

**CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT
AIRPORT ADVISORY COMMITTEE**

**Minutes from the March 5, 2009 meeting
Piedmont Conference Room
8:00 a.m.**

Present

Dr. Henry Nicholson, Chair
Crystal Jackson, Vice Chair
Todd Fuller
Andrew Riolo
Stan Campbell
Joe Carpenter
Stan Vaughan
Shawn Dorsch
William Taylor
Jeff Hay
Russell McMillan

Staff Present

TJ Orr, Aviation Director
Jennifer Long, Staff Advisor
Erika Helm, Community Outreach Specialist

1. Call to Order

Chair Dr. Henry Nicholson called the meeting to order at 8:00 a.m.

2. Pledge of Allegiance

3. Introduction of New Member

The committee's newest member is Russell McMillan. Russell is appointed by City Council as a Westside resident, replacing Grace Bailey. He is a Jet Captain and Flight Safety Director for Michael Waltrip Racing.

4. Approval of the February 5, 2009 Minutes

The minutes were approved as written.

5. Business Agenda

1. Corporate Aviation Facility Lease

Action: Approve the early termination of hangar and fuel facility leases with Coca Cola Bottling Company Consolidated (CCBCC).

Background:

- On June 9, 2003 Council approved a corporate hangar lease with Coca Cola Bottling Company (CCBCC).
- On April 12, 2004 Council approved an aircraft fueling facility lease with CCBCC.
- On October 1, 2009 both leases expire. CCBCC has three additional terms of five year options to renew. CCBCC has sold three of their 4 airplanes and requests that its lease be terminated as of December 31, 2008. CCBCC would pay \$450,000 in rent between January 1, 2009 and October 1, 2009.
- CCBCC will lease 3,414 square feet of office space and continue to hangar their airplane at a rate of \$6,900 per month, and will purchase fuel from the Airport. The Airport will lease the remaining office and hangar space to other corporate tenants.
- This action maintains CCBCC as a corporate tenant and better positions the Airport to meet the needs of other corporate tenants.

Council Date: March 9, 2009

Riolo: One of the things that I hear often from pilots about not keeping corporate jets at Charlotte Airport is that it is so busy and you have to wait too long to take off or get into the queue. But in fact, there are times during the day that are not peak times where slots are open. Over at the FBO, if you go into the pilot's lounge, there is a plaque on the wall indicating the non-peak times at Charlotte Airport. Maybe we should announce and promote that more, that you can get in and out of Charlotte conveniently if you come during those non-peak times. That could enable us to bring in more tenants.

Orr: We can certainly publicize that and we have been working with the FAA and the airlines, particularly US Airways since they account for most of the traffic here, on RNAV routes, which is something the FAA has had in the works for a long time. It is what they call the "next generation" and it is computer and radar controlled arrival and departure routes. This enables the computer to fly a specific route. We have been doing that since last summer. It worked very well in terms of capacity enhancement. On the downside, it means that every airplane follows the exact same routes. That also means that some people that live in the airport-area are getting every airplane right over their house. It has created that type of problem all over the country. So what we are doing is working on expanding those routes with single tracks to have multiple tracks. With RNAV, you have lots of opportunities to pick your routes, spend a little more time planning, and be able to fly much more fuel efficiently. In many cases, you can pick the runway you want to land on. If you're going to Wilson, you'd rather land on the east side of the Airport.

Riolo: When you say multiple tracks on the RNAV arrivals, are you talking about offsets?

Orr: No, not at all. I am referring to multiple approaches that get you where you would normally get in the queue line.

Fuller: How much did the corporate aviation downturn permit versus just tied to the recession?

Orr: I don't know. Personally, I think corporate aviation will come back because in my mind, corporate aviation makes sense because time is money. But that's not real popular today. For this country to be successful over the long haul, business has to get done.

Fuller: I think it will come back too. If we are going to let Coca-Cola out of the lease early, and if they do decide to come back, they shouldn't be able to go somewhere else for a better deal and then come back. They should come back on a short term.

Orr: That's certainly negotiable. I personally am comfortable in the market place. That means if the economy comes back strong, and corporate aviation comes back strong, then we have unfettered ownership in the facilities here and the market would dictate that the going rate would be higher than it would have been on the backend of a long term lease at early rates.

Jackson: Are there lease termination fees?

Orr: We are not charging them a termination fee.

VOTING:

- Motion for Approval: Carpenter
- Second: Vaughan
- All those in Favor: 11
- Opposed: 0

2. Airport Facility Renovation

Action: A. Reject the low bid from Marand Builders for failure to comply with the Small Business Program Policy, and

B. Reject the second lowest bid from H & H Remodeling for failure to comply with the Small Business Program Policy, and

C. Approve a contract in the amount of \$158,350 with Shelco, Inc. for Phase 3 office renovations of the Maintenance Facility on Wilkinson Boulevard.

Background:

- In September 2008, City Council approved a design contract with C Design to provide detailed plans for renovation of the 35,000 square feet of office and support space on Wilkinson Boulevard.
- This construction project will provide office space for the entire Maintenance Division to permit a portion of the relocation of administrative offices from the terminal to this off-site facility.
- Accept add alternate No.2 for painting of the exposed concrete ceiling in the amount of \$3,250.

Action A Bid Rejection

- Reject the low bid of \$144,247 from Marand Builders for failure to meet the SBE utilization goal and Good Faith Efforts of the Small Business Development Program.
- The goal for the project was 4% for which Marand committed 0%. They achieved only 10 Good Faith Effort Points out of the 175 minimum required.

Action B Bid Rejection

- Reject the low bid of \$149,431 from H & H Remodeling for failure to meet the SBE utilization goal and Good Faith Efforts of the Small Business Development Program.
- The goal for the project was 4% for which H & H committed 2%. They achieved 0 Good Faith Effort Points out of the 175 minimum required.

Small Business Opportunity

Established SBE Goal: 4%

Committed SBE Goal: 1.8%

Shelco failed to meet the SBE goal, but earned the required number of Good Faith Effort Points. They have committed 1.8% (\$2,850) of the base bid amount to the following SBE firm(s): Carolina Demolition and Team Solutions.

Summary of Base Bids

Marand Builders	\$144,247.00
H & H Remodeling	\$149,431.00
Shelco	\$158,350.00
Edison Foard	\$162,500.00
MV Momentum	\$169,653.00
Bradley Construction, Inc.	\$175,949.00
J.G. Coram Company	\$179,000.00
The Whiting Turner	\$179,000.00
Moss-Marlow	\$184,994.00
D.E. Brown Construction	\$186,263.00
Camps	\$194,425.00
HR Construction	\$194,822.00
Ponder	\$198,000.00
Ikes Construction	\$200,000.00
Buchanan	\$200,900.00
Ames Builders	\$208,478.00
R. Black	\$208,900.00
Site Performance	\$216,000.00

A&M Construction
McCall Brother

\$232,074.00
Non-responsive

Council Date: March 23, 2009

Vaughan: Were either of the two lowest bidders SBEs or does that have an effect?

Orr: That doesn't have an effect. The reason for that is because the program requires the bidder to subcontract. So even if you're an SBE, in order to have a level playing field, they would have to do that too. I don't think either one of them are SBEs.

Carpenter: Your estimated on the cost of this, you say it is substantially lower than the budget. Is that because prices are coming down?

Orr: With 20 bidders, it gets very competitive. This is the first time I am aware of that we have had 20 bidders.

VOTING:

- Motion for Approval: Carpenter
- Second: Vaughan
- All those in Favor: 11
- Opposed: 0

3. Welcome Center and Baggage Service Office Renovations

Action: Award the low bid of \$297,062 by Marand Builders to renovate the Welcome Center and surrounding Baggage Service Offices.

Background:

- Effective January 1, 2008, the Airport entered into an agreement with the Charlotte Regional Visitor's Authority (CRVA) to staff, operate and manage the Welcome Center, located in Baggage Claim.
- This contract will provide renovations to the Welcome center, including a larger counter, new technology and office space.
- Located immediately behind the Welcome Center are Baggage Service Offices for Continental Airlines and US Airways. This contract will renovate this area and consolidate it into one large Baggage Service Office for Star Alliance airlines including Continental Airlines, US Airways and United Airlines.

Small Business Opportunity

Established SBE Goal: 5%

Committed SBE Goal: 6%

Summary of Bids

H & H Remodeling	\$248,683.00 (Bidder pulled bid)
Marand Builders	\$297,062.00
D. E. Brown Construction	\$299,980.00
Whiting – Turner	\$355,000.00
M V Momentum	\$362,000.00
J G Coram Co.	\$369,000.00
Shelco Inc.	\$383,495.00
Edison Foard	\$392,780.00
Bowers Group	\$399,500.00
Camps Construction	\$490,385.00

Council Date: March 23, 2009

Carpenter: We have major renovations that are coming up in this same area. Will we have to redo this again in a couple years?

Orr: It won't be a couple years. The soonest would be four or five years and we think it will all be salvageable. With the economy, that timeframe is more likely to be longer than shorter.

VOTING:

- Motion for Approval: Vaughan
- Second: Carpenter
- All those in Favor: 11
- Opposed: 0

4. Security Camera System at Airport Change order # 1

Action: Approve change order #1 with Johnson Controls in the amount of \$368,371 for additional work to the security camera package.

Background:

- In July 2008, City Council approved a contract with Johnson Controls to enhance security at the Airport, Council adopted a resolution on February 25, 2008 accepting a grant in the amount of \$2,050,000 from the Department of Homeland Security's TSA to provide a replacement system. That contract provided the purchase and installation of approximately 300 cameras.
- This change order is for additional work to the overall scope of the project.
- Will add new cameras for US Airways to view the ramp operations.
- Removal of existing TSA cameras and associated cabling.
- Add additional workstations, monitors and cameras which TSA and Airport Operations will share.

Small Business Opportunity

Established SBE Goal: 0%

Committed SBE Goal: 0%

No SBE goal was set for this contract because subcontracting opportunities are not anticipated (Part B: Section 2.4 of the SBO Policy).

Council Date: March 23, 2009

VOTING:

- Motion for Approval: Carpenter
- Second: Jackson
- All those in Favor: 11
- Opposed: 0

FOR INFORMATION ONLY: City Council approved the following actions at the February 23rd City Council Meeting.

1. Sale of Easement at Airport to Piedmont Natural Gas

Action: Approve the granting of an easement to Piedmont Natural Gas Company for \$25,800 to cross City-owned property.

Background:

- The City of Charlotte owns a 3.16 tract of land on the west side of I-485 (tax parcel 141-181-41).

- Piedmont Natural Gas Company wishes to purchase an easement for \$25,800.00 across the eastern side of this parcel to accommodate the installation of a new 12" steel natural gas pipeline.
- The easement will be 50 feet wide and encompass .516 acres, more or less.
- The easement will allow Piedmont Natural Gas to provide additional capacity to the areas south and west of the Airport.

Council Date: February 23, 2009

2. Material Testing Change Order – Old Dowd Road Relocation Project

Action: Approve change order #1 in the amount of \$398,450 with WPC Engineering & Environmental Construction Services for material testing services during construction of the Old Dowd Road Relocation project.

Background:

- On August 27, 2007 City Council approved a contract with WPC Engineering, Inc. in the amount of \$325,000 for material testing for the Old Dowd Road Relocation project.
- WPC Engineering, Inc. was selected through a Request for Qualifications (RFQ) submittal process in which a selection committee reviewed qualification submittals and chose this firm based on specific criteria identified in the RFQ.
- In September, 2008 City Council approved a contract in the amount of \$7,243,723 with Crowder Construction Company for Phase II of the Old Dowd Road project, which constructs two bridges and a new connector road between Old Dowd Road and Wilkinson Boulevard.
- This change order provides funding for material testing at the same rates and provides continuity of testing services for the project.
- Material testing is required to ensure the strength of the concrete and steel structure throughout the construction process, monitor the fill and roadway quality of installation, and to ensure that NCDOT specification requirements are being met throughout construction.

Disadvantaged Business Opportunity

Established DBE Goal: Neutral

Committed DBE Goal: 5 %

This is a professional services contract which requires no goal. WPC Engineering has committed to using a certified DBE equaling 5% of the contract.

Council Date: February 23, 2009

Dorsch: The exit off of I-485 onto West Blvd., do you have a timeframe for that?

Orr: We have what's called a municipal agreement with NCDOT that allows us to pave the four ramps and pay for it and NCDOT promises to pay us back. They are currently graded but not paved. We are redoing the plans for those now with the State. The State prepared those plans and they have to convert them from metric measurements to English measurements and make a few adjustments. That's going to take them about four months. We will get the plans as soon as they are ready, which will be sometime this summer.

Dorsch: When will you start paving on the runway again?

Orr: Next week.

Dorsch: Is that a temperature issue?

Orr: Yes.

Nicholson: What's the day of completion for the runway?

Orr: We will have it open in October of this year. However, the FAA will not have the instrumentation

ready. This means we can operate it VFR.

6. Status Reports

1. Customer Service Initiatives

Long speaks to the committee about some recent customer service initiatives.

Passenger Survey

CLT recently contracted with Phoenix Marketing International (PMI), a marketing research company based in New York, to develop and implement a customized passenger survey. Using a complete random approach, customers are asked to participate in a 10 to 15 minute survey which evaluates their experience in all aspects of their trip including parking, check-in, security, terminal amenities, signage, cleanliness, concessions, baggage claim and more. Beginning July 2008 through June 2009 (FY09), PMI will conduct monthly onsite customer surveys in the Airport gate area, with results presented to Airport Managers twice-yearly. The results for the third and fourth quarters of Calendar Year 2008 (July 2008 – Dec. 2008), were recently presented. The findings show that approximately nine out of ten passengers surveyed (89%) rate their Overall Satisfaction 'highly' at CLT. PMI indicates that this is a very high score for an airport (average airports in the US surveyed by PMI typically fall into the 65% range.) PMI's Travel & Leisure Department specializes in capturing the needs, wants and desires of airport customers by working with airlines, the TSA and many other airports such as Denver, Dallas Fort Worth, La Guardia, Los Angeles, Miami, Minneapolis-St. Paul, Newark, O'Hare, Washington National, San Diego, Tampa and Seattle-Tacoma. The overall result for each category was shared with the committee.

Customer Service Video

The Airport worked with the City's Corporate Communications Department to create a customer service video for all Airport employees, volunteers, tenants and staff to view as part of the Airport Identification Badging process. All individuals working within the Airport complex receive an Airport Identification Badge when hired. Filming took place the week of January 12th. The video, which 7 ½ minutes long, provides an overview about the Airport and its operation including passenger activity, aircraft activity, annual economic impact and more. The video explains how the Airport and its tenants measure customer service. This informs the viewer about the Airport's comment cards, passenger surveys, methods of customer feedback, secret shoppers, etc. The video also offers an introduction of the Airport's "Standards of Service". This outlines for each viewer what is expected of them as representative of the Airport. The purpose of the video is to make all Airport personal aware of its commitment to providing excellent service by exceeding customer expectations. Members watch the video during the meeting.

Riolo: I think this is a great video and would also be good for recurrent training. In looking at the survey results, Terminal Facilities scored the highest at 92%, but the gate area and Retail scored lower. The gate areas could be improved, especially the seating in there. Also, at the end of Concourse B and C, you often run out of seating. In our list of priorities, where do we have that?

Orr: The gate areas are leased to the airlines, so that's under their control. However, that is a problem and does need to change. One of the things that makes the gate areas unattractive is that they are jammed full of people all at once.

Riolo: In a lot of airports they'll have TVs in the gate areas that show the news and weather. Is that something provided by the airline or the airport?

Orr: It's different cases in different places. If it's in the hold room, it's the airline's deal because that's exclusive leased space. In an O&D (Origination and Destination) airport, you never have all of the gates full at one time. But in a hub airport, like Charlotte, all of the gates are full at the same time.

Fuller: I noticed the baggage delivery was the lowest score. I know a couple years ago, a local TV station bad-mouthed the Airport about the amount of time it takes to get luggage from the plane to baggage claim. I can't remember the number, but I think it was around 25 minutes. It was substantially higher than most airports in the country. Do you know if that has improved?

Orr: The baggage wait time varies from airline to airline. The airlines on Concourse A, which have one airplane that comes in at one time, has a shorter wait time because they get the bags on the belt quickly. On the other hand, US Airways, which has 50 to 60 airplanes come in at one time, requires more time to get all of the bags sorted and then on the belt. US Airways has made considerable progress on that, but not quite where we would like them to be.

Fuller: Do you track the average wait times?

Orr: We do not.

Vaughan: Doesn't the longer wait times also have to do with being a hub airport. With a lot of people connecting through Charlotte, their bags take priority so that they get to the next flight.

Orr: That has to do with it and so does sorting through those bags to determine whose bag goes where, whether it's to another airplane or to baggage claim.

Carpenter: In looking at the scores, wonder why leaving the terminal would score lower than getting to the terminal.

Orr: Sometimes, people are not in a really good mood after they have gotten off the airplane.

2. Public Meeting Held

Orr speaks to the committee about a recent Public Meeting held.

The Airport is currently updating its FAR Part 150 Noise Compatibility Program, a federally-funded program that focuses on balancing the Airport's operational needs and its impact on the surrounding community. The purpose of the FAR Part 150 is to produce updated noise contour maps, review existing program measures, make appropriate adjustments and to determine if additional measures are needed for the program. Elements of the program include noise exposure maps, existing contours, future contours, noise compatibility plan, noise abatement measures, noise mitigation measures and land use measures. Two public meetings on the FAR Part 150 Noise Compatibility Program have been held, with a third currently being planned. The first meeting was held on December 16th, with the second meeting held on February 24th, both at Steele Creek Presbyterian Church.

Approximately 55 people and staff attended the first meeting with approximately 80 people in attendance for the second meeting. Both meetings included brief presentations by Aviation Department staff and study consultants. Members of the public were allowed to ask questions and submit written comments.

3. Airport Bonds

Orr speaks to the committee about Airport Bonds.

The Airport has sold and closed on some of its bonds. The Airport is trying to refinance some its bonds and issue some bonds, but have not yet issued new money bonds because the current market. The Airport did sale \$51 million of refunding bonds that got us out of some 1993 bonds, where the interest rates were excessive.

Dorsch: What's the maturity on these?

Orr: These are six year bonds maximum and the average interest rate is 3.40 percent. They are only six year bonds because we are refunding bonds and 2016 was the expiration date and you can't extend the expiration date.

4. Construction Update

Runway

Orr: The runway is a little over halfway paved and we will be starting back next week.

Fuel Farm Expansion

Orr: We have added two new 30,000 barrel fuel storage tanks at the Fuel Farm, and they are just about complete and ready to be in service.

Parking Deck

Orr: The new parking deck is underway and progressing well.

Old Dowd Road Bridge

Orr: We are building two new bridges. One is on Old Dowd Road and the other is just getting started that crosses the railroad track and goes out to Wilkinson Blvd.

Mesa Hangar

Orr: We just opened up a new hangar that is now occupied by Mesa Airlines. They have approximately 70 mechanics that are based here and they have moved in to the new facility. We will be tearing down the old facility very soon.

5. Director's Report

1. 30th Annual North Carolina Airports Association (NCAA) Conference

- This year's conference will be held in Concord, NC
- April 29- May 1
- Embassy Suites Concord Resort & Spa
- Copies of the conference Agenda were provided to each member
- Members were invited to attend the conference

2. Neighborhood Update Published

- This issue provided neighbors with information on an upcoming public meeting regarding the Airport's FAR Part 150 Noise Compatibility Program.
- Neighborhood Update is distributed to residents and businesses in the Airport-area.
- Copies were provided to each member.

Vaughan: The video stated that the runway would open in early 2010, but I believe you mentioned earlier that it would open in October 2009.

Orr: The published date for the opening of the runway is February 2010. That's when it gets into the FAA's system. It won't be available with full instrumentation until sometime in June 2010. As a practical matter, the concrete, lights and everything will be ready in October 2009. That means we can open that runway for VFR conditions sometime in October.

Meeting adjourned at 9:00 a.m.



T. J. Orr, Aviation Director

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