minutes ([document](#))
 - B. Approval of Amended Tobacco/Smoke-Free Workplace Policy ([document](#))
 - C. Approval of Audit Contract with Burleson & Earley, P.A. ([document](#))
 - D. Approval of Terminal Space Lease with TSA ([document](#))
- VII. OLD BUSINESS: None



VIII. NEW BUSINESS:

- A. Approval of Scope of Services for an Environmental Assessment for a New Parallel Taxiway and Runway 16/34 Reconstruction ([document](#))
- B. Approval of Scope of Services and Fees for Site Preparation, Construction Phase Services and Supplemental Environmental/Permitting Support Services for the Westside Site Development Project with AVCON Engineers & Planners, Inc. ([document](#))
- C. Proposed FY2011 Budget Amendment ([document](#))
- D. Approval of The Paradies Shops Proposal to Operate the Food and Beverage, and Gift Concessions at the Asheville Regional Airport ([document](#))

IX. DIRECTOR'S REPORT:

- A. Introduction of Director of Marketing and Public Relations
- B. Deputy Director of Development and Operations
- C. Parking Lot Expansion and Overflow Lot
- D. FAA Part 139 Inspection
- E. Letter of Default for Odyssey Aviation
- F. Use of Signature Stamp
- G. EDIS Website
- H. Tampa/Dallas Service
- I. AIP Funding
- J. Grant Award

X. INFORMATION SECTION:

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

- A. June, 2010 Traffic Report ([document](#))



- B. June, 2010 Monthly Financial Report ([document](#))
- C. July, 2010 Marketing and Public Relations Report ([document](#))
- D. August, 2010 Development/Project Status Report ([document](#))
- E. Airport Facilities Review for Second Quarter ([document](#))
- F. Potential Board Items for the Next Regular Scheduled Meeting:
 - Award of Airport Seating Contract

XI. AUTHORITY MEMBERS' REPORTS: None

XII. PUBLIC AND TENANTS' COMMENTS:

XIII. CLOSED SESSION: None

XIV. ADJOURNMENT.

Respectfully submitted,

Lew Bleiweis, A.A.E.
Airport Director

Approved:

David Hillier
Chairman

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Asheville Regional Airport Authority
Executive Summary
June-10

AIRPORT ACTIVITY

	<u>Month</u>	<u>Variance to Prior Year</u>	<u>Calendar Year to Date</u>	<u>Variance to Prior Year</u>
Passenger Enplanements	37,472	32.1%	163,158	21.2%
Aircraft Operations				
Commercial	1,985	23.2%	9,719	16.8%
Scheduled Flights	857	34.1%		
Flight Cancellations	11			
Seats	45,217	39.1%	222,151	26.9%
Load Factor	82.9%	(5.0%)	73.4%	(4.5%)
General Aviation	4,048	(9.6%)	20,185	(2.4%)
Military	332	41.3%	1,919	35.1%

FINANCIAL RESULTS

	<u>Month</u>	<u>Variance to Budget</u>	<u>Fiscal Year to Date</u>	<u>Variance to Budget</u>
Operating Revenues	\$ 773,940	20.21%	\$ 7,499,344	1.43%
Operating Expenses	673,134	5.11%	6,246,736	(10.97%)
Net Operating Revenues before Depreciation	<u>\$ 100,806</u>	2,864.01%	<u>\$ 1,252,608</u>	232.28%
Net Non-Operating Revenues	<u>\$ 284,556</u>	107.59%	<u>\$ 1,938,155</u>	18.58%
Grants:				
FAA AIP Entitlements	\$ 1,405,083		\$ 8,388,224	
NC Dept of Transportation Grants	171,413		171,413	
Total	<u>\$ 1,576,496</u>		<u>\$ 8,559,637</u>	

CASH

Restricted	\$ 2,225,994
Designated for O&M Reserve	3,144,880
Unrestricted, Undesignated	2,338,564
Total	<u>\$ 7,709,438</u>

RECEIVABLES PAST DUE

	<u>Total</u>	<u>1-30 Days</u>	<u>31-60 Days</u>	<u>Over 60 Days</u>
Odyssey/Asheville Jet	\$ 1,030	\$ 1,030	\$ -	\$ -
Enterprise	571	571		
Express Jet/Continental	180	180	-	
Other Miscellaneous Customers	60	60	-	
Total	<u>\$ 1,841</u>	<u>\$ 1,841</u>	<u>\$ -</u>	<u>\$ -</u>
% of Total Receivables	<u>0.29%</u>			

Note: Excludes balances paid subsequent to month-end.

REVENUE BONDS PAYABLE

Rental Car Facilities Taxable Revenue Bond, Series 2007	
Original Amount	\$ 4,750,000
Current Balance	\$ 3,906,750

CAPITAL PROJECTS

Annual Budget	\$ 15,960,077
Year-to-Date Spending	\$ 12,347,126

REGULAR MEETING
ASHEVILLE REGIONAL AIRPORT AUTHORITY
June 11, 2010
8:30 a.m.

The Asheville Regional Airport Authority ("Authority") met on Friday, June 11, 2010 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; Chuck McGrady, Secretary-Treasurer; Susan C. Fisher; Jeffrey A. Piccirillo; Brownie Newman and Rhett Grotzinger (via conference call).

MEMBERS ABSENT: None

STAFF AND LEGAL COUNSEL PRESENT: Victor Buchanan, Authority Legal Counsel; Lew Bleiweis, Airport Director; C. Jeffrey Augram, Chief of Public Safety; Kevin Howell, Director of Properties and Development; Royce Holden, IT Director; Suzie Baker, Administration Manager; Vickie Thomas, Director of Finance and Accounting; Amy Burritt, Interim Manager of Marketing and Public Relations; Sherman Stark, Operations Supervisor; and Ellen Heywood, Recording Secretary.

ALSO PRESENT: Karen Cragolin, RiverLink; Jerry Rice; Bill Moss; Mike Darcangelo, AVCON; Glenn W. Wilcox, Sr., Wilcox Travel Agency.

CALL TO ORDER: The Chairman welcomed everyone in attendance and called the meeting to order at 8:30 a.m.

APPEARANCES: None

PRESENTATIONS:

A. Riverlink Presentation: Ms. Karen Cragolin, Executive Director of Riverlink, appeared before the Board to present an overview of Riverlink's projects and mission. Ms. Cragolin reviewed the many projects funded by Riverlink as well as the goals and features of the Wilma Dykeman Riverway and Urban Plan. Ms. Cragolin informed the Board that Riverlink would be happy to work with the Authority to create a greenway area on airport property along the French Broad River and possibly connect Westfeldt Park with the airport's river frontage property.

The Board thanked Ms. Cragnolin for her presentation.

Mr. Jerry Rice spoke to the Board to stress that the use of fly ash on airport property could be a serious contamination issue for the river and also have the potential for a lawsuit.

B. Storm Water Presentation: Kevin Howell gave a brief update on the storm water permit process. Background information, a timeline and status of the process were explained with Mr. Howell advising the Board that by January of 2011 the airport needs to complete written plans for compliance of the permit.

Mr. Piccirillo asked who would train the person responsible for training airport employees and tenants for compliance with the permit. Mr. Howell responded that initially a third party consultant would be used to train an Authority staff member who could then train tenants and other airport employees going forward. Mr. Howell also informed the Board that the airport would ultimately be responsible for all tenants to be in compliance with the permit.

Mr. Grotzinger inquired if compliance with the permit would require a change to the current minimum standards and also asked about the possibility of unfunded mandates for the tenants. Mr. Howell responded that a change to the minimum standards was uncertain at this point in time and stated that most of the agreements with the tenants contain language for compliance with environmental policies. Mr. Howell further stated that most tenants do not intentionally pollute but there could be some issues tenants would have to address.

FINANCIAL REPORT: The Director reviewed the airport activity section of the Executive Summary for the month of April noting the 23.8% increase in enplanements over April of last year. Vickie Thomas reported on the operating revenue and expenses for the month.

CONSENT AGENDA:

Mr. McGrady requested Consent Agenda Item B be pulled for discussion.

A. Approval of the Asheville Regional Airport Authority April 23, 2010 Regular Meeting Minutes:

C. Approval of Insurance Renewals:

D. Approval of Resolution for Donation of Wireless Telephones:

E. Approval of Resolution for Adoption of North Carolina Public Employee Deferred Compensation Plan:

Mr. McGrady moved to approve Consent Agenda Items A, C, D, and E. Mr. Gantt seconded the motion and it carried by unanimous consent.

B. Approval of Authority Environmental Policy: Mr. McGrady stated that although he was fully supportive of the Environmental Policy, he felt the second paragraph was awkward and suggested the language following the word "environment" be omitted from the second paragraph. Mr. Newman requested that the Addendum to the policy be posted with the policy at all times. Mrs. Fisher moved to approve the Environmental Policy with the amendment suggested by Mr. McGrady. Mr. McGrady seconded the motion and it carried by unanimous consent.

OLD BUSINESS: None

NEW BUSINESS:

A. Approval of Amendment to the FY2009/2010 Budget: Mrs. Thomas informed the Board that the original FY09/10 Budget included \$2,200,000.00 in Federal Grants for the current year's entitlement funds. Due to delays in Congress, the Authority does not expect to receive the Part B balance of the grants until August, 2010. As a result, staff needs to use an additional \$1,297,510 of funds from ARAA Cash/Investments in FY09/10 to cover construction costs. Mrs. Thomas further reported that staff found it difficult to allocate expenditures from departments to cost centers in the budget process and in the Airlines' Rates and Charges calculation process. Staff recommends reclassifying expenditures from a cost center basis to a department basis for ease of monitoring and transparency purposes.

Mrs. Thomas reported that amending the budget would decrease the Federal Grant revenue by \$1,297,510 and Transfer from ARAA Cash/Investments will increase by \$1,297,510 with no net change in total revenue. In addition, the budget amendment would reclassify expenditures from cost centers to departments, with no net change in total expenditures. Mrs. Thomas recommended the Authority Board resolve to amend the FY09/10 Budget by adopting the following budget ordinance amendment:

BE IT ORDAINED by the Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Administration	\$ 1,479,961	
Terminal	2,643,374	
Airfield	1,245,283	
General Aviation	423,728	
Parking Lot/Roadway	227,557	
Other	477,305	
Administrative Department		589,380
Development Department		458,268
Executive Department		578,920
Finance Department		316,959
Guest Services Department		204,550
Information Technology Department		450,700
Marketing Department		526,496
Operations Department		2,212,065
Public Safety Department		1,159,870
Totals	\$6,497,208	\$6,497,208

This will result in a no net increase in the appropriations. In addition, revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Federal Grants FY09/10	1,297,510	
Transfer from ARAA Cash		1,297,510
Totals	\$1,297,510	\$1,297,510

Section 2. Copies of this budget amendment shall be furnished to the Secretary of the Asheville Regional Airport Authority, who for purposes of this ordinance, is designated as the Clerk to the Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 11th day of June, 2010.

David Hillier, Chairman

Attested by:

Charles W. McGrady, Secretary-Treasurer

Mr. Gantt affirmed that the \$1.29 million would be reimbursed to the Authority to which Mrs. Thomas stated that staff expected Congress to release the entitlement funds by August. Mr. McGrady inquired if a similar change would be needed for next fiscal year's budget and Mrs. Thomas responded that it was likely. Mr. Grotzinger questioned whether the agreements with the contractors that are contingent on the entitlement money contained language allowing the Authority to terminate a contract without penalty if the grant money is not received. The Director responded that there is language to terminate a contract, however the Authority is responsible for any work already performed on the project until the project is put on hold. Additional mobilization costs would be incurred when construction was started again.

Mr. McGrady moved to approve the Amendment to the FY09/10 Budget as presented by staff. Mr. Gantt seconded the motion and it carried by unanimous consent.

B. Approval of Updates to the Administration Policies and Procedures

Manual: Mrs. Suzie Baker advised the Board that a draft of the Administration Policies and Procedures Manual had been included in the May Board Informational Package for the Board's review. Comments from the Board as well as staff have been incorporated into the manual for approval at the June Board meeting.

Mr. McGrady stated there were changes he would like made to the manual. The first was a correction to the approval date on page 75. Mr. McGrady also commented that the duties of the Secretary/Treasurer in paragraph 3 on page 5 of the manual were under the control of staff and requested this paragraph be addressed for rewording the next time the policy was to be revised. In addition, Mr. McGrady was uncomfortable with the wording in the first sentence of the Meetings Time and Place section on page 5. Mr. McGrady felt cancellation of a Board meeting should be a collective decision

made by the Board rather than just the Chairman. Mr. McGrady suggested the word Chairman be replaced with Authority Board in that first sentence.

Mr. Buchanan stated that he and the Director would work together to reword the Secretary/Treasurer section on page 5 to resolve the issues Mr. McGrady had with this section.

Mr. McGrady moved to amend the Administration Policies and Procedures Manual with correction to the approval date on page 75 and rewording of the first sentence of the Meetings Time and Place section on page 5 to read, The Authority shall meet regularly once a month, unless the Board determines to cancel a monthly meeting. Mr. Grotzinger seconded the motion and it carried by unanimous consent.

Mr. McGrady moved to adopt the Administration Policies and Procedures Manual with the amendments made in the previous motion. Mr. Gantt seconded the motion and it carried by unanimous consent.

C. Approval of Scope of Services and Fees for Extended Contract Administration and Resident Project Representative Services for the A Gates – Terminal Improvements and Renovation Project with RS&H: Kevin Howell gave the Board the background information on the Board's June 12, 2009 approval of the scope and fee proposal with RS&H for the A gates project. Several delays to the project due to unforeseen structural conditions and weather have resulted in an extension to the contractor for the construction contract. The existing contract with RS&H for professional or inspection services would also require an extension. The proposed fee totals \$134,568.00 and would require Board approval. Staff proposes funding the new fee with a combination of deleting allowances in the original construction contract and securing additional funds from the FAA.

Mr. Grotzinger moved to approve the Scope of Services and Fee Proposal with RS&H not to exceed the amount of \$134,568.00; and to authorize the Airport Director to execute the necessary documents. Mrs. Fisher seconded the motion and it carried by unanimous consent.

Mr. Grotzinger informed the Board that he had to discontinue the conference call.

SERVICE RECOGNITION AWARD FOR RHETT GROTZINGER: The Chairman read the following resolution of appreciation to Rhett Grotzinger for his service to the Board:

Asheville Regional Airport Authority

~ Resolution ~

WHEREAS, Rhett Grotzinger served as a Member of the Asheville Regional Airport Authority for a period in excess of 8 1/2 years; and

WHEREAS, this is the longest period of service as an Authority Member in recent memory, if not forever; and

WHEREAS, Rhett Grotzinger was elected Secretary/Treasurer of the Authority in July of 2004 and Vice-Chair of the Authority in August of 2006;

WHEREAS, Rhett Grotzinger brought to the Authority extensive knowledge of and enthusiasm for the aviation industry;

NOW, THEREFORE, THIS RESOLUTION IS ADOPTED, in recognition of the service of Rhett Grotzinger to the Asheville Regional Airport Authority.

Adopted this 11th day of June, 2010

Asheville Regional Airport Authority

David R. Hillier, Chairman

ATTEST:

Charles W. McGrady, Secretary/Treasurer

Mr. Newman moved to approve the Resolution of Service Recognition for Rhett Grotzinger. Mr. McGrady seconded the motion and it carried by unanimous consent.

Mr. Grotzinger stated that it was an honor and privilege to serve on the Board.

Mr. Grotzinger disconnected at 10:14 a.m.

DIRECTOR'S REPORT:

A. City Smoking Policy: The Director informed the Board that Mr. Buchanan had looked at the City's smoking ordinance and how it would affect the Authority. The City's ordinance allows for the Authority to make its own decisions for smoking on airport property. Mr. Buchanan advised the Board that the City's ordinance goes into effect on July 1, 2010 and felt it would be appropriate for the Authority Board to enact whatever decision it wanted regarding a smoking policy after that effective date.

The Director relayed to the Board that under the City County Agreement, the Authority Board sets policy and felt the Board could set a smoking policy at the next Authority Board meeting. Copies of the current Authority Smoking Policy were distributed for the Board's review.

B. Two Expenditures from Contingency for Toll Plaza/Parking Lot Computer Equipment and Triturator Project: The Director informed the Board that under his authority, there were two expenditures from Contingency made. One was for the toll plaza/parking lot for computer system servers in the amount of \$4,500.00 and the other contingency movement was for \$5,000.00 for the Triturator project. At the April Board meeting, the Board approved an amendment to the contractor for the Triturator project in the amount of approximately \$1,900.00. The Director moved \$5,000 from contingency to the Triturator project for some engineering expenditures in order to close out that project.

C. Parking Lot (Shuttle): The Director told the Board that with continued growth the airport is experiencing some parking issues with the lots being full. Staff is gathering information and performing cost analysis for consideration of two options; a 6 to 8 person golf-cart shuttle and economy parking where rates in the lower lot would be reduced to \$5.00 per day but customers would not have access to the shuttle. The Director stated that staff would be back before the Board if need for more parking spaces arises.

D. History and Analysis of Cash Reserves: A history of the Authority's cash reserves was available for the Board's review. Only two replies were received to staff's request for information on other airports' cash reserves and the Board was apprised of the responses received. The Authority's cash reserves have remained consistent over the past ten years. With \$53.9 million worth of capital improvements made to the airport, this resulted in a change of only \$5.5 million to the cash reserves.

Mr. Gantt affirmed that there were no statutory minimums for cash reserves and Mrs. Thomas agreed that was correct.

The Chairman commented that it was amazing that cash reserves have remained so close to what they were 10 or 12 years ago considering the amount of construction that was done and commended staff for a job well done.

E. Property Map: The next rendition of the airport property map showing parcels in both Henderson and Buncombe counties was distributed for the Board's information. The Director will keep the Board apprised of the status of this project moving forward.

F. Concession Space in Terminal: The Director reported to the Board that the five-year contract with MSE Branded Foods is expiring on June 30, 2010 and upon mutual agreement the contract will not be renewed. MSE was given the option to continue as the concessionaire and expand into the new airside concession space in the terminal upon its completion. MSE's terms were not acceptable to staff and an agreement was not reached. MSE has agreed to stay on as the concessionaire until a new operator is in place. The Director has had preliminary discussions with a nationally recognized concessionaire who is willing to bring a local theme to the airport. Under the current concession policy, the Authority has the ability to enter negotiations directly with an operator without a Request for Proposal process as long as the concessionaire brings in at least one national brand. The Director will keep the Board apprised of the discussions.

G. Industry Updates: The Director informed the Board that there was no formal AIP Reauthorization, rather another three-month extension through July. Other industry news included rules regarding tarmac delays, the possibility of reimbursing passengers for bag fees when bags are not delivered, and also an increase in airline bump fees if passengers get bumped from a flight.

H. Designation of Airport Director as an Authorized Signer: The Director advised the Board that designation of the Airport Director as an authorized signer was addressed in the updates to the Administration Policies and Procedures manual. The Director stated that language allowing the Director to sign checks or other documents was never included in previous updates to the policy. Inclusion of this language in the recent update to the policy allows for continued transparency.

I. **Airport Bench**: A picture of the new bench crafted by Leisurecraft was available to the Board. The Authority purchased the bench and Leisurecraft donated the airport logo plaque that was built into the bench.

The Director reported that he had a few more items to address that were not on the agenda:

J. **ATM**: A new ATM has been installed in the terminal building under a six-month contract with ATM USA, LLC which will give staff time to put together a bid package for local banks to submit bids.

K. **GRANT**: The state has finally sent notice that the diesel reduction grant money will be released soon and staff will move forward with purchasing equipment.

L. **DELTA AIRLINES**: Beginning in August, Delta will be starting 70-seat jet service to Atlanta. There will be one flight per day utilizing the 70-seat jet which will have two classes of service.

M. **ASHEVILLE CHAMBER TRIP**: The Director will be accompanying the Asheville Chamber next week on their annual legislative visit to Washington, DC.

N. **JUMPSTART CONFERENCE**: The Director just returned from the ACI-NA Jumpstart Conference. The Director met with representatives from six different airlines for 20 minutes each and discussed service to Asheville. The Director hopes to hear some good news within the next six months to a year.

O. **KEVIN HOWELL**: Mr. Howell has accepted a position at Greenville Spartanburg International Airport and his last day at Asheville will be June 30. The Director stated Mr. Howell's leaving will be a great loss for the Authority. The Director is looking at restructuring this position to possibly a Deputy Director of Facilities and Operations. This will enable the Authority to create a succession plan. The Director will be working with the Board over the next few months on this.

The Chairman stated that Mr. Howell had the Board's utmost respect, thanked him for his exemplary performance, and wished him success in his future endeavors.

INFORMATION SECTION: No comments

AUTHORITY MEMBERS' REPORTS:

A. Nominating Committee: The Chairman appointed a Nominating Committee for the purpose of nominating Authority Board Officers at the next meeting of the Board. The Chairman asked Mr. Piccirillo to serve as the Chairman of the Nominating Committee and Mr. Newman as the Co-Chair.

CANCELLATION OF JULY AUTHORITY BOARD MEETING: Mr. McGrady moved to cancel the July 9, 2010 meeting of the Authority Board subject to call of the Chairman. Mr. Newman seconded the motion and it carried by a 6 to 0 vote.

PUBLIC AND TENANTS' COMMENTS: Mr. Jerry Rice appeared before the Board to recognize Susan Fisher for her service and to request the Board be aware of environmental issues, especially relating to Progress Energy.

CLOSED SESSION: None

SERVICE RECOGNITION AWARD FOR SUSAN FISHER: The Chairman read the following resolution of appreciation to Susan Fisher for her service to the Board:

Asheville Regional Airport Authority

~ Resolution ~

WHEREAS, Susan Fisher has served as a Member of the Asheville Regional Airport Authority for a period of two full terms of four years each; and

WHEREAS, for the entire period of her service she was the only female Member of the Authority; and

WHEREAS, she served the Authority with distinction, often juggling her duties as elected Representative to the North Carolina House of Representatives; and

WHEREAS, she brought to the Authority particular concern and awareness regarding environmental matters;

NOW, THEREFORE, THIS RESOLUTION IS ADOPTED, in appreciation of the service of Susan Fisher to the Asheville Regional Airport Authority.

Adopted this 11th day of June, 2010

Asheville Regional Airport Authority

David R. Hillier, Chairman

ATTEST:

Charles W. McGrady, Secretary/Treasurer

Mr. McGrady moved to approve the Resolution of Service Recognition for Susan Fisher. Mr. Gantt seconded the motion and it carried by a 6 to 0 vote.

Mrs. Fisher thanked the Board and commented that she had developed a fondness for the airport.

ADJOURNMENT: Mr. McGrady moved to adjourn the meeting at 10:55 a.m. Mr. Piccirillo seconded the motion and it carried by a 6 to 0 vote.

The next regular meeting of the Authority will be on Friday, August 13, 2010 at 8:30 a.m. in the Conference Room at the Authority's Administrative Offices, Asheville Regional Airport, 61 Terminal Drive, Suite 1, Asheville, NC 28732.

Respectfully submitted,

Charles W. McGrady
Secretary-Treasurer

Approved:

David R. Hillier
Chairman



MEMORANDUM

TO: Members of the Airport Authority

FROM: Suzie Baker, Administration Manager

DATE: August 13, 2010

ITEM DESCRIPTION – Consent Agenda Item B

Approval of Amended Tobacco/Smoke-Free Workplace Policy

BACKGROUND

The current Tobacco/Smoke-Free Workplace Policy gives the Airport Director authorization to establish designated smoking areas and set violation penalties for Authority and tenant employees. Effective July 1, 2010, the City of Asheville passed a Smoking Ordinance banning smoking on all City property, but allows the Airport to set its own policy on the airport property. The way in which the Ordinance is written requires the Authority Board to set the policy and does not allow for the delegation of this task to the Airport Director. To comply with this Ordinance, the current policy has been amended, whereas, the Authority Board sets and defines the designated smoking areas and violation penalties, and then delegates to the Airport Director to carry out the objectives of the policy.

ISSUES

Staff is recommending that the current Tobacco/Smoke-Free Workplace Policy, which was previously written and enacted by staff, as directed by the Board, be amended, effective August 13, 2010, to reflect the requirements of the City ordinance.

ALTERNATIVES

The Authority Board could decide to amend the current Tobacco/Smoke-Free Workplace Policy to comply with the above changes or choose to adopt the City of Asheville's Tobacco/Smoke-Free Policy.



FISCAL IMPACT

There is no fiscal impact to the Authority.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the amended Tobacco/Smoke-Free Workplace Policy as outlined in the Attachment; and (2) authorize the Airport Director to implement such changes effective August 13, 2010.

Attachment

**METHOD OF
OPERATION**

Directives

The Asheville Regional Airport Authority is dedicated to providing a safe, healthy and productive work environment for all employees. Tobacco use is prohibited in all enclosed areas of the Airport Authority property, including all restrooms, break-rooms, conference rooms, offices, and Authority vehicles. The use of tobacco by Authority employees and other tenants employed in the terminal building is allowed outside of Airport Authority buildings in designated areas listed below. Employees are expected to keep the smoking areas free of debris. This policy applies to all employees, clients, independent contractors and visitors.

Tenants in other locations on airport property may provide designated areas outside of their facilities and away from main entrances and footpaths.

Designated Areas

For all Authority employees and tenant employees within the terminal building, the designated areas are the two gazebos located at the north and south ends of the terminal building.

For the general public, the designated areas, as marked, are in front of the terminal building.

For all other tenants and general aviation public, those outside areas as designated by the individual lessees.

Penalties

Any tenant or Authority employee who is found using tobacco products outside of the designated area(s) will be issued a verbal or written warning for a first offense. A second violation will result in a fine in the amount of fifty dollars (\$50.00). All subsequent violations will result in a fine of one hundred dollars (\$100.00) and may result in the employee's Airport Identification Badge/Access privileges being revoked.

**APPROVAL AND
UPDATE HISTORY**

Approval August 13, 2010

Supersedes March 15, 2004



MEMORANDUM

TO: Members of the Airport Authority

FROM: Vickie Thomas, Director of Finance and Accounting

DATE: August 13, 2010

ITEM DESCRIPTION – Consent Agenda Item C

Approval of Audit Contract with Burleson & Earley, P.A. for Fiscal Year Ending June 30, 2010

BACKGROUND

For the past several years, the Authority Board has contracted with Burleson & Earley, P.A. for the required year-end financial audit. Once again we are presenting a contract for signature by the Chairman for the services of Burleson & Earley, P.A. for the fiscal year ending June 30, 2010. Staff intends to issue a Request for Qualifications during the upcoming fiscal year for audit services since it has been several years since doing so.

ISSUES

None

ALTERNATIVES

The Board could elect to reject the current contract being presented by Burleson & Earley, P.A. and request staff to seek alternate firms to conduct the fiscal year-end audit. Time is of the essence since the LGC has to approve the audit contract, and the audit report is due to the County by the middle of October.



FISCAL IMPACT

The contract fee for services rendered by Burleson & Earley, P.A. is not to exceed \$13,000. The expense for audit services was anticipated and included in the budget for FY 2011 as presented by Authority Staff and approved by the Board.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the contract for audit services with Burleson & Earley, P.A. in the amount not to exceed \$13,000, and (2) authorize the Board Chairman to execute the necessary documents.

Attachments

CONTRACT TO AUDIT ACCOUNTS

of Asheville Regional Airport Authority
Governmental Unit

On this 30th day of June, 2010, Burleson & Earley, P.A.

PO Box 2125, Candler, NC 28715

Auditor

Mailing Address

_____ , hereinafter referred to as
the Auditor, and Board of Directors of Asheville Regional Airport Authority, hereinafter referred
Governing Board Governmental Unit
to as the Governmental Unit, agree as follows:

1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit for the period beginning July 1, 2009, and ending June 30, 2010. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate discretely presented component units, each major governmental and enterprise fund, and the aggregate remaining fund information (nonmajor government and enterprise funds, the internal service fund type, and the fiduciary fund types).
2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with Government Auditing Standards if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Circular A-133 and the State Single Audit Implementation Act, the auditor shall perform a Single Audit. This audit and all associated workpapers may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the LGC. If the audit and/or workpapers are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners.
3. *This contract contemplates an unqualified opinion being rendered.* If financial statements are not prepared in accordance with generally accepted accounting principles (GAAP), or the statements fail to include all disclosures required by GAAP, explain that departure from GAAP in the space below:
4. *This contract contemplates an unqualified opinion being rendered.* The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. *Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.* The audit will have no scope limitations except:
5. If this audit engagement is subject to the standards for audit as defined in Government Auditing Standards, July 2007 revisions, issued by the Comptroller General of the United States, then the Auditor warrants by accepting this engagement that he has met the requirements for a peer review and continuing education as specified in Government Auditing Standards. The Auditor agrees to provide a **copy of their most recent peer review report regardless of the date of the prior peer review report** to the Governmental Unit and the Secretary of the Local Government Commission prior to the execution of the audit contract. (See Item 21.)
6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the LGC by October 31, 2010. If it becomes necessary to amend the due date of the audit a written explanation of the delay must accompany the amended contract.
7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's system of internal control and accounting as same relates to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor will make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report must include all matters defined as "significant deficiencies and material weaknesses" in AU 325 of the AICPA Professional Standards. The Auditor shall file a copy of that report with the Secretary of the Local Government Commission.
8. All local government and public authority contracts for annual or special audits, bookkeeping or other assistance necessary to prepare the Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina require the approval of the Secretary of the Local Government Commission. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the Local Government Commission. (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices should be submitted in **triplicate** to the Secretary of the Local Government Commission. The original and one copy will be

Contract to Audit Accounts (cont.) Asheville Regional Airport Authority

(name of unit)

returned to the Auditor. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.

9. In consideration of the satisfactory performance of the provisions of this agreement, the Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the Local Government Commission, the following fee which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts:

Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards] _____

Audit \$11,200

Preparation of the annual financial statements \$1,800

10. The auditor working with local governmental unit that has outstanding revenue bonds will include in the notes to the audited financial statements, whether or not required by the revenue bond documents, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the LGC simultaneously with the local government's audited financial statements unless otherwise specified in the bond documents.
11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, at least, Management's Discussion and Analysis, the financial statements of the governmental unit and all of its component units and notes thereto prepared in accordance with generally accepted accounting principles, combining and supplementary information requested by the client or required for full disclosure under the law, and the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the accounting period.
12. **The Auditor shall file** with the Local Government Commission two BOUND copies of the report of audit. If reports are received unbound they will **not** be reviewed by the LGC and will be returned to the auditor for binding. In addition, if the North Carolina Office of the State Auditor designates certain programs to be audited as major programs, a turnaround document and a representation letter addressed to the State Auditor shall be submitted to the Local Government Commission. Two bound copies of the report of audit should be submitted if the audit is performed only under the provisions of the State Single Audit Implementation Act or a financial audit is required to be performed in accordance with Government Auditing Standards. Three bound copies of the audit are to be submitted for Councils of Governments. Two bound copies of the audit should be submitted for tax levying Municipalities. Otherwise, one bound copy shall be submitted. Units that operate a 911 fund need to provide an additional copy to the number stated above. Bound copies of the report shall be filed with the Local Government Commission when (or prior to) submitting the invoice for the services rendered. The report of audit, as filed with the Secretary of the Local Government Commission, becomes a matter of public record for inspection and review in the offices of the Secretary by any interested parties. Any subsequent revisions to these reports must be sent to the Secretary of the Local Government Commission. These audited financial statements are used in the preparation of Official Statements for debt offerings (the auditors' opinion is not included), by municipal bond rating services, to fulfill secondary market disclosure requirements of the Securities and Exchange Commission, and other lawful purposes of the government, without subsequent consent of the auditor. If it is determined by the LGC that corrections need to be made to the unit's financial statements they should be provided within three days of notification unless, another time frame is agreed to by the LGC.
13. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the Local Government Commission, this agreement may be varied or changed to include the increased time and/or compensation as may be agreed upon by the Governing Board and the Auditor.
14. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, signed and dated by all parties and pre-audited if the change includes a change in audit fee. This document and a written explanation of the change must be submitted in triplicate to the Secretary of the Local Government Commission for approval. No change shall be effective unless approved by the Secretary of the Local Government Commission, the Governing Board, and the Auditor.
15. Whenever the Auditor uses an engagement letter with the client, Item 16 is to be completed by referencing the engagement letter and attaching a copy of the engagement letter to the contract to incorporate the engagement letter into the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, **the terms of this contract will control**. Engagement letter terms are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 22 of this contract. Engagement letters containing indemnification clauses will not be approved by the Local Government Commission.

Contract to Audit Accounts (cont.) Asheville Regional Airport Authority

(name of unit)

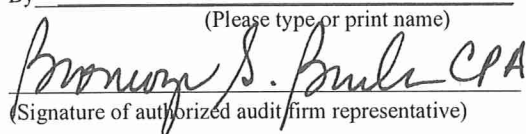
16. There are no special provisions except:

See attached engagement letter

- 17. A separate contract should not be made for each division to be audited or report to be submitted. A separate contract must be executed for each component unit which is a local government and for which a separate audit report is issued.
- 18. The contract must be executed, pre-audited, signed by all parties and submitted in triplicate to the Secretary of the Local Government Commission. The mailing address is 325 North Salisbury Street, Raleigh, North Carolina 27603-1385. The physical address is 4505 Fair Meadow Lane, Suite 102, Raleigh, North Carolina 27607-6449.
- 19. The contract is a tri-party agreement and is not valid until it is approved by the Local Government Commission. Upon approval, the original contract will be returned to the Governmental Unit, a copy will be forwarded to the Auditor, and a copy retained by the Secretary of the Local Government Commission. The audit should not be started before the contract is approved.
- 20. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the Local Government Commission.
- 21. If this audit engagement is not subject to Government Auditing Standards, then Item 5 shall be listed as a deleted provision in Item 22. An explanation must be given for deleting this provision.
- 22. All of the above paragraphs are understood and shall apply to this agreement, except the following numbered paragraphs shall be deleted: (See Item 15.)

Firm Burleson & Earley, P.A.

By Bronwyn S. Burleson CPA

(Please type or print name)

(Signature of authorized audit firm representative)

Email Address: bburleson@burlesonearley.com

Date June 30, 2010

Approved by the Secretary of the Local Government Commission as provided in Article 3, Chapter 159 of the General Statutes or Article 31, Part 3, Chapter 115C of the General Statutes.

For the Secretary, Local Government Commission

(Signature)
Date _____

By David R. Hillier, Chairman
(Please type or print name and title)

(Signature of Mayor/Chairperson of governing board)

Date _____

Email Address d.hillier@gumandhillier.com

By N/A
(Chair of Audit Committee- please type or print name)

N/A
(Signature of Audit Committee Chairperson)

Date N/A
(If unit has no audit committee, this section should be marked "N/A.")

Email address N/A

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Vickie Thomas
Governmental Unit Finance Officer (Please type or print name)

(Signature)

Date _____

(Preaudit Certificate must be dated.)

Email address vthomas@flyar1.com

BURLESON & EARLEY, P.A.

CERTIFIED PUBLIC ACCOUNTANTS

June 30, 2010

Asheville Regional Airport Authority
61 Terminal Drive, Suite 1
Fletcher, NC 28732

We are pleased to confirm our understanding of the services we are to provide the Asheville Regional Airport Authority for the year ended June 30, 2010. We will audit the financial statements of the business-type activities, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements, of the Asheville Regional Airport Authority as of and for the year ended June 30, 2010. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to accompany the Asheville Regional Airport Authority's basic financial statements. As part of our engagement, we will apply certain limited procedures to the Asheville Regional Airport Authority's RSI. These limited procedures will consist principally of inquiries of management regarding the methods of measurement and presentation, which management is responsible for affirming to us in its representation letter. Unless we encounter problems with the presentation of the RSI or with procedures relating to it, we will disclaim an opinion on it. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Law Enforcement Officers' Special Separation Allowance Required Supplementary Information – Schedule of Funding Progress.
- 3) Law Enforcement Officers' Special Separation Allowance Required Supplementary Information – Schedule of Employer Contributions and Notes to the Required Schedules.
- 4) Other Postemployment Benefits – Healthcare Required Supplementary Information – Schedule of Funding Progress and Employer Contributions.

Supplementary information other than RSI also accompanies the Asheville Regional Airport Authority's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and will provide an opinion on it in relation to the basic financial statements:

- 1) Schedule of Expenditures of Federal Awards.
- 2) Schedule of Revenue and Expenditures-Budget and Actual (Non-GAAP) – Enterprise Fund
- 3) Schedule of Revenue and Expenditures-Budget and Actual (Non-GAAP) – Capital Improvements Fund
- 4) Schedule of Expenditures by Cost Center-Budget and Actual (Non-GAAP)

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the basic financial statements taken as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

POST OFFICE BOX 2125 ♦ CANDLER, NC 28715
THE GROVE ARCADE ♦ ONE PAGE AVENUE, SUITE 205 ♦ ASHEVILLE, NC 28801
TELEPHONE: (828) 251-2846 ♦ FAX: (828) 251-1144

The reports on internal control and compliance will each include a statement that the report is intended solely for the information and use of management, the body or individuals charged with governance, others within the entity specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions and to render the required reports. If our opinions on the financial statements or the Single Audit compliance opinions are other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. Management is also responsible for preparation of the schedule of expenditures of federal awards in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of your financial statements, schedule of expenditures of federal awards, and related notes. You are responsible for making all management decisions and performing all management functions relating to the financial statements, schedule of expenditures of federal awards, and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and the schedule of expenditures of federal awards and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any nonaudit services we provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for monitoring ongoing activities, to help ensure that appropriate goals and objectives are met. You are also responsible for the selection and application of accounting principles; for the fair presentation in the financial statements of the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the Asheville Regional Airport Authority and the respective changes in financial position and, where applicable, cash flows in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for ensuring that management and financial information is reliable and properly recorded. Your responsibilities also include, including identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings, if any, should be available for our review on July 1, 2010.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation

engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because an audit is designed to provide reasonable, but not absolute assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Asheville Regional Airport Authority's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Asheville Regional Airport Authority's major programs. The purpose of these procedures will be to express an opinion on the Asheville Regional Airport Authority's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement is the property of Burleson & Earley, P.A. and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to the Local Government Commission or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Burleson & Earley, P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the Local Government Commission. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately August 23, 2010 and to issue our reports no later than October 15, 2010. Bronwyn S. Burleson CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. Our fee for these services will be at our standard hourly rates except that we agree that our gross fee will range from a minimum of \$11,000 to a maximum of \$13,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that

unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2009 peer review report is attached.

We appreciate the opportunity to be of service to the Asheville Regional Airport Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Burleson & Earley, P.A.

Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of the Asheville Regional Airport Authority.

By: _____.

Title: _____.

Date: _____.



MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, Airport Director

DATE: August 13, 2010

ITEM DESCRIPTION – Consent Agenda Item D

Approval of Lease Contract GS-04B-50085 with General Services Administration (GSA) for Transportation Security Administration (TSA) Terminal Building Office and Operational Space

BACKGROUND

The Transportation Security Administration (TSA) requires space within the terminal building at the airport to conduct their security related functions. GSA facilitates all leases for TSA. The current lease agreement expires November 2010. GSA is soliciting for a new lease that incorporates the new space being constructed in the terminal renovation project. The new lease, if awarded by GSA, will be for three years with two one-year options. The space will be located on the first floor by the ticket counters, checkpoint area, and on the second floor in the new concourse. The lease will encompass approximately 2600 square feet of space.

ISSUES

None

ALTERNATIVES

None recommended at this time.

FISCAL IMPACT

The annual rent under the new lease agreement is expected to be approximately \$80,000.

Consent Agenda – Item D



RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) submit the Solicitation for Space Offer to GSA for a new terminal space lease agreement and approve the new lease agreement with the General Services Administration once the offer is accepted; and (2) authorize the Airport Director to execute the necessary documents.



MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, Airport Director

DATE: August 13, 2010

ITEM DESCRIPTION – New Business Item A

Approval of Scope of Services and Fees for Environmental Assessment for a New Parallel Taxiway and Runway 16/34 Reconstruction

BACKGROUND

At the April 24, 2009 Board Meeting, Staff, with assistance from RS & H, presented the findings of the runway pavement evaluation project which had been conducted several months prior. It was at this meeting that the Board was introduced to the idea of a new parallel taxiway being constructed to the west of the runway and the runway being reconstructed 75' further to the west to meet current FAA safety standards. RS & H once again, at the March 12, 2010 Board Meeting, presented the options for the reconstruction of the runway and addition of a new parallel taxiway. The Board elected to pursue this larger project pending appropriate funding from the FAA. If funding is not available, staff will move forward with the rehabilitation of the existing runway.

The prerequisite for requesting funding (Letter of Intent – LOI) from the FAA on a project this size is having an environmental assessment (EA) performed. The EA must be completed and attached to the application when submitted to the FAA. In order to meet the projected time schedule, the EA must be started within the next 30-60 days.

ISSUES

Staff requested quotes from two of our contracted general consultants, RS & H and The LPA Group of North Carolina, to perform the EA. Staff has also submitted a request with the FAA to provide discretionary funding for the EA. Regardless of this request, the Board needs to approve the scope of services to proceed with the EA if we are to meet the time scheduled discussed in March.

New Business – Item A



The proposed fee with The LPA Group of North Carolina is based on a lump sum project amount not to exceed \$193,293. The scope of services for this agreement is attached. In accordance with Authority policy all professional consulting agreements greater than \$50,000 require the approval of the Airport Authority Board prior to execution. This professional service agreement requires such approval by the Airport Authority Board.

ALTERNATIVES

Although not recommended, the Board could decide to move forward with the rehabilitation of the existing runway rather than the larger project or not approve the Scope of Services and Fee. As stated above, Staff feels it is in the best interest of the Asheville Regional Airport and Authority to move forward with this Scope of Services Agreement for the Environmental Assessment.

FISCAL IMPACT

The cost of this project is based on a lump sum amount not to exceed \$193,293, plus a 10% contingency. Project funding is being requested through the FAA. If granted, the FAA would most likely fund 95% with the Authority funding the remaining balance. If the FAA rejects the request, the Authority would fund the project at 100% with the money coming from fund balance. If the FAA decides to fund the LOI for the entire taxiway/runway project, the cost of the EA may be reimbursable under the whole project cost.

RECOMMENDED ACTION

It is respectfully requested that the Authority Board resolve to (1) approve the Scope of Services and Fee Proposal with The LPA Group of North Carolina for a lump sum price not to exceed \$193,293 plus a 10% contingency of \$19,329, for a total of \$212,622; and (2) authorize the Airport Director to execute the necessary documents.

Consultant Scope of Services

Asheville Regional Airport Authority

Scope of Services Number 3 for Professional Consulting Services, as referenced in the Professional Consulting Agreement between the Asheville Regional Airport Authority and THE LPA GROUP of North Carolina, p.a., dated August 28, 2008.

Project: Environmental Assessment for a New Parallel Taxiway and Runway Reconstruction

Scope of Services: See attached Exhibit A

Consultant Team: THE LPA GROUP of North Carolina
Jeff Kirby, P.E. – Civil Engineering/Preliminary Design
Richard Davis - Environmental
Michelle Herrell – Environmental
Jim Duguay – Noise Studies
Gordon Murphy – Wetland Delineation

Schedule: See attached Exhibit A

Project Budget: TBD

Fees:
Prepare Environmental Assessment: Lump Sum Amount of \$193,293.00
Total: \$193,293.00

Authority:

Asheville Regional Airport Authority

By: _____
Airport Director

Consultant:

THE LPA GROUP of North Carolina

By: _____
Vice-President

Date: _____

Date: _____

This instrument has been pre-audited in the manner required by local government and fiscal control.

Finance Manager

Attachments: Exhibit A – Project Scope of Services
Exhibit B – Cost Breakdown

EXHIBIT A ENVIRONMENTAL ASSESSMENT FOR A NEW PARALLEL TAXIWAY AND RUNWAY RECONSTRUCTION AT ASHEVILLE REGIONAL AIRPORT (AVL)

PROJECT SCOPE OF SERVICES

I. Introduction

The Asheville Regional Airport Authority (**Authority**) proposes to add a new parallel taxiway on the western side of the Asheville Regional Airport (Airport) in Buncombe County, North Carolina (refer to Figure 1). The new parallel taxiway would be used temporarily as a runway while the current runway is moved 75 feet to the west and rehabilitated/reconstructed. The information contained in the *Runway 16/34 Rehabilitation/Reconstruction – Phase 1 and Lighting Condition Assessment* will be used to support the need for the project and the alternatives analysis.

The LPA GROUP INCORPORATED (**LPA**) will prepare an Environmental Assessment (EA) to address the proposed project's impacts to the affected environmental and human resources in the defined project area (refer to Figure 1). This EA will be based on environmental criteria cited in the *National Environmental Policy Act* and its implementing regulations, Federal Aviation Administration (FAA) Order 5050.4B: *NEPA Implementing Instructions for Airport Projects*, and FAA Order 1050.1E, Change 1: *Environmental Impacts, Policies and Procedures*.

Specifically, the EA will identify the Purpose and Need for the proposed project; define the proposed project; detail the reasonable alternatives considered, including the No-build alternative; describe the existing conditions of the affected environment; provide a discussion of the environmental consequences of the proposed project; identify mitigation measures if deemed necessary; provide for consultation with state and federal agencies, other organizations, and interested parties; and provide the opportunity for public education participation.

The end result of this effort will be an EA to submit to the FAA in order to obtain an environmental determination from the FAA. The following tasks will be completed as part of the Scope of Services for this project:

- **Task 1 – Agency Coordination and Public Involvement**
 - Element 1: Client/Project Coordination
 - Element 2: Agency Coordination
 - Element 3: Public Involvement

- **Task 2 – Conduct Environmental Assessment**
 - Element 1: Define Purpose and Need
 - Element 2: Preliminary Conceptual Design

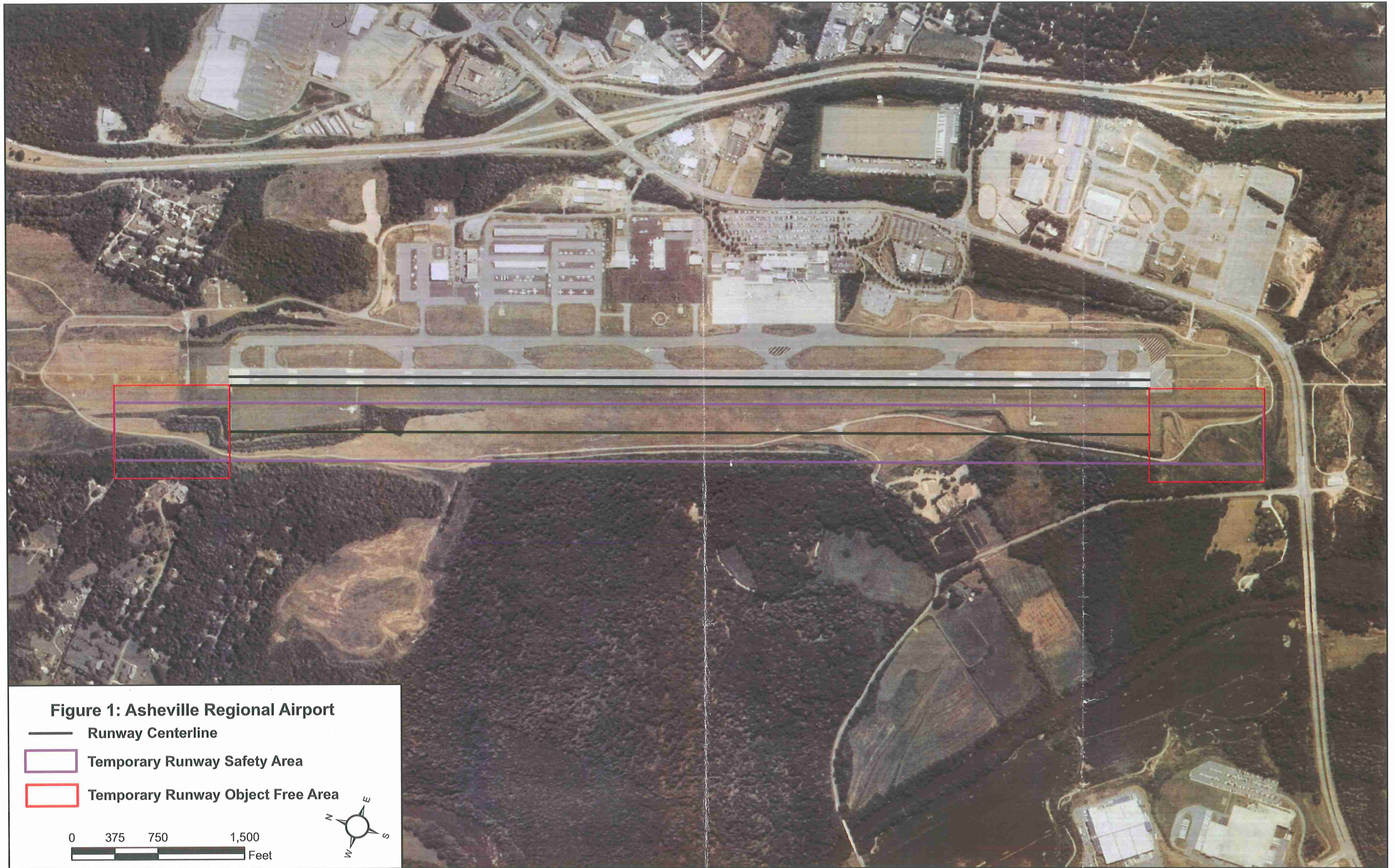



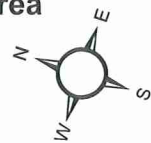


Figure 1: Asheville Regional Airport

-  Runway Centerline
-  Temporary Runway Safety Area
-  Temporary Runway Object Free Area

0 375 750 1,500
Feet



- Element 3: Alternatives Analysis
- Element 4: Inventory of Affected Environment and Impact Analysis
- Element 5: Report Preparation and Documentation

II. TASK 1 – AGENCY COORDINATION AND PUBLIC INVOLVEMENT

Element 1: Client/Project Coordination

This element consists of general overall project coordination and discussions with Airport Authority and Staff.

Element 2: Agency Coordination

Upon receiving the Notice-to-Proceed, a Letter of Intent will be prepared and sent to agencies with potential jurisdiction or interests to solicit comments and information regarding the project area and the proposed project. Continued coordination will occur with these agencies throughout the preparation of the EA. It is assumed that most agency coordination would occur through mail, email, and telephone communications. However, two meetings will be held with resource agencies to discuss potential concerns.

The FAA-approved draft EA, which may designate a Preferred Alternative, will be sent to local, state, and federal agencies/entities that would be potentially affected by the project for review and comment. The comments received will be addressed and incorporated, where appropriate, into the EA.

Coordination will be conducted with the FAA throughout the project.

Assumptions:

1. *LPA will prepare and transmit a Letter of Intent to federal, state, and local resource agencies.*
2. *It is assumed that most agency coordination would occur through mail, email, and telephone communications.*
3. *Two (2) meetings with the agencies would be needed.*
4. *Coordination with the FAA will occur via mail, email, and telephone communications.*

Element 3: Public Involvement

If requested, one (1) public hearing will be held once the draft EA is signed by the FAA for the public to view and comment on the Preferred Alternative and the EA. A Notice of Availability will be developed by LPA, in coordination with the **Authority**, regarding the availability of the EA for review and the steps to request a public hearing. The EA will be placed in local public libraries, at the Airport, and on the Airport's website to allow the public to review the

document and make comments. These comments will be addressed and incorporated into the EA, where appropriate.

III. TASK 2 – CONDUCT ENVIRONMENTAL ASSESSMENT

Element 1: Define Purpose and Need

The EA will provide a description of the proposed project that addresses, at a minimum, the proposed project, the project’s purpose, and the public needs served by the proposed project. The forecasts contained in the recent (2003) Master Plan Update will be validated based upon the most recent airport activity data from FAA and used to help identify the need for the project. Maximum use will be made of prior studies done regarding the runway rehabilitation and new taxiway construction, limiting the amount of new data that would need to be gathered for the EA.

Assumptions:

- 1. The forecasts in the most recent Master Plan Update will be validated based upon the most recent airport activity data from FAA.*
- 2. Maximum use will be made of existing studies regarding the regarding the runway relocation and reconstruction component of the proposed project.*

Element 2: Preliminary Conceptual Design

In order to determine project limits necessary for use in the EA preparation, preliminary conceptual designs will be prepared for the taxiway and runway preferred alternative. This design effort will focus on grading limits and preliminary drainage outfalls. Any work that has been prepared by other consultants will be used to the fullest extent.

Assumptions:

- 1. Preliminary designs from prior studies, specifically the Runway 16/34 Rehabilitation/Reconstruction – Phase 1 and Lighting Condition Assessment will be used as a starting point to this effort.*

Element 3: Alternatives Analysis

An Alternatives Analysis will be conducted that will provide sufficient information to allow the decision maker to determine which alternative meets the purpose and need of the project. The Alternatives Analysis will include:

- A description of the No-build Alternative;
- A description of Preliminary Alternatives that were considered but eliminated from further study and the reasoning as to why they were eliminated;
- A description of the Reasonable Alternatives for the proposed project;

- A statement identifying the Preferred Alternative; and,
- A listing of the applicable laws, regulations, executive orders, associated permits, licenses, certifications, approvals, and reviews required for the Preferred Alternative.

The Alternatives Analysis will make use of the analyses conducted in prior studies at the Airport, such as the recently completed *Runway 16/34 Rehabilitation/Reconstruction – Phase 1 and Lighting Condition Assessment*. Impacts will be evaluated for the No-build and two Reasonable Build Alternatives, based on the preliminary conceptual designs developed for this EA.

Assumption:

1. *Alternatives analyses from prior studies, specifically the Runway 16/34 Rehabilitation/Reconstruction – Phase 1 and Lighting Condition Assessment will be used as the basis for the Alternatives Analysis Section for the EA.*

Element 4: Inventory of Affected Environment and Impact Analysis

Existing data will be collected from the appropriate resource agencies including the **Authority**, and will be analyzed to determine the potential impacts of the proposed project. Maximum use will be made of existing reference materials. The specific impact categories that will be addressed for the alternatives in the environmental assessment shall include the following:

- Air Quality;
- Biotic Resources
- Coastal Resources;
- Compatible Land Use;
- Construction Impacts;
- Energy Supply, Natural Resources, and Sustainable Design
- Farmlands;
- Federally Protected Species;
- Floodplains;
- Hazardous Materials and Waste Sites
- Historic, Architectural, Archeological and Cultural resources;
- Light Emissions and Visual Impacts;
- Noise;
- Section 4(f) and Section 6(f) resources;
- Socioeconomic Impacts and Induced Socioeconomic Impacts
- Solid Waste;
- Water Quality;
- Wetlands and Other Waters of the United States;
- Wild and Scenic Rivers; and,
- Indirect and Cumulative impacts.

4.1 Air Quality

The United States Environmental Protection Agency (USEPA) has defined National Ambient Air Quality Standards (NAAQS) for six criteria pollutants per *Clean Air Act* requirements, which include carbon monoxide, lead, nitrogen dioxide, ozone, particulate matter (both fine and coarse particles), and sulfur dioxide. Geographical areas of the country are designated as being in attainment, non-attainment, or maintenance, based on the ambient air quality levels of these NAAQS pollutants. For projects in areas that are in non-attainment or in maintenance, the project sponsor must show that the project would meet the general conformity requirements of their respective states' implementation plans prior to approval by FAA. According to the USEPA Greenbook, Buncombe County is currently in attainment for all NAAQS pollutants; therefore, a general conformity analysis is not required for the proposed project.

A NAAQS dispersion analysis could be required if the total annual operations exceed 180,000 general aviation operations or 1.3 million enplanements, or a combination of both. Based on information found in FAA guidance, this threshold would not be met by the combination of general aviation operations and enplanements.

No permanent changes to forecasted aircraft operations and fleet mix are anticipated due to this project, although temporary changes to operations may be required during construction. Potential vehicular and construction air quality impacts will be qualitatively assessed. Air quality modeling will not be included as part of the analysis.

4.2 Biotic Communities

A qualified biologist shall conduct a field reconnaissance within the project area in conjunction with the wetland field investigations to identify general plant communities and fish and wildlife habitats in the project area. The effect on wildlife habitat from clearing and other construction activities associated with the project shall be identified.

4.3 Coastal Resources

The Airport is not located within the coastal region. No impacts are anticipated to coastal resources by the proposed project and this will be documented in the EA.

4.4 Compatible Land Use

Land use plans and zoning maps will be collected and reviewed for the project area. Land use types to be identified will include residential, commercial, industrial, and noise-sensitive areas (parks, schools, churches, institutional). In addition, community facilities will be identified. Evaluation of existing land use and land use planning will

include impacts to existing zoning, conformance with adopted comprehensive land use plans, impacts to property access, and impacts to neighborhood character. This section will also assess the existing and planned land uses in the vicinity of the Airport to provide assurance that those uses would not impact the safety of Airport operations.

4.5 Construction Impacts

The EA will include a general description of temporary impacts that could occur during construction of the project. These potential impacts may include temporary increases in ambient noise levels due to the use of construction equipment, air quality impacts from construction equipment emissions and dust, and potential water quality impacts from sediment erosion. The extent to which these effects are subject to local, state, or federal ordinances or regulation will be discussed, as applicable, together with measures to be taken to conform to such requirements.

4.6 Energy Supply, Natural Resources, and Sustainable Design

The proposed project will be evaluated to determine if it has significant impacts on energy supplies or consumable natural resources. In addition, the EA will also discuss ways that the **Authority** is proposing to conserve resources and provide sustainability with the proposed project.

4.7 Farmlands

The *Farmland Protection Policy Act* requires an evaluation of whether important farmland soils would be converted to non-agricultural uses for a proposed project. The farmland soils within the project area will be identified, and if needed, the USDA Farmland Conversion Impact Rating Form AD 1006 will be completed and submitted to the Natural Resources Conservation Service (NRCS) for review, and the correspondence would be included in the EA.

4.8 Federally Protected Species

Section 7 of the Endangered Species Act of 1973 requires federal agencies, in consultation with, and assisted by the United States Fish and Wildlife Service (USFWS) to ensure that the proposed airport improvements are not likely to jeopardize the continued existence of threatened or endangered species or result in the destruction or adverse modification of critical habitat of such species. In addition, the *Bald and Golden Eagle Protection Act* prohibits any form of taking of both bald and golden eagles except as provided by a permit.

Coordination will occur with the USFWS and the North Carolina Department of Environment and Natural Resources to determine whether any federally protected

species or their critical habitat are located within or in the vicinity of the project area. A field survey will be conducted during the wetland field investigation to identify if any potentially suitable habitat for federally protected species or the species occur within the project area. If needed, a Biological Assessment will be prepared based on the results of the field survey and submitted to the USFWS for its concurrence. This information will be used to prepare the federally protected species section of the EA.

Assumption:

1. *If detailed mitigation plans or formal agency consultations are necessary to satisfy the Section 7 requirements of the Endangered Species Act, these will be performed under a supplemental agreement.*

4.9 Floodplains

Executive Order 11988, *Floodplain Management*, requires that efforts be made by federal agencies to avoid, to the extent possible, the long and short-term adverse impacts associated with the occupancy and modification of floodplains. The 100-year floodplain mapping data will be acquired from the Federal Emergency Management Agency and used to determine whether floodplains exist in the project area and if the proposed project would encroach into them.

4.10 Hazardous Materials and Waste Sites

The FAA encourages airports to identify potentially hazardous material or waste sites on Airport property and avoid development in these areas if possible. Prior studies and information will be used to determine whether potentially hazardous materials or waste sites exist within the project area. If recent studies are not adequate for the whole project area, a Phase I Environmental Site Assessment will be completed for the proposed project. Sites identified from these studies will be evaluated in relation to the proposed project. In addition, the impacts from using fly ash as fill material for the proposed project would be included in the EA.

Assumption:

1. *The Authority will provide all prior studies and information regarding the potential for hazardous materials and waste sites on Airport property, including the documents regarding fly ash being used for fill material. These documents include information such as prior environmental site assessments and the Spill, Prevention, Control, and Countermeasures plan for the Airport.*

4.11 Historic, Architectural, Archeological and Cultural Resources

Section 106 of the *National Historic Preservation Act* of 1966 requires federal agencies to consider the effects of their undertaking on properties on or eligible for inclusion in

the National Register of Historic Places (NRHP). Compliance with Section 106 requires consultation with the State Historic Preservation Officer (SHPO), and/or the Tribal Historic Preservation Officer (THPO) if there is a potential adverse effect to historic properties on or eligible for listing on the NRHP.

A letter will be sent to the North Carolina SHPO regarding the project to determine if a cultural resources survey is needed for the proposed project. If the SHPO decides that a survey should be done, a Phase I cultural resources survey will be completed to locate any resources that may be eligible for listing on the NRHP in the area of potential effect. The survey will include background research, use of prior studies conducted in the project area, field investigations, and report preparation. The results of this survey will be incorporated into the EA.

4.12 Light Emissions and Visual Effects

Light emissions from the proposed relocation of navigational aids and the aesthetic visual impacts of the proposed project will be evaluated in terms of their effects on neighboring land uses, and Section 4(f) properties (if present), within the vicinity of the study area.

4.13 Noise

Due to the relocation of the runway and the addition of a new parallel taxiway that would temporarily serve as a runway on the western side of the Airport, a noise study will be completed in accordance with FAA Order 1050.1E for the proposed project to determine the potential noise impacts on surrounding land uses neighboring the Airport property. The existing noise levels will be determined, and the future No-build alternative, Rehabilitation of the existing runway only alternative, Rehabilitation of the existing runway and construction of a new parallel taxiway alternative, and reconstruction of the existing runway shifted 75 feet to the west and the construction of a new parallel taxiway alternative will be evaluated.

Assumptions:

- 1. Airport activity levels will be provided to **LPA** by the most recent master plan update and the **Authority**. These activity levels and forecasted activity levels will be verified.*
- 2. Any current noise mitigation measures currently in place will be provided to **LPA** by the **Authority**.*
- 3. **If a noise mitigation plan is necessary, it would be completed under a Supplemental Agreement.***

4.14 Section 4(f) and 6(f) Properties

Section 4(f) of the *Department of Transportation Act of 1966* provides protection to publicly owned parks, recreation areas, wildlife and waterfowl refuges, and historic sites. Under Section 4(f), properties must not be impacted unless no prudent and feasible alternative exists and efforts to minimize impacts to the property are completed. Section 4(f) properties will be identified in the project area and in the vicinity of the project area using existing land use data and the result of the cultural resources survey.

Section 6(f) resources are places such as public parks, trails, courts, and other recreational areas that were purchased in part through grants from the *Land and Water Conservation Fund Act of 1965* (LWCF). The properties are protected by the LWCF Act from conversion to non-public recreational uses. Section 6(f) resources will be identified within the project area and in the vicinity of the project area using information from the National Park Service and existing land use data.

These properties will be documented in the EA, and if impacted, a description of the impacts will be included.

Assumptions:

1. ***If a Section 4(f) Evaluation is required for the proposed project, it would be done under a supplemental agreement.***

4.15 Socioeconomic Impacts and Induced Socioeconomic Impacts

The proposed project will be evaluated to determine the potential impacts to the social and economic characteristics of the affected communities. Socioeconomic data will be obtained from the United States Census Bureau, Woods and Poole, and local comprehensive land use plans. This data includes demographic characteristics of communities in the vicinity of the project area, as well economic information such as income and employment, along with projected trends and growth. Potential socioeconomic impacts, such as relocations, division/disruption of established/planned communities, changing transportation patterns, or causing a notable change in employment, will be evaluated.

In accordance with Executive Order 12898: *Environmental Justice*, socioeconomic data will be used to determine whether minority or low-income populations are located in the vicinity of the project area and if these populations would be disproportionately impacted by the proposed project.

Potential environmental health and safety risks to children from the proposed project will be evaluated, per Executive Order 13045.

Induced socioeconomic impacts from the proposed project will be evaluated in the EA. These potential impacts would be evaluated as to how the proposed project will generally affect business and economic activity in the area, if it would require additional demands on public service entities, or if it will cause changes in the population dynamics in the area.

Assumptions:

1. *Existing data sources will be used for determining demographic and economic characteristics of the area. Any information or data the **Authority** has regarding socioeconomics will be shared with LPA.*
2. *No economic impact study will be completed for the proposed project.*

4.16 Solid Waste

The type of solid waste generated from construction of the proposed project will be discussed. Local officials will be contacted to determine the location of active or planned solid waste disposal facilities and the available capacity at existing disposal facilities. The location of existing and planned facilities relative to the Airport will be discussed.

4.17 Water Quality

The *Clean Water Act*, as amended, set forth the framework for implementing standards to improve water quality in the United States. The EA will include a discussion of the water resources within and in the vicinity of the project area based on information from the North Carolina Department of Environment and Natural Resources. Potential water quality impacts as a result of the proposed project will be evaluated. These potential impacts could occur to drinking water sources/sole source aquifers, groundwater sources, or surface waters. In addition, best management practices to avoid impacts to water resources, as well as any water quality certifications or discharge permits will be discussed in the EA.

Assumption:

1. *The **Authority** will provide the Airport's Stormwater Pollution Prevention Plan and any other applicable documents regarding stormwater control and discharge to LPA.*

4.18 Wetlands and Other Waters of the United States

Pursuant to Executive Order 11990: *Protection of Wetlands*, and Section 404 of the *Clean Water Act*, potential impacts to jurisdictional wetlands and other waters of the United States will be identified and described. A field delineation will be performed within the study area. The delineation is being performed in order to define the jurisdictional limits of the onsite streams and wetlands within the study area and will

be used to calculate potential impacts associated with the proposed project. The specific work associated with this task is as follows:

- a. Wetland/Stream Delineation and Preparation of a USACE Request for Jurisdictional Determination Package - A delineation will be performed to define the jurisdictional limits of on-site Waters of the United States. The delineation will be based on the three required parameters set forth in the USACE 1987 Wetland Delineation Manual. These parameters include soils (samples taken from a hand-drilled auger), vegetation, and hydrologic characteristics. Data collected during the on-site investigation will be compiled on USACE standardized field data forms. The boundaries of the potentially jurisdictional areas will be flagged using sequential alpha-numerically labeled surveyor's tape labeled "Wetland Delineation". The wetland boundary flags will be mapped using sub-meter accuracy Global Positioning System (GPS) equipment. A wetland/stream map depicting the wetland boundaries in relation to study area boundaries will be produced for submission to the Wilmington District USACE.

A request for a Jurisdictional Determination Package will be prepared for submission to the USACE. It will include copies of the data sheets for the jurisdictional areas and a map depicting the delineation wetland stream boundaries in relation to the project study area. The package will also include all pertinent data required by the USACE Wilmington District. An approval for a wetland delineation will be requested from the USACE.

- b. Agency Coordination - It will be requested that the delineation be approved by the USACE Wilmington District. It is anticipated that one on-site meeting with the USACE and NCDENR - Division of Water Quality (DWQ) will be required for the approval of the jurisdictional boundaries.

Assumption:

1. *One on-site meeting with both the USACE and DWQ will be required to review the delineation.*

4.19 Wild and Scenic Rivers

The *Wild and Scenic Rivers Act* is a federal law that protects rivers from development dues to their wild, scenic, and aesthetic nature. These rivers are listed in the Nationwide Rivers Inventory, managed by the National Park Service. This database will be used to determine whether any wild or scenic rivers exist in the vicinity of the project area. This will be documented in the EA.

4.20 Indirect and Cumulative Impacts

Indirect effects, as defined by 40 CFR §1508.8(b), are caused by the proposed action and “are later in time or farther removed in distance, but are still reasonably foreseeable.” Although indirect impacts are not directly attributable to the construction and operation of a project, impacts could occur because of induced growth resulting from new or improved facilities, such as the proposed airfield development on the western side that is linked to the proposed new taxiway.

Cumulative impacts are defined by 40 CFR §1508.7 as “the impact on the environment which results from the incremental impact of the action when added to other past, present, and reasonably foreseeable future actions regardless of what agency (Federal or non-Federal) or person undertakes such other actions.”

The indirect and cumulative effects for the proposed project will be evaluated in the EA.

Element 5: Report Preparation and Documentation

The Purpose and Need, Alternatives Analysis, Results of the Environmental Inventory and Impact Analysis, as well the Public Involvement and Agency Coordination Efforts will be documented in the EA.

5.1 Draft Environmental Assessment

- Three (3) copies of the preliminary Draft EA will be submitted to the **Authority** for review.
- Comments received from the **Authority** will be incorporated. One (1) copy of the preliminary Draft EA will be prepared and sent to the **FAA**. Additional copies will be provided to the **Authority** as needed.
- Comments received from the **FAA** will be incorporated and twenty (20) copies of the Draft EA will be prepared for general distribution to the public reviewing agencies.
- An electronic copy of the Draft EA will be prepared for inclusion on the **Authority’s** website.

5.2 Final Environmental Assessment

Following the advertisement of availability of the EA and public comment period (a 30-day period following advertisement of availability of the EA, or the public hearing, whichever is later), the DEA will be revised to address comments and issues raised during the public comment period. The Final Environmental Assessment (FEA) will include a comments section and a summary of the agency and other input received, as well as responses.

A total of five (5) copies of the draft FEA will be submitted to the **Authority** (3) and **FAA** (2) for their final review.

5.3 Final Environmental Determination

Following the review and approval by the **Authority** and **FAA**, the EA will be finalized and a request for final environmental determination will be prepared by **LPA** and submitted to the **FAA**. Once the **FAA** has prepared the final environmental determination, it will be bound together with the Final EA and the twenty (20) copies will be submitted to the **Authority** and **FAA** for distribution, as appropriate. An electronic copy of the Final EA and environmental determination will be prepared for inclusion on the **Authority's** website.

IV. Schedule

The Final EA and environmental determination will be submitted for approval by the **FAA** by the spring of 2011.

**EXHIBIT B
COST BREAKDOWN
FOR
ASHEVILLE REGIONAL AIRPORT
ENVIRONMENTAL ASSESSMENT FOR A NEW PARALLEL TAXIWAY AND RUNWAY RECONSTRUCTION**

CLASSIFICATION	TASK 1 Task 1: Client Coordination, Agency Coordination and Public Involvement		TASK 2 Task 2: Conduct Environmental Assessment		TOTAL
	HOURS		HOURS		HOURS
Principal	32		26		58
Project Manager	24		26		50
Sr. Engineer	0		128		128
Engineer	0		402		402
Designer	80		506		586
Technician	0		183		183
Technical Assistant	48		86		134
TOTAL HOURS	184		1357		1541
TASK COST					\$188,462.00
<u>DIRECT EXPENSES</u>					
Travel	\$ 736.00		\$ 3,395.00		\$4,131.00
Reproduction	\$ -		\$ -		\$0.00
Postage	\$ -		\$ -		\$0.00
Misc./Supplies	\$ -		\$ 700.00		\$700.00
Subconsultants	\$ -		\$ -		\$0.00
TOTAL EXPENSES	\$ 736.00		\$ 4,095.00		\$4,831.00
TOTAL COSTS					\$193,293.00

THE LPA GROUP INCORPORATED

EXHIBIT B								
ASHEVILLE REGIONAL AIRPORT								
ENVIRONMENTAL ASSESSMENT FOR A NEW PARALLEL TAXIWAY AND RUNWAY RECONSTRUCTION								
Environmental Assessment Hours								
Task No./Task Description	Principal	Proj. Mgr.	Sr Engr.	Engr.	Designer	Tech.	Tech Asst.	Total Hours
Task 1: Client Coordination, Agency Coordination and Public Involvement								
Element 1: Client Coordination	24						16	40
Element 2: Agency Coordination	4	8			40		16	68
Element 3: Public Involvement	4	16			40		16	76
Task 1 Totals	32	24	0	0	80	0	48	184
Task 2: Conduct Environmental Assessment								
Element 1: Define Purpose and Need				8	32			40
Element 2: Preliminary Conceptual Design	8		12	40	40	40		140
Element 3: Alternatives Analysis				8	24			32
Element 4: Inventory of Affected Environment and Impact Analysis								
<i>Air Quality</i>			16		4			20
<i>Biotic Resources</i>			4	4	8			16
<i>Coastal Resources</i>						1		1
<i>Compatible Land Use</i>				24				24
<i>Protected Species</i>								0
<i>Energy Supply, Natural Resources, and Sustainable Design</i>						8		8
<i>Farmlands</i>						4		4
<i>Federally Protected Species</i>			4	8	24			36
<i>Floodplains</i>						8		8
<i>Hazardous Materials/Waste Sites</i>		4			24			28
<i>Historic, Architectural, Archaeological, and Cultural Resources</i>				40	60	16	16	132
<i>Light Emissions and Visual Impacts</i>					8			8
<i>Noise</i>			50	118	52			220
<i>Section 4(f) and Section 6(f) Resources</i>			2			8		10
<i>Socioeconomic and Induced Socioeconomic Impacts</i>				24				24
<i>Solid Waste</i>						4		4
<i>Water Quality</i>			4		16			20
<i>Wetlands and Other Waters of the United States</i>			12	36	38	28	2	116
<i>Wild and Scenic Rivers</i>						2		2
<i>Indirect and Cumulative Impacts</i>		4		24				28
Element 5: Report Preparation and Documentation								
<i>Draft Environmental Assessment</i>	8	8	16	60	80	40	40	252
<i>Final Environmental Assessment</i>	8	8			80	24	24	144
<i>Final Environmental Determination</i>	2	2		8	16		4	32
Task 4 Totals	0	0	0	0	0	0	0	0
PROJECT TOTALS	58	50	128	402	586	183	134	1,541

EXHIBIT B
 ASHEVILLE REGIONAL AIRPORT
 ENVIRONMENTAL ASSESSMENT FOR A NEW PARALLEL TAXIWAY AND RUNWAY RECONSTRUCTION
 DIRECT COST BREAKDOWN
 FOR CONSULTANT SERVICES

PREPARED BY:

DATE:

Task 1: Client Coordination, Agency Coordination and Public Involvement							
				POSTAGE		\$	-
				REPRODUCTION			
					#		
TRAVEL	Rate	#		Bluelines	\$1.00		
Hotel(per night)	\$130.00	2	260.00	Vellum	\$6.00		
Meals (per diem)	\$39.00	4	156.00	Photocopies(per page)	\$0.10		
Rental Car(per day)	\$80.00	4	320.00	Eng. Copier (24x36) Bond	\$5.00		
Rental Van (per day)	\$150.00			Other	\$1.00		
Mileage(per mile)	\$0.360						
Air Travel							
				SUBTOTAL REPRODUCTION		\$	-
SUBTOTAL TRAVEL			\$ 736.00				
				MISCELLANEOUS/SUPPLIES		Cost	
CONSULTANTS			Fees				
1.				1.			
2.				2.			
3.				3.			
4.				4.			
5.				5.			
SUBTOTAL CONSULTANTS			\$ -	SUBTOTAL MISC/SUPPLIES		\$	-
				GRAND TOTAL TASK 1		\$	736.00

Task 2: Conduct Environmental Assessment							
				POSTAGE		\$	-
				REPRODUCTION			
					#		
TRAVEL	Rate	#		Bluelines	\$1.00		
Hotel(per night)	\$130.00	10	1300.00	Vellum	\$6.00		
Meals (per diem)	\$39.00	25	975.00	Photocopies(per page)	\$0.10		
Rental Car(per day)	\$80.00	14	1120.00	Eng. Copier (24x36) Bond	\$5.00		
Mileage(per mile)	\$0.360			Other			
Air Travel							
				SUBTOTAL REPRODUCTION		\$	-
SUBTOTAL TRAVEL			\$ 3,395.00				
				MISCELLANEOUS/SUPPLIES		Cost	
CONSULTANTS			Fees	1. GPS		\$	700.00
1.				2.			
2.				3.			
3.				4.			
4.				5.			
5.				SUBTOTAL MISC/SUPPLIES		\$	700.00
SUBTOTAL CONSULTANTS			\$ -				
				GRAND TOTAL TASK 2		\$	4,095.00

GRAND TOTAL COMPUTER							
				GRAND TOTAL POSTAGE		\$	-
				GRAND TOTAL REPRODUCTION			
					#		
TRAVEL	Rate	#		Bluelines	\$1.00		
Hotel(per night)	\$130.00	12	1560.00	Vellum	\$6.00		
Meals (per diem)	\$39.00	29	1131.00	Photocopies(per page)	\$0.10		
Rental Car(per day)	\$80.00	18	1440.00	Eng. Copier (24x36) Bond	\$5.00		
Rental Van (per day)	\$150.00			Other			
Mileage(per mile)	\$0.360						
Air Travel				GRAND TOTAL REPRODUCTION		\$	-
GRAND TOTAL TRAVEL			\$ 4,131.00	TELEPHONE		\$	-
				MISCELLANEOUS/SUPPLIES		Cost	
CONSULTANTS			Fees	1. GPS		\$	700.00
1.				2.			
2.				3.			
3.				4.			
4.				5.			
5.				GRAND TOTAL MISC/SUPPLIES		\$	700.00
GRAND TOTAL CONSULTANTS			\$ -				
				GRAND TOTAL		\$	4,831.00



MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, Airport Director

DATE: August 13, 2010

ITEM DESCRIPTION – New Business Item B

Approval of Scope of Services and Fees for Site Preparation, Construction Phase Services and Supplemental Environmental/Permitting Support Services for the Westside Site Development Project with AVCON Engineers & Planners, Inc.

BACKGROUND

At the June 12, 2009 Board Meeting, Staff informed the Board of a proposed project with Charah, Inc. on the Westside of the airport at two possible locations. The proposed project would fill in low lying areas and allow for future development west of RW 16/34. At that meeting, the Board approved the addition of the two Westside sites through an amendment to the existing agreement with Charah and authorized the Airport Director to execute the necessary documents.

At the February 12, 2010 Board Meeting, The Board approved Task Order #9 with AVCON for the design services for the Westside Site Development Project at a cost not to exceed \$250,000. All costs associated with this project were to be paid by Charah under the agreement mentioned above.

Since February 2010, the design of the project has been completed, several governmental permits issued, and construction has just begun on Phase 1 and 1A in Area 4, (as shown on Exhibit A) for the fill on the southwest side of the Airport.

The scope of services for this agreement encompass project management; inspection services; field testing; environmental; and local, state, and federal permitting services. To date, several preliminary tasks have been completed, including: an environmental due diligence audit (EDDA), site survey, geotechnical testing and investigation, wetlands and stream identification and delineation, conceptual site design, etc.

New Business – Item B



ASHEVILLE REGIONAL AIRPORT AUTHORITY

New Business Item B

Approval of Scope of Services and Fees for Site Preparation, Construction Phase Services and Supplemental Environmental/Permitting Support Services for the Westside Site Development Project with AVCON Engineers & Planners, Inc.

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Staff feels it is important to continue utilizing AVCON, one of our current airport engineering consultants on this project and just as important that AVCON be under contract with the Authority in order to ensure the Authority's interests are supervised and the Authority remains directly involved in the project. Charah has been pleased with the services provided by AVCON and wishes to continue the relationship.

Staff has worked with AVCON to develop the attached scope of services and fee for the next phase of work on this project.

ISSUES

The proposed fee by AVCON is based on a not to exceed method. In accordance with Authority policy all professional consulting agreements greater than \$50,000 require the approval of the Airport Authority Board prior to execution. This professional service agreement requires such approval by the Airport Authority Board.

ALTERNATIVES

Although not recommended, the Board could decide to not approve the Scope of Services and Fee. As stated above Staff feels it is in the best interest of the Asheville Regional Airport and Authority for AVCON to be under direct contract with the Authority for this project.

FISCAL IMPACT

The agreement between the Authority and Charah, Inc. stipulates that Charah will reimburse the Authority for all project costs related to the Westside Site Development Project, including but not limited to: planning, engineering, design, testing, etc. There should be no net cost to the Authority. To date, Charah has reimbursed the Authority for all expenses incurred through AVCON for the Westside Development Project

In the event Charah, Inc. fails to reimburse the Authority for engineering/inspection work by AVCON, the Authority can suspend any further work limiting the Authority's liability only to that work completed prior to suspension.



ASHEVILLE REGIONAL AIRPORT AUTHORITY

New Business Item B

Approval of Scope of Services and Fees for Site Preparation, Construction Phase Services and Supplemental Environmental/Permitting Support Services for the Westside Site Development Project with AVCON Engineers & Planners, Inc.

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RECOMMENDED ACTION

It is respectfully requested that the Authority Board resolve to (1) approve the Scope of Services and Fee Proposal with AVCON Engineers & Planners, Inc. not to exceed the amount of \$325,000.00; and (2) authorize the Airport Director to execute the necessary documents.

Attachments



Exhibit A



Consultant Scope of Services

Asheville Regional Airport Authority

Scope of Services Number **11** for Professional Consulting Services, as referenced in the Professional Consulting Agreement between the Asheville Regional Airport Authority and **AVCON Engineers & Planners, Inc.**, dated **August 26, 2008**.

Project: West Side Development – Site Preparation (Phase 1 and Phase 1A): Construction Phase Services and Supplemental Environmental/Permitting Support Services

Scope of Services: Site Preparation for Phase 1 and Phase 1A of the West Side Development Project, located in the southwest quadrant of the airport, adjacent to Runway 34 glide slope critical area. The project consists of the installation of erosion and sediment control measures and devices, undercut excavation of the site, engineered ash fill and soil embankment/cap (approx. 150,000cy of excavation and 340,000cy of engineered fill and soil cap for Phase 1; and approx. 113,000cy of excavation and 660,000cy of engineered fill and soil cap for Phase 1A); and establishing vegetation upon completion of the work. Construction is expected to take approximately 3 months to complete Phase 1 and another 10 months to complete Phase 1A.

The Consultant will provide resident project representative (RPR) services using full-time inspection (averaging 35 hours per week) and part-time construction management/oversight services (averaging 16 hours per week), as well as construction administration services during construction.

The Consultant's Fees for resident project representative (RPR) services (full-time and part-time) and construction administration services during construction have been developed for the following project tasks:

Pre-Construction Meeting and Site Visit/Review with Authority and Contractor. Prepare for and attend pre-construction meeting with the Authority, and conduct a site review and on-site meeting with the Contractor.

Resident Project Representative (RPR). The Consultant will provide resident project representative (RPR) services using full-time inspection (35 hrs/wk avg.), and part-time construction management/oversight services (16 hrs/wk avg.). As used herein, the term Resident Project Representative includes any assistants of Resident Project Representative agreed to by the Authority. The duties and responsibilities of the Resident Project Representative are as set forth in Exhibit E of the Agreement.

Visits to Site and Observation of Construction. Provide on-site construction observation services (RPR, full-time and part-time) during the construction phase of the subject project. Observations will vary depending on the type of work being performed by the contractor, the location, and the contractors' schedule.

Make visits to the Site at intervals as deemed reasonable by the Consultant and Authority in order to observe the progress of the Work. Such visits and observations by the Consultant are not intended to be exhaustive or to extend to every aspect of Contractor's work in progress. Observations are to be limited to spot checking, selective measurement, and similar methods of general observation of the Work based on the Consultant's exercise of professional judgment. Based on information obtained during such visits and such observations, the Consultant will determine if Contractor's work is generally proceeding in accordance with the Contract Documents, and the Consultant shall keep the Authority informed of the general progress of the Work.

The purpose of the Consultant's visits to the site will be to enable the Consultant to better carry out the duties and responsibilities assigned in this Agreement to the Consultant during the construction phase by the Authority, and, in addition, by the exercise of the Consultant's efforts, to provide the Authority a greater degree of confidence that the completed Work will conform in general to the Contract Documents and that the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents has been implemented and preserved by Contractor. The Consultant shall not, during such visits or as a result of such observations of Contractor's work in progress, supervise, direct, or have control over Contractor's work, nor shall the Consultant have authority over or responsibility for the means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction selected by Contractor, for safety precautions and programs incident to Contractor's work, nor for any failure of Contractor to comply with laws and regulations applicable to Contractor's furnishing and performing the Work. Accordingly, the Consultant neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform its work in accordance with the Contract Documents.

Recommendations with Respect to Defective Work. Recommend to the Authority that Contractor's work be disapproved and rejected while it is in progress if, on the basis of such observations, the Consultant believes that such work will not produce a completed Project that conforms generally to Contract Documents or that it will prejudice the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents.

Clarifications and Interpretations. Issue necessary clarifications and interpretations of the Contract Documents to the Authority as appropriate to the orderly completion of Contractor's work. Such clarifications and interpretations will be consistent with the intent of the Contract Documents. Field Orders authorizing variations from the requirements of the Contract Documents will be made by the Authority.

Change Orders. Recommend Change Orders to the Authority, as appropriate. Review and make recommendations related to Change Orders submitted or proposed by the Contractor.

Shop Drawings and Samples. Review and approve or take other appropriate action in respect to Shop Drawings and Samples and other data which Contractor is required to submit, but only for conformance with the information given in the Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated in the Contract Documents. Such review and approvals or other action will not extend to means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction or to related safety precautions and programs.

Substitutes and "or-equal." Evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor in accordance with the Contract Documents, but subject to the provisions of applicable standards of state or local government entities.

Inspections and Tests. Require such special inspections or tests of Contractor's work as the Consultant deems appropriate, and receive and review certificates of inspections within the Consultant's area of responsibility or of tests and approvals required by laws and regulations or the Contract Documents. The Consultant's review of such certificates will be for the purpose of determining that the results certified indicate compliance with the Contract Documents and will not constitute an independent evaluation that the content or procedures of such inspections, tests, or approvals comply with the requirements of the Contract Documents. The Consultant shall be entitled to rely on the results of such tests and the facts being certified.

Disagreements between Authority and Contractor. As necessary, render written decision on all claims of the Authority and Contractor relating to the acceptability of Contractor's work or the interpretation of the requirements of the Contract Documents pertaining to the progress of Contractor's work. In rendering such decisions, the Consultant shall be fair and not show partiality to the Authority or Contractor and shall not be liable in connection with any decision rendered in good faith in such capacity.

Applications for Payment. Should the need arise for payment to the Contractor for additional work outside the original scope of the project, and based on the Consultant's observations and on review of applications for payment and accompanying supporting documentation:

Determine the amounts that the Consultant recommends Contractor be paid. Such recommendations of payment will be in writing and will constitute the Consultant's representation to the Authority, based on such observations and review, that, to the best of the Consultant's knowledge, information and belief, Contractor's work has progressed to the point indicated, such work-in-progress is generally in accordance with the Contract Documents (subject to an evaluation of the Work as a functioning whole prior to or upon Substantial Completion, to the results of any subsequent tests called for in the Contract Documents, and to any other qualifications stated in the recommendation), and the conditions precedent to Contractor's being entitled to such payment appear to have been fulfilled insofar as it is the Consultant's responsibility to so determine. In the case

of unit price work, the Consultant's recommendations of payment will include final determinations of quantities and classifications of Contractor's work, based on observations and measurements of quantities provided with pay requests.

By recommending any payment, the Consultant shall not thereby be deemed to have represented that observations made by the Consultant to check Contractor's work as it is performed and furnished have been exhaustive, extended to every aspect of Contractor's work in progress, or involved detailed inspections of the Work beyond the responsibilities specifically assigned to the Consultant in this Agreement. Neither the Consultant's review of Contractor's work for the purposes of recommending payments nor the Consultant's recommendation of any payment including final payment will impose on the Consultant responsibility to supervise, direct, or control Contractor's work in progress or for the means, methods, techniques, equipment choice and usage, sequences, or procedures of construction of safety precautions or programs incident thereto, nor Contractor's compliance with Laws and Regulations applicable to Contractor's furnishing and performing the Work. It will also not impose responsibility on the Consultant to make any examination to ascertain how or for what purposes Contractor has used the moneys paid on account of the Contract Price, nor to determine that title to any portion of the work in progress, materials, or equipment has passed to the Authority free and clear of any liens, claims, security interests, or encumbrances, nor that there may not be other matters at issue between the Authority and Contractor that might affect the amount that should be paid.

Substantial Completion. Promptly after notice from Contractor that Contractor considers the entire Work ready for its intended use, in company with the Authority and Contractor, conduct a site visit to determine if the Work is substantially complete. Work will be considered substantially complete following satisfactory completion of all items with the exception of those identified on a final punch list. If after considering any objections of the Authority, the Consultant considers the Work substantially complete, the Consultant shall notify the Authority and Contractor.

Final Notice of Acceptability of the Work. Conduct a final site visit to determine if the completed Work of Contractor is generally in accordance with the Contract Documents and the final punch list so that the Consultant may recommend, in writing, final payment to Contractor. Accompanying the recommendation for final payment, the Consultant shall also provide a notice that the Work is generally in accordance with the Contract Documents to the best of the Consultant's knowledge, information, and belief and based on the extent of the services provided by the Consultant under this Agreement and based upon information provided to the Consultant upon which it is entitled to rely.

Limitation of Responsibilities. The Consultant shall not be responsible for the acts or omissions of any Contractor, or of any of their subcontractors, suppliers, or of any other individual or entity performing or furnishing the

Work. The Consultant shall not have the authority or responsibility to stop the work of any Contractor.

Construction Quality Assurance (CQA) Testing Services. The Consultant will use F&R, Inc. for materials testing during construction.

Quality Assurance Field Survey Services. The Consultant will use HBA for field survey checks during construction.

Supplemental Environmental/Permitting Support Services. The Consultant will utilize ClearWater Environmental and TRC for the continued support of the project's environmental and permitting requirements.

North G.A. Development Area "Cap Work". – The Consultant will provide construction inspection services and quality assurance testing (F&R) for the "soil cap" to be placed and constructed over the engineered ash fill.

Consultant Team: AVCON, ClearWater Environmental, TRC, F&R and HBA.

Schedule: August 1, 2010 through September 30, 2011

Project Budget: n/a

Fees: Fees for this scope of work will be charged on a time and materials basis and are not to exceed (NTE) \$290,000.00

Authority:

Asheville Regional Airport Authority

By: _____
Airport Director

Date: _____

Consultant:

AVCON Engineers & Planners, Inc.

By: _____
Title: _____

Date: _____

This instrument has been pre-audited in the manner required by local government and fiscal control.

Finance Manager

ENGINEERING FEE COMPUTATION FOR ASHEVILLE REGIONAL AIRPORT

DATE: August 4, 2010

PROJECT: Westside Development - Site Preparation (Phase 1 and Phase 1A)

TASK: CONSTRUCTION PHASE SERVICES (Task Order #11)

ITEMS OF WORK	RPR	FULL-TIME INSPECTOR	TOTAL HOURS
RESIDENT PROJECT REPRESENTATION (RPR) PROVIDING C.M./OVERSIGHT AND FULL TIME PROJECT INSPECTION			
13 Month Construction Schedule (Phase 1 - 3 months; Phase 1A - 10 months)			
Phase 1			
Full-time Inspector (estimated at 35 hours per week for 12 weeks)		420	420
RPR (CM & Oversight estimated at 16 hours per week for 12 weeks)	192		192
Phase 1A			
Full-time Inspector (estimated at 35 hours per week for 44 weeks)		1540	1540
RPR (CM & Oversight estimated at 16 hours per week for 44 weeks)	704		704
North GA Development Area "Cap Work"	16	35	51
TOTAL MANHOURS	912	1995	2856
BILLING RATE (including markup on contract labor)	\$66.00	\$40.00	
LABOR	\$60,192.00	\$79,800.00	\$139,992
Subtotal for Full-time Inspection and RPR (CM & Oversight)			\$139,992
SUBCONSULTANTS (see below)			
F&R, Inc. - QA Material Testing (Budget for testing subgrade, ash fill and soil fill/cap)			\$52,000
QA Field Survey (Line & Grade Checks; Budget 4 site visits/office work)			\$10,000
North G.A. Development Area "Cap Work" QA Testing			\$2,200
10% Markup on Subconsultants			\$6,200
Subtotal for Subconsultants			\$70,400
TOTAL - RPR and Inspection Services (including subconsultants)			\$210,392

ENGINEERING FEE COMPUTATION FOR ASHEVILLE REGIONAL AIRPORT

DATE: August 4, 2010

PROJECT: Westside Development - Site Preparation (Phase 1 and Phase 1A)

TASK: CONSTRUCTION PHASE SERVICES (Task Order #11)

ITEMS OF WORK	PRINCIPAL	QC REVIEWER	Sr. PROJECT MANAGER	PROJECT MANAGER	SR. ENGR. / SR. PLANNER	PROJ. ENGR. PROJ. PLANNER	ENGINEER / PLANNER	SR. CADD DESIGNER	CADD TECH.	ADMIN. / SUPPORT	TOTAL HOURS
CONSTRUCTION ADMINISTRATION											
<i>13 Month Construction Schedule (Phase 1 - 3 mo.; Phase 1A - 10 mo.)</i>											
Pre-Construction Meeting with AVL staff and Charah			8								8
Provide consultation/advise/coordination to client during construction			80				16				96
Review contractor's construction schedule and updates			0				0				0
Coordinate RPR and Full-time Inspection services during construction			16								16
Manage/coordinate QA material testing & survey firms			0				16				16
Review shop drawings/mix designs/submittals/laboratory test results			0				40				40
Assist in preparation/negotiate for client any construction change orders			8								8
Review/recommend to client regarding contractor's periodic pay requests (N/A)											0
Assist client with funding agencies requests for reimbursements (N/A)											0
Attend periodic construction/project meetings & construction site visits (say 13)			40				80				120
											0
Conduct final inspection and submit letter to client			8								8
Prepare record plan drawings based on information from contractor								8			8
Assistance with project close-out documents			0				8				8
Erosion & sediment control plan revisions, submittals and applications (already discussed by Charah)							40	16			56
											0
TOTAL MANHOURS	0	0	160	0	0	0	200	24	0	0	384
BILLING RATE	\$192.00	\$192.00	\$176.00	\$150.00	\$130.00	\$100.00	\$90.00	\$84.00	\$70.00	\$52.00	
LABOR	\$0.00	\$0.00	\$28,160.00	\$0.00	\$0.00	\$0.00	\$18,000.00	\$2,016.00	\$0.00	\$0.00	\$48,176
DIRECT EXPENSES (see below)											\$2,915
Supplemental Environmental/Permitting Support Services (incl. sub mark-ups)											\$25,453
CONSTRUCTION PHASE SERVICES - C.A. Services (labor and expenses)											\$76,544

TASK: CONSTRUCTION PHASE SERVICES (Task Order #11)

CONSTRUCTION ADMINISTRATION DIRECT COSTS	UNIT	QUANTITY	UNIT COST	TOTAL
TRIPS/TRAVEL (round trip: CLT - AVL; 320 miles/trip avg.)	Trips	15	\$161.00	\$2,415
PER DIEM	Each	15	\$20.00	\$300
LODGING	Each	0	\$100.00	\$0
PRINTING/REPRODUCTIONS (Misc. drawing, revisions, record plans)	LS	1	\$100.00	\$100
EXPRESS SHIPMENTS	Each	4	\$25.00	\$100
C.A. SUBTOTAL DIRECT COSTS				\$2,915

Supplemental Environmental/Permitting Support Services (incl. sub mark-ups)				
ClearWater Environmental	Allowance			\$15,000
TRC	Allowance			\$6,853
AVCON (Additional Copies Requested by Agencies of Construction and Erosion Control Plans, Storm Water Plan, etc.) Management Plan	Allowance			\$2,000
AVL Permitting Fees	Allowance			\$1,600
				\$25,453



MEMORANDUM

TO: Members of the Airport Authority

FROM: Vickie Thomas, Director of Finance and Accounting

DATE: August 13, 2010

ITEM DESCRIPTION – New Business Item C

Proposed FY10/11 Budget Amendment

BACKGROUND

Given that our FY10/11 budget was prepared using estimates available in February, 2010, we need to amend our FY10/11 budget to update some of those estimates.

In June, 2010, we amended our FY09/10 budget to report expenditures by departments instead of by cost centers since we actually manage our expenditures by department. This proposed budget amendment revises the budgeted expenditures for the FY10/11 budget so they are also reported on a department basis rather than a cost center basis.

Our original FY09/10 budget included \$2,200,000 in Federal Grants for our current year's entitlement funds. In April, 2010, we received \$902,490 for Part A of the current year's entitlement funds. However, due to delays in Congress, it appears that we will not receive the Part B balance that was originally budgeted for FY09/10 until later this month. As a result, in June, 2010, we amended our FY09/10 budget to exclude this revenue, and now need to amend our FY10/11 budget to include this revenue in the FY10/11 budget.

When we prepared our budget in February, 2010, we estimated that all of our construction projects would be completed at our June 30th year-end, except for \$550,000 for the A Gates Terminal Renovation project. At June 30, 2010, we had \$2,848,697 of costs remaining to complete the A Gates project, and also had several other construction projects that were not fully completed. As a result, this budget amendment revises the amount of capital carry-over expenditures and related revenues for these projects. A spreadsheet outlining the detailed capital carry-over changes is attached.

New Business – Item C



In FY09/10, we were not able to complete the budgeted website redesign and the air service and leakage studies. This proposed budget amendment adds the costs of those services to our FY10/11 budget.

Proposed budget amendments are also included for the Airfield Improvements Environmental Assessment funding, the parking lot courtesy vehicle, the additional costs for the Deputy Director of Development and Operations position, and the Westside Site Development costs to be billed to Charah. In addition, the proposed amendment reclassifies certain costs between departments.

A detailed schedule of the proposed budget amendment items is attached. We recommend that the Airport Authority Board amend the FY10/11 budget as outlined below.

ISSUES

If the proposed budget amendment items are not approved, we would not be able to move forward on certain planned expenditure items, and we would risk not being in compliance with the budgetary requirements of the North Carolina General Statutes.

ALTERNATIVES

We could not amend the FY10/11 budget for any of the individual items, and then would have to change our plans accordingly.

FISCAL IMPACT

The budget amendment will increase FY10/11 budgeted revenue and expenditures to provide for the changes outlined above and in the attached detailed schedule. The net increase in Transfers from ARAA Cash is \$496,147.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to amend the FY10/11 budget by adopting the following budget ordinance amendment:



BE IT ORDAINED by the Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2011:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Administration	\$ 1,540,567	
Terminal	2,389,219	
Airfield	1,217,701	
General Aviation	418,011	
Parking Lot/Roadway	677,234	
Other	206,134	
Administrative Department		452,825
Development Department		267,360
Executive Department		467,994
Finance Department		335,310
Guest Services Department		188,206
Information Technology Department		549,342
Marketing Department		494,573
Operations Department		2,530,331
Public Safety Department		1,222,925
Reimbursable Costs		325,000
Carry-over Capital Expenditures		3,516,122
Equipment and Small Capital Outlay		24,000
Totals	\$6,448,866	\$10,373,988

This will result in a net increase of \$3,925,122 in the appropriations. To provide the additional revenue for the above, revenues will be revised as follows:



REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Reimbursable Costs		325,000
Federal Grants – AIP Entitlement Funds		3,436,475
Federal Grants – AIP Discretionary Funds	332,500	
Transfer from ARAA Cash		496,147
Totals	<u>\$332,500</u>	<u>\$4,257,622</u>

Section 2. Copies of this budget amendment shall be furnished to the Secretary of the Asheville Regional Airport Authority, who for purposes of this ordinance, is designated as the Clerk to the Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 13th day of August, 2010.

David Hillier, Chairman

Attested by:

Charles W. McGrady, Secretary-Treasurer

Asheville Regional Airport Authority
Proposed FY10/11 Budget Amendment Detail
As of August 13, 2010

	Original FY10/11 Budget	Reclassify Cost Centers to Departments	AIP Part B Entitlement Funds	Revisions to Capital Carryover per Attached	Airfield Improvements Environmental Funding	Parking Lot Courtesy Vehicle	Additional Costs for Hire of Deputy Airport Director	Westside Expansion to Be Billed to Charah	O&M Not Completed in FY10	Reclassify 3% Merit Pool to Departments from Admin	Reclassify Employee to New Department	Total FY10/11 Budget Amendment Needed	Revised FY10/11 Budget
Expenditures													
Administration	\$ 1,540,567	\$ (1,540,567)										\$ (1,540,567)	\$ -
Terminal	2,389,219	(2,389,219)										(2,389,219)	-
Airfield	1,217,701	(1,217,701)										(1,217,701)	-
General Aviation	418,011	(418,011)										(418,011)	-
Parking Lot/Roadway	677,234	(677,234)										(677,234)	-
Other	206,134	(206,134)										(206,134)	-
Administrative Department	-	524,405					(52,000)			(58,965)	39,385	452,825	452,825
Development Department	-	223,692					42,500			1,168		267,360	267,360
Executive Department	-	421,748					9,500		35,000	1,746		467,994	467,994
Finance Department	-	326,683								8,627		335,310	335,310
Guest Services Department	-	185,292								2,914		188,206	188,206
Information Technology Department	-	545,702								3,640		549,342	549,342
Marketing & Public Relations Department	-	508,195							25,000	763	(39,385)	494,573	494,573
Operations Department	-	2,509,565								20,766		2,530,331	2,530,331
Public Safety Department	-	1,203,584								19,341		1,222,925	1,222,925
Reimbursable Costs	-							325,000				325,000	325,000
Emergency Repair Costs	750,000											-	750,000
Business Development	300,000											-	300,000
Debt Service	626,823											-	626,823
Contingency	178,613											-	178,613
Carry-over Capital Expenditures from Prior Year	719,609			3,516,122								3,516,122	4,235,731
Capital Improvement Fund	3,030,800											-	3,030,800
Equipment and Small Capital Outlay Fund	151,405					24,000						24,000	175,405
Renewal and Replacement Fund	262,444											-	262,444
	\$ 12,468,560	\$ -	\$ -	\$ 3,516,122	\$ -	\$ 24,000	\$ -	\$ 325,000	\$ 60,000	\$ -	\$ -	\$ 3,925,122	\$ 16,393,682
Revenues													
Administration (Interest Income)	\$ 20,000											\$ -	\$ 20,000
Terminal	3,347,801											-	3,347,801
Airfield	826,157											-	826,157
General Aviation	818,890											-	818,890
Parking Lot/Roadway	2,138,860											-	2,138,860
Other	159,170											-	159,170
Reimbursable Costs	-							325,000				325,000	325,000
Passenger Facility Charges	1,192,000											-	1,192,000
Customer Facility Charges	840,000											-	840,000
Federal Grants - AIP Entitlement Funds	1,543,182		1,389,870	2,046,605								3,436,475	4,979,657
Federal Grants - AIP Discretionary Funds	832,500				(332,500)							(332,500)	500,000
NCDOT Grants FY 09/10	750,000											-	750,000
Transfer from ARAA Cash/Investments	-		(1,389,870)	1,469,517	332,500	24,000			60,000			496,147	496,147
	\$ 12,468,560	\$ -	\$ -	\$ 3,516,122	\$ -	\$ 24,000	\$ -	\$ 325,000	\$ 60,000	\$ -	\$ -	\$ 3,925,122	\$ 16,393,682

**ASHEVILLE REGIONAL AIRPORT AUTHORITY
FY10/11 BUDGET PROJECTED CAPITAL CARRY-OVER
As of August 13, 2010**

Project	CAPITAL CARRY-OVER EXPENDITURES							FEDERAL GRANT REVENUE - AIP ENTITLEMENTS					
	ORIGINAL BUDGET			PROPOSED AMENDMENT				ORIGINAL BUDGET		PROPOSED AMENDMENT			
	AMOUNT AUTHORIZED	ESTIMATED	ESTIMATED	AUTHORIZED AMOUNT	ACTUAL SPENT THROUGH 6/30/2010	REVISED BALANCE TO CARRYOVER	AMENDMENT NEEDED AUGUST 2010	FAA AIP ENTITLEMENT FUNDS	AIRPORT AUTHORITY FUNDS	REVISED REVENUES		AMENDMENT NEEDED	
		TO SPEND THROUGH 6/30/2010	BALANCE TO CARRYOVER							FAA AIP ENTITLEMENT FUNDS	AIRPORT AUTHORITY FUNDS	FAA AIP ENTITLEMENT FUNDS	AIRPORT AUTHORITY FUNDS
Original Budget Carry-over Projects:													
A Gates - Terminal Renovation & Improvements	10,486,704	9,936,704	550,000	10,486,704	7,638,007	2,848,697	2,298,697	522,500	27,500	2,382,619	466,078	1,860,119	438,578
Point of Sale-Guest Services	8,000	-	8,000	8,000	-	8,000	-	-	8,000	-	8,000	-	-
Sharepoint/Business Portal	28,440	-	28,440	28,440	-	28,440	-	-	28,440	-	28,440	-	-
Art Program FF&E	27,175	8,284	18,891	27,175	8,284	18,891	-	-	18,891	-	18,891	-	-
Access Control System Addition	28,000	-	28,000	28,000	-	28,000	-	-	28,000	-	28,000	-	-
Vehicle Replacements	67,277	35,999	31,278	67,277	37,116	30,161	(1,117)	-	31,278	-	30,161	-	(1,117)
3 Channel Trunking Radio Net	55,000	-	55,000	55,000	-	55,000	-	-	55,000	-	55,000	-	-
Projects Not Completed in FY09/10 as Budgeted:													
Pre-Conditioned Air & Fixed Ground Power				561,080	7,953	553,127	553,127				553,127	-	553,127
Landside Roadway & Parking				5,293,995	4,976,090	317,905	317,905			186,486	131,419	186,486	131,419
North General Aviation Expansion				3,700,000	3,390,990	309,010	309,010				309,010	-	309,010
Advantage West Building Improvements				27,500		27,500	27,500				27,500	-	27,500
Equipment & Small Capital Outlay-Rolling Jack				11,000		11,000	11,000				11,000		11,000
TOTAL CARRY-OVER TO FY10/11	10,700,596	9,980,987	719,609	20,294,171	16,058,440	4,235,731	3,516,122	522,500	197,109	2,569,105	1,666,626	2,046,605	1,469,517



MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, Airport Director

DATE: August 13, 2010

ITEM DESCRIPTION – New Business Item D

Approval of The Paradies Shops Proposal to Operate the Food and Beverage, and Gift Concessions at the Asheville Regional Airport (AVL)

BACKGROUND

In 2005 the Board approved a contract with MSE Branded Foods (MSE) to operate the food & beverage, and news & gift concession at the Airport. The contract term was for five years with one five-year option. The initial five year term expired June 30, 2010. Over the past six to eight months staff has been negotiating with MSE to provide and build out the new concessions area in the new terminal space currently under construction. After reaching an impasse over amount of investment, term of contract, Authority contribution of capital cost, and concession revenues to the Airport, staff discontinued negotiations and issued a notice of termination pending the award of a new concession operator. The relationship with MSE over the past five years has been good, but due to the current economic conditions MSE is unwilling to propose an offer that staff feels is equitable going into the new terminal space. MSE amicably agreed to continue its operations under the same term and conditions as expiring until a new operator is in place.

In May staff started direct discussions with several concession operators that are nationally recognized. One operator was not interested because of our size, the second operator showed a bit of interest but too was concerned with our size. The third operator The Paradies Shops (Paradies), who has traditionally been only a news and gift operator, has just partnered up with a capital venture firm and is looking to expand into the food and beverage business. AVL is the right size airport for their expansion into the food and beverage business.

New Business – Item D



The Paradies Shops is an Atlanta, GA based company and has been in business for 50 years and is currently in 69 airports with over 500 shops. Its annual revenues are reaching \$500 million. Paradies has been named the Best Overall Airport Retailer for the past 15 consecutive years and Retailer with the Highest Regard for Customer Service for the past 14 consecutive years.

ISSUES

Paradies submitted a proposal in early July and subsequent discussions took place throughout the remainder of the month. The final proposal submitted by Paradies is as follows:

1. A pre-security location featuring a nationally branded license concept such as Brueggers Bagels or Dunkin Donuts.
2. The post-security area will include two distinct concepts featuring casual dining QSR with bar reflecting a sense of place for Asheville as well as a CNBC concept for news, gifts and convenience.
3. All of the proposed stores will be state of the art concepts equal to any Paradies locations in their portfolio.
4. An anticipated capital expenditure of approximately \$1,350,000.
5. A contract term of ten years with two five-year options. The first five-year option is at the discretion of Paradies, provided they exercise this option before the end of the 9th year and make a capital refurbishment expenditure of not less than \$250,000 prior to the expiration of the original ten year term. The second five-year option shall be at the mutual discretion of both parties.
6. A minimum annual guarantee (MAG) of \$75,000 against 5% of sales up to \$2,000,000 per year, and 8% of sales over \$2,000,001 per year.
7. Equal or exceed DBE goals through wholesale purchasing agreements.
8. The Authority would provide an \$80,000 improvement allowance. This money is anticipated to come from the terminal renovation project allowances.
9. The Authority will allow the current kitchen equipment and machinery to be used and incorporated into the tenant buildout.
10. Planned opening date of the new concession facilities no later than March 1, 2011.

Contract details will be finalized in an executable agreement after the Board makes their decision.



Although this is Paradies' first full entrance in the food and beverage business, their proximity to Asheville and their reputation for customer service outweigh the concerns of their ability to run a food and beverage operation. Through this new venture capitalist, they have expertise on staff with the ability to run a food and beverage operation.

In addition, the national publicity for the Asheville Regional Airport provides a value that cannot be financially determined.

ALTERNATIVES

The Authority could reject Paradies' proposal and elect to either negotiate with other potential operators or solicit public proposals for the operation of the food and beverage, and gift concessions at AVL.

FISCAL IMPACT

The proposed minimum annual rent of \$75,000 by Paradies will exceed the current minimum annual rent of \$25,000 paid by MSE. The Authority will have an expense of \$80,000 for the tenant buildout allowance, but Paradies is making a capital investment \$1,350,000.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) accept the proposal from The Paradies Shops as presented above to operate the food and beverage, and gift concessions at AVL; (2) authorize the Airport Director to finalize and execute a concession agreement with The Paradies Shops consistent with terms outlined above.



MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, A.A.E., Airport Director

DATE: August 13, 2010

ITEM DESCRIPTION – Information Section Item A

June, 2010 Traffic Report – Asheville Regional Airport

SUMMARY

June 2010 overall passenger traffic numbers were up 32.8%. Passenger traffic numbers reflect a 32.1% increase in passenger enplanements from June 2009. Total enplanements for the 2009/2010 Fiscal Year were 327,862. This is the first time since 1994 we have experienced this amount of enplanements.

AIRLINE PERFORMANCE

AirTran Airways: AirTran's June 2010 enplanements increased by 261.8% compared to June 2009. This significant growth is due in part to a partial month of enplanements for June of 2009 as well as the addition of seasonal service to Tampa this year. We should see a more accurate picture of AirTran's performance over the next couple of months.

Continental Airlines: Continental's June 2010 passenger enplanements decreased by 13.3% compared to June 2009. There was one (1) flight cancellation for the month.

Delta Airlines: Delta's June 2010 enplanements increased by 13.1% compared to June 2009. There were four (4) flight cancellations for the month.

US Airways: US Airways' June 2010 passenger enplanements represent a 26.1% increase. There were six (6) flight cancellations for the month.

Monthly Traffic Report

Asheville Regional Airport

June 2010



Category	Jun 2010	Jun 2009	Percentage Change	*CYTD-2010	*CYTD-2009	Percentage Change	*MOV12-2010	*MOV12-2009	Percentage Change
Passenger Traffic									
Enplaned	37,472	28,356	32.1%	163,158	134,665	21.2%	320,201	288,699	10.9%
Deplaned	<u>38,197</u>	<u>28,626</u>	33.4%	<u>162,676</u>	<u>133,857</u>	21.5%	<u>317,333</u>	<u>286,277</u>	10.8%
Total	75,669	56,982	32.8%	325,834	268,522	21.3%	637,534	574,976	10.9%
Aircraft Operations									
Airlines	112	21	433.3%	425	109	289.9%	679	883	-23.1%
Commuter /Air Taxi	<u>1,873</u>	<u>1,590</u>	17.8%	9,294	8,213	13.2%	18,315	18,521	-1.1%
Subtotal	<u>1,985</u>	<u>1,611</u>	23.2%	<u>9,719</u>	<u>8,322</u>	16.8%	<u>18,994</u>	<u>19,404</u>	-2.1%
General Aviation	4,048	4,478	-9.6%	20,185	20,689	-2.4%	44,621	47,223	-5.5%
Military	<u>332</u>	<u>235</u>	41.3%	<u>1,919</u>	<u>1,420</u>	35.1%	<u>4,214</u>	<u>3,228</u>	30.5%
Subtotal	<u>4,380</u>	<u>4,713</u>	-7.1%	<u>22,104</u>	<u>22,109</u>	0.0%	<u>48,835</u>	<u>50,451</u>	-3.2%
Total	6,365	6,324	0.6%	31,823	30,431	4.6%	67,829	69,855	-2.9%
Fuel Gallons									
100LL	25,805	24,158	6.8%	98,152	93,415	5.1%	216,946	217,237	-0.1%
Jet A (GA)	118,019	113,082	4.4%	475,866	429,077	10.9%	1,115,398	1,166,013	-4.3%
Subtotal	<u>143,824</u>	<u>137,240</u>	4.8%	<u>574,018</u>	<u>522,492</u>	9.9%	<u>1,332,344</u>	<u>1,383,250</u>	-3.7%
Jet A (A/L)	<u>341,355</u>	<u>200,199</u>	70.5%	<u>1,637,921</u>	<u>1,187,398</u>	37.9%	<u>2,949,781</u>	<u>2,760,939</u>	6.8%
Total	485,179	337,439	43.8%	2,211,939	1,709,890	29.4%	4,282,125	4,144,189	3.3%

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

Tuesday, July 20, 2010

Airline Enplanements, Seats, and Load Factors

Asheville Regional Airport

June 2010



	Jun 2010	Jun 2009	Percentage Change	*CYTD-2010	*CYTD-2009	Percentage Change
AirTran Airways						
Enplanements	3,488	964	261.8%	10,484	964	987.6%
Seats	3,978	1,053	277.8%	13,689	1,053	1200.0%
Load Factor	87.7%	91.5%	-4.2%	76.6%	91.5%	-16.3%
American Airlines						
Enplanements	1,117	0	#Div/0!	2,900	0	#Div/0!
Seats	1,344	0	#Div/0!	3,782	0	#Div/0!
Load Factor	83.1%	#Num!	#Error	76.7%	#Num!	#Error
Continental Airlines						
Enplanements	2,476	2,857	-13.3%	10,750	13,198	-18.5%
Seats	2,950	3,300	-10.6%	16,300	19,400	-16.0%
Load Factor	83.9%	86.6%	-3.1%	66.0%	68.0%	-3.1%
Delta Air Lines						
Enplanements	15,876	14,032	13.1%	75,613	59,536	27.0%
Seats	19,550	16,200	20.7%	101,350	79,080	28.2%
Load Factor	81.2%	86.6%	-6.2%	74.6%	75.3%	-0.9%
Northwest Airlines						
Enplanements	0	1,345	-100.0%	791	12,001	-93.4%
Seats	0	1,500	-100.0%	1,450	15,450	-90.6%
Load Factor	#Num!	89.7%	#Error	54.6%	77.7%	-29.8%
United Airlines						
Enplanements	2,967	0	#Div/0!	13,524	0	#Div/0!
Seats	3,250	0	#Div/0!	18,050	0	#Div/0!
Load Factor	91.3%	#Num!	#Error	74.9%	#Num!	#Error

Tuesday, July 20, 2010

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

	Jun 2010	Jun 2009	Percentage Change	*CYTD-2010	*CYTD-2009	Percentage Change
US Airways						
Enplanements	11,548	9,158	26.1%	49,096	48,966	0.3%
Seats	14,145	10,450	35.4%	67,530	60,097	12.4%
Load Factor	81.6%	87.6%	-6.8%	72.7%	81.5%	-10.8%
Totals						
Enplanements	37,472	28,356	32.1%	163,158	134,665	21.2%
Seats	45,217	32,503	39.1%	222,151	175,080	26.9%
Load Factor	82.9%	87.2%	-5.0%	73.4%	76.9%	-4.5%

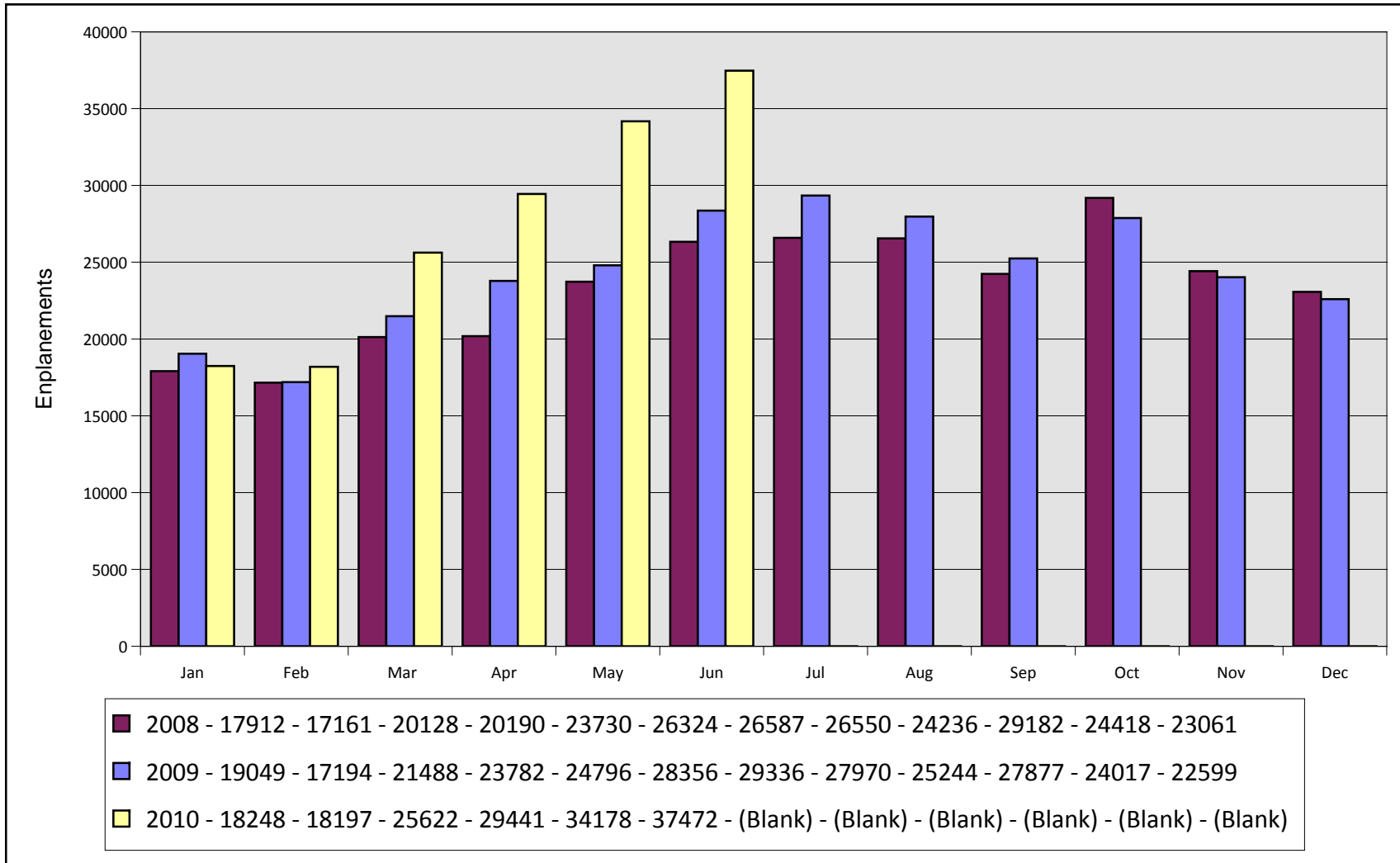
Airline Flight Completions Asheville Regional Airport

June 2010

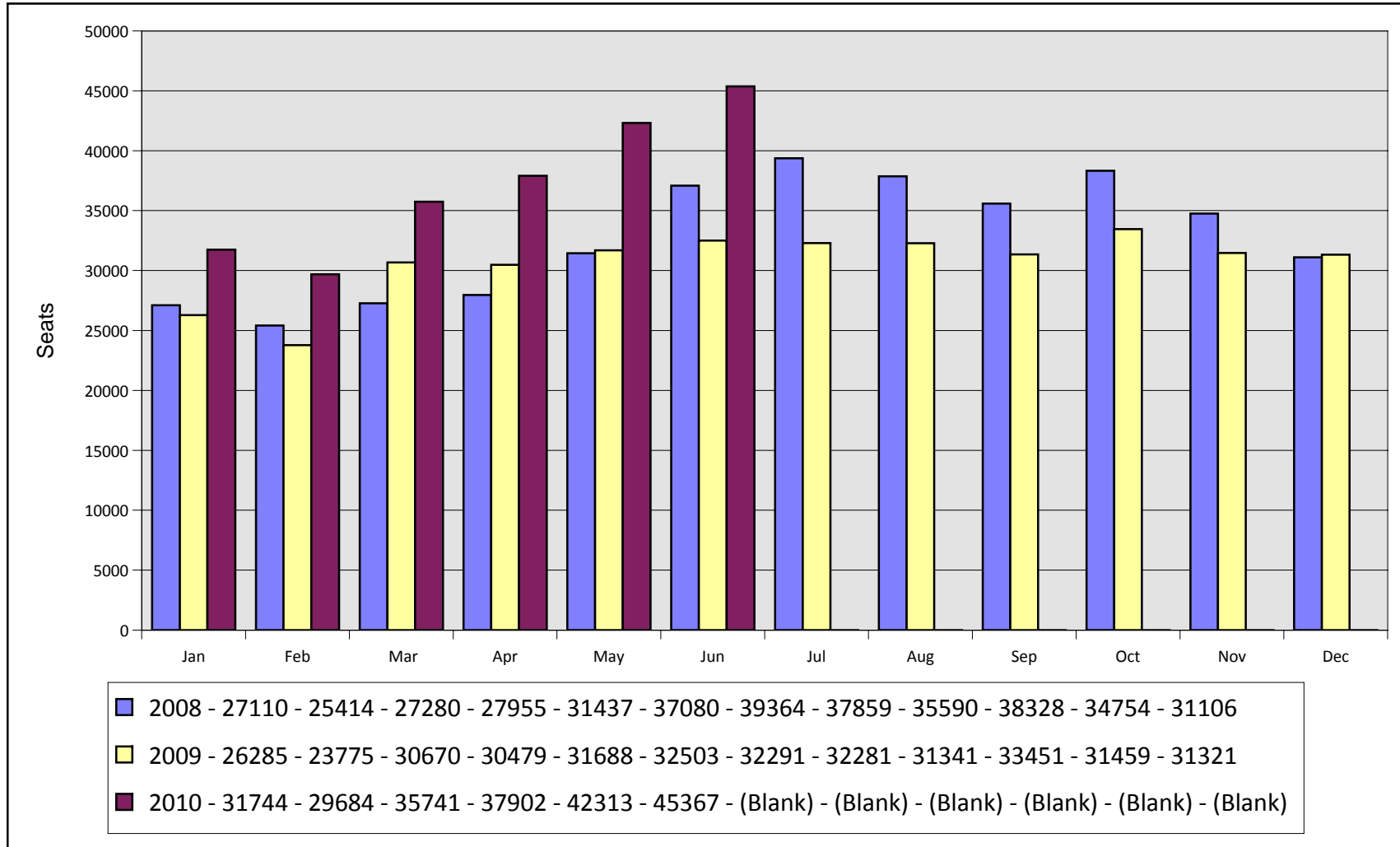


Airline	Scheduled Flights	Field	Cancellations Due To			Total Cancellations	Percentage of Completed
			Mechanical	Weather	Other		
AirTran Airways	34	0	0	0	0	0	100.0%
Allegiant Air	2	0	0	0	0	0	100.0%
American Airlines	30	0	0	0	0	0	100.0%
Continental Airlines	60	0	0	1	0	1	98.3%
Delta Air Lines	391	0	1	3	0	4	99.0%
Northwest Airlines	0	0	0	0	0	0	#Num!
United Airlines	69	0	0	0	0	0	100.0%
US Airways	271	0	6	0	0	6	97.8%
Total	857	0	7	4	0	11	98.7%

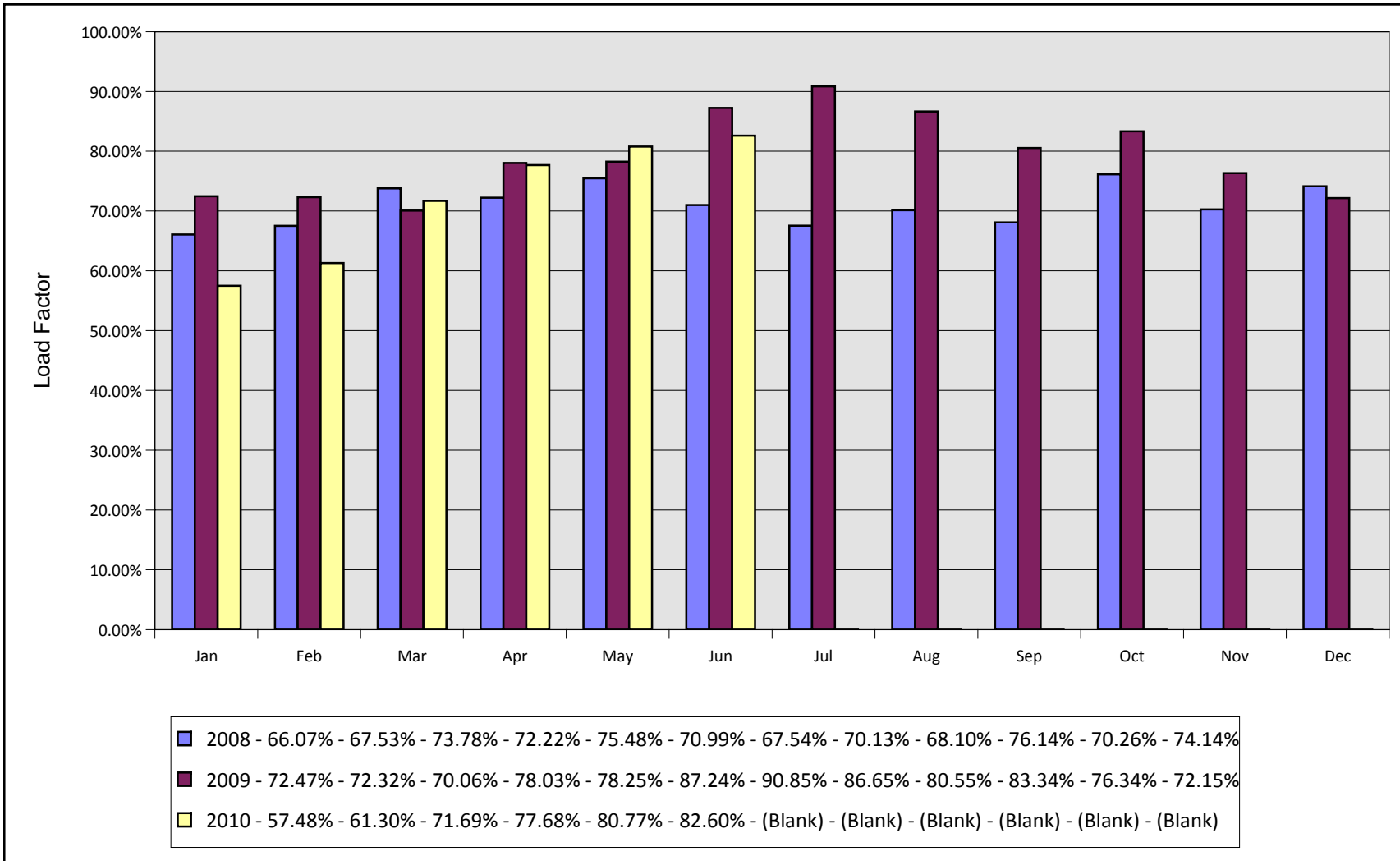
Monthly Enplanements By Year Asheville Regional Airport



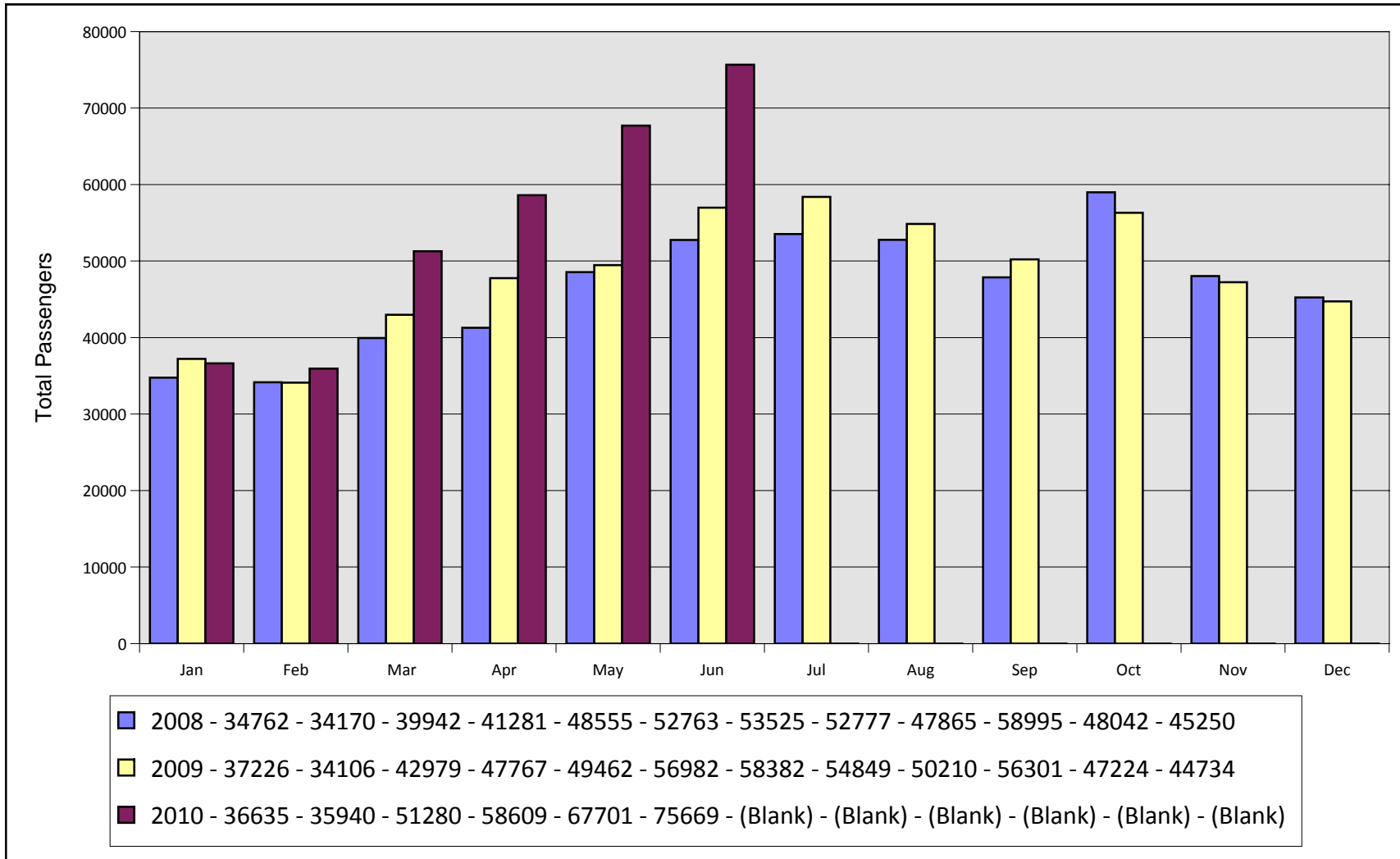
Monthly Seats By Year Asheville Regional Airport



Monthly Load Factors By Year Asheville Regional Airport

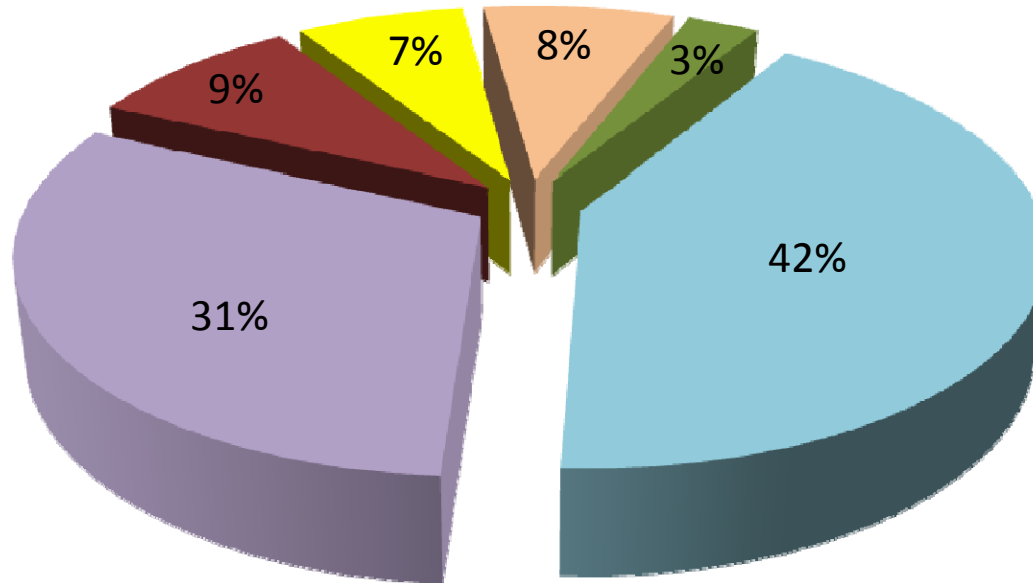


Total Monthly Passengers By Year Asheville Regional Airport

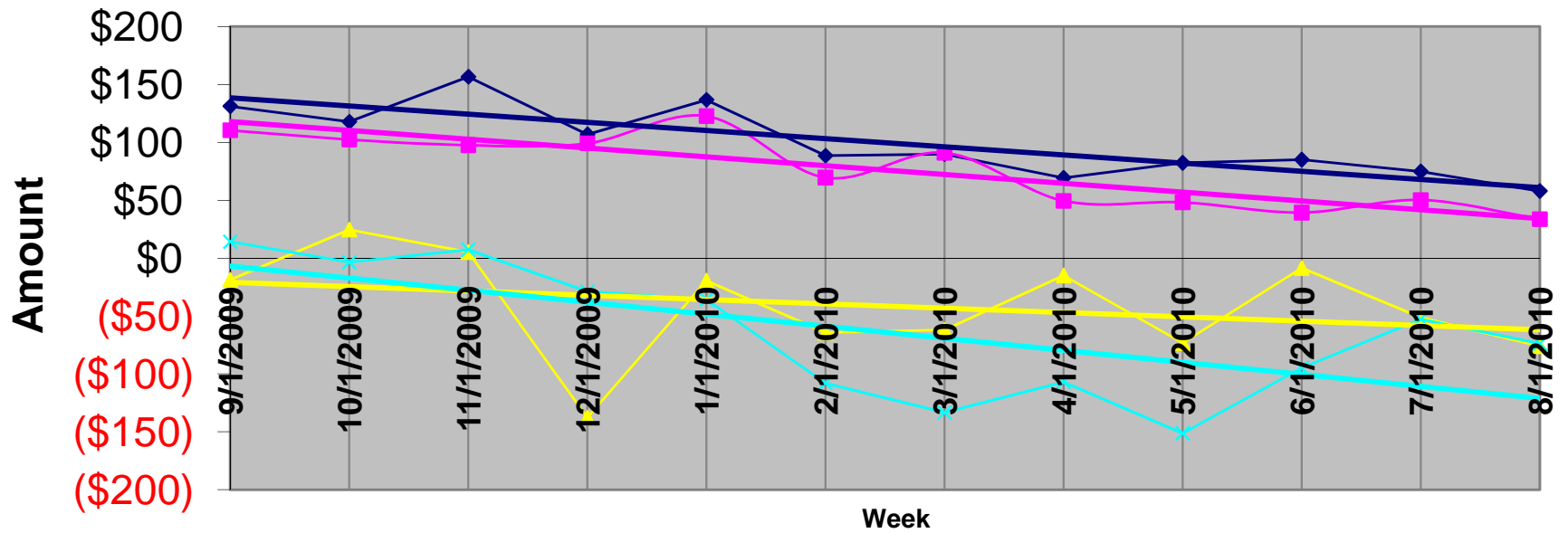


Airline Market Share Analysis (Enplanements) Asheville Regional Airport

Report Period From June 2010 Through June 2010



AVL Average Airfare Differences 21 Day Advance Purchase, 3 Day Stay



◆ ATL
 ■ CLT
 ▲ GSP
 ✕ TRI
 — Linear (ATL)
 — Linear (CLT)
 — Linear (GSP)
 — Linear (TRI)

Asheville Regional Airport
Sample airfares as of 8/04/10
21 Day Advance Purchase, 3 day Stay

							<u>Difference in Fares</u>			
		<u>ASHEVILLE</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>
ABQ	Albuquerque	\$333	\$329	\$274	\$491	\$433	\$4	\$59	(\$158)	(\$100)
ATL	Atlanta	\$275		\$209	\$255	\$359	\$275	\$66	\$20	(\$84)
AUS	Austin	\$269	\$277	\$236	\$441	\$369	(\$8)	\$33	(\$172)	(\$100)
BWI	Baltimore	\$253	\$165	\$167	\$554	\$497	\$88	\$86	(\$301)	(\$244)
BOS	Boston	\$263	\$321	\$147	\$414	\$429	(\$58)	\$116	(\$151)	(\$166)
ORD	Chicago	\$263	\$285	\$319	\$291	\$180	(\$22)	(\$56)	(\$28)	\$83
CVG	Cincinnati	\$376	\$242	\$499	\$399	\$356	\$134	(\$123)	(\$23)	\$20
CLE	Cleveland	\$298	\$251	\$391	\$389	\$239	\$47	(\$93)	(\$91)	\$59
DFW	Dallas	\$399	\$279	\$367	\$279	\$411	\$120	\$32	\$120	(\$12)
DEN	Denver	\$356	\$259	\$329	\$253	\$433	\$97	\$27	\$103	(\$77)
DTW	Detroit	\$433	\$253	\$381	\$432	\$564	\$180	\$52	\$1	(\$131)
FLL	Fort Lauderdale	\$293	\$131	\$289	\$408	\$425	\$162	\$4	(\$115)	(\$132)
RSW	Ft.Myers	\$285	\$248	\$289	\$497	\$389	\$37	(\$4)	(\$212)	(\$104)
BDL	Hartford	\$293	\$525	\$309	\$396	\$385	(\$232)	(\$16)	(\$103)	(\$92)
IAH	Houston	\$408	\$293	\$503	\$425	\$478	\$115	(\$95)	(\$17)	(\$70)
IND	Indianapolis	\$323	\$219	\$230	\$365	\$409	\$104	\$93	(\$42)	(\$86)
JAX	Jacksonville	\$241	\$179	\$315	\$498	\$429	\$62	(\$74)	(\$257)	(\$188)
MCI	Kansas City	\$257	\$259	\$287	\$269	\$277	(\$2)	(\$30)	(\$12)	(\$20)
LAS	Las Vegas	\$330	\$349	\$299	\$403	\$430	(\$19)	\$31	(\$73)	(\$100)
LAX	Los Angeles	\$384	\$329	\$330	\$519	\$400	\$55	\$54	(\$135)	(\$16)
MHT	Manchester	\$311	\$352	\$147	\$462	\$367	(\$41)	\$164	(\$151)	(\$56)
MEM	Memphis	\$417	\$225	\$406	\$383	\$565	\$192	\$11	\$34	(\$148)
MIA	Miami	\$357	\$207	\$269	\$484	\$437	\$150	\$88	(\$127)	(\$80)
MKE	Milwaukee	\$344	\$197	\$363	\$398	\$336	\$147	(\$19)	(\$54)	\$8
MSP	Minneapolis/Saint Paul	\$418	\$299	\$463	\$391	\$405	\$119	(\$45)	\$27	\$13
BNA	Nashville	\$497	\$377	\$258	\$563	\$500	\$120	\$239	(\$66)	(\$3)
MSY	New Orleans	\$237	\$185	\$236	\$405	\$345	\$52	\$1	(\$168)	(\$108)
LGA	New York	\$317	\$249	\$199	\$296	\$447	\$68	\$118	\$21	(\$130)
EWR	Newark	\$357	\$347	\$223	\$333	\$420	\$10	\$134	\$24	(\$63)
MCO	Orlando	\$160	\$229	\$239	\$449	\$237	(\$69)	(\$79)	(\$289)	(\$77)
PHL	Philadelphia	\$243	\$239	\$195	\$460	\$337	\$4	\$48	(\$217)	(\$94)
PHX	Phoenix	\$300	\$319	\$279	\$343	\$443	(\$19)	\$21	(\$43)	(\$143)
PIT	Pittsburgh	\$251	\$255	\$171	\$401	\$386	(\$4)	\$80	(\$150)	(\$135)
PDX	Portland	\$543	\$290	\$339	\$499	\$485	\$253	\$204	\$44	\$58
PVD	Providence	\$351	\$521	\$153	\$339	\$487	(\$170)	\$198	\$12	(\$136)

RDU	Raleigh/Durham	\$273	\$169	\$702	\$249	\$411	\$104	(\$429)	\$24	(\$138)	
RIC	Richmond	\$305	\$233	\$217	\$419	\$403	\$72	\$88	(\$114)	(\$98)	
STL	Saint Louis	\$307	\$255	\$247	\$431	\$345	\$52	\$60	(\$124)	(\$38)	
SLC	Salt Lake City	\$340	\$360	\$296	\$353	\$470	(\$20)	\$44	(\$13)	(\$130)	
SAT	San Antonio	\$317	\$311	\$259	\$459	\$397	\$6	\$58	(\$142)	(\$80)	
SAN	San Diego	\$465	\$386	\$316	\$519	\$457	\$79	\$149	(\$54)	\$8	
SFO	San Francisco	\$396	\$359	\$349	\$507	\$410	\$37	\$47	(\$111)	(\$14)	
SRQ	Sarasota/Bradenton	\$439	\$249	\$447	\$513	\$443	\$190	(\$8)	(\$74)	(\$4)	
SEA	Seattle	\$472	\$345	\$378	\$453	\$445	\$127	\$94	\$19	\$27	
SYR	Syracuse	\$263	\$423	\$217	\$406	\$367	(\$160)	\$46	(\$143)	(\$104)	
TPA	Tampa	\$166	\$249	\$339	\$477	\$397	(\$83)	(\$173)	(\$311)	(\$231)	
YYZ	Toronto	\$493	\$284	\$422	\$492	\$521	\$209	\$71	\$1	(\$28)	
DCA	Washington DC	\$388	\$275	\$261	\$306	\$370	\$113	\$127	\$82	\$18	
IAD	Washington DC	\$388	\$257	\$196	\$284	\$370	\$131	\$192	\$104	\$18	
PBI	West Palm Beach	\$293	\$207	\$299	\$484	\$531	\$86	(\$6)	(\$191)	(\$238)	
							\$58	\$34	(\$76)	(\$74)	Average Fare difference

*These sample airfares were available 8/04/10, based on a 21-day advance purchase and a 3 day stay. Other restrictions may apply. To obtain the most up-to-date pricing information for your travel needs, please contact your travel agent or visit the following web sites: www.aa.com; www.airtran.com; www.continental.com; www.delta.com; www.united.com; www.usairways.com; www.travelocity.com; www.orbitz.com; or www.expedia.com. Airfares are subject to change without notice - and lower airfares are often not available on all dates. Please see our "special airfares" section on our web site for any last minute airfare specials. Sample airfares will be updated each Tuesday.

Blue highlighted numbers represent fare differentials in excess of \$35 for GSP, \$70 for CLT, \$100 for ATL, and \$35 for TRI.

Asheville Regional Airport
Sample airfares as of 8/04/10
0 Day Advance Purchase, 3 day Stay

							<u>Difference in Fares</u>				
		<u>ASHEVILLE</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>	<u>ATLANTA</u>	<u>CHARLOTTE</u>	<u>GREENVILLE</u>	<u>TRI-CITIES</u>	
ABQ	Albuquerque	\$1,075	\$561	\$480	\$1,079	\$695	\$514	\$595	(\$4)	\$380	
ATL	Atlanta	\$585		\$539	\$456	\$625	\$585	\$46	\$129	(\$40)	
AUS	Austin	\$720	\$851	\$449	\$655	\$646	(\$131)	\$271	\$65	\$74	
BWI	Baltimore	\$712	\$413	\$397	\$958	\$619	\$299	\$315	(\$246)	\$93	
BOS	Boston	\$699	\$609	\$309	\$578	\$627	\$90	\$390	\$121	\$72	
ORD	Chicago	\$631	\$453	\$859	\$948	\$525	\$178	(\$228)	(\$317)	\$106	
CVG	Cincinnati	\$854	\$618	\$982	\$723	\$614	\$236	(\$128)	\$131	\$240	
CLE	Cleveland	\$759	\$585	\$515	\$585	\$1,053	\$174	\$244	\$174	(\$294)	
DFW	Dallas	\$770	\$603	\$713	\$663	\$605	\$167	\$57	\$107	\$165	
DEN	Denver	\$777	\$419	\$892	\$939	\$757	\$358	(\$115)	(\$162)	\$20	
DTW	Detroit	\$737	\$593	\$735	\$675	\$879	\$144	\$2	\$62	(\$142)	
FLL	Fort Lauderdale	\$669	\$307	\$499	\$784	\$595	\$362	\$170	(\$115)	\$74	
RSW	Ft.Myers	\$973	\$528	\$489	\$757	\$777	\$445	\$484	\$216	\$196	
BDL	Hartford	\$721	\$417	\$689	\$598	\$581	\$304	\$32	\$123	\$140	
IAH	Houston	\$688	\$572	\$1,048	\$458	\$906	\$116	(\$360)	\$230	(\$218)	
IND	Indianapolis	\$778	\$421	\$477	\$589	\$637	\$357	\$301	\$189	\$141	
JAX	Jacksonville	\$632	\$409	\$591	\$1,028	\$629	\$223	\$41	(\$396)	\$3	
MCI	Kansas City	\$680	\$415	\$521	\$1,021	\$561	\$265	\$159	(\$341)	\$119	
LAS	Las Vegas	\$897	\$726	\$479	\$639	\$587	\$171	\$418	\$258	\$310	
LAX	Los Angeles	\$1,005	\$838	\$773	\$1,086	\$619	\$167	\$232	(\$81)	\$386	
MHT	Manchester	\$761	\$529	\$379	\$969	\$627	\$232	\$382	(\$208)	\$134	
MEM	Memphis	\$857	\$545	\$862	\$792	\$1,112	\$312	(\$5)	\$65	(\$255)	
MIA	Miami	\$713	\$307	\$533	\$719	\$680	\$406	\$180	(\$6)	\$33	
MKE	Milwaukee	\$705	\$417	\$563	\$491	\$491	\$288	\$142	\$214	\$214	
MSP	Minneapolis/Saint Paul	\$835	\$583	\$979	\$1,131	\$845	\$252	(\$144)	(\$296)	(\$10)	
BNA	Nashville	\$757	\$579	\$301	\$925	\$820	\$178	\$456	(\$168)	(\$63)	
MSY	New Orleans	\$704	\$599	\$319	\$647	\$709	\$105	\$385	\$57	(\$5)	
LGA	New York	\$643	\$599	\$407	\$573	\$717	\$44	\$236	\$70	(\$74)	
EWR	Newark	\$869	\$663	\$442	\$513	\$1,276	\$206	\$427	\$356	(\$407)	
MCO	Orlando	\$490	\$383	\$331	\$912	\$446	\$107	\$159	(\$422)	\$44	
PHL	Philadelphia	\$754	\$720	\$675	\$648	\$621	\$34	\$79	\$106	\$133	
PHX	Phoenix	\$675	\$738	\$479	\$931	\$627	(\$63)	\$196	(\$256)	\$48	
PIT	Pittsburgh	\$620	\$660	\$478	\$482	\$619	(\$40)	\$142	\$138	\$1	
PDX	Portland	\$1,772	\$701	\$880	\$1,086	\$815	\$1,071	\$892	\$686	\$957	
PVD	Providence	\$882	\$577	\$299	\$573	\$627	\$305	\$583	\$309	\$255	

RDU	Raleigh/Durham	\$949	\$403	\$943	\$888	\$751	\$546	\$6	\$61	\$198
RIC	Richmond	\$766	\$583	\$539	\$849	\$745	\$183	\$227	(\$83)	\$21
STL	Saint Louis	\$742	\$333	\$537	\$886	\$709	\$409	\$205	(\$144)	\$33
SLC	Salt Lake City	\$2,024	\$1,656	\$1,059	\$1,570		\$368	\$965	\$454	\$2,024
SAT	San Antonio	\$899	\$442	\$436	\$667	\$565	\$457	\$463	\$232	\$334
SAN	San Diego	\$780	\$1,051	\$579	\$1,086	\$1,007	(\$271)	\$201	(\$306)	(\$227)
SFO	San Francisco	\$827	\$799	\$834	\$1,086	\$647	\$28	(\$7)	(\$259)	\$180
SRQ	Sarasota/Bradenton	\$671	\$409	\$595	\$897	\$783	\$262	\$76	(\$226)	(\$112)
SEA	Seattle	\$1,007	\$782	\$796	\$1,086	\$829	\$225	\$211	(\$79)	\$178
SYR	Syracuse	\$779	\$470	\$395	\$556	\$851	\$309	\$384	\$223	(\$72)
TPA	Tampa	\$703	\$469	\$509	\$983	\$637	\$234	\$194	(\$280)	\$66
YYZ	Toronto	\$1,012	\$1,317	\$1,475	\$934	\$1,062	(\$305)	(\$463)	\$78	(\$50)
DCA	Washington DC	\$610	\$583	\$851	\$554	\$1,210	\$27	(\$241)	\$56	(\$600)
IAD	Washington DC	\$610	\$583	\$433	\$554	\$1,210	\$27	\$177	\$56	(\$600)
PBI	West Palm Beach	\$789	\$345	\$487	\$814	\$777	\$444	\$302	(\$25)	\$12
							\$228	\$195	\$11	\$84

Average Fare difference

*These sample airfares were available 8/04/10, based on a 0 day advance purchase and a 3 day stay. Other restrictions may apply. To obtain the most up-to-date pricing information for your travel needs, please contact your travel agent or visit the following web sites: www.aa.com; www.airtran.com; www.continental.com; www.delta.com; www.united.com; www.usairways.com; www.travelocity.com; www.orbitz.com; or www.expedia.com. Airfares are subject to change without notice - and lower airfares are often not available on all dates. Please see our "special airfares" section on our web site for any last minute airfare specials. Sample airfares will be updated each Tuesday.

Blue highlighted numbers represent fare differentials in excess of \$35 for GSP, \$70 for CLT, \$100 for ATL, and \$35 for TRI.

Schedule Compare Report for all Airlines for Passenger flights between AVL and ALL for Aug10 vs. Aug09

AI	Ops/Week				Seats/Week			
	Aug10	Aug09	Diff	Pct Chg	Aug10	Aug09	Diff	Pct Chg
DL	184	139	45	32.37	9,200	6,950	2,250	32.37
UA	32	0	32	100.00	1,600	0	1,600	100.00
US	118	98	20	20.41	6,314	4,900	1,414	28.86
AA	14	0	14	100.00	616	0	616	100.00
FL	16	6	10	166.67	1,872	702	1,170	166.67
CO	28	28	0	0.00	1,400	1,400	0	0.00
NW	0	14	-14	-100.00	0	700	-700	-100.00
TOTAL	392	285	107	37.54	21,002	14,652	6,350	43.34

Schedule Compare Report for all Airlines for Passenger flights between AVL and ALL for Sep10 vs. Sep09

AI	Ops/Week				Seats/Week			
	Sep10	Sep09	Diff	Pct Chg	Sep10	Sep09	Diff	Pct Chg
DL	170	136	34	25.00	8,500	6,800	1,700	25.00
UA	28	0	28	100.00	1,400	0	1,400	100.00
US	116	98	18	18.37	6,374	4,848	1,526	31.48
AA	14	0	14	100.00	616	0	616	100.00
FL	6	6	0	0.00	702	702	0	0.00
CO	36	38	-2	-5.26	1,800	1,900	-100	-5.26
NW	0	14	-14	-100.00	0	700	-700	-100.00
TOTAL	370	292	78	26.71	19,392	14,950	4,442	29.71

Schedule Compare Report for all Airlines for Passenger flights between AVL and ALL for Oct10 vs. Oct09

AI	Ops/Week				Seats/Week			
	Oct10	Oct09	Diff	Pct Chg	Oct10	Oct09	Diff	Pct Chg
DL	172	136	36	26.47	8,600	6,800	1,800	26.47
UA	30	0	30	100.00	1,500	0	1,500	100.00
US	122	98	24	24.49	6,660	4,900	1,760	35.92
AA	14	0	14	100.00	616	0	616	100.00
FL	12	6	6	100.00	1,484	702	782	111.40
CO	40	40	0	0.00	2,000	2,000	0	0.00
NW	0	14	-14	-100.00	0	700	-700	-100.00
TOTAL	390	294	96	32.65	20,860	15,102	5,758	38.13



MEMORANDUM

TO: Members of the Airport Authority

FROM: Vickie Thomas, Director of Finance & Accounting

DATE: August 13, 2010

ITEM DESCRIPTION – Information Section Item B

Asheville Regional Airport – Explanation of Extraordinary Variances
 Month Ended June, 2010 (Month 12 of FY-2010)

SUMMARY

Operating Revenues for the month of June were \$773,940, 20.21% over budget. Operating Expenses for the month were \$673,134, 5.11% over budget. As a result, Net Operating Revenues before Depreciation were \$97,405 over budget. Net Non-Operating Revenues were \$284,556, 107.59% over budget.

Year-to-date Operating Revenues were \$7,499,344, 1.43% over budget. Year-to-date Operating Expenses were \$6,246,736, 10.97% below budget. Net Operating Revenues before Depreciation were \$875,630 over budget. Net Non-Operating Revenues for the year were \$1,938,155, 18.58% over budget.

REVENUES

Significant variations to budget for June were:

Terminal Space Rentals-Airline	\$28,880	33.60%	Higher than budgeted enplanements
Auto Parking	\$84,926	47.83%	Higher than budgeted enplanements
Rental Car-Car Rentals	\$18,125	18.81%	Concession fees earned over annual threshold
Other Leases/Fees	\$14,237	54.47%	Higher airline security fees due to higher than budgeted enplanements
Reimbursable Costs	(\$20,113)	(43.30%)	Timing of Avcon costs billed to Charah
Customer Facility Charges	\$17,768	23.69%	Higher than budgeted enplanements
Passenger Facility Charges	\$208,539	163.42%	PFC revenue was budgeted conservatively & higher than budgeted enplanements

Information Section – Item B



EXPENSES

Significant variations to budget for June were:

Personnel Services	\$33,613	11.04%	Year-end adjustment of Accrued Vacation & Sick Pay
Professional Services	\$36,162	532.34%	Timing of Professional Services spending
Other Contractual Services	\$20,342	66.05%	Parking Management fee not budgeted & timing of IT service billings
Repair & Maintenance	\$17,667	79.37%	Timing of Maintenance spending
Operating Supplies	\$15,241	71.33%	Timing of Operating Supplies spending
Contingency	(\$30,835)	(100.00%)	No Contingency spending in June
Emergency Repair	(\$17,136)	(85.68%)	Very little Emergency Repair spending in June
Reimbursable Costs	(\$23,363)	(50.30%)	Timing of Avcon costs billed to Charah

STATEMENT OF NET ASSETS

Significant variations to prior month were:

Construction in Progress – Construction in Progress increased by \$1,997,179 due to high capital spending as projects are being completed.

Accounts Payable – Accounts Payable increased by \$303,199 mainly due to construction invoices on projects not subject to reimbursement with Federal grant funds.

**ASHEVILLE REGIONAL AIRPORT
INVESTMENT AND INTEREST INCOME SUMMARY
As of June 30, 2010**

<u>Institution:</u>	<u>Date of Purchase</u>	<u>Date of Maturity</u>	<u>Interest Rate</u>	<u>Investment Amount</u>	<u>Monthly Interest</u>
Bank of America			0.30%	\$ 1,602,669	432
Petty Cash				100	
NC Capital Management Trust				216,792	30
Wachovia-Gov. Advantage Acct.			0.40%	3,228,028	670
PFC Revenue Account			0.30%	435,856	133
 <u>Restricted Cash:</u>					
CFC Revenue			0.10%	272,193	22
Additional Collateral Fund			0.40%	1,953,801	425
 <u>Commercial Paper:</u>				 0	
Total				<u>\$ 7,709,439</u>	<u>\$ 1,712</u>

Investment Diversification:

1.BANKS	29.98%
2.CAP.TRUST	2.81%
3.GOV.ADV.ACCTS.	67.21%
4.COM.PAPER	0.00%
5. FED. AGY	0%
	<u>100.00%</u>

ASHEVILLE REGIONAL AIRPORT
STATEMENT OF CHANGES IN FINANCIAL POSITION
For the Month Ended June 30, 2010

	Current Month	Prior Period
Cash and Investments Beginning of Period	\$ 8,001,078	\$ 7,056,610
Net Income/(Loss) Before Capital Contributions	106,165	90,389
Depreciation	274,164	275,004
Decrease/(Increase) in Receivables	(28,586)	(626,788)
Increase/(Decrease) in Payables	(503,437)	800,974
Decrease/(Increase) in Prepaid Expenses	21,629	(39,003)
Decrease/(Increase) in Long Term Assets	(697,252)	(1,248,595)
Principal Payments of Bond Maturities	(33,066)	(32,907)
Contributed Capital	593,731	1,725,394
Increase(Decrease) in Cash	(266,652)	944,468
Cash and Investments End of Period	\$ 7,734,426	\$ 8,001,078

Asheville Regional Airport Authority
Cost Centers Statement of Revenue, Expenses and Changes in Net Assets

For the Month Ending June 30, 2010

	June Actual	June Budget	Variance \$	Variance %	YTD Actual	YTD Budget	Variance \$	Variance %	Annual Budget
Operating Revenue:									
Terminal	\$310,904	\$264,241	\$46,663	17.66%	\$3,149,878	\$3,154,910	(\$5,032)	(0.16%)	\$3,154,910
Airfield	76,839	68,304	8,535	12.50%	780,632	819,650	(39,018)	(4.76%)	819,650
Hangar	68,959	72,816	(3,857)	(5.30%)	760,472	873,790	(113,318)	(12.97%)	873,790
Parking Lot/Roadway	272,707	179,508	93,199	51.92%	2,341,015	2,154,100	186,915	8.68%	2,154,100
Land Use Fees	44,531	58,952	(14,421)	(24.46%)	467,347	390,940	76,407	19.54%	390,940
Total Operating Revenue	\$773,940	\$643,821	\$130,119	20.21%	\$7,499,344	\$7,393,390	\$105,954	1.43%	\$7,393,390
Operating Expenses:									
Administrative	\$265,609	\$282,693	(\$17,084)	(6.04%)	\$2,424,696	\$3,087,314	(\$662,618)	(21.46%)	\$3,087,314
Terminal	204,585	165,507	39,078	23.61%	1,976,870	2,033,790	(56,920)	(2.80%)	2,033,790
Airfield	161,534	135,507	26,027	19.21%	1,464,961	1,499,045	(34,084)	(2.27%)	1,499,045
Hangar	1,633	4,776	(3,143)	(65.81%)	19,600	57,565	(37,965)	(65.95%)	57,565
Parking Lot	1,679	3,345	(1,666)	(49.81%)	33,321	44,475	(11,154)	(25.08%)	44,475
Rental Car Service Facility	10,406	-	10,406	0.00%	48,817	-	48,817	0.00%	-
Land Use Expenses	27,688	48,592	(20,904)	(43.02%)	278,471	294,223	(15,752)	(5.35%)	294,223
Total Operating Expenses	\$673,134	\$640,420	\$32,714	5.11%	\$6,246,736	\$7,016,412	(\$769,676)	(10.97%)	\$7,016,412
Operating Revenue before Depreciation									
	\$100,806	\$3,401	\$97,405	2,864.01%	\$1,252,608	\$376,978	\$875,630	232.28%	\$376,978
Depreciation	-	291,667	(291,667)	(100.00%)	3,057,783	3,500,000	(442,217)	(12.63%)	3,500,000
Operating Income(Loss) Before Non-Operating Revenue and Expenses									
	\$100,806	(\$288,266)	\$389,072	(134.97%)	(\$1,805,175)	(\$3,123,022)	\$1,317,847	(42.20%)	(\$3,123,022)
Non-Operating Revenue and Expense									
Customer Facility Charges	92,768	75,000	17,768	23.69%	814,500	900,000	(85,500)	(9.50%)	900,000
Passenger Facility Charges	208,539	79,167	129,372	163.42%	1,334,018	950,000	384,018	40.42%	950,000
Interest Revenue	2,259	1,917	342	17.84%	28,124	23,000	5,124	22.28%	23,000
Interest Expense	(19,010)	(19,010)	-	0.00%	(238,487)	(238,488)	1	(0.00%)	(238,488)
Sale of Assets	-	-	-	0.00%	-	-	-	0.00%	-
Non-Operating Revenue-Net	\$284,556	\$137,074	\$147,482	107.59%	\$1,938,155	\$1,634,512	\$303,643	18.58%	\$1,634,512

Income (Loss) Before Capital Contributions	<u>\$385,362</u>	<u>(\$151,192)</u>	<u>\$536,554</u>	<u>(354.88%)</u>	<u>\$132,980</u>	<u>(\$1,488,510)</u>	<u>\$1,621,490</u>	<u>(108.93%)</u>	<u>(\$1,488,510)</u>
Capital Contributions	<u>\$1,576,496</u>	<u>\$0</u>	<u>\$1,576,496</u>	<u>0.00%</u>	<u>\$8,559,637</u>	<u>\$0</u>	<u>\$8,559,637</u>	<u>0.00%</u>	<u>\$0</u>
Increase in Net Assets	<u>\$1,961,858</u>	<u>(\$151,192)</u>	<u>\$2,113,050</u>	<u>(1,397.59%)</u>	<u>\$8,692,617</u>	<u>(\$1,488,510)</u>	<u>\$10,181,127</u>	<u>(683.98%)</u>	<u>(\$1,488,510)</u>

Asheville Regional Airport Authority
Detailed Statement of Revenue, Expenses and Changes in Net Assets

For the Month Ending June 30, 2010

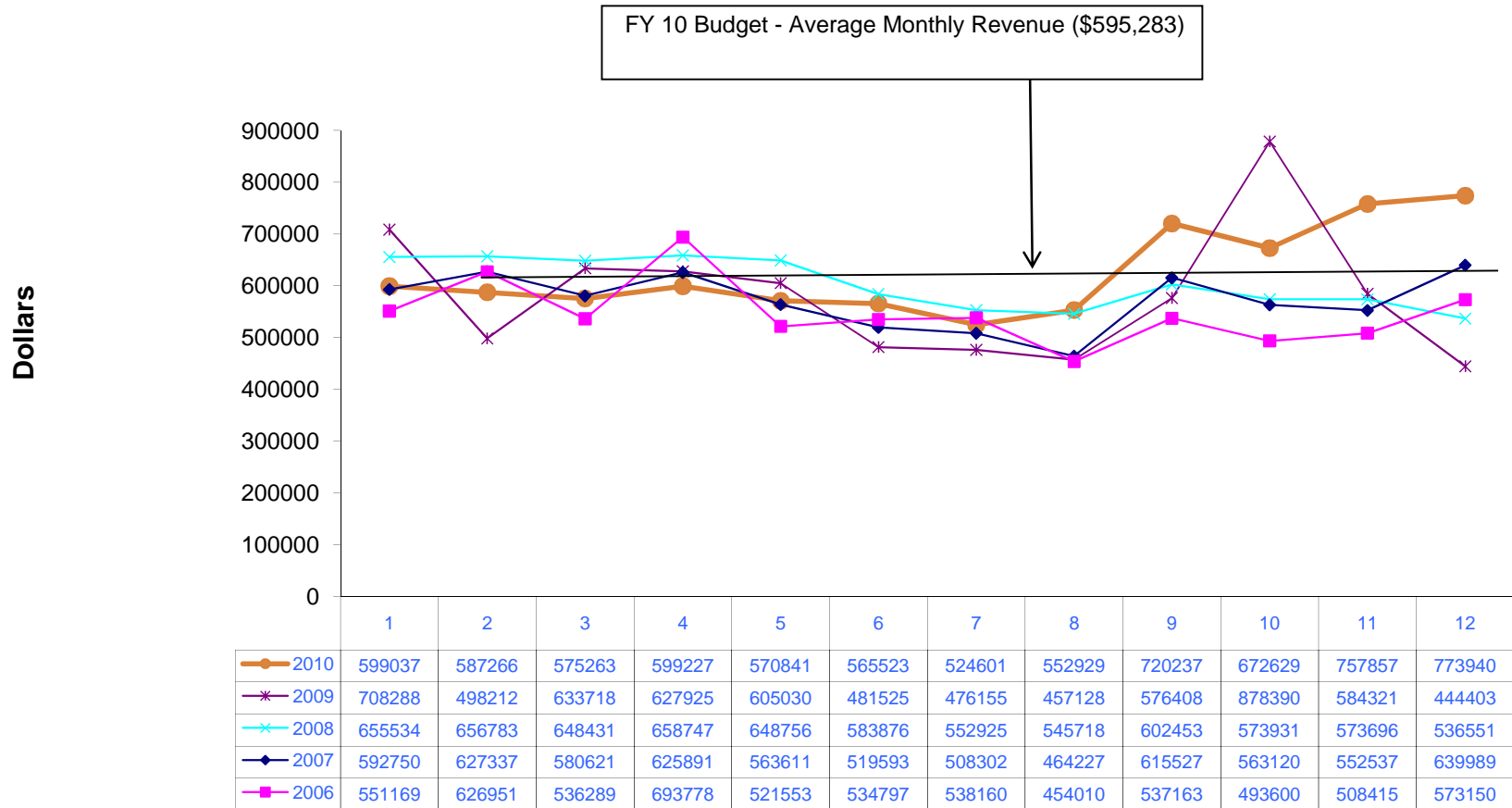
	June Actual	June Budget	Variance \$	Variance %	YTD Actual	YTD Budget	Variance \$	Variance %	Annual Budget
Operating Revenue:									
Terminal Space Rentals - Non Airline	\$15,660	\$14,988	\$672	4.48%	\$187,123	\$179,850	\$7,273	4.04%	\$179,850
Terminal Space Rentals - Airline	114,823	85,943	28,880	33.60%	1,136,447	1,031,310	105,137	10.19%	1,031,310
Concessions	22,024	25,513	(3,489)	(13.68%)	136,015	291,370	(155,355)	(53.32%)	291,370
Auto Parking	262,497	177,571	84,926	47.83%	2,304,090	2,130,850	173,240	8.13%	2,130,850
Rental Car - Car Rentals	114,473	96,348	18,125	18.81%	1,203,264	1,156,170	47,094	4.07%	1,156,170
Rental Car - Facility Rent	42,700	42,980	(280)	(0.65%)	501,365	514,570	(13,205)	(2.57%)	514,570
Commercial Ground Transportation	10,210	1,938	8,272	426.83%	36,925	23,250	13,675	58.82%	23,250
Landing Fees	39,625	41,054	(1,429)	(3.48%)	394,142	492,650	(98,508)	(20.00%)	492,650
FBO'S/SASO'S	68,959	72,816	(3,857)	(5.30%)	760,472	873,790	(113,318)	(12.97%)	873,790
Building Leases	7,947	8,625	(678)	(7.86%)	123,107	103,500	19,607	18.94%	103,500
Land Leases	8,315	3,462	4,853	140.18%	28,810	32,440	(3,630)	(11.19%)	32,440
Other Leases/Fees	40,374	26,137	14,237	54.47%	434,334	313,640	120,694	38.48%	313,640
Reimbursable Costs	26,333	46,446	(20,113)	(43.30%)	253,250	250,000	3,250	1.30%	250,000
Total Operating Revenue	\$773,940	\$643,821	\$130,119	20.21%	\$7,499,344	\$7,393,390	\$105,954	1.43%	\$7,393,390
Operating Expenses:									
Personnel Services	\$338,189	\$304,576	\$33,613	11.04%	\$3,351,587	\$3,661,630	(\$310,043)	(8.47%)	\$3,661,630
Professional Services	42,955	6,793	36,162	532.34%	165,678	204,895	(39,217)	(19.14%)	204,895
Accounting & Auditing	-	2,089	(2,089)	(100.00%)	13,183	32,000	(18,817)	(58.80%)	32,000
Other Contractual Services	51,139	30,797	20,342	66.05%	523,055	441,560	81,495	18.46%	441,560
Travel & Training	15,180	14,908	272	1.82%	122,227	191,930	(69,703)	(36.32%)	191,930
Communications & Freight	4,721	5,379	(658)	(12.23%)	53,949	64,750	(10,801)	(16.68%)	64,750
Utility Services	35,122	34,397	725	2.11%	361,116	425,000	(63,884)	(15.03%)	425,000
Rentals & Leases	1,063	1,018	45	4.42%	12,974	12,220	754	6.17%	12,220
Insurance	16,333	19,167	(2,834)	(14.79%)	195,071	230,000	(34,929)	(15.19%)	230,000
Repairs & Maintenance	39,925	22,258	17,667	79.37%	252,955	297,275	(44,320)	(14.91%)	297,275
Advertising, Printing & Binding	8,492	15,958	(7,466)	(46.79%)	178,745	206,120	(27,375)	(13.28%)	206,120
Promotional Activities	3,989	4,513	(524)	(11.61%)	56,601	65,400	(8,799)	(13.45%)	65,400
Other Current Charges & Obligations	7,481	4,304	3,177	73.82%	59,411	59,050	361	0.61%	59,050
Office Supplies	770	2,250	(1,480)	(65.78%)	8,113	27,000	(18,887)	(69.95%)	27,000
Operating Supplies	36,609	21,368	15,241	71.33%	192,993	284,790	(91,797)	(32.23%)	284,790
Books, Publications, Subscriptions & Meml	2,445	2,735	(290)	(10.60%)	26,384	43,589	(17,205)	(39.47%)	43,589
Contingency	-	30,835	(30,835)	0.00%	-	30,835	(30,835)	0.00%	30,835
Emergency Repair	2,864	20,000	(17,136)	(85.68%)	62,005	100,000	(37,995)	(38.00%)	100,000
Reimbursable Costs	23,083	46,446	(23,363)	(50.30%)	250,000	250,000	-	0.00%	250,000
Business Development	42,774	50,629	(7,855)	(15.51%)	360,689	388,368	(27,679)	(7.13%)	388,368
Total Operating Expenses	\$673,134	\$640,420	\$32,714	5.11%	\$6,246,736	\$7,016,412	(\$769,676)	(10.97%)	\$7,016,412

Operating Revenue before Depreciation	\$100,806	\$3,401	\$97,405	2,864.01%	\$1,252,608	\$376,978	\$875,630	232.28%	\$376,978
Depreciation	-	291,667	(291,667)	(100.00%)	3,057,783	3,500,000	(442,217)	(12.63%)	3,500,000
Operating Income(Loss) Before Non-Operating Revenue and Expenses	\$100,806	(\$288,266)	\$389,072	(134.97%)	(\$1,805,175)	(\$3,123,022)	\$1,317,847	(42.20%)	(\$3,123,022)
Non-Operating Revenue and Expense									
Customer Facility Charges	92,768	75,000	17,768	23.69%	814,500	900,000	(85,500)	(9.50%)	900,000
Passenger Facility Charges	208,539	79,167	129,372	163.42%	1,334,018	950,000	384,018	40.42%	950,000
Interest Revenue	2,259	1,917	342	17.84%	28,124	23,000	5,124	22.28%	23,000
Interest Expense	(19,010)	(19,010)	-	0.00%	(238,487)	(238,488)	1	(0.00%)	(238,488)
Sale of Assets	-	-	-	0.00%	-	-	-	0.00%	-
Non-Operating Revenue-Net	\$284,556	\$137,074	\$147,482	107.59%	\$1,938,155	\$1,634,512	\$303,643	18.58%	\$1,634,512
Income (Loss) Before Capital Contributions	\$385,362	(\$151,192)	\$536,554	(354.88%)	\$132,980	(\$1,488,510)	\$1,621,490	(108.93%)	(\$1,488,510)
Capital Contributions	\$1,576,496	\$0	\$1,576,496	0.00%	\$8,559,637	\$0	\$8,559,637	0.00%	\$0
Increase in Net Assets	\$1,961,858	(\$151,192)	\$2,113,050	(1,397.59%)	\$8,692,617	(\$1,488,510)	\$10,181,127	(683.98%)	(\$1,488,510)

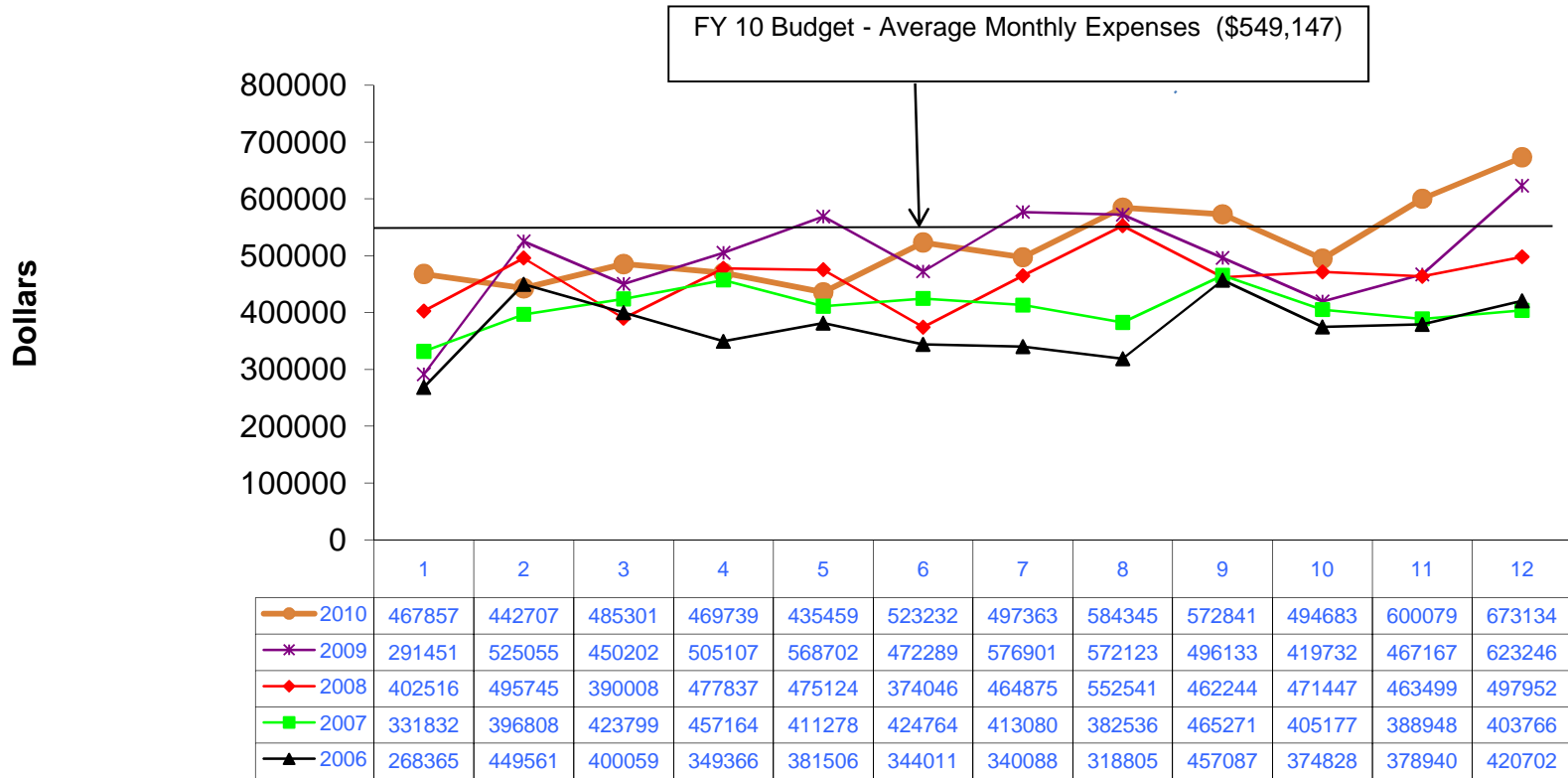
ASHEVILLE REGIONAL AIRPORT AUTHORITY
STATEMENT OF FINANCIAL POSITION
As of June 30, 2010

	June	Last Month
<u>ASSETS</u>		
Current Assets:		
Unrestricted Net Assets:		
Cash and Cash Equivalents	\$5,483,444	\$5,486,973
Accounts Receivable	1,050,304	910,679
Grants Receivable	1,576,496	1,416,635
Prepaid Expenses	11,540	33,169
Total Unrestricted Assets	8,121,784	7,847,456
Restricted Assets:		
Cash and Cash Equivalents	2,225,994	2,247,453
Total Restricted Assets	2,225,994	2,247,453
Total Current Assets	10,347,778	10,094,909
Noncurrent Assets:		
Construction in Progress	28,148,857	26,151,678
Property and Equipment - Net	42,394,426	42,394,426
Total Noncurrent Assets	70,543,283	68,546,104
	\$80,891,061	\$78,641,013
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Payable from Unrestricted Assets:		
Accounts Payable	\$512,749	\$2,181,345
Accrued Liabilities	53,526	135,229
Customer Deposits	240,475	121,725
Unearned Revenue	83,740	156,568
Construction Contracts Payable	1,065,036	0
Construction Contract Retainages	938,139	0
Revenue Bond Payable - Current	411,426	409,450
Total Payable from Unrestricted Assets	3,305,091	3,004,317
Total Current Liabilities	3,305,091	3,004,317
Noncurrent Liabilities:		
Other Postemployment Benefits	380,310	380,310
Compensated Absences	218,218	195,597
Net Pension Obligation-LEO Special Separation Allowance	12,320	12,320
Revenue Bond Payable - Noncurrent	3,495,324	3,530,525
Total Noncurrent Liabilities	4,106,172	4,118,752
Total Liabilities	7,411,263	7,123,069
Net Assets:		
Invested in Capital Assets	64,633,358	64,606,129
Restricted	2,225,994	2,247,453
Unrestricted	6,627,474	4,664,362
Total Net Assets	73,479,798	71,517,944
	\$80,891,061	\$78,641,013

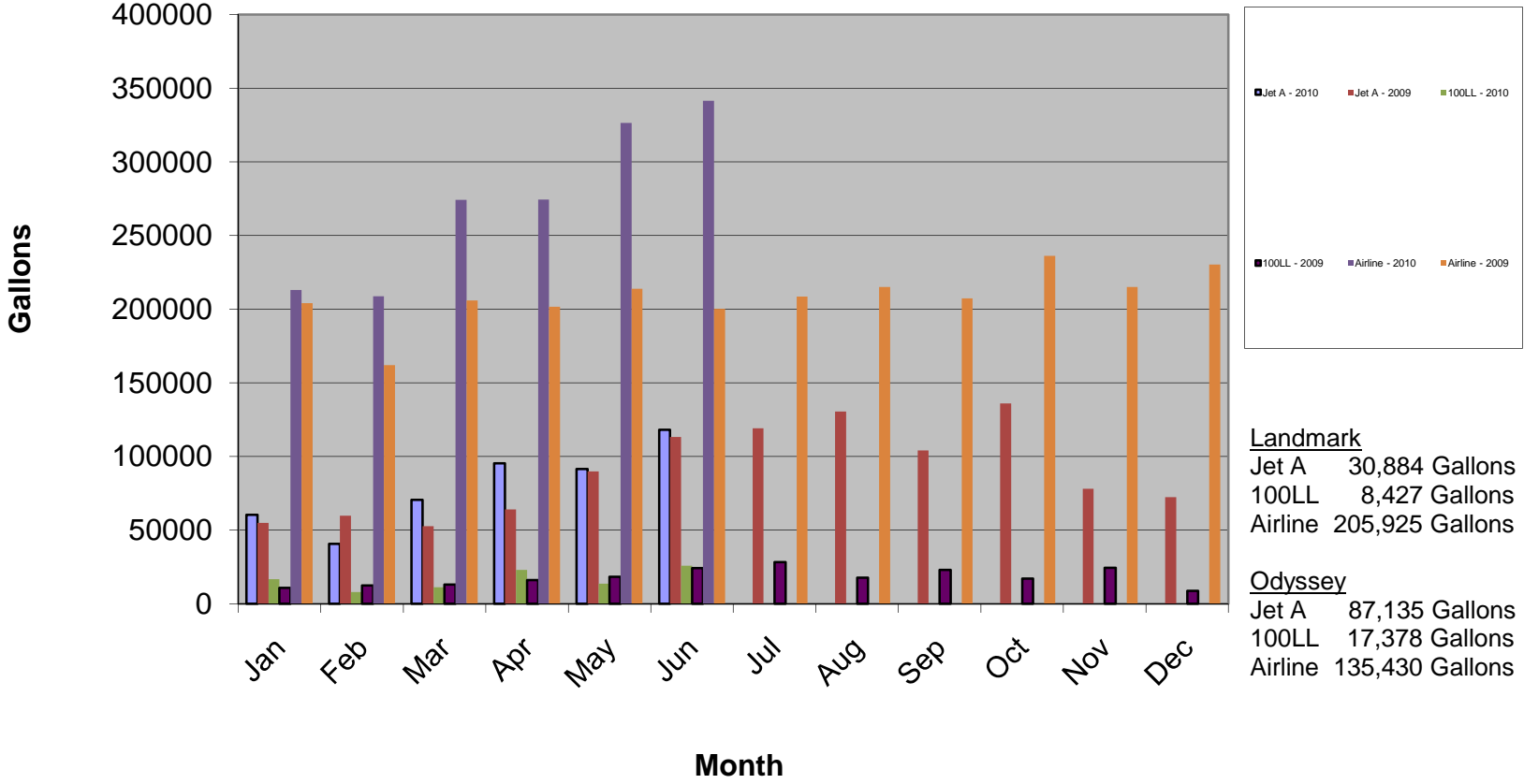
ASHEVILLE REGIONAL AIRPORT Annual Operating Revenue by Month June 2010



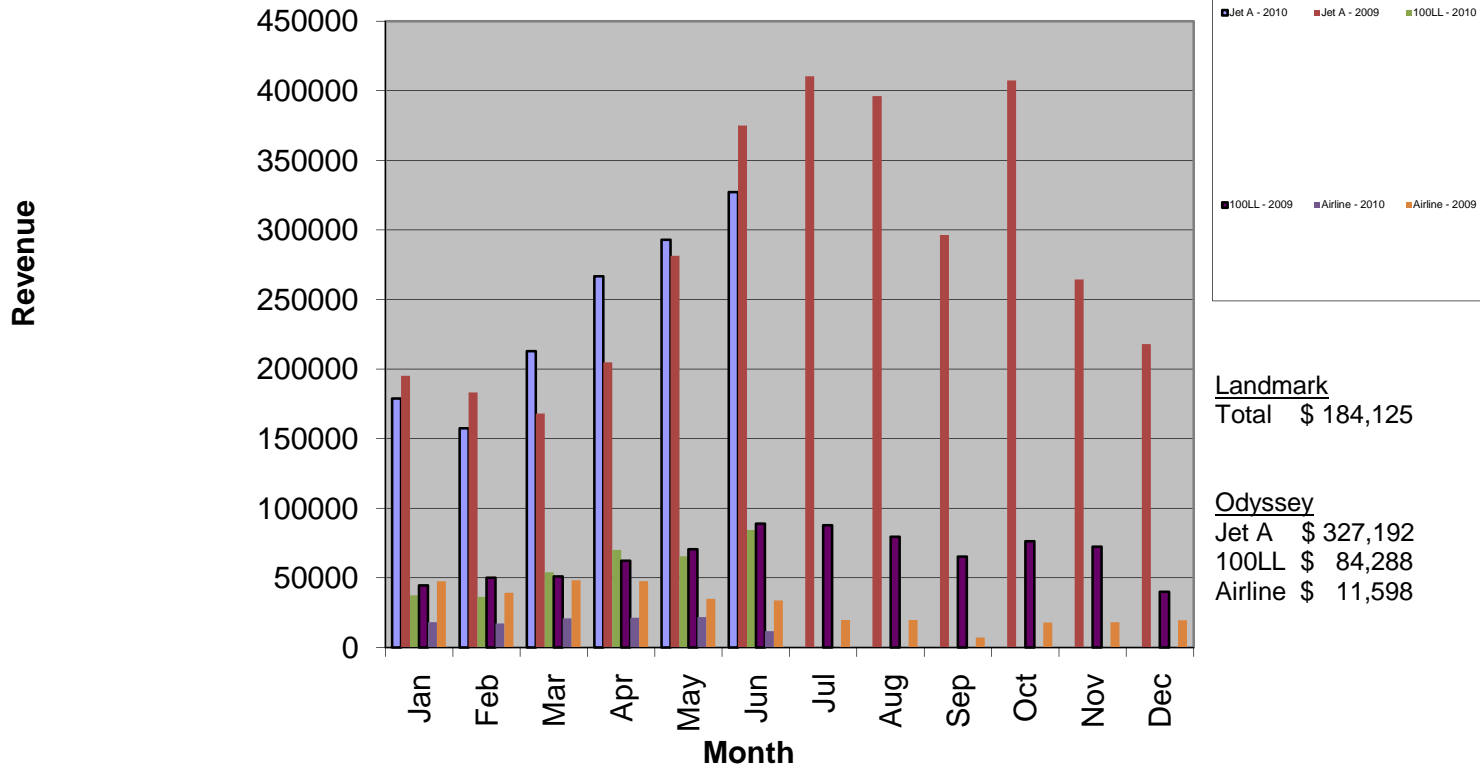
ASHEVILLE REGIONAL AIRPORT Annual Operating Expenses by Month June 2010



AVL Fuels Sales - Gallons June 2010



AVL Fuels Sales - Revenue June 2010



**Asheville Regional Airport Authority
Capital Carryover Schedule
As of June 30, 2010**

Project	Original Board Authorized Amount	Carryover Approved in FY10 Budget	FY2010 Spending Through 6/30/2010	Cumulative Spending at 6/30/2010
A Gate Terminal Renovation	10,486,704	8,986,311	6,687,614	7,638,007
Landside Roadway and Parking	5,293,995	4,645,686	4,327,782	4,976,090
North General Aviation Expansion	3,700,000	1,122,521	813,510	3,390,990
PC Air and Fixed Ground Power	561,080	553,677	550	7,953
Triturator Lava Cart Service	266,827	234,408	230,801	263,220
Terminal Roof Replacement 2009	181,125	153,659	150,847	178,313
Lacy Griffin Building Renovation	51,700	51,700	47,095	47,095
Advantage West Building Improvements	27,500	27,500	-	-
Wireless Mesh System-Phase II	30,000	30,000	21,235	21,235
GA Apron & Taxiway Connector	188,000	18,325	18,325	188,000
Runway 16-34 Rehab Ph 1 2008	186,633	14,205	-	172,428
Art Program FF&E	27,175	18,891	-	8,284
168 Wright Bros Way Hanger	2,500,000	103,194	49,367	2,196,174
	23,500,739	15,960,077	12,347,126	19,087,789



MEMORANDUM

TO: Members of the Airport Authority

FROM: Amy S. Burritt, Interim Manager, Marketing and Public Relations

DATE: August 13, 2010

ITEM DESCRIPTION – Information Section Item C

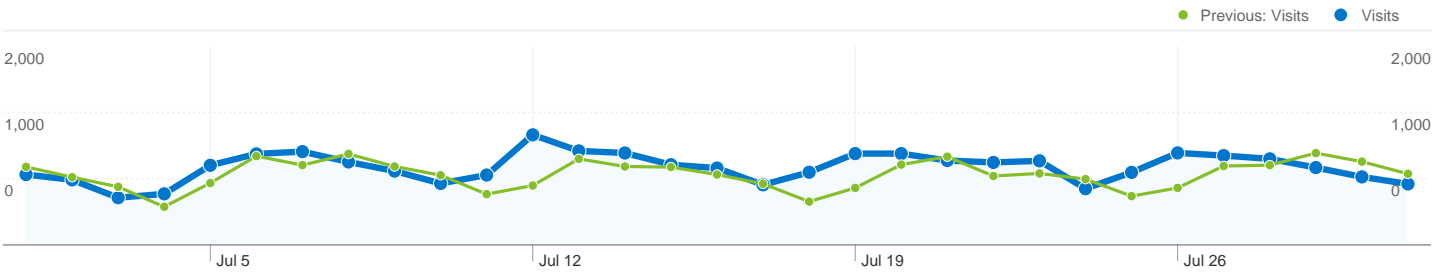
Marketing and Public Relations Report for the Month of July, 2010

- Events
 - Completed additional data training
 - Met with two web-design companies to discuss redesign
- Advertising & Promotions
 - Met with: Yellow Book, Apple Festival, Asheville Radio Group, WHKP
 - Submitted photographs for AutoPilot Magazine ad
 - Submitted photographs to be featured in a Welcome to Western North Carolina Magazine
- Media & Public Relations
 - Received/responded to five media inquiries/interviews
 - Sent one news release re: New Marketing Director
 - Provided AVL information to 172 Southern Living Magazine subscribers
- Social Media
 - 380 Facebook fans
 - 371 Twitter followers
 - 12 Blog mentions
- Guest Services
 - Assisted 5,569 passengers, a 62% increase over July, 2009
 - Collected \$122.27 in gross revenue of business services
 - Invoiced \$1175 in brochure advertising sales – three renewals and one new account

Information Section – Item C



- Replied to 11 comment card/survey respondents
- Website
 - Google Analytics: See attached data regarding June activity at www.flyavl.com
 - Booking Engine: Booking fees collected from 123 reservations for the month of May; 873 new booking engine members for a total of 26,996



Site Usage

24,284 Visits

Previous: 22,000 (10.38%)

38.87% Bounce Rate

Previous: 42.81% (-9.21%)

79,808 Pageviews

Previous: 72,079 (10.72%)

00:03:24 Avg. Time on Site

Previous: 00:03:33 (-4.51%)

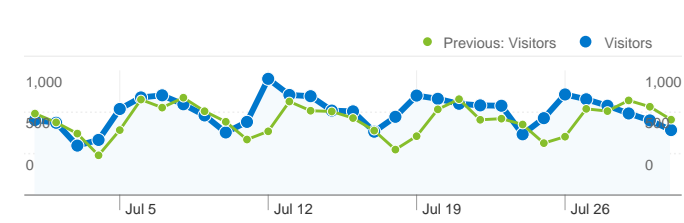
3.29 Pages/Visit

Previous: 3.28 (0.31%)

65.50% % New Visits

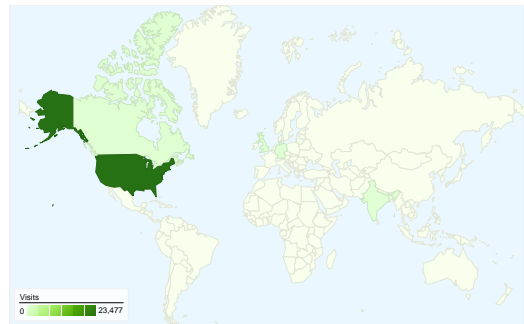
Previous: 67.21% (-2.54%)

Visitors Overview

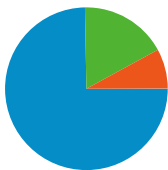


Visitors
18,009

Map Overlay



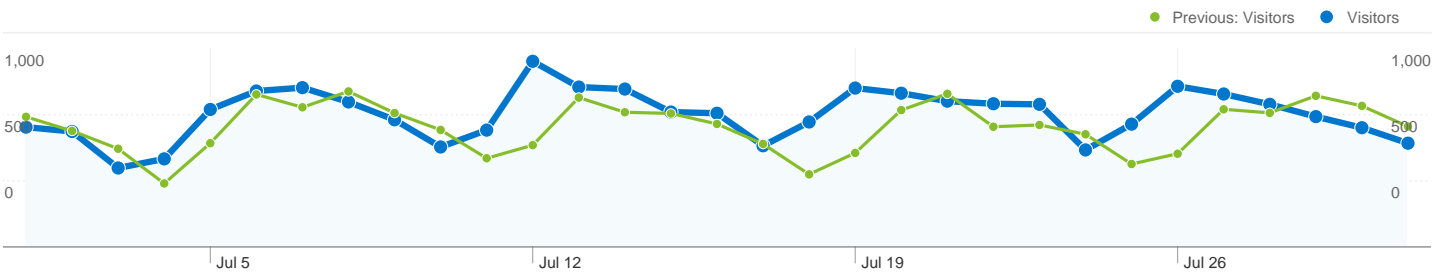
Traffic Sources Overview



- **Search Engines**
18,143.00 (74.71%)
- **Direct Traffic**
4,213.00 (17.35%)
- **Referring Sites**
1,920.00 (7.91%)
- **Other**
8 (0.03%)

Referring Sites		
Source	Visits	% visits
flyavl.com		
Jul 1, 2010 - Jul 31, 2010	139	7.24%
Jul 1, 2009 - Jul 31, 2009	48	2.29%
% Change	189.58%	216.43%
biltmore.com		
Jul 1, 2010 - Jul 31, 2010	93	4.84%
Jul 1, 2009 - Jul 31, 2009	116	5.53%
% Change	-19.83%	-12.39%
en.wikipedia.org		
Jul 1, 2010 - Jul 31, 2010	81	4.22%
Jul 1, 2009 - Jul 31, 2009	77	3.67%
% Change	5.19%	14.95%
groveparkinn.com		
Jul 1, 2010 - Jul 31, 2010	74	3.85%
Jul 1, 2009 - Jul 31, 2009	54	2.57%
% Change	37.04%	49.74%
willowwinds.com		
Jul 1, 2010 - Jul 31, 2010	70	3.65%
Jul 1, 2009 - Jul 31, 2009	51	2.43%
% Change	37.25%	49.98%

Content Overview		
Pages	Pageviews	% Pageviews
/		
Jul 1, 2010 - Jul 31, 2010	22,725	28.47%
Jul 1, 2009 - Jul 31, 2009	20,570	28.54%
% Change	10.48%	-0.22%
/flights/flight-view---real-time.html		
Jul 1, 2010 - Jul 31, 2010	7,332	9.19%
Jul 1, 2009 - Jul 31, 2009	7,045	9.77%
% Change	4.07%	-6.01%
/flights/arrivals---real-time.html		
Jul 1, 2010 - Jul 31, 2010	4,843	6.07%
Jul 1, 2009 - Jul 31, 2009	3,449	4.79%
% Change	40.42%	26.82%
/rental-cars/		
Jul 1, 2010 - Jul 31, 2010	3,298	4.13%
Jul 1, 2009 - Jul 31, 2009	2,277	3.16%
% Change	44.84%	30.81%
/airlines/airtran.html		
Jul 1, 2010 - Jul 31, 2010	2,626	3.29%
Jul 1, 2009 - Jul 31, 2009	2,567	3.56%
% Change	2.30%	-7.61%




18,009 people visited this site

 **24,284 Visits**

Previous: 22,000 (10.38%)

 **18,009 Absolute Unique Visitors**

Previous: 16,520 (9.01%)

 **79,808 Pageviews**

Previous: 72,079 (10.72%)

 **3.29 Average Pageviews**


Previous: 3.28 (0.31%)

 **00:03:24 Time on Site**

Previous: 00:03:33 (-4.51%)

 **38.87% Bounce Rate**

Previous: 42.81% (-9.21%)

 **65.50% New Visits**

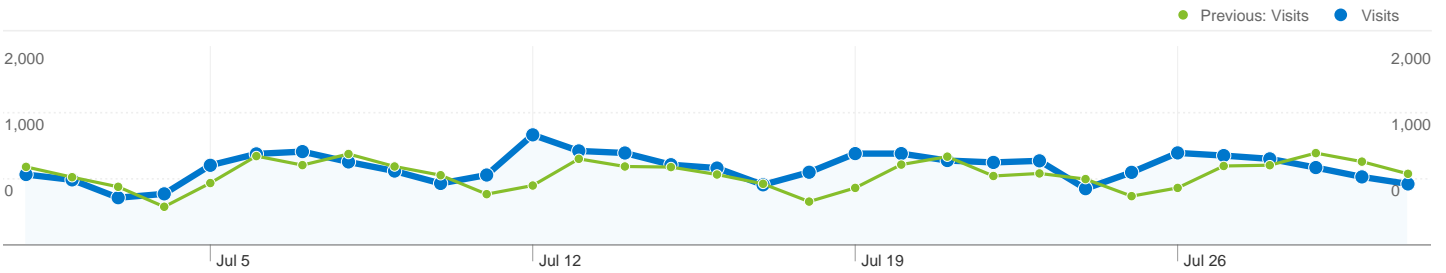
Previous: 67.21% (-2.54%)

Technical Profile

Browser	Visits	% visits	Connection Speed	Visits	% visits
Internet Explorer			Cable		
Jul 1, 2010 - Jul 31, 2010	14,247	58.67%	Jul 1, 2010 - Jul 31, 2010	9,062	37.32%
Jul 1, 2009 - Jul 31, 2009	14,752	67.05%	Jul 1, 2009 - Jul 31, 2009	7,872	35.78%
% Change	-3.42%	-12.51%	% Change	15.12%	4.29%
Firefox			DSL		
Jul 1, 2010 - Jul 31, 2010	5,069	20.87%	Jul 1, 2010 - Jul 31, 2010	6,112	25.17%
Jul 1, 2009 - Jul 31, 2009	4,359	19.81%	Jul 1, 2009 - Jul 31, 2009	5,718	25.99%
% Change	16.29%	5.35%	% Change	6.89%	-3.16%

Safari		
Jul 1, 2010 - Jul 31, 2010	3,505	14.43%
Jul 1, 2009 - Jul 31, 2009	2,158	9.81%
% Change	62.42%	47.14%
Chrome		
Jul 1, 2010 - Jul 31, 2010	1,115	4.59%
Jul 1, 2009 - Jul 31, 2009	301	1.37%
% Change	270.43%	235.59%
BlackBerry9630		
Jul 1, 2010 - Jul 31, 2010	73	0.30%
Jul 1, 2009 - Jul 31, 2009	5	0.02%
% Change	1,360.00%	1,222.68%

Unknown		
Jul 1, 2010 - Jul 31, 2010	5,607	23.09%
Jul 1, 2009 - Jul 31, 2009	5,954	27.06%
% Change	-5.83%	-14.69%
T1		
Jul 1, 2010 - Jul 31, 2010	2,890	11.90%
Jul 1, 2009 - Jul 31, 2009	1,696	7.71%
% Change	70.40%	54.37%
Dialup		
Jul 1, 2010 - Jul 31, 2010	473	1.95%
Jul 1, 2009 - Jul 31, 2009	504	2.29%
% Change	-6.15%	-14.98%



All traffic sources sent a total of 24,284 visits

17.35% Direct Traffic

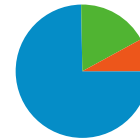
Previous: 25.30% (-31.42%)

7.91% Referring Sites

Previous: 9.54% (-17.09%)

74.71% Search Engines

Previous: 65.15% (14.67%)

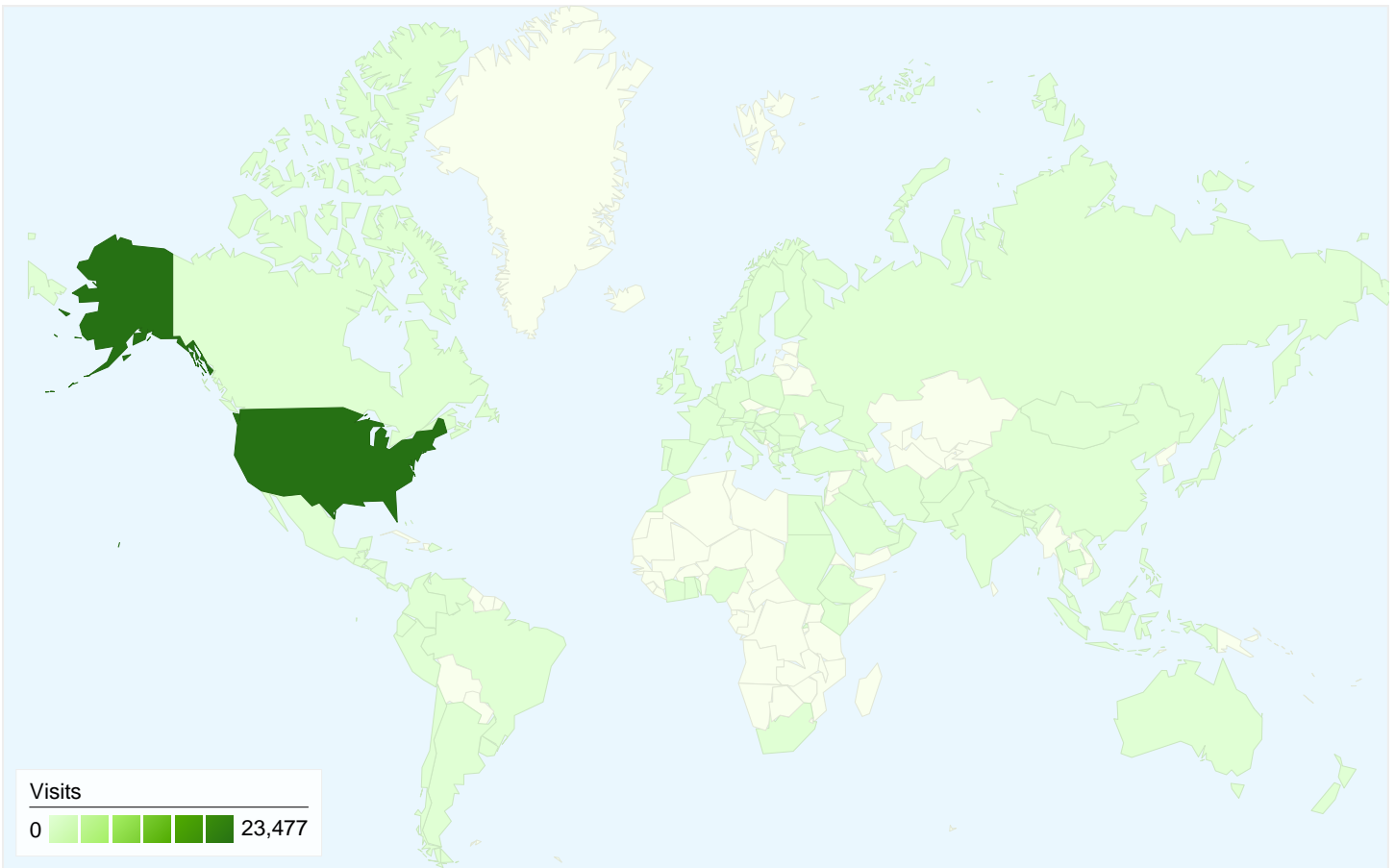


- **Search Engines**
18,143.00 (74.71%)
- **Direct Traffic**
4,213.00 (17.35%)
- **Referring Sites**
1,920.00 (7.91%)
- **Other**
8 (0.03%)

Top Traffic Sources

Sources	Visits	% visits	Keywords	Visits	% visits
google (organic)			asheville airport		
Jul 1, 2010 - Jul 31, 2010	14,486	59.65%	Jul 1, 2010 - Jul 31, 2010	6,596	36.36%
Jul 1, 2009 - Jul 31, 2009	11,346	51.57%	Jul 1, 2009 - Jul 31, 2009	5,061	35.31%
% Change	27.67%	15.67%	% Change	30.33%	2.97%
(direct) ((none))			asheville nc airport		
Jul 1, 2010 - Jul 31, 2010	4,213	17.35%	Jul 1, 2010 - Jul 31, 2010	1,384	7.63%
Jul 1, 2009 - Jul 31, 2009	5,565	25.30%	Jul 1, 2009 - Jul 31, 2009	1,300	9.07%
% Change	-24.29%	-31.42%	% Change	6.46%	-15.89%
yahoo (organic)			asheville regional airport		
Jul 1, 2010 - Jul 31, 2010	1,590	6.55%	Jul 1, 2010 - Jul 31, 2010	1,350	7.44%
Jul 1, 2009 - Jul 31, 2009	1,557	7.08%	Jul 1, 2009 - Jul 31, 2009	1,137	7.93%
% Change	2.12%	-7.49%	% Change	18.73%	-6.19%
bing (organic)			avl		
Jul 1, 2010 - Jul 31, 2010	1,377	5.67%	Jul 1, 2010 - Jul 31, 2010	724	3.99%
Jul 1, 2009 - Jul 31, 2009	881	4.00%	Jul 1, 2009 - Jul 31, 2009	513	3.58%
% Change	56.30%	41.60%	% Change	41.13%	11.50%
aol (organic)			avl airport		

Jul 1, 2010 - Jul 31, 2010	396	1.63%	Jul 1, 2010 - Jul 31, 2010	720	3.97%
Jul 1, 2009 - Jul 31, 2009	374	1.70%	Jul 1, 2009 - Jul 31, 2009	467	3.26%
% Change	5.88%	-4.08%	% Change	54.18%	21.81%



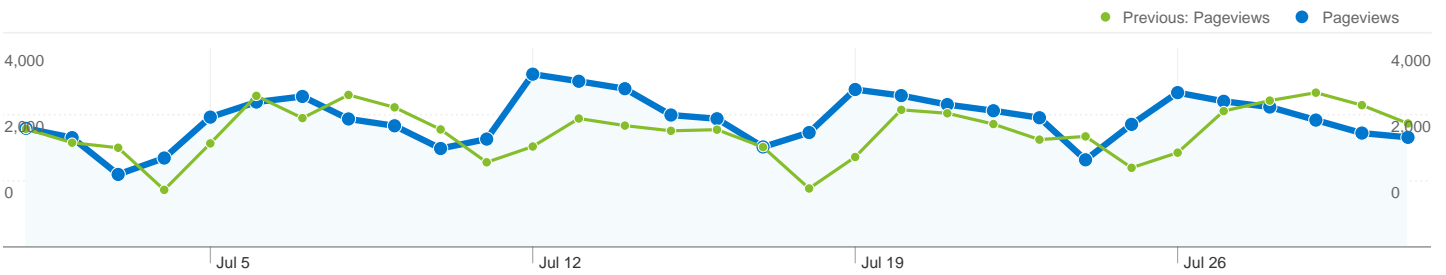
24,284 visits came from 109 countries/territories

Site Usage


Visits	Pages/Visit	Avg. Time on Site	% New Visits	Bounce Rate	
24,284 Previous: 22,000 (10.38%)	3.29 Previous: 3.28 (0.31%)	00:03:24 Previous: 00:03:33 (-4.51%)	65.57% Previous: 67.28% (-2.54%)	38.87% Previous: 42.81% (-9.21%)	
Country/Territory	Visits	Pages/Visit	Avg. Time on Site	% New Visits	Bounce Rate
United States					
July 1, 2010 - July 31, 2010	23,477	3.30	00:03:26	65.35%	38.63%
July 1, 2009 - July 31, 2009	21,291	3.28	00:03:34	67.08%	42.64%
% Change	10.27%	0.62%	-3.84%	-2.58%	-9.40%
Canada					
July 1, 2010 - July 31, 2010	180	3.32	00:02:54	77.22%	36.11%
July 1, 2009 - July 31, 2009	157	3.14	00:02:30	88.54%	43.95%
% Change	14.65%	5.62%	15.55%	-12.78%	-17.83%
United Kingdom					
July 1, 2010 - July 31, 2010	173	3.80	00:02:55	67.63%	33.53%

July 1, 2009 - July 31, 2009	131	3.27	00:02:24	51.91%	51.91%
% Change	32.06%	15.97%	21.28%	30.29%	-35.41%
India					
July 1, 2010 - July 31, 2010	48	1.44	00:00:17	54.17%	81.25%
July 1, 2009 - July 31, 2009	57	1.56	00:00:28	36.84%	85.96%
% Change	-15.79%	-7.94%	-39.21%	47.02%	-5.48%
Germany					
July 1, 2010 - July 31, 2010	39	2.59	00:01:48	74.36%	48.72%
July 1, 2009 - July 31, 2009	51	5.02	00:07:34	76.47%	27.45%
% Change	-23.53%	-48.41%	-76.09%	-2.76%	77.47%
Switzerland					
July 1, 2010 - July 31, 2010	32	2.25	00:00:36	28.12%	68.75%
July 1, 2009 - July 31, 2009	18	3.78	00:03:44	66.67%	38.89%
% Change	77.78%	-40.44%	-84.06%	-57.81%	76.79%
France					
July 1, 2010 - July 31, 2010	22	2.68	00:01:54	63.64%	40.91%
July 1, 2009 - July 31, 2009	23	2.61	00:02:28	56.52%	52.17%
% Change	-4.35%	2.80%	-22.97%	12.59%	-21.59%
Australia					
July 1, 2010 - July 31, 2010	18	2.78	00:02:43	72.22%	27.78%
July 1, 2009 - July 31, 2009	19	2.32	00:01:50	78.95%	42.11%
% Change	-5.26%	19.95%	48.09%	-8.52%	-34.03%
Ireland					
July 1, 2010 - July 31, 2010	18	1.83	00:01:00	88.89%	55.56%
July 1, 2009 - July 31, 2009	15	4.13	00:02:46	86.67%	33.33%
% Change	20.00%	-55.65%	-63.97%	2.56%	66.67%
Japan					
July 1, 2010 - July 31, 2010	15	3.60	00:01:11	60.00%	46.67%
July 1, 2009 - July 31, 2009	20	3.85	00:04:48	70.00%	45.00%
% Change	-25.00%	-6.49%	-75.32%	-14.29%	3.70%

1 - 10 of 109



Pages on this site were viewed a total of 79,808 times

 **79,808 Pageviews**

Previous: 72,079 (10.72%)

 **57,393 Unique Views**

Previous: 50,602 (13.42%)

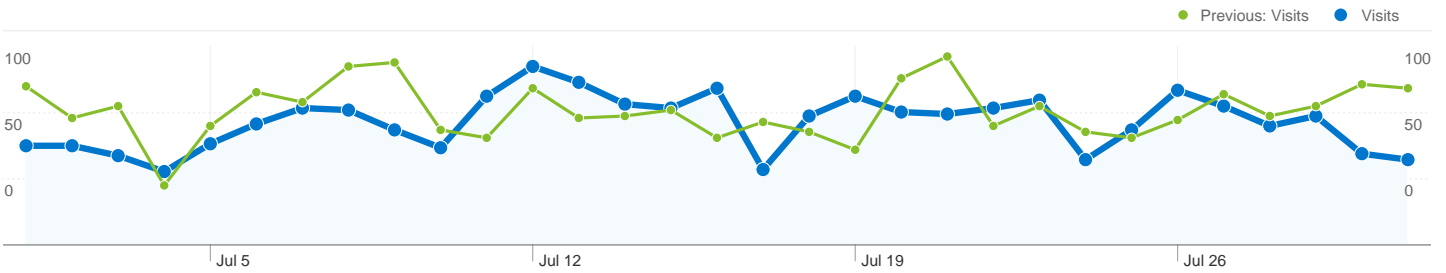
 **38.87% Bounce Rate**

Previous: 42.81% (-9.21%)

Top Content

Pages	Pageviews	% Pageviews
/		
Jul 1, 2010 - Jul 31, 2010	22,725	28.47%
Jul 1, 2009 - Jul 31, 2009	20,570	28.54%
% Change	10.48%	-0.22%
/flights/flight-view---real-time.html		
Jul 1, 2010 - Jul 31, 2010	7,332	9.19%
Jul 1, 2009 - Jul 31, 2009	7,045	9.77%
% Change	4.07%	-6.01%
/flights/arrivals---real-time.html		
Jul 1, 2010 - Jul 31, 2010	4,843	6.07%
Jul 1, 2009 - Jul 31, 2009	3,449	4.79%
% Change	40.42%	26.82%
/rental-cars/		
Jul 1, 2010 - Jul 31, 2010	3,298	4.13%
Jul 1, 2009 - Jul 31, 2009	2,277	3.16%
% Change	44.84%	30.81%
/airlines/airtran.html		

Jul 1, 2010 - Jul 31, 2010	2,626	3.29%
Jul 1, 2009 - Jul 31, 2009	2,567	3.56%
% Change	2.30%	-7.61%



Referring sites sent 1,920 visits via 515 sources

Site Usage

Visits	Pages/Visit	Avg. Time on Site	% New Visits	Bounce Rate	
1,920 Previous: 2,098 (-8.48%)	2.83 Previous: 2.81 (0.72%)	00:03:02 Previous: 00:02:17 (32.30%)	69.53% Previous: 73.45% (-5.34%)	48.23% Previous: 53.24% (-9.41%)	
Source	Visits	Pages/Visit	Avg. Time on Site	% New Visits	Bounce Rate
flyavl.com					
July 1, 2010 - July 31, 2010	139	4.47	00:16:37	2.16%	20.14%
July 1, 2009 - July 31, 2009	48	4.50	00:13:03	0.00%	18.75%
% Change	189.58%	-0.56%	27.29%	100.00%	7.43%
biltmore.com					
July 1, 2010 - July 31, 2010	93	1.45	00:00:50	94.62%	79.57%
July 1, 2009 - July 31, 2009	116	1.90	00:01:41	94.83%	61.21%
% Change	-19.83%	-23.46%	-50.04%	-0.22%	30.00%
en.wikipedia.org					
July 1, 2010 - July 31, 2010	81	4.85	00:02:40	69.14%	20.99%
July 1, 2009 - July 31, 2009	77	4.53	00:01:55	87.01%	25.97%
% Change	5.19%	7.05%	39.69%	-20.55%	-19.20%
groveparkinn.com					
July 1, 2010 - July 31, 2010	74	2.34	00:01:15	87.84%	48.65%
July 1, 2009 - July 31, 2009	54	2.09	00:00:46	87.04%	57.41%
% Change	37.04%	11.72%	64.59%	0.92%	-15.26%
willowwinds.com					
July 1, 2010 - July 31, 2010	70	2.60	00:01:02	88.57%	52.86%
July 1, 2009 - July 31, 2009	51	1.78	00:01:11	90.20%	58.82%
% Change	37.25%	45.71%	-12.32%	-1.80%	-10.14%
mapquest.com					
July 1, 2010 - July 31, 2010	67	2.94	00:02:48	85.07%	41.79%

July 1, 2009 - July 31, 2009	43	3.16	00:02:42	93.02%	41.86%
% Change	55.81%	-7.03%	3.80%	-8.54%	-0.17%
mountainx.com					
July 1, 2010 - July 31, 2010	67	2.06	00:03:07	0.00%	55.22%
July 1, 2009 - July 31, 2009	0	0.00	00:00:00	0.00%	0.00%
% Change	100.00%	100.00%	100.00%	0.00%	100.00%
airtran.com					
July 1, 2010 - July 31, 2010	57	3.32	00:01:54	71.93%	42.11%
July 1, 2009 - July 31, 2009	62	4.29	00:02:11	83.87%	41.94%
% Change	-8.06%	-22.71%	-12.94%	-14.24%	0.40%
ashevilencoc.weblinkconnect.com					
July 1, 2010 - July 31, 2010	56	1.91	00:01:05	89.29%	69.64%
July 1, 2009 - July 31, 2009	3	4.67	00:00:41	33.33%	33.33%
% Change	1,766.67%	-59.06%	59.53%	167.86%	108.93%
google.com					
July 1, 2010 - July 31, 2010	56	3.07	00:02:12	82.14%	37.50%
July 1, 2009 - July 31, 2009	86	2.60	00:02:15	67.44%	55.81%
% Change	-34.88%	17.92%	-2.59%	21.80%	-32.81%
					1 - 10 of 515

Asheville Regional Airport Authority
Project Report - August 2010

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 8/04/2010)	Percent of Original Contract	Board Approved Project Cost	Percent Complete	Expensed to Date (thru 8/04/2010)	Start Date	End Date	Current Project Status (as of 8/04/2010)
Planning Phase														
None														
Design Phase														
1	Westside Site Preparation Project	The Westside Site Preparation Project includes site preparation of approximately 20 acres located west of RW 16/34 for future development. The project is currently in the design and permitting phase.	AVCON	\$232,000.00	Charah	na	\$18,000.00	9.09%	\$250,000.00* <i>(project expenses are being reimbursed by Charah through a separate agreement)</i>	98%	\$232,000.00	Dec-09	Summer 2010	401/404 permits are submitted. Notice to Proceed was issued for Phase 1 July 16, 2010. Clearing, grubbing, dirt removal and relocation of the wildlife fence has begun.
Construction Phase														
1	A Gates - Terminal Renovation & Improvements Project	Renovation & Improvements to the A Gates terminal area.	RS&H	\$1,697,298.00	Shelco Inc.	\$7,849,000.00	(\$113,532.40)	-1.45%	\$ 10,486,704.00	74%	\$7,688,892.96	July '09	Nov-10	Great Hall work continues. The ramp is poured, lighting in progress, 2nd Floor 50% complete, drywall going up, painting and stonework in progress.
1a		2 Passenger Boarding Bridges	RS&H	(included above)	ThyssenKrupp Airport Systems	\$940,406.00	\$6,220.36	0.66%	(included above)	87%	\$629,517.00	Jul-09	Aug-10	Passenger Boarding Bridges (PBBs) have arrived and are both 50% installed.
2	Landside Parking and Roadway Access Project	The Landside Parking and Roadway Access Project includes 3 components of work: public parking lots, terminal access roadway, general aviation access roadway, and expansion of the toll plaza facility.	LPA Group	\$729,044.00	(see below)	na	na	na	\$5,293,994.37	95%	\$5,005,921.75	Jul-09	Jun-10	The Authority Board approved the award of all contracts related to the Landside Roadway and Parking Improvements Project. All components of the project are near completion. For more information, see individual components below.
2a		Parking Lot and Terminal Drive	LPA Group	(included above)	APAC	\$1,614,092.45	\$50,386.90	3.12%	(included above)	98%	\$1,668,720.77	Jul-09	May-10	The parking lot is substantially complete. The contractor is working on punch list items. Short Term is scheduled to be resealed in Sep-10. North and South entrance signs are installed.
2b		Toll Plaza Expansion	LPA Group	(included above)	Patton Construction	\$495,840.00	\$54,739.15	11.04%	(included above)	99%	\$572,877.45	Jul-09	May-10	The building is substantially complete. The contractor has completed majority of the punch list items. Signs and credit card reader will be installed soon.
2c		Wright Brothers Way Improvements Project	LPA Group	(included above)	Moore and Sons Construction Co.	\$1,700,922.00	\$54,836.42	3.22%	(included above)	98%	\$1,577,807.74	Jul-09	Jun-10	The project is substantially completed with punch list provided. Landscaping is completed with a few plants to be replaced in Fall. Signage is near completion.
3	North General Aviation Expansion Project	The North GA project includes multiple phases; phase one consisted of tree harvesting and logging operations, phase two included clearing and grubbing of the site and phase three involves the placement and compaction of structural fill material for the site.	AVCON	\$99,100.00	Charah	\$1,840,231.00	\$25,494.00	7.24%	\$3,700,000.00	95%	\$ 3,390,990.08	Nov-07	Summer 2010	Final capping is underway and should be completed in early/mid-September.

Asheville Regional Airport Authority
Project Report - August 2010

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 8/04/2010)	Percent of Original Contract	Board Approved Project Cost	Percent Complete	Expensed to Date (thru 8/04/2010)	Start Date	End Date	Current Project Status (as of 8/04/2010)
4	Triturator Facility	Construction and installation of a dump site to support airline waste disposal and a facility to protect staff from weather elements.	RS&H	\$48,147.00	Perry Bartsch Jr.	\$198,800.00	\$21,827.00	10.98%	\$268,774.00	100%	\$264,101.91	Jul-09	Apr-10	The project is completed. The facility does not operate as designed. Staff has contacted the Architect Firm for resolution. The Architect Firm has been onsite to evaluate the design and operation and will submit a response to the Airport Director.
5	Pre-Conditioned Air and Fixed Ground Power	Pre-Conditioned Air and Fixed Ground Power will be added to all boarding bridges for customer comfort and functionality	RS&H	\$8,000.00	INET Airport System Inc.	\$502,800.00	\$21,600.00	4.30%	\$532,400.00	50%	\$7,902.71	Jul-09	Summer 2010	Equipment has been delivered. Work will begin after completion of the PBB's installation for the A-Gates Project.

Airportsurvey.com



AVL

Airport Facilities Review For 2nd Quarter 2010

Welcome

- Welcome to the Airportsurvey.com Airport Facilities Review for the recent quarter, a complimentary data set provided to Airportsurvey.com participating airports
- The following slides provide non-weighted scores and ratings based on an independent survey of air travelers
- Note that passenger responses are based on perception, rather than objective assessment
- Value Added Services available from Canmark include:
 - Report analysis
 - Statistical testing
 - Air carrier responses
 - Non-facility responses
 - Tailored comparison sets
 - Passenger demographics
 - Sample size enhancement
 - Targeted and customized reporting
 - Custom survey questions and content

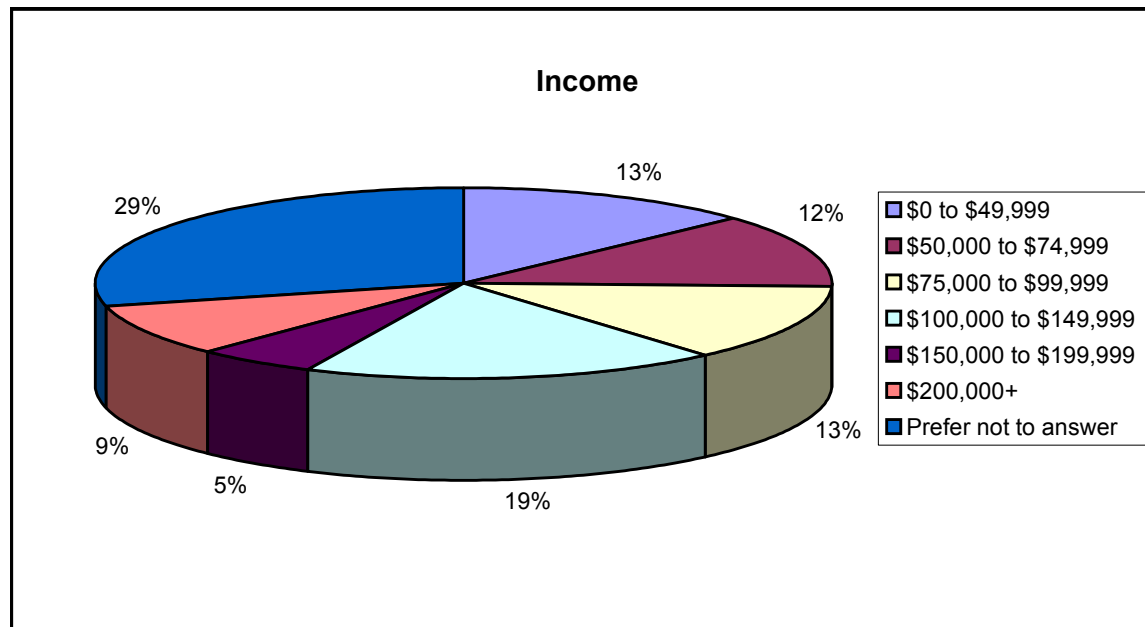
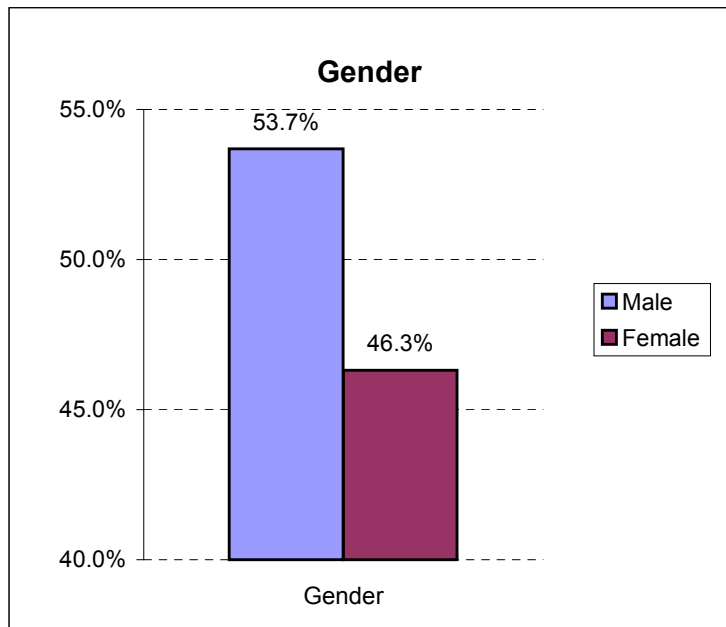
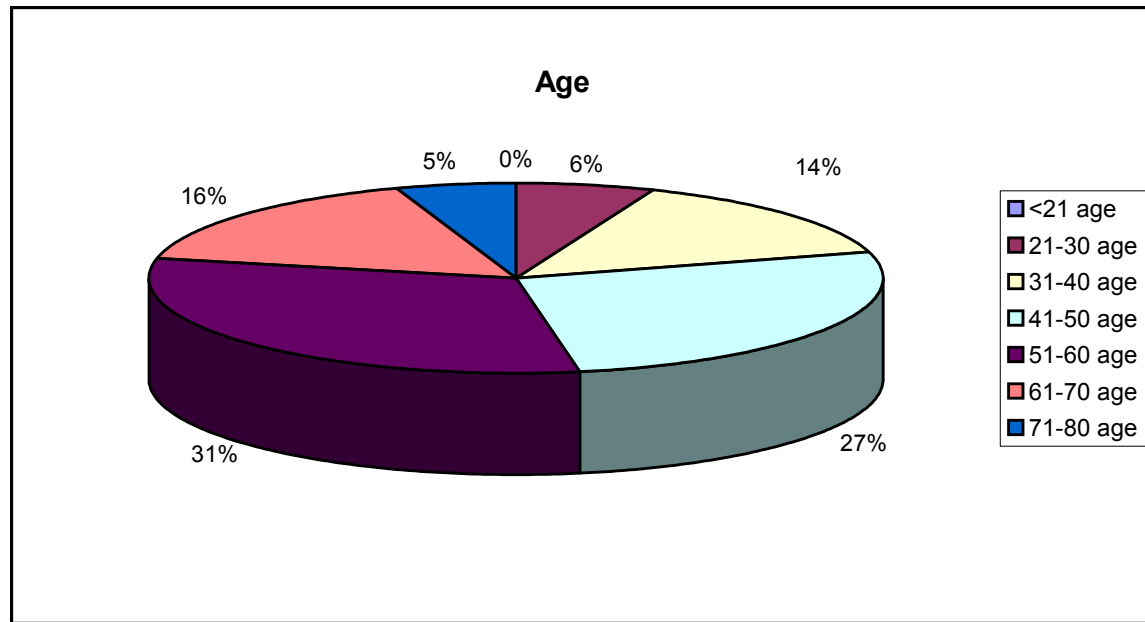
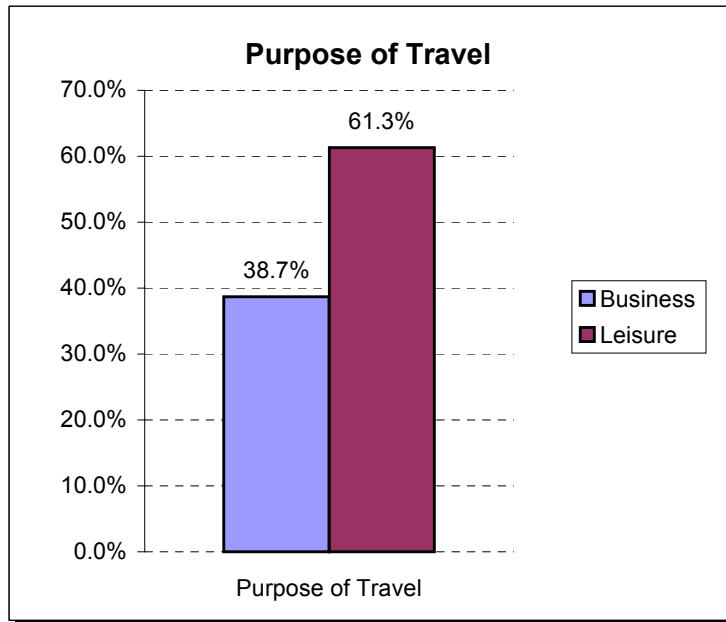
No representations are made as to the completeness or accuracy of information contained herein. Airport facility raw data is available upon request.

Overview

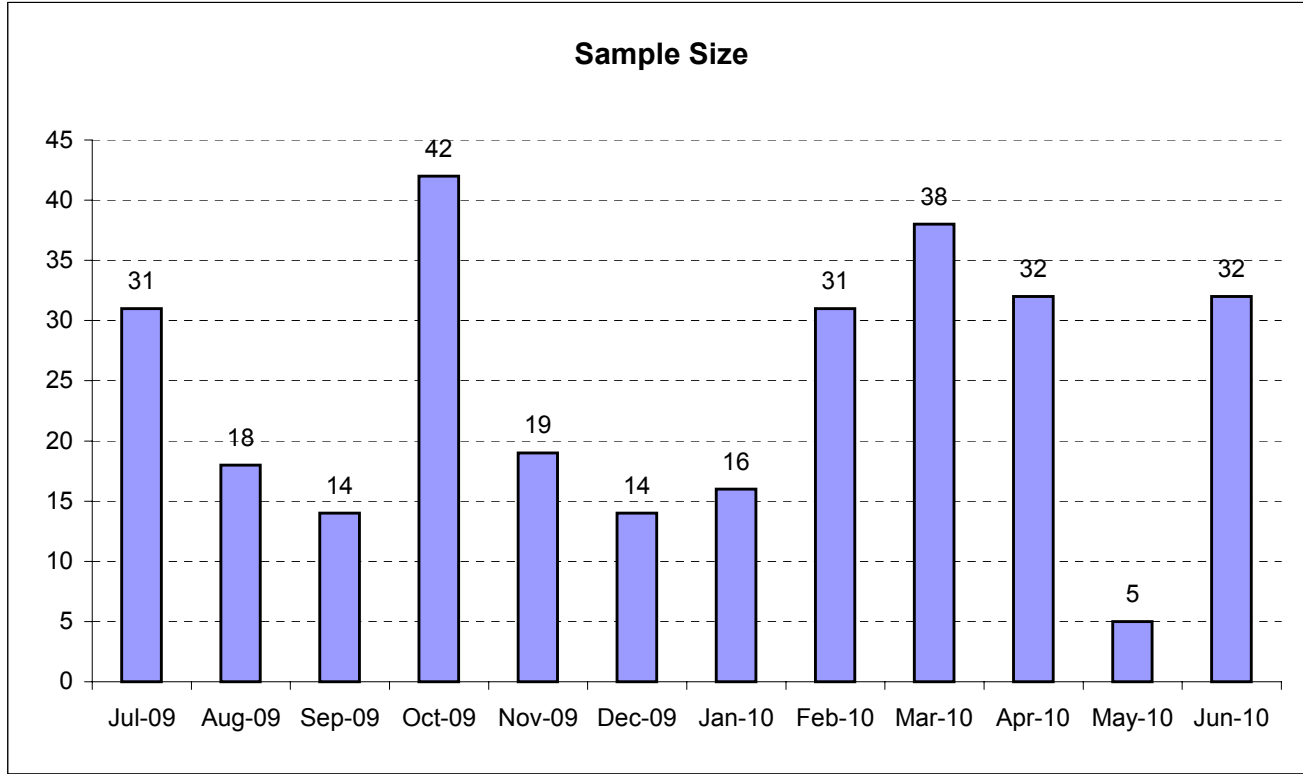
- ***Airportsurvey.com*** is an ongoing, all-inclusive online passenger satisfaction survey program from Canmark Research Center
- Invitations to take the survey are distributed at select airports across the country
- Over 30 airports participate
- Each survey invitation card is single-use, and must reference an actual flight
- Survey distribution occurs approximately three days per month
- Response scale is 1 through 5: Poor, Fair, Good, Very Good, Excellent
- Survey participants have a chance to win round-trip airline tickets
- Response rates vary from 10% to 20% based on location
- Facilities attributes are scored according to check-in airport
- Airports are grouped into three tiers according to DOT originating revenue*

*Updated 3rd Quarter 2009

Passenger Demographics



General Findings



Sample is clustered around airport invitation distribution dates.

Sample reflects passengers intercepted at arrival airports who rated check-in airport.

	AVL	Similar	+/-	Pct
Overall	4.15	4.17	(0.02)	-0.5%
Availability of parking	3.87	4.02	(0.15)	-3.9%
Cost of parking	3.43	3.35	0.08	2.3%
Clear, easy to follow signs	4.02	3.95	0.07	1.7%
Cleanliness	4.25	4.23	0.02	0.5%
Restrooms	4.20	4.10	0.11	2.5%
Concessions / restaurants	2.90	3.45	(0.55)	-18.9%
Transportation to your gate / concourse / terminal	3.84	3.93	(0.09)	-2.3%
Security: Wait time at checkpoint	4.28	4.22	0.06	1.4%
Security: Professionalism of personnel	4.29	4.26	0.02	0.6%
Security: Confidence in airport security procedures	4.04	4.01	0.03	0.8%

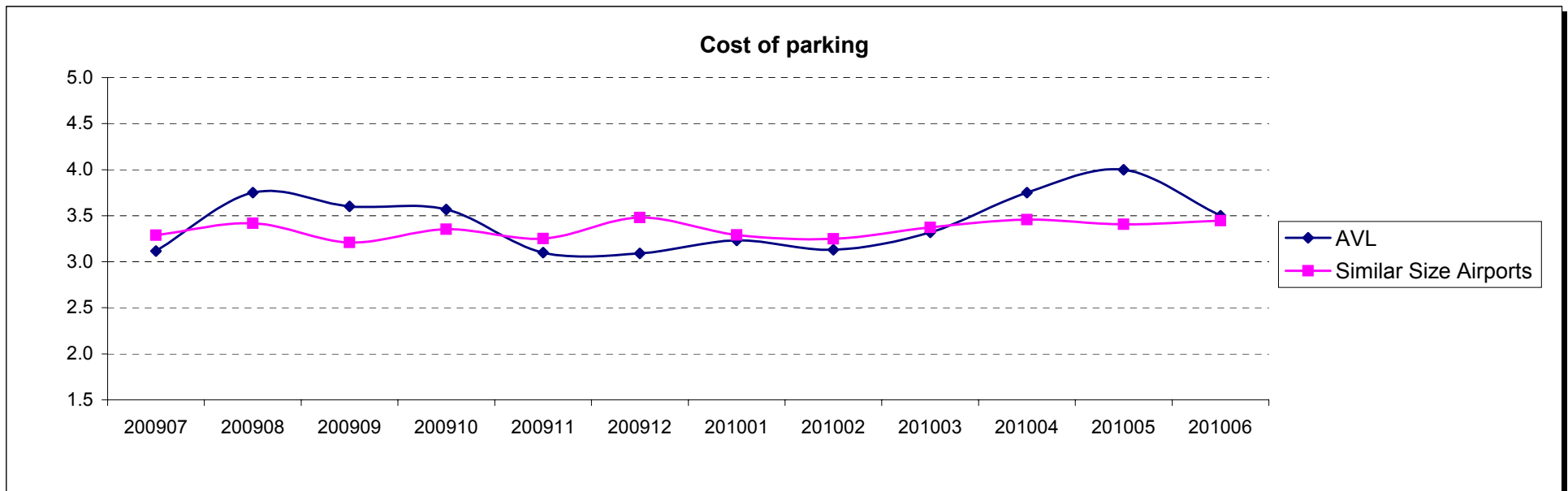
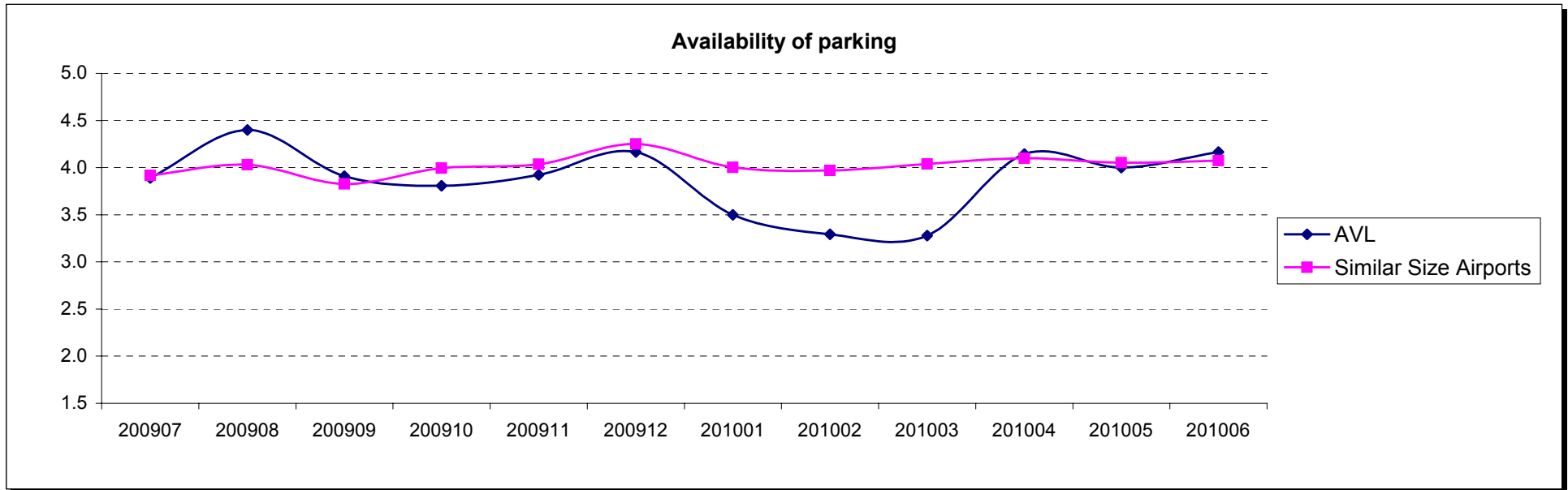
Statistical means testing not performed on results

AVL	
Responses	292

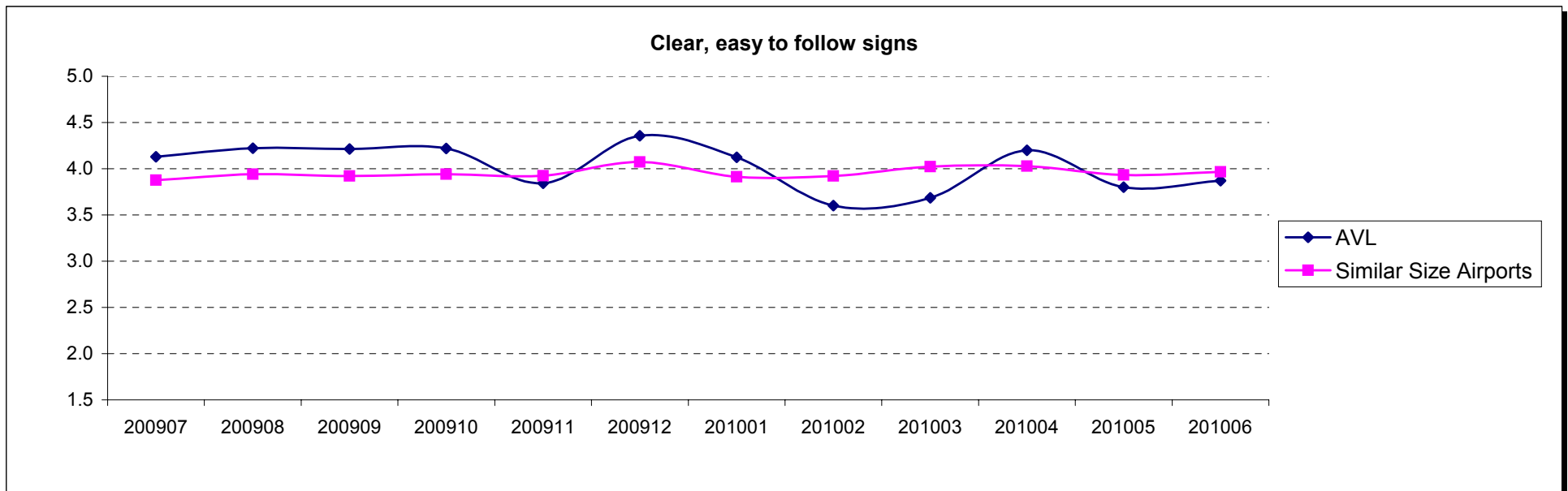
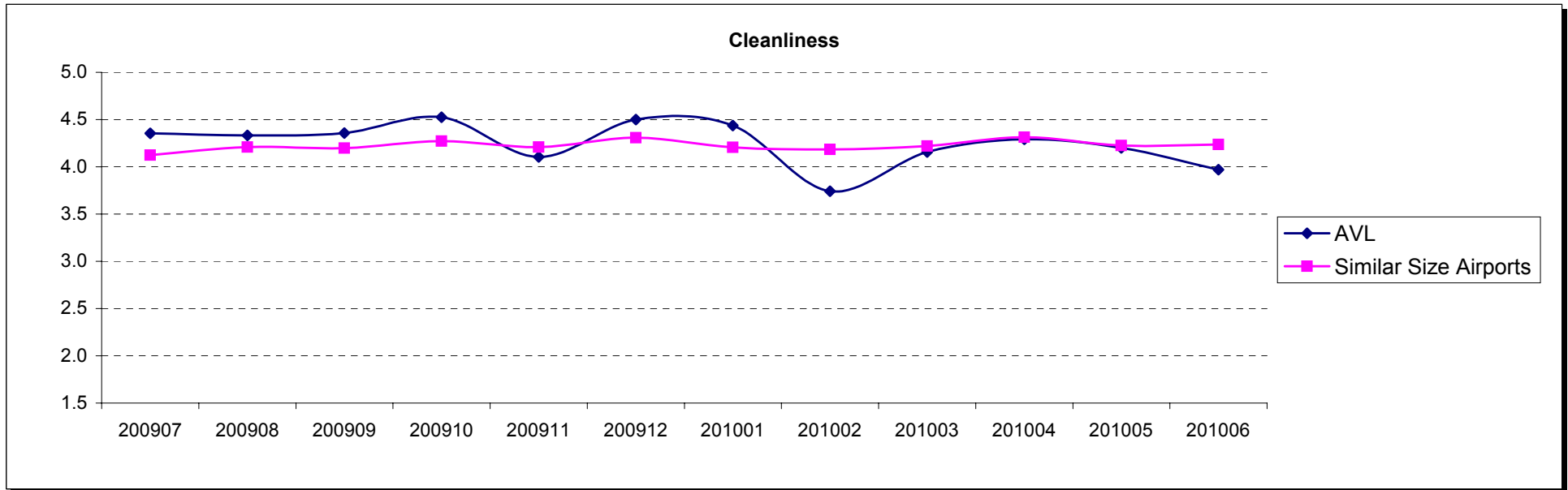
Overall Satisfaction with Airport Facilities



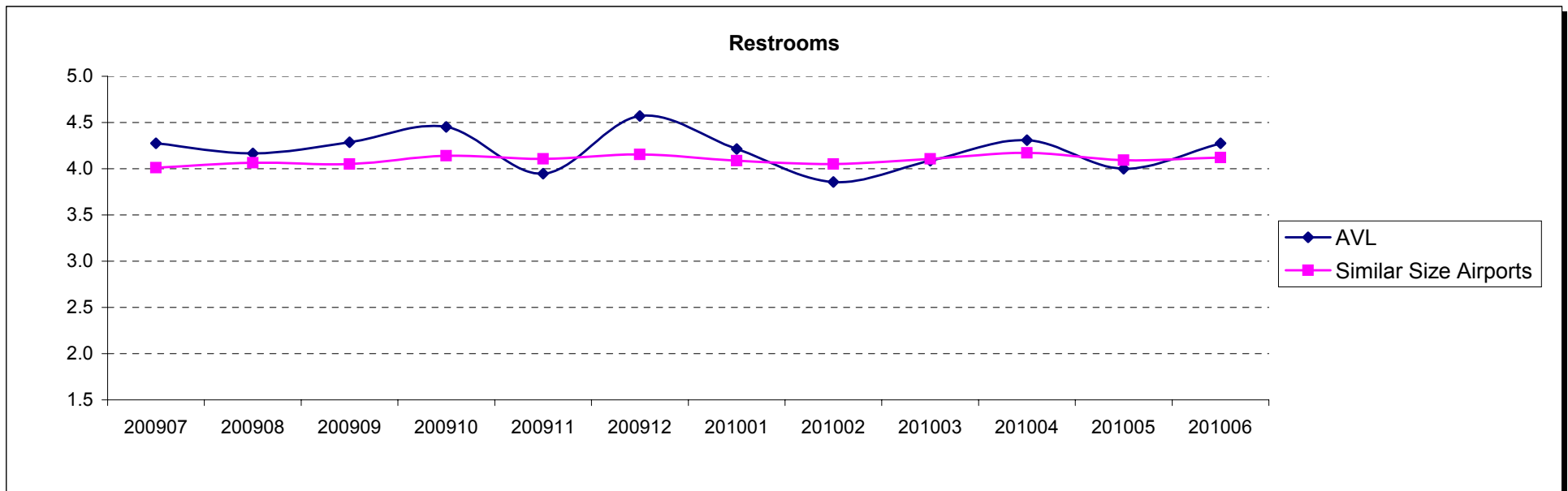
Parking Satisfaction



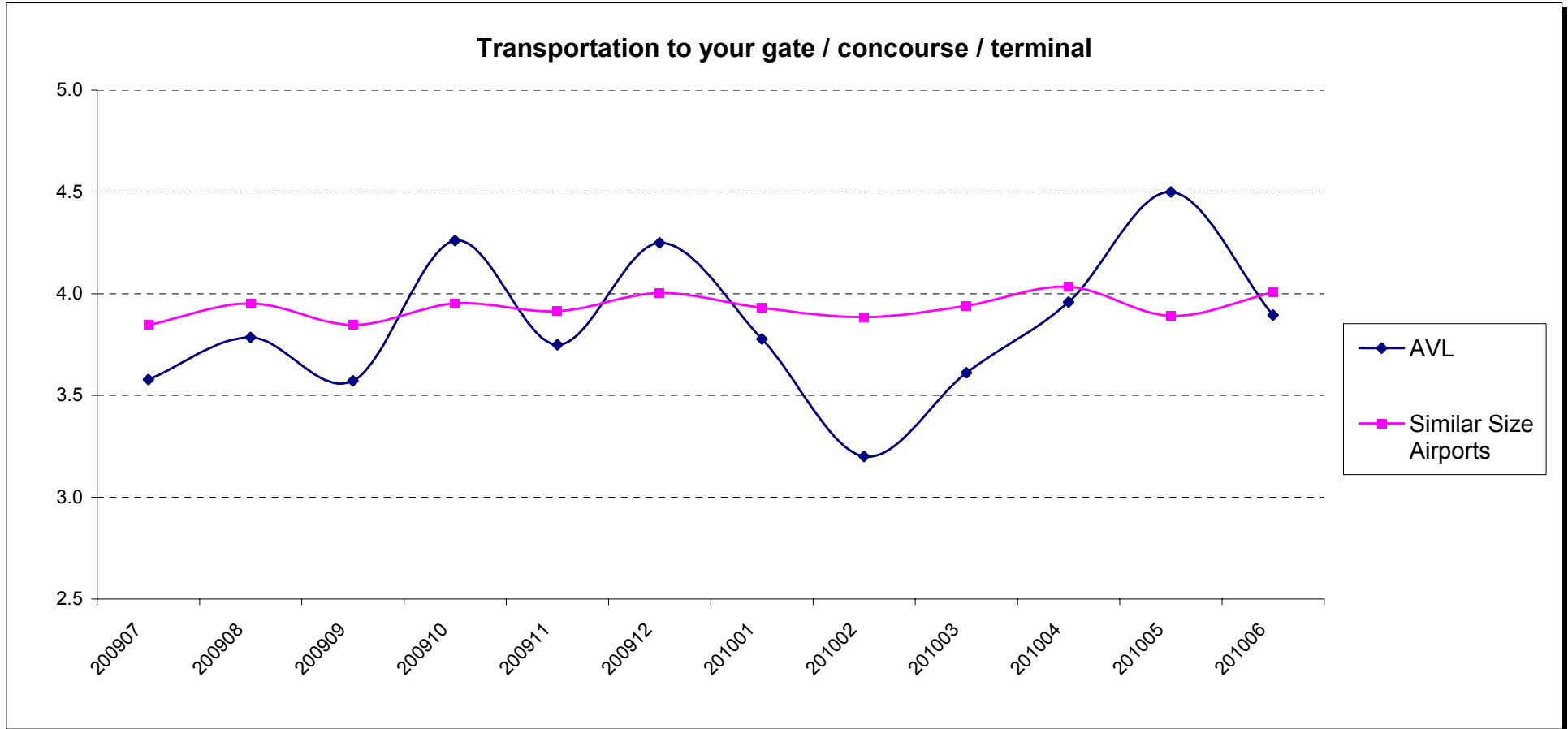
Cleanliness and Signage



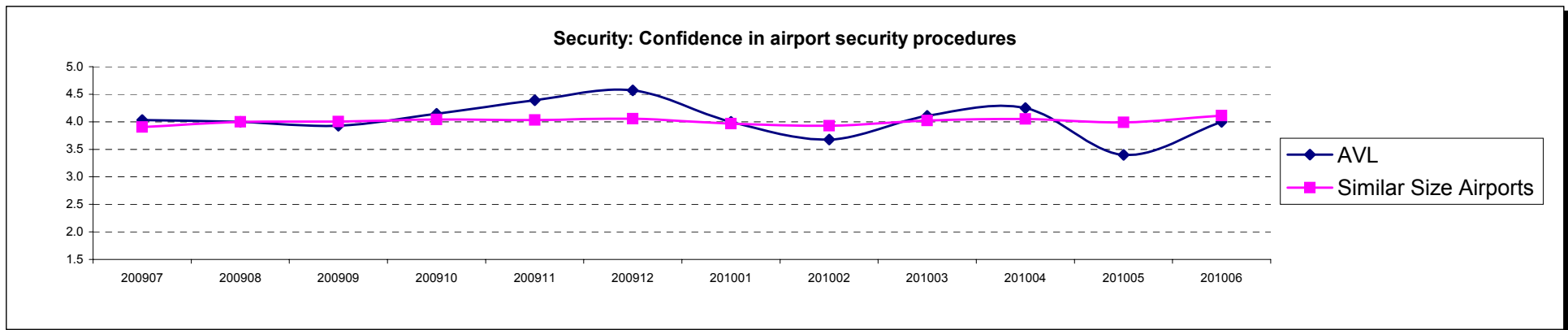
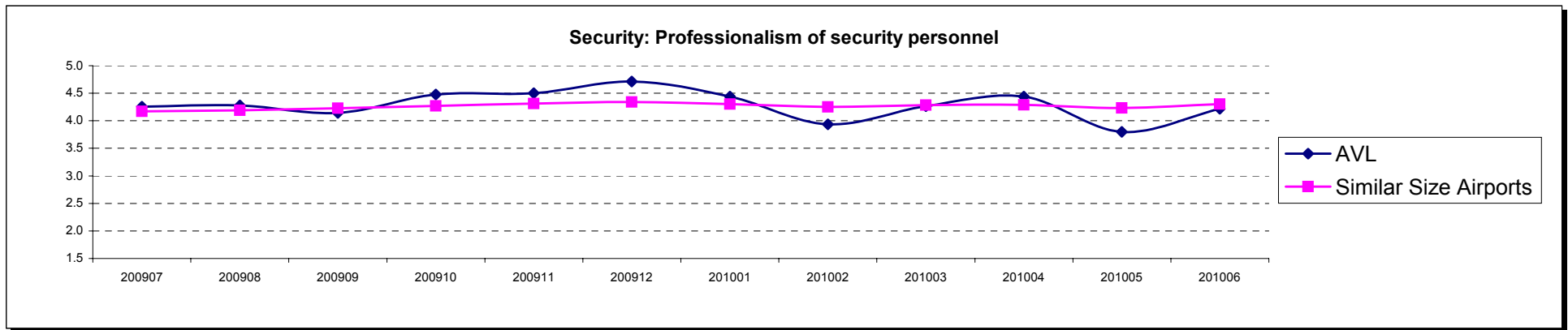
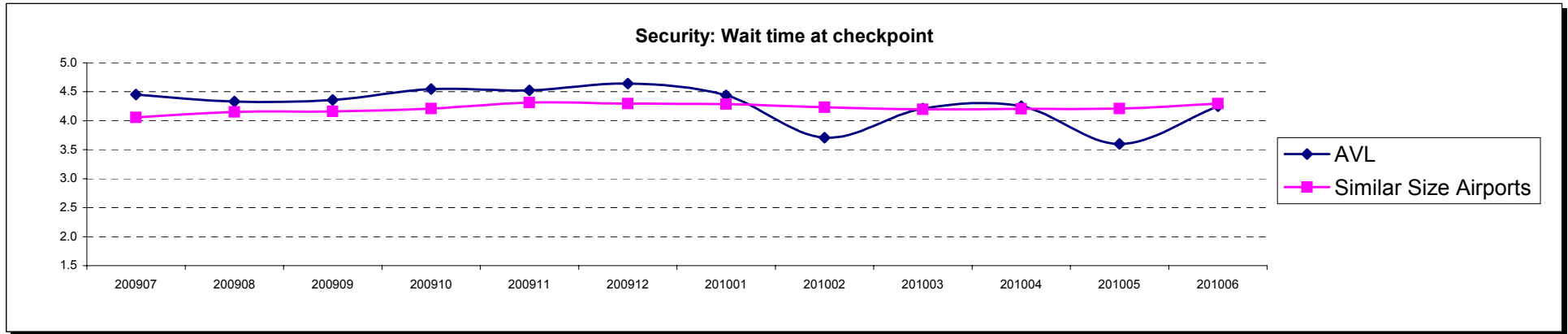
Concessions and Restrooms



Transportation to Departure Gate



Airport Security



Appendix A - Geographic Breakdown of Respondents

AZ	1	RI	1
CA	12	SC	7
CO	3	TN	9
CT	1	TX	6
DC	2	UT	4
FL	28	VA	2
GA	2	WA	1
IA	1	WI	4
IL	6	ASIA	1
IN	1		
LA	1		
MD	1		
MI	6		
MN	2		
MO	2		
MT	1		
NC	158		
NE	1		
NH	1		
NJ	3		
NM	2		
NV	2		
NY	9		
OH	1		
OR	3		
PA	2		

Note: Only includes passengers who indicated state of residence

Appendix B - About Canmark

- Since 1993 Canmark Technologies has combined market research, programming, and technical expertise with thoughtful attention to client needs. Our problem-solving orientation has earned the respect of business clients and market researchers across North America.
- With an experienced staff of technical experts and project managers specializing in various fields of data capture and manipulation, programming and software development, web design and scripting, Canmark is able to leverage superior technology and know-how to support projects of all types and scope in the most cost-effective manner possible.
- Areas of expertise include survey development and delivery, project and data management services, requirements gathering, data sampling, paper and web forms management, custom lasering and printing, distribution logistics, data processing, custom programming for data cleansing, reporting and data analysis, and project consulting.
- We stand ready to meet your data needs, if you have any questions, please do not hesitate to contact us.

Appendix C - Contacts

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1-877-441-2057, ext. 11

