

**CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT  
AIRPORT ADVISORY COMMITTEE**

**Minutes from the April 1, 2010 meeting  
Piedmont Conference Room  
8:00 a.m.**

**Present**

Stan Vaughan, Chair  
Drew Riolo, Vice Chair  
Joe Carpenter  
William Taylor  
Russell McMillan  
Colvin Edwards  
Todd Fuller  
Shawn Dorsch  
Ed McMahan  
Jeff Hay  
Crystal Jackson

**Staff Present**

TJ Orr, Aviation Director  
Jennifer Long, Customer Relations Specialist  
Erika Helm, Community Outreach Specialist

**1. Call to Order**

Chair Stan Vaughan called the meeting to order at 8:00 a.m.

**2. Pledge of Allegiance**

**3. Approval of the March 4, 2010 Minutes**

The minutes were approved as written.

**4. Business Agenda**

**1. Airport Sewer Line Extension**

**Action: A. Reject the low bid from Landsdown Earth & Pipe as non-responsive; and  
B. Approve a contract with Scurry Construction in the amount of \$284,607.90  
for the installation of a sewer line.**

**Background:**

- In June 2009, City Council approved a land exchange between the Airport and DavidLand, LLC, which allowed DavidLand to move forward with an industrial development at the corner of Steele Creek Road and Byrum Drive.
- As part of that development, DavidLand would construct a sewer line extension from the property to an existing sewer line that connects to the Coffey Creek outfall, but not until a tenant is secured for the building.
- The Airport intends to connect to this new line with the sewer line currently under construction that will serve the new Air National Guard fire station on the airfield.
- Since the Airport will need to have sewer service for the fire station prior to DavidLand securing a tenant for their building, the Airport will install the sewer line extension for DavidLand.
- DavidLand will pay half the cost of installation at the time their building taps into the line.
- This contract will install the line as designed by DavidLand's engineer.

- This project included a 12% DBE Goal. Landsdown Earth & Pipe did not meet the goal, having no participation at the time of the bid nor did they perform adequate good faith efforts to obtain DBE participation, therefore, their bid was deemed non-responsive.

### **Contract Terms**

- The contract duration is 60 calendar days.
- The contract was bid on a unit-cost basis.

### **Disadvantaged Business Opportunity**

Established DBE Goal: 12%

Committed DBE Goal: 6.6%

Scurry Construction did not meet the goal, but did meet the Good Faith Efforts necessary to comply with the program. Scurry has committed to using D's Trucking Service (Hauling) and Herndon, Inc. (Seeding).

### **Summary of Bids**

Landsdown Earth & Pipe	\$221,981.00
Scurry Construction	\$284,607.90
Advanced Development Concepts	\$296,779.56
BRS, Inc.	\$373,449.75
Blythe Development	\$386,250.00
Siteworks, Inc.	\$389,464.07
State Utility Contractors	\$404,213.00
RF Shinn Contractors	\$427,762.00
Sanders Utility Construction	\$447,046.43
LeChase Construction Services	\$454,000.00

### **Council Date: April 12, 2010**

Vaughan: Let's take two motions. The first, to reject the bid with Landsdown.

Motion: Carpenter

Second: Taylor

Vote: 11-0

Vaughan: Now let's vote on approval of the contract with Scurry.

Motion: Carpenter

Second: McMahan

Vote: 11-0

Riolo: Can you explain the 4<sup>th</sup> bullet?

Orr: We are building the fire station, funded by the North Carolina Air National Guard, up in the middle of the airfield. There is a long roadway across the Intermodal site to get to it. In a previous contract, we put the sewer line in to get from the fire station south to West Blvd. It is about a mile and a half. DavidLand is a company that we traded some land with. They have built a freight building at the corner of West Blvd. and Steele Creek Rd. They do not have a tenant yet. They have an obligation under our land swap agreement to build a sewer line that goes down by the creek to hook into the existing sewer outfall behind Steele Creek Presbyterian Church. They don't have a need to build that sewer line until they get a tenant in their building. We need it now. We've agreed that we'll go ahead and build it and they will pay their share of it to us. It's a good deal for us.

## 2. Airport Advertising Agreement with Bank of America

**Action: Approve a month-to-month extension of Bank of America's advertising agreement in the amount of \$35,416.67 per month.**

**Background:**

- In 2004, Council approved an agreement with Bank of America for naming rights and other advertising associated with the Airport's proposed Business Center for an annual fee of \$425,000.
- In 2005, Council approved construction of the Business Center and also approved changing the term of the agreement with Bank of America from two years to three years with two one-year extensions.
- The agreement now expires April 30, 2010.
- The Airport has received proposals for new merchandise concessions throughout the terminal, including in some or all of the space currently occupied by the Business Center.
- The Airport must coordinate decisions about the space available for the Business Center with any new agreements for advertising rights associated with it.
- The Airport therefore requests to extend Bank of America's current agreement on a month-to-month basis for a pro-rated monthly payment of \$35,416.67.

**Contract Terms**

- Month to month agreement.
- Bank of America pays City \$35,416.67 per month.
- Bank of America has naming rights for the Business Center and other advertising in the Airport.

**Council Date: April 12, 2010**

Edwards: Is there anyone else challenging Bank of America for this?

Orr: First Citizens operates the bank in the terminal building. We have other ATMs in the terminal with Wachovia and BB&T.

Edwards: But no one else is challenging this agreement?

Orr: No.

Motion: Edwards

Second: Carpenter

Vote: 11-0

## 3. Automatic Baggage Screening System Design

**Action: A. Approve a contract with BNP Associates, Inc in the amount of \$880,000 for baggage handling design services.**

**B. Adopt a Budget Ordinance in the amount of \$880,000 from Airport Discretionary funds to be repaid with a future Transportation Administration (TSA) grant, and future General Airport Revenue Bond proceeds.**

**Background:**

- In October 2008, City Council approved a contract with BNP Associates to do a feasibility study for how inline system might be organized within the existing building.
- An in-line system is a very expensive and automated way for TSA to perform their required security tasks with more quickly and with less staffing.

- In March 2009, the Airport filed a request with TSA for approval of the system and 90% of the funding required for its construction.
- In July, the TSA offered a grant of \$37,500,000 to construct the system.
- After further discussions the TSA revised their grant offer to \$45,431,845
- This contract will provide complete design and bidding documents for the system.
- Additional fees for architectural and electrical services will be required as soon as a scope of services can be defined.
- After the project is bid and TSA agrees to pay 90% of the total cost, Council will be asked to award a construction contract. If the project does not proceed, 90% of this contract will be reimbursable by the TSA. The Airport's 10% share of the costs will be funded with future General Airport Revenue Bond proceeds, the debt service of which is paid through airline rates and charges.
- BNP is the consultant that has designed all of the Airport's baggage systems and is approved by TSA.

### **Contract Terms**

- This contract was negotiated on a lump sum basis.

### **Council Date: April 12, 2010**

Fuller: What is given up when going from \$90 million to \$50 million?

Orr: What I would consider as "bells and whistles" and conveyors that would carry the bags out and deliver them to a new proposed bag room on Concourse E. That was a major piece. The rest is mostly "bells and whistles" that are not really needed.

Fuller: So nothing that would affect security?

Orr: No, this is a fully functional system.

Edwards: Does this tie into the changes and modifications for Concourse E?

Orr: Some money is for changes to the conveyors that go to the international arrival area on D and the conveyors that service the E gates. It is tied together so that the current conveyor work we are doing for the terminal counter realignment is about 90 percent salvageable when we go to this system.

Riolo: So this new in-line system does both? It is a security system for checked bags and it also helps with sorting?

Orr: No, it is just to screen the checked baggage. We already have a sort system. The sort system will change, if and when we put this system in. Right now, US Airways bags are checked at their counter and then from screening, they go into their sort system. The other carriers go to two other screening areas and then from there into their individual sort systems. If we go to this system, then all the bags from the curbside and ticket counters go into one screening system. From there, they are sorted into US Airways systems and the other airlines' systems. It is complex.

Motion: McMahan

Second: Dorsch

Vote: 11-0

## **4. Pre-Conditioned Air Units for International Concourse**

**Action: A. Award a contract to FCX Systems in the amount of \$574,038 for the purchase and delivery of six (6) Pre-Conditioned Air Units.**

**B. Award a contract to Starr Electric Company, Inc. in the amount of \$63,300 for the electrical infrastructure upgrades to accept the six new Pre-Conditioned Air Units.**

**C. Adopt a Budget Ordinance in the amount of \$637,338 from Airport Discretionary funds to be repaid with future General Airport Revenue Bond proceeds.**

**Background:**

- Preconditioned Air Units (PCA) are electrically powered air conditioning units that are attached to the passenger loading bridge and provide cooling to the aircraft without operating the aircraft's on-board jet-fueled engine.
- New and expanded International service with larger aircraft requires replacing 6 of the existing 30-ton and 60-ton PCA units on the International Concourse with 90-ton units. The existing units will be relocated to other gates.
- Using these PCA units on an Airbus A330 saves 616,420 gallons of jet fuel and eliminates 6,602 tons of CO2 annually.
- This contract will be funded with future General Airport Revenue Bond proceeds, the debt service of which is paid through airline rates and charges.

**Contract Terms**

- The contract with FCX Systems was bid on a unit cost basis.
- The contract with Starr Electric was bid on a lump sum basis.

**Small Business Opportunity**

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

**Summary of Bids**

Pre-Conditioned Air Units:

FCX Systems, Inc.	\$574,038.00
Trilectron Industries	\$834,243.00
JBT AeroTech, Jetway Systems	\$882,355.00

Electrical Infrastructure Upgrade:

Starr Electric Company, Inc.	\$63,300.00
Howard Brothers Electric	\$69,950.00
Vector electric Company	\$86,500.00
A & W Electric, Inc.	\$96,600.00

**Council Date: April 12, 2010**

Fuller: How do we compare with other airports in terms of offering these PCAs?

Orr: Most large airports have this system and most small airports do not. So it's a huge plus for the airlines. The cost return is driven by how many flights a day.

McMahan: Do the airlines reimburse us?

Orr: Yes, they will reimburse us by paying the debt service on the bonds we sell. The airlines pay for the power to run them.

Fuller: Do they come with a warranty?

Orr: Yes, they do and my staff maintains them. That cost goes back to the airlines.

Carpenter: This is two separate contracts, one for the electrical work and one for the units?

Orr: Yes.

Taylor: When would these be installed?

Orr: It is a four week delivery and then we would have them in two to three weeks after that.

Motion: Carpenter  
 Second: Fuller  
 Vote: 11-0

## 5. Concourse E Expansion

**Action**      **Approve a contract with the lowest responsive bidder for the construction of Concourse E Expansion**

### Background:

- On February 22, 2010, City Council approved a design contract with LS3P and Associates LTD., for the design of E-Concourse Expansion.
- This contract will allow for construction of an additional 120 foot expansion for two additional gates.

### Disadvantaged Business Opportunity

Established DBE Goal: 9%  
 Committed DBE Goal: TBD

### Summary of Bids

Bids will be received on April 8, 2010

### Estimated Budget

\$3,000,000

**Council Date: April 26, 2010**

Edwards: What did we approve last time? Was that for the design?

Orr: Yes.

Carpenter: Is that the two gates you've mentioned in the newsletter?

Orr: Yes.

Carpenter: The other addition you are planning, how many more gates will that be?

Orr: It depends on what size airplanes they are. We originally planned this entire concourse as a 50-gate concourse based on the small Embraer jet, which was a 34-passenger plane. Now, they are operating 90-passenger CRJs, which are a lot larger. It will be about an 11 or 12 gate expansion. In addition to that, we will make a portion two story with a remote bag room for Concourse E on the lower level. We have the capability to make the two end gates international capable. That means you could park two A330s on the end and have an auxiliary international arrivals area downstairs.

Edwards: How would they be processed through Customs?

Orr: There would be a separate Customs area for them on the lower level.

Fuller: When do you want to get started?

Orr: We'd like to get started immediately and get it open in six months. US Airways has already added six more flights, so those airplanes are already parking there.

McMahan: What's the schedule for the front parking deck?

Orr: We are finalizing the schematic design and working with the rental cars. Once we complete the design we will bid it and sometime in the fall we will start construction on the back half of the deck. When we get that constructed, we will tear down the two existing decks. It is about 18 months out before we tear these down.

Vaughan: What will this construction do to the tower?

Orr: The tower is too short, too small and totally obsolete and inadequate for its purpose. But it is the FAA's responsibility to build towers and they don't have one in their queue for the next 30 years. We are pressing our congressional representatives to build a new tower for Charlotte.

Dorsch: How's the intermodal facility coming?

Orr: We will finish our part of the grading as soon as the mud dries out a little. The deal with Norfolk Southern is pretty much done. They are seeking some additional stimulus money. We will shortly be ready to go to Council to approve the lease. The FAA has approved the lease.

Dorsch: I see you are putting up trees around the new runway. Does it go the entire way around?

Orr: Yes.

Dorsch: What's going on with the bridge over the railroad tracks to Wilkinson? When will it be paved?

Orr: We are working with NCDOT on that. The bridge has been ready to open for about six months. NCDOT has decided that we have to add a turn lane on Wilkinson Blvd. before we can open the road. So there is design on that and then NCDOT has to approve it. They have yet to approve the plans on the West Blvd. extension.

Carpenter: From the Intermodal yard, I imagine there will be a lot of truck traffic.

Orr: Five hundred trucks a day.

Carpenter: How will they access the interstate?

Orr: They will go out the south end onto the new West Blvd. and then immediately to the new interchange at Garrison Rd. That's where the four ramps are graded, but not paved. The State is going to pave those this summer.

Dorsch: How's the Business Valet deck doing?

Orr: It needs more business, but it is growing and works fine.

Riolo: I think the Business Valet traffic will pick-up when construction begins on the Hourly deck.

Motion: McMahan

Second: Taylor

Vote: 11-0

## **5. Status Reports**

### **1. Major Development Projects**

Orr explains to the committee information on CLT's major development projects.

- Intermodal Facility: We plan to take the Intermodal that is downtown and under capacity and relocate it to the Airport. We have just about finished our part of the grading. After we approve the lease, which will be shortly, Norfolk Southern will come in and spend about \$90 million finishing the grading, paving, putting down the tracks and building a few buildings.
- Ticket Counter and Checkpoint Modifications: Delta and Northwest ticket counters have been combined. United and Continental ticket counters are relocating adjacent to US Airways, placing all Star Alliance members together. We will double the size of the 'A' and 'B' checkpoints. This will allow for TSA's new screener machines, which require three additional people to operate and they are about 25 percent slower. Therefore we will need this extra room at the checkpoint just to maintain the amount of lanes we currently have.
- East Terminal Expansion/'E' Checkpoint: We are in design right now for this project. This will expand the terminal out to Concourse E. It will allow for some extra ticket counters and a fifth checkpoint.
- Air Rescue and Fire Fighting Station: This is funded by the North Carolina Air National Guard and is currently under construction. We hope to have it open in July.
- Runway 18C/36C Rehabilitation: We will be taking out concrete down the middle of the runway and repave it.
- Terminal Roadway and Lobby Expansion: Once the new hourly parking deck is complete, we will rebuild the roadway system, which has twice as many lanes, and is set further back from

the terminal. This will allow us to add 90 feet to the front of the terminal building which increases the baggage claim area, as well as the ticketing area.

Vaughan: What is your estimation for the total cost on all of this?

Orr: Probably about \$500 million.

## 2. Taxi Operation

Orr: We talked to you about a year ago about our taxi operation. We have 12 companies at the Airport that serve the Airport under contract. Therefore, hardly any of our cabs look alike. There is a huge range in the quality of vehicles and the age of the vehicles. We want to raise the standard of the taxi service here at the Airport. There are about 600 taxi drivers in the City of Charlotte. There are 144 that are licensed to serve the Airport. We want to require newer model vehicles with GPS dispatch and navigation in the vehicle. We would like GPS fare calculation. We want the drivers to be uniformed and speak English. We want credit card accessibility from the backseat so that it is totally controlled by the customer. We do not want customers handing their card to the driver and then the driver reading the card number out over the radio for processing. Under the City Code, the Aviation Director can set the rules and regulations for ground transportation services. So we are in the process of rewriting our rules and regulations and raising the standards. Once complete, the cab companies can submit their proposals to us on how they will meet that standard. We will then select somewhere between one and three companies and execute contracts with them to serve the Airport. We do not intend to have 12 separate contracts which is impossible to administer. In 1989, we had what was called an open agreement where we would enter into an operating agreement with any company that wanted to serve the Airport, but limit the number of permits. Then the City started regulating when they adopted a Passenger for Hire Ordinance in 2000. In 1989, we had four companies with 60 permits here at the Airport. By 1996 we had nine companies with 96 permits. In 2004 we had 12 companies with 130 permits. Today we have 12 companies with 144 permits. What has happened is some company owners will establish additional companies to get more permits. The company owner then sells that permit to an independent operator for more than we charge the owner. They will sell it twice and tell a driver he can pick-up on certain days and then sell the permit to someone else to serve on the other days. In our new rules and regulations, we will limit the amount of money the owner can charge an operator for the permit. There will be a lot of standardization required to get a new contract.

Edwards: Is there anything on the taxi to tell you if they are authorized?

Orr: Yes, there is a sticker.

Carpenter: If a taxi in Gastonia wants to deliver someone to the Airport, can they?

Orr: Yes, they can deliver. They can pick-up, but must pay a fee to do so.

Dorsch: I use these cabs a lot and find many issues with them.

Orr: The number one thing the taxi operators complain about are the black cars. The reason people use their service over the taxis is because they look nice, the driver is uniformed and provides good service. We want that same service for the taxis.

## 3. Medical Center

Orr: The Medical Center located just down the hall is near completion and should open by the end of the month.

## 5. Director's Report

### 1. Airport Rankings

- ACI released their preliminary rankings for CY2009.
  - CLTs National Rankings
    - 8<sup>th</sup> in Operations/Movements (8<sup>th</sup> in 2008)
    - 11<sup>th</sup> in Passengers (14<sup>th</sup> in 2008)



- CLTs Worldwide Rankings
  - 9<sup>th</sup> in Operations/Movements (9<sup>th</sup> in 2008)
  - 24<sup>th</sup> in Passengers (26<sup>th</sup> in 2008)
- 2. US Airways to Resume Non-stop Service to Baton Rouge, LA
  - US Airways announced on March 24<sup>th</sup> that it will resume nonstop service between CLT and Baton Rouge, LA, beginning June 24<sup>th</sup>, after a seven year hiatus.
  - Three daily flights will be operated by wholly owned US Airways Express carrier PSA Airlines using 50-seat CRJ-200 regional jets.
- 3. American Airlines Adding CLT-LGA Service
  - This summer, American Airlines will add five daily flights between Charlotte and La Guardia Airport.
  - The flights will be on American Eagle Bombardier CRJ-700 airplanes.
  - American says the additional flights are part of an expansion in the New York, Dallas/Fort Worth, Chicago, Miami and Los Angeles markets. These markets represent top U.S. commercial centers and are significant international gateways, which provide the best connections to American's global network.
- 4. Connections Published
  - Copies in members' books.

**Meeting adjourned at 9:00 a.m.**



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T. J. Orr, Aviation Director

**Distribution:**

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