

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
August 8, 2014**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, August 8, 2014 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: Robert C. Roberts, Chair; Douglas J. Tate, Vice-Chair; Jeffrey A. Piccirillo; K. Ray Bailey; Carol W. Peterson; and William L. Moyer

MEMBERS ABSENT: Andrew T. Tate

STAFF AND LEGAL COUNSEL PRESENT: Cindy Rice, Authority Legal Counsel; Lew Bleiweis, Executive Director; Michael Reisman, Deputy Executive Director of Development and Operations; Kevan Smith, Chief of Public Safety; David Nantz, Director of Operations; Suzie Baker, Director of Administration; Tina Kinsey, Director of Marketing and Public Relations; Royce Holden, IT Director; Rita Yanz, Development Coordinator; David King, Guest Services and Sales Supervisor; Ken Smith, Maintenance Technician; Pat Garren, Guest Services Clerk; and Ellen Heywood, Clerk to the Board

ALSO PRESENT: Henry Johnson, WNC Pilots Association; Nancy Marstall, WNC Pilots Association; Garry Hancock, WNC Pilots Association; Tim Anderson, WNC Pilots Association; Richard Feeman, WNC Pilots Association; Gil Carlson, WNC Pilots Association; Nicole Manke, Delta Airport Consultants; Ken Moody, Delta Airport Consultants; Mike Darcangelo, Avcon; James Moose; Avcon

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

The Chair welcomed back Bill Moyer from Henderson County to the Authority Board. Mr. Moyer stated that he was pleased to serve on the Board again.

ELECTION AND SWEARING IN OF OFFICERS: Mr. Douglas Tate stated that on behalf of the Nominating Committee a decision had been made regarding the election of officers. Mr. Tate moved to nominate Mr. Roberts to serve as Chair of the Greater Asheville Regional Airport Authority. Mr. Moyer seconded the motion and it carried unanimously.

Mrs. Peterson moved to elect Mr. Douglas Tate as Vice-Chair of the Greater Asheville Regional Airport Authority. Mr. Bailey seconded the motion and it carried unanimously. Messrs. Roberts and Tate were sworn in as officers by the Clerk to the Board.

SERVICE AWARD PRESENTATIONS:

A. Ken Smith: The Chair recognized Ken Smith with a service recognition award and gift for his 10 years of service with the Authority.

B. Pat Garren: The Chair recognized Pat Garren with a service recognition award and gift for her 10 years of service with the Authority.

PRESENTATIONS:

A. WNC Pilots Association: The Director introduced Nancy Marstall of the Western North Carolina Pilots Association. Mrs. Marstall introduced the members of the WNC Pilots Association that were in attendance at the meeting and gave an overview of the history and membership of the organization as well as the various events the association organizes. Mr. Tim Anderson informed the Board that the WNC Pilots Association exists to support general aviation and presented the association's purpose which included promotion of safety, aviation education, and furthering interest in flying and in aviation. Mr. Garry Hancock gave the Board an overview of the association's educational foundation and the support that is provided to further careers in the aviation field.

B. Wellness Program: Royce Holden outlined the Authority's employee wellness program which included the events and programs that have been offered to employees over the past three years. Ellen Heywood reviewed some cost savings and results that have been attributed to the wellness program.

FINANCIAL REPORT: The Director reviewed the airport activity section of the Financial Report for June which included enplanements, aircraft operations and general aviation activity. The Director stated that if the enplanements continue as they have, the airport will see its highest calendar year enplanements in its history. The Director also reported on the Financial Results for the month of June and noted that the current fund balance was the highest in the history of the airport.

CONSENT ITEMS: The Chair remarked that Consent Item B, Approval of Amendment to the FY 14/15 Budget would be brought before the Board at a later date and this item was to be removed from the agenda.

A. Approval of the Greater Asheville Regional Airport Authority June 6, 2014 Regular Meeting Minutes: Mrs. Peterson moved to approve the Greater Asheville Regional Airport Authority June 6, 2014 Regular Meeting Minutes. Mr. Piccirillo seconded the motion and it carried unanimously.

OLD BUSINESS: None

NEW BUSINESS:

A. Approval of Amended Administration Policies and Procedures: Suzie Baker advised the Board that the Administration Policies and Procedures have been amended to ensure compliance with all federal and state laws, to incorporate title and name changes, and to update various policies. A few of the significant revisions to the policies and procedures were highlighted including the travel policy, e-mail usage policy, and airline incentive policy.

The Director informed the Board that legal counsel has reviewed the policies. The Director further stated that staff is in the process of updating the Human Resources Policies and Procedures.

Mr. Moyer moved to approve the amended and new Administration Policies and Procedures and to authorize the Executive Director to execute the necessary documents. Mrs. Peterson seconded the motion and it carried unanimously.

B. Ratification of the Approval for Property Purchase: The Director reported that 15.33 acres of property in the Ferncliff Industrial Park adjacent to the airport is needed for the Airfield Redevelopment Project. The property has been appraised and the price was determined to be \$88,427.00 per acre for a total of \$1,375,623.00. Negotiations were held with Mr. Vaughan Fitzpatrick, representative of the owners, Brightstar Associates, Inc. and Brite Stars, LLC. Mr. Fitzpatrick counteroffered with \$97,700.00 per acre for a total of \$1,497,741.00. The FAA has approved the counteroffer by Mr. Fitzpatrick, and the Authority agreed upon \$1,497,741 million as the purchase price.

The Director informed the Board that staff had mentioned at a previous Board meeting that the Authority would need to purchase property for this project. Staff had intended to bring the request for the property purchase to the Board for approval at the August meeting. However, construction on the project began the week of June 16th and the contractor needed access to the Ferncliff property. Mr. Fitzpatrick requested a contract be signed before allowing access to the property. The Director executed a sales contract with Mr. Fitzpatrick on June 28th with an intended closing date of July 31, 2014. Once

the sales contract was signed, Mr. Fitzpatrick allowed access to the property and the potential for delays to the project was avoided. The Director further stated that the purchase of the property is a budgeted expenditure in the FY2014 budget and inclusive of the \$64 million total project budget. The closing date was delayed due to title issues and the closing date is scheduled for today.

Mr. Bailey moved to ratify the approval for the property purchase of 15.33 acres with Brightstar Associates, Inc., and Brite Stars, LLC for a total purchase price of \$1,497,741.00 plus closing costs and any other ancillary expenditures necessary for closing; and to authorize the Executive Director to execute the necessary documents. Mr. Moyer seconded the motion and it carried unanimously.

C. Update to Budget Supplemental Fees and Charges: The Director advised the Board that during the budget process this year, staff modified the Supplemental Fees and Charges schedule to eliminate a top set flat rate for any ground transportation provider with more than ten vehicles per company. This severely impacted those companies providing ground transportation services utilizing vehicles with a seating capacity greater than 20 seats. Staff proposes amending the Budget Supplemental Fees and Charges schedule to include a flat fee option of \$4,000.00 for any ground transportation company that owns a large fleet of vehicles inclusive of at least five charter coach type vehicles with a seating capacity greater than 20 seats.

Mr. Douglas Tate moved to approve the amended changes to the FY 2014/2015 Annual Budget Supplemental Fees and Charges Schedule for the inclusion of a flat rate option for large vehicle fleet operators and to authorize the Executive Director to implement the necessary changes. Mrs. Peterson seconded the motion and it carried unanimously.

D. Ratify Approval of Non-Federal Reimbursable Agreement with Department of Transportation, Federal Aviation Administration: Michael Reisman reminded the Board that at the April 26, 2013 Authority Board meeting, the Board approved a preliminary Reimbursable Agreement with the FAA for relocation of their multiple navigational aids (Nav aids) due to the Airfield Redevelopment Project. The FAA then began to plan for a more detailed Reimbursable Agreement for the actual design of the Navaid equipment. The Board approved a second Reimbursable Agreement for the design of the equipment at the June 21, 2013 Board meeting. The Board was notified at that time that at least two more Reimbursable Agreements would be brought to the Board for approval at a later date.

Mr. Reisman informed the Board that the latest Reimbursable Agreement includes the work and expenses associated with the construction and relocation of the Nav aids for the temporary runway. The total cost for this work is \$402,150.16 of which the Authority will

pay its matching fund share. The majority balance will be reimbursed through existing or pending FAA grants. The Authority's share will mostly be paid from the \$12.8 million contained in the FY14/15 budget for this project. The total cost for the three FAA Reimbursable Agreements to date is \$641,832.24. The total budget for the Airfield Redevelopment Project remains at \$64 million.

Mr. Reisman advised the Board that due to critical scheduling issues for the FAA, execution of the Reimbursable Agreement for this work was necessary prior to a regularly scheduled Board meeting. Mr. Reisman requested the Board ratify approval of the Reimbursable Agreement. A Reimbursable Agreement for construction of the Nav aids for the new permanent runway will be brought to the Board at a later date.

Mr. Bailey moved to ratify the approval of the Non-Federal Reimbursable Agreement with the Department of Transportation, Federal Aviation Administration in the amount of \$402,150.16 and to authorize the Executive Director to execute the necessary documents. Mrs. Peterson seconded the motion and it carried unanimously.

The Chair advised the Board Members that New Business Item E was added to the agenda and the Board memo was available at their seats.

E. Approval of the Appointment for Temporary Finance and Deputy Finance Officers: The Director stated that Local Government Commission policy requires an appointment of a Finance Officer and Deputy Finance Officer. With the recent vacancy of the Director of Finance, the Authority is without a Finance Officer and only one individual is currently authorized to sign and approve certain documents. The Director is presently the Authority's Deputy Finance Officer and legal counsel has recommended that the Director be appointed the Temporary Finance Officer for the interim period. Two Temporary Deputy Finance Officers also need to be appointed for redundancy purposes. The Director is requesting the Board appoint Royce Holden and Michael Reisman as Temporary Deputy Finance Officers.

Mrs. Peterson moved to approve the appointment of Lew Bleiweis as the Temporary Finance Officer, approve the appointment of Royce Holden and Mike Reisman as Temporary Deputy Finance Officers, and authorize the Executive Director to execute any necessary documents. Mr. Douglas Tate seconded the motion and it carried unanimously.

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

A. ACI Annual Conference: The ACI Annual Conference will be held in Atlanta from September 7 through 10 and the Director encouraged the Board Members to attend. Mr. Douglas Tate expressed interest in attending the conference.

B. Contingency Transfer: The Director stated that \$13,000 was transferred from Contingency to Small Capital Outlay to cover three small projects due to the State's I26/NC 280 project. The old Exxon sign was removed, it was necessary to install electrical conduit in the roadway, and preliminary design work for landscaping was performed by Delta Airport Consultants. The Authority will be utilizing funds that are being paid to the Authority from the State for this project.

C. Grant Receipt: The Authority received this year's federal grant in the amount of \$8.9 million from the FAA. The City of Asheville and Buncombe County both accepted the grant.

D. Update on Peter Hall Property: The Director stated that Mr. Peter Hall had indicated that he would like to sell his property to the airport. The Authority engaged an appraiser, however the appraiser was never able to make contact with Mr. Hall so the appraisal was cancelled.

E. Movie Filming: A movie about an armored car heist that took place in Charlotte is being filmed at the airport. On August 1st filming was done outside the terminal and on August 14th filming will take place inside the terminal.

F. Update of GARAA Legislation: The Director stated that the state legislators have amended the session law to allow elected officials to serve on the Authority Board. Each appointing body is allowed to appoint one elected official to serve on the Authority Board and that elected official must be a current serving member of that appointing body. The Director further stated that the language in the session law regarding condemnation was amended to state that only the governing body of where the property is located needs to give approval for condemnation. The Director further stated that he is working with Attorney Bob Oast to move the legislation forward, specifically the transfer of airport property to the new Authority. The FAA is in the final approval process of transferring the AG Center property from the City to the State. The FAA is accepting the County's bond contribution of \$8 million as proper payment for the half million the State paid for the AG Center property, so no additional funds will be required of the City to transfer that property.

G. ARFF Station: The ARFF station project is completed and staff has recently moved into the new building. A ribbon-cutting event will be held on August 20th.

H. Asheville Regional Airport Authority: The Director reminded the Board that the airport has been operating with two governing bodies. There have been instances where it has been necessary for the Asheville Regional Airport Authority to meet. There is not a current quorum of that Board due to terms expiring or members rolling off the Board. There are currently three members on the Board with the City having one open seat and the County having two open seats to appoint members. Once those positions are filled, an open at-large position can be appointed by the six members. The Director stated that he would be having conversations with the City and County regarding their appointments.

I. Audit Process: The Director informed the Board that the audit was due to start the following week and the auditor will determine any delays due to the departure of the Finance Director. The Director stated that it would be very optimistic to have the audit ready for Board approval by October, and most likely the audit approval will be delayed until December.

INFORMATION SECTION: No comments

AUTHORITY MEMBERS REPORTS: Mr. Moyer commented that he had attended the Boeing Boeing play at the Flat Rock Playhouse, was pleased with the advertising and promotion of the airport, and thought it was a very effective partnership.

PUBLIC AND TENANTS' COMMENTS: No comments

CALL FOR NEXT MEETING: The Chair stated that the regular meeting on September 19th may not be necessary but requested the Board Members keep their calendars clear for September 19th in the event a meeting is needed. The next regular meeting will be held on October 10th.

CLOSED SESSION: At 10:00 a.m. Mr. Piccirillo moved to go into Closed Session pursuant to Subsections 143-318.11(a)(3), (4) and (6) of the General Statutes of North Carolina to Consult with Legal Counsel in Order to Preserve the Attorney-Client Privilege, to Discuss Matters Relating to the Location and/or Expansion of Industries or Other Businesses in the Area Served by the Authority, Including Agreement on a Tentative List of Economic Development Incentives that may be Offered by the Authority in Negotiations, and to Consider Personnel Matters. Mr. Moyers seconded the motion and it carried unanimously.

Open Session resumed at 10:37 a.m.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY AUGUST 8, 2014

CLOSED SESSION MINUTES: Mr. Piccirillo moved to seal the minutes for the August 8, 2014 Closed Session just completed and to withhold such Closed Session minutes from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Bailey seconded the motion and it carried unanimously.

ADJOURNMENT: Mr. Piccirillo moved to adjourn the meeting at 10:38 a.m. Mr. Bailey seconded the motion and it carried unanimously.

Respectfully submitted,



Ellen Heywood
Clerk to the Board

Approved:



Robert C. Roberts
Chair