

**REGULAR MEETING  
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY  
January 11, 2013**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, January 11, 2013 at 8:30 a.m. in the Conference Room at the Authority's Administrative Offices, Asheville Regional Airport ("Airport"), 61 Terminal Drive, Suite 1, Asheville, NC 28732.

**MEMBERS PRESENT:** David R. Hillier, Chair; Robert C. Roberts, Vice-Chair; Jeffrey A. Piccirillo; Martha W. Thompson; and Andrew T. Tate

**MEMBERS ABSENT:** None

**STAFF AND LEGAL COUNSEL PRESENT:** Cindy Rice, Authority Legal Counsel; Lew Bleiweis, Executive Director; Michael Reisman, Deputy Executive Director of Development and Operations; C. Jeffrey Augram, Chief of Public Safety; David Nantz, Director of Operations and Maintenance; Royce Holden, IT Director; Suzie Baker, Director of Administration; Tina Kinsey, Director of Marketing and Public Relations; and Ellen Heywood, Clerk to the Board

**ALSO PRESENT:** Jeff Kirby, Michael Baker Corporation; Mike Darcangelo, Avcon, Inc.; Nate Otto, RS&H; Pat Cothran; K. Ray Bailey; Chris Cavanaugh

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

**SERVICE AWARD PRESENTATION:** The Chair recognized David Nantz with a service recognition award for his 15 years of service with the Authority.

**FINANCIAL REPORT:** The Director reviewed the airport activity section of the Executive Summary for the month of November. Passenger enplanements for the month totaled 25,220, a decrease of 16.3% over the same period last year. The Director reported that commercial operations for the month totaled 1,369, a decrease of 15.2% over the same period last year, scheduled flights totaled 605, a decrease of 16.3% from last year, and seats totaled 34,174, a decrease of 17.2% over last year. The Director also reported on the financial results for the month stating that operating revenue was \$681,000, which was 0.7% above budget, and operating expenses were \$551,000, which was 15.7% below budget. The cash position, receivables and bonds payable for the month were also reviewed.

**CONSENT ITEMS:** The Chair suggested that Consent Item B, Approval of the Greater Asheville Regional Airport Authority December 14, 2012 Closed Session Minutes be pulled for review at the end of the meeting.

**A. Approval of the Greater Asheville Regional Airport Authority December 14, 2012 Regular Meeting Minutes:**

**C. Authorize Disposal of Surplus Regional Boarding Ramps:**

**D. Authorize Disposal of Surplus Aircraft Rescue Firefighting Apparatus:**

**E. Unsealing of Closed Session Minutes:**

The Chair inquired if staff would consider using an internet auction site for disposal of the surplus firefighting apparatus. The Director responded that staff would be going through that process and have also hired a broker to try to sell the equipment.

Mr. Piccirillo moved to approve Consent Items A, C, D and E. Mr. Tate seconded the motion and it carried unanimously.

**NEW BUSINESS:**

**A. Resolution for Possible Disposition of Real Property by Sale:** The Director reminded the Board that as mentioned at the last Board meeting, the state will be widening Old Fanning Bridge Road to add a shoulder and traffic circle for the Sierra Nevada facility and this will require the acquisition of some of the airport property. In addition to that project, the state will also require airport property for the I26/NC280 interchange project. Staff would like the Board's approval of the Resolution Concerning the Possible Disposition of Real Property by Sale as presented which permits staff to move forward with approval from the FAA for the sale of the property to the state. The Director also informed the Board that in recent conversations with the state, the state has advised staff that a permanent easement may be sufficient for their projects rather than purchasing the property. In either case, staff will need to move forward with negotiations with the state for disposition of the property.

Mr. Roberts questioned if this matter would only require the airport's involvement. The Director responded that the City would also need to be involved whether it was an easement or sale as the property is titled by the City.

The Chair inquired as to the timing of this sale or easement. The Director responded that the state intends to begin the Old Fanning Bridge Road project in February. Staff estimates the state is still in the design phase for the I26/NC280 project, but believes construction will begin in September of this year.

Mr. Piccirillo asked for clarification on the FAA not needing to approve an easement. The Director replied that with an easement the property would stay in the airport's name, is still an asset, and it is just a procedural issue with the FAA that approval is not needed for an easement, just for the sale of property. The airport would prefer the easement and it would be less expensive for the state.

Mr. Roberts questioned where the disposition of the funds would go. The Director responded that any funds would go to the airport if the property was sold fee simple, however, the FAA has the authority to take the money back since grant money was used years ago to purchase the property. The Director further stated that the FAA usually requires the money to go towards capital projects at the airport.

Ms. Thompson moved to approve the disposition of Airport property by either easement or fee simple transfer, the following Resolution Concerning the Possible Disposition of Real Property by Sale, and authorize the Executive Director to execute any necessary documents. Mr. Roberts seconded the motion and it carried unanimously.

#### **RESOLUTION CONCERNING THE POSSIBLE DISPOSITION OF REAL PROPERTY BY SALE**

**WHEREAS**, by an Agreement dated November 29, 1979, and entered into by and between the County of Buncombe and the City of Asheville ("1979 Agreement"), the Asheville Regional Airport Authority ("Airport Authority") was created as a joint agency pursuant to Article 20 of Chapter 160A of the General Statutes of North Carolina;

**WHEREAS**, the County of Buncombe and the City of Asheville entered into a Restated and Amended Airport Authority Agreement dated January 22, 2008 ("2008 Agreement");

**WHEREAS**, Section 4 of the 2008 Agreement provided in part that "the management, development, operation, regulation and maintenance of the Asheville Regional Airport shall be under the direct control and supervision of the Airport Authority";

**WHEREAS**, Section 7 of the 2008 Agreement provided in part that "the City [of Asheville] shall as lessor execute a lease to the Airport Authority as lessee";

**WHEREAS**, in accordance with Section 7 of the 2008 Agreement, the City of Asheville, as lessor, and the Airport Authority, as lessee, entered into a Restated and Amended City-Airport Authority Lease Agreement ("2008 Lease");

**WHEREAS**, Section I of the 2008 Lease provided in part that "City hereby lets and leases to [Airport] Authority and [Airport] Authority hereby accepts as Lessee that certain tract of land together with the buildings and other improvements thereon . . . known as the Asheville Regional Airport";

**WHEREAS**, the (or a) reason for the City of Asheville having the legal title to the Asheville Regional Airport and thereby being the lessor under the 2008 Lease was that Subsection 160A-462(a) of the General Statutes of North Carolina provided in part that the County of Buncombe and the City of Asheville (as participating units of local government) could "confer on the joint agency any power, duty, right, or function needed for the execution of the undertaking, except that legal title to all real property necessary to the undertaking shall be held by the participating units individually, or jointly as tenants in common";

**WHEREAS**, the Greater Asheville Regional Airport Authority ("GARAA") was created by Session Law 2012-121, which was ratified by the General Assembly of North Carolina on June 28, 2012;

**WHEREAS**, the City of Asheville has not yet transferred the title to all real property as required by Session Law 2012-121 to GARAA;

**WHEREAS**, a portion of the real property covered by the 2008 Lease contains approximately one acre ("Tracts of Land"), and it is located on or in the vicinity of Airport Road and Old Fanning Bridge Road and is more particularly described in Exhibit A (which is attached hereto and incorporated herein);

**WHEREAS**, the Airport Authority has been contacted by the State of North Carolina for the purpose of obtaining the Tracts of Land, and GARAA is pursuing this matter further and negotiating a sale;

**WHEREAS**, before proceeding further with its consideration of this matter or the negotiation of a sale, GARAA believes that it should first obtain from the Federal Aviation Administration a release of the Tracts of Land from all prohibitions, restrictions, and limitations thereon;

**THEREFORE, IT IS RESOLVED BY THE GARAA THAT:**

1. It has determined, after careful review and study, that: The Tracts of Land is not currently needed, or being used, for any direct, general, or specific aeronautical or governmental purpose or purposes related to the safe or efficient operation of the Asheville Regional Airport; there is no reasonable or realistic expectation that it will be needed in the future for any such direct, general, or specific aeronautical purpose or purposes; the Tracts of Land is currently held in private (not governmental) use and is surplus property; and the proceeds from its sale would be beneficial and helpful to the GARAA in its development, operation, and maintenance of the Asheville Regional Airport.

2. GARAA hereby respectfully requests that the Federal Aviation Administration, on behalf of itself and the federal government, release the Tracts of Land from any and all federal prohibitions, restrictions, and limitations thereon, so that the Airport Authority or any successor thereof may consider and pursue the possible sale, lease, sale with an option to purchase, or other disposition of the Tract of Land.

**Adopted this 11<sup>th</sup> day of January, 2013**

**THE GREATER ASHEVILLE REGIONAL  
AIRPORT AUTHORITY**

By: \_\_\_\_\_  
David R. Hillier, Chair

**ATTEST:**

\_\_\_\_\_  
Ellen M. Heywood, Clerk To The Board

**DIRECTOR'S REPORT:** The Director remarked that although the agenda did not have any Director's Report items, there were a few items to report.

**A. Introduction to Passenger Loyalty Program:** The Director advised the Board that Tina Kinsey and her staff have been working on implementing a passenger loyalty program at the airport. Staff has determined that a home-grown program would

be too cost prohibitive so a program called Thanks Again will roll out hopefully on April 1<sup>st</sup>. The program is tied to credit card purchases for parking and concessions and the dollars spent are converted into points for passengers to use as airline miles and/or vouchers for concessions or parking. The Thanks Again program is anticipated to cost the Authority \$15,000 per year.

**B. Radio Replacement:** Staff has finalized radio replacements for the airport from analog to digital. The project was originally budgeted for \$200,000 over a three-year period but staff was able to complete the project a year earlier and at a savings of \$38,000 for a total cost of \$162,000.

**C. News Articles:** The Director informed the Board that there were a couple of aviation related news articles at their seats as well as a marketing brochure prepared by Marketing staff. The brochure entitled AVL Today, highlights the airport and demonstrates the economic impact the airport has on the community.

**D. Fiber Cable:** Installation of fiber cable throughout the airport campus has been completed. Seven tenants have signed up to purchase telephone and internet service from the Authority thus enabling the Authority to begin recouping the approximately \$28,000 expense for installation of the cable. Staff planned to use the fiber cable to provide cable television service to the terminal building for passengers. There has been a delay with this due to Charter Cable not wanting to honor their contractual offer. Staff is trying to work this issue out with Charter Communications.

**E. Contingency Spending:** The Director reported that approximately \$3,500 was spent from contingency mainly due to the ARFF station. Since the ARFF project does not yet have an approved budget, expenses for advertising for the bid solicitation along with fees for county planning and city water department reviews were paid from contingency. These expenses are reimbursable under the FAA grant and staff hopes to bring the project to the Board in February for award of the construction contract and approval of the budget for the project.

**INFORMATION SECTION:** No comments

The Chair called for a break at 8:53 a.m. to arrange for interviews of prospective Authority At Large member.

The Board reconvened at 9:00 a.m.

## **AUTHORITY MEMBERS REPORTS:**

### **A. Interviews of Candidates for Authority Board At Large Vacancy:**

Individual interviews of the three candidates for the At Large vacancy were conducted. The Chairman informed each of the candidates that he would be in contact with them regarding the Board's decision. As there were several qualified candidates interviewed and it was an important decision to make, Board Members thought it best to review their notes before a candidate was selected.

**B. AAAE Annual Conference:** The Chair mentioned that he had reviewed the conference schedule distributed at the December Board Meeting, and expressed interest in attending the AAAE Annual Conference in May.

Mr. Roberts also stated he would be interested in attending the AAAE Annual Conference.

Mr. Tate stated that he would defer to the Director's opinion on which conference would be most beneficial and requested a copy of the conference schedule.

**C. Discussion on Meeting w/City and State Officials:** The Chair stated that Representative McGrady has been working to coordinate a meeting among himself, City Council Vice-Mayor, state officials, and the Authority Chair, staff and legal counsel to help clear the way for the Authority to move forward as an independent Authority. The Director advised the Board that he hopes to engage the services of a former FAA employee who is now a consultant, to offer guidance on the best approach with the FAA regarding the Ag Center property.

**D. Review of First Draft of By-Laws:** Cindy Rice distributed a first draft of By-Laws for the Greater Asheville Regional Airport Authority that was prepared by Mr. Buchanan. Ms. Rice informed the Board that a lot of information that was in the old By-Laws is now covered in Session Law 2012-121 and is not necessary in the new By-Laws. Ms. Rice also stated that Mr. Buchanan is happy to receive comments or questions from the Board Members regarding the By-Laws.

The Chair commented that Section 1 (iv) could be worded to read "act in good faith and what each Board Member perceives to be in the best interest of the Authority." The Chair further stated that it may be appropriate to substitute Clerk to the Board for Chair

or Vice-Chair in the second sentence of Section 4, as well as in Section 5. The Chair also suggested that the date in Section 7 should be June 30<sup>th</sup> or until the successors are appointed, whichever comes last. The Chair stated that he would bring these suggestions to Mr. Buchanan's attention.

Ms. Thompson stated that the By-Laws don't indicate how the other six members are appointed. The Chair responded that this information was included in the Session Law. Ms. Thompson was of the opinion that the By-Laws should have a statement to that effect and suggested wording be included that states the other six members are appointed as outlined in the legislation. Ms. Rice agreed to mention this to Mr. Buchanan.

The Chair suggested that the Board Members review the By-Laws and send any comments or questions to Mr. Buchanan.

**PUBLIC AND TENANTS' COMMENTS:** None

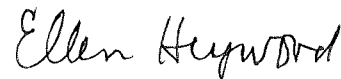
**CALL FOR NEXT MEETING:** The next meeting of the Board will be February 15, 2013.

**APPROVAL OF THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY**

**DECEMBER 14, 2012 CLOSED SESSION MINUTES:** The December 14, 2012 Closed Session minutes were distributed to the Board Members for review. Mr. Piccirillo moved to approve the Greater Asheville Regional Airport Authority December 14, 2012 Closed Session Minutes and to seal and withhold the minutes for such closed session from public inspection so long as public inspection would frustrate its purpose or purposes thereof. Mr. Roberts seconded the motion and it carried unanimously.

**ADJOURNMENT:** Mr. Roberts moved to adjourn the meeting at 10:19 a.m. Ms. Thompson seconded the motion and it carried unanimously.

Respectfully submitted,



Ellen Heywood  
Clerk to the Board

Approved:



David R. Hillier  
Chair