

**CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT  
AIRPORT ADVISORY COMMITTEE**

**Minutes from the June 3, 2010 meeting  
Piedmont Conference Room  
8:00 a.m.**

**Present**

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

**Staff Present**

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

**Guest Speaker**

Haley Gentry, Airport Public Affairs Manager

**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 May 6, 2010 Minutes**

The minutes were approved as written.

**4. Business Agenda**

**1. Airport Bus Purchase and Grant Acceptance**

- Action:**
- A. Adopt a resolution accepting the Triangle J Council of Governments Grant in the amount of \$1,000,000 for the purchase of five DesignLine Turbine/Electric hybrid buses.**
  - B. Approve the purchase of turbine/electric hybrid buses, as authorized by the sole source purchasing exemption of G.S. 143-129(e)(6), and**
  - C. Approve a contract with DesignLine International Holdings, LLC for the purchase of five turbine/electric hybrid buses in the amount of \$535,000.00 each, and**
  - D. Adopt a budget ordinance to appropriate funds received from the Triangle J Grant to the Airport's Capital Project Fund.**

**Background:**

**Carolina Blue Skies and Green Jobs Initiative**

- The Triangle J Council of Governments, in partnership with the other Clean Cities programs in North and South Carolina, has received a \$12 million grant through the Department of Energy's Clean Cities FY09 Petroleum Reduction Technologies Projects program. This

program will distribute \$300 million dollars nationally under the American Recovery and Reinvestment Act of 2009.

- The Centralina Council of Governments' Clean Fuel Coalition partners received \$2.1 million, of which the Airport project share is \$1,000,000.
- This grant is specifically to go towards the acquisition of five DesignLine Hybrid buses for use in the Airport's Parking Shuttle operations.

#### **Sole Source Exception**

- G.S. 143-129 (e)(6) provides that formal bidding requirements do not apply when:
  - Performance or price competition are not available;
  - A needed product is available from only one source or supply; or
  - Standardization or compatibility is the overriding consideration.
- Sole sourcing is necessary because the DesignLine buses are specified in the grant.
- Purchases made under the sole source exemption require City Council approval.

#### **DesignLine Hybrid Buses**

- In October 2007, the Council approved the sole source purchase of two DesignLine Hybrid buses that have been in the Airport's bus fleet and have met performance standards.
- The DesignLine Proprietary "Series Hybrid" system utilizes a 42 HP liquid fueled Micro Turbine in conjunction with regenerative braking to charge a battery bank which powers all electrical accessories as well as the twin inductors and dual electric drive trains of the bus. The uniqueness of an airport shuttle system with very short distance stops will help enhance the bus's effectiveness.
- The five DesignLine buses to be acquired will be manufactured in Charlotte.
- The purchase price of \$535,000 per unit includes a three-year unlimited mileage, bumper-to-bumper warranty.
- The DesignLine bus achieves an increase in fuel mileage over our existing diesel shuttle bus fleet, while also reducing tailpipe emissions by 4.5 to 5 times below California Air Resources Board (CARB) 2010 and Environmental Protection Agency (EPA) 2010 requirements.
- The DesignLine buses' Micro Turbine engine will only run about 55% of the buses operating time, thus further reducing emissions.
- The DesignLine bus does not require any after-treatment of the tailpipe emissions similar to diesel buses and is flex-fuel capable.

#### **Small Business Opportunity**

Pursuant to Section 2.21 of the Program policy regarding purchases without competitive bidding, this contract is exempt from the Small Business Opportunity Program.

**Council Date:** June 14, 2010

Carpenter: They have a three year unlimited warranty?

Orr: Yes, bumper to bumper. Our buses get very rough use. The factory is located here in Charlotte.

Fuller: What's the service life with their buses?

Orr: We are not sure of that yet. We think they may go five years.

Fuller: How does that compare to a CATS bus?

Orr: Well a CATS bus is a completely different operation. Normally, our buses go about three years.

Fuller: What about fuel savings?

Orr: Our regular buses get about 5 miles to the gallon. The fuel savings is only about 10 percent, but we can run them with cheaper fuel.

Motion: McMahan  
 Second: N/A (no one seconded the motion)  
 Vote: 11-0

## 2. Flight Track Monitoring System

- Action:**
- A. Approve a five year contract with Lochard Corporation in the amount of \$225,403.12 for a Flight Track Monitoring System; and**
  - B. Adopt a Budget Ordinance in the amount of \$225,403.12 from the Airport Discretionary fund to be replaced with future Federal Aviation Administration (FAA) grant proceeds and/or future General Airport Revenue Bond proceeds, the debt service of which is paid for with Passenger Facility Charge (PFC) revenues.**

### Background:

- The Airport implemented an FAR Part 150 Noise Compatibility Program in 1989 in an effort to mitigate aircraft noise in the vicinity of the Airport. The program was updated in 1997.
- In 2008, the Airport began updating the FAR Part 150 Program due, in part, to the construction of the new runway.
- Since the program's inception, the Airport has monitored noise, part of which includes monitoring aircraft flight tracks.
- The Airport had a flight track monitoring system that used FAA radar data (ARTS) until the FAA replaced their system with the current radar system (STARS).
- In February 2010, the Airport requested proposals from interested firms to provide a new flight track monitor system that acquires data from the FAA STARS system.
- This flight track monitor system is a web-based solution that will identify all aircraft that fly in the vicinity of the Airport, capturing the aircraft's type, owner, flight number, altitude, speed and runway used. This data is used to plot the aircraft's track as it approaches or departs the Airport.
- The system will allow the Airport to more accurately respond to noise complaints by identifying individual flights that have flown over a particular address or location during any selected time frame.
- Lochard Corporation was one of three companies that responded to the Airport's Flight Track Monitoring System RFP. The Lochard system meets the requirements of the RFP and is the least expensive system.

### Contract Terms

- This contract includes a five year service agreement.

### Summary of Proposals

Lochard Corporation	\$225,403.12
Harris, Miller, Miller & Hanson	\$244,381.10
ERA Corporation	\$381,245.00

**Council Date:** June 28, 2010

Edwards: Who will operate this?

Orr: We will. The company that sales it will operate it, but it is operated off of a PC. It is web-based.

Fuller: Is it real-time data?

Orr: It is delayed 15 minutes.

Carpenter: How do the different airlines that operate here tie-in to this?

Orr: All of the airlines are tied-in through the FAA. All of the airlines who operate here have systems

similar to this where they can look at the screen to see where any particular airplane is at anytime. This data allows us to do the same.

Carpenter: If someone is operating outside the guidelines, what happens?

Orr: It depends, but it would normally be handled through the Chief pilot of that airline and we will help them understand the noise abatement, which is for the airline's benefit. If they continue to violate that then there would have to be other restrictions, which no airline wants.

Riolo: When you have time, go to FlightTracker.com, which shows real-time data. You can put in the flight number and can see where any airplane is in the United States. I use it when looking for incoming flights. It is not as precise as this system.

Orr: You can access that through our website.

Fuller: A few years ago, I spent a day in the tower and they had a screen that showed the all airplanes that were in North America. How will this system compare?

Orr: It is the same database. It allows you to select what you want to see, whether that be all jets, or all commercial jets, all corporate jets. It allows you to filter the data.

Motion: Carpenter

Second: Dorsch

Vote: 11-0

## **5. Status Reports**

### **1. Nominating Committee for Upcoming Elections**

- Chair Stan Vaughan appointed himself (a Council-appointed member), Jeff Hay (a Mayoral-appointed member) and Joe Carpenter (a Charlotte Regional Partnership appointed member) to the nominating committee.
- Voting for the offices of Chair and Vice Chair will take place at the July meeting.
- The nominating committee will be asked to present their recommendation for Chair and Vice Chair to the committee.
- Following this, Chair Stan Vaughan will open the floor for any other nominations.
- Voting will be done verbally and all votes are for public record and will therefore be sited in the July minutes.

### **2. Retail RFP**

Haley Gentry speaks to the committee about the Retail RFP.

- The Airport is in a process of a evaluating and receiving proposals through a Retail RFP for all of the Airport's 34 retail concessions.
- Proposals have been received and staff has reviewed them.
- The Airport had 22 different proposers.
- Some proposers proposed on one venue and others proposed on all of them.
- Staff looked at the financials of each one, basic design, tenant positioning as well as an overall mix.
- A selection committee was identified for this process. Two AAC members participated (Vaughan and McMahan) as well as three other representatives from the community.
- The selection committee met on May 25 and put together a short list of proposers to be interviewed. This will serve as the opportunity for the proposer to come in and answer questions about their proposal as well as offer feedback.

Carpenter: I received a letter from an attorney representing a labor union.

Gentry: There are several unions across the country that are involved in Food & Beverage and Retail operations in airports. I believe the one you received is from Unite Here. They have been participating in this process in terms of attending the meetings and requesting information. They did send letters to this committee as well as other elected officials.

Carpenter: But that doesn't involve the Airport? Wouldn't that be between the retail operator and their employees?

Orr: It would be strictly between the retail operator and the employee. The Airport has no role in that.

Carpenter: That's what I thought. I was wondering why they involved us.

Orr: It is purely between the employer and the employee.

Dorsch: Is this going to be awarded based on cost, as in lowest bidder?

Orr: This is a Request for Proposals, so it is not a bid. It would not be associated with costs, but with revenues. Revenues are a big factor, but we are looking projected revenues in this process.

Vaughan: The staff presentation to the selection committee was well prepared. It was obvious that they had done a lot of work in this process. Staff then made recommendations and the committee provided feedback and made any recommendations they had. We then agreed to move forward with next steps, which will be the interview process. There was a lot more than just the revenue side. As Haley said, we looked at how they would position themselves in the building and what brand they would offer. I believe there were three proposers that proposed on everything. For example, if you wanted to have a Brooks Brothers here, you would have to work through a certain proposer who has an exclusive agreement with that brand.

Gentry: I would say that within the next 60 to 90 days, we should have some recommendations.

Dorsch: What's the average annual revenue for concessions?

Orr: \$46 million for Retail. Food & Beverage is \$93 million.

Dorsch: Is HMS Host also a contender for Retail services?

Gentry: They did submit a proposal.

Orr: You may remember we extended their Food & Beverage contract last year for five more years. Part of that was an early termination of their retail services.

Riolo: There are three organizations who proposed on everything? Who are they?

Gentry: They are Paradies, Hudson, HMS Host.

Vaughan: One of the requirements on the RFP was to not contact anyone on this committee. It would be a disqualification.

McMahan: I noticed in the letter from the union that they stated certain vendors that they operate with and I took that to mean that they were trying to influence our selection. Have you seen the letter?

Gentry: Yes, some were individual operators and some were part of the bigger proposals submitted.

Edwards: We have a DBE goal with most contracts. Does that apply to this?

Gentry: We will have a goal for this contract, which is 21 percent.

Orr: Keep in mind that this is our goal. So during the selection process it is our duty to make sure we meet that goal.

Carpenter: Is there any set policy that would group the food vendors and retail vendors together?

Orr: We could do it either way. We could put a program together that could have one single operator responsible for everything, which is where we have been. Or we could have a program where each shop is individually owned and operated. It is done different ways throughout the world.

Carpenter: Going back to the union representation, in the event there is a dispute between the vendor and the employees and a strike occurs, that would be terrible for the traveling public if they could not purchase food. Is there anything in the contract to keep that from happening?

Orr: I don't think there is anything in there to keep that from happening. If an airline's labor force were to strike the company, there is nothing in our control to keep that from happening.

Carpenter: But if it was the food and drink company to strike, would anything prevent us from bringing food and drink in if it happened?

Orr: Absolutely not. If any of our concessionaires fail to do their job, we can step in and do it for them.

### 3. Volunteer Celebration Held

- The Annual Volunteer Celebration was held on Tuesday, May 25 at CLT.
- At the event, volunteers were recognized for their service, and many received the Presidential Service Award, which recognizes individuals, families and groups that have achieved a certain standard – measured by the number of hours of service over a 12 month period.
- Along with awards, there were several giveaways throughout the evening. Airport Volunteer Chris Pappas won the grand prize of the night - two airline ticket gift cards donated by US Airways. To qualify for this prize, volunteers had to be active in the program for at least six

months and perform an average of at least eight hours a month from January 1, 2009- April 31, 2010.

- The Airport's Volunteer Program, which began in May 2005 with 20 volunteers, has 75 members and continues growing.
- The role of a volunteer is to guide, assist and direct the thousands of passengers traveling through the Airport each day. During 2009, volunteers assisted 148,894 customers (a 45% increase over 2008) and donated 6,914 hours of service (a 10% increase over 2008).

#### **4. Nonstop Service to Rome Begins**

- On May 13, US Airways began nonstop service between CLT and Rome, Italy.
- The new flight complements US Airway's daily nonstop service to Rome from Philadelphia, the airline's international gateway.
- It is operated with an Airbus A330-300 aircraft with seating for 29 in Envoy, US Airway's trans-Atlantic business class, and 259 in the main cabin.
- Currently, the airline offers nonstop service between CLT and three European destinations including London, England; Frankfurt, Germany and Paris, France.
- To celebrate the new international service, CLT hosted an inaugural event. During the event, guests were treated to Italian specialties including Gelato ice cream and fresh bruschetta. The Gelato was provided by an in-terminal concession, Pino Gelato, located on Concourse B.

#### **5. Director's Report**

##### 1. Sushi Bar Opens

- Sushi is now the main attraction at the First in Flight Bar in the Atrium.
- Passengers can now order a variety of sushi ranging from California rolls, spicy tuna rolls, etc., which is prepared fresh daily by Sushi chefs.
- This is the first sushi bar created by HMSHost, CLT's Food & Beverage concessionaire, in partnership with local sushi provider, Hissho Sushi.
- The new concept as a healthy and unique alternative for many passengers and a dining choice currently not available anywhere else at the Airport.
- Forty new tables were also added around the bar to meet customer demand. The bar also received black granite countertops and accents in brushed aluminum.
- Packaged sushi rolls are also be available for passengers experiencing a time crunch.

##### 2. CLT's 7<sup>th</sup> Starbucks Opens

- The Airport's 7<sup>th</sup> Starbucks has opened on Concourse E, by the new mini-food court area.
- Last year, Starbucks sales at the Airport totaled \$8.5 million.

##### 3. Red Bull Display

- To compliment race week in Charlotte, HMS Host partnered with Red Bull for their traveling display: Red Bull Air Race Activation Kit.
- The display appeared in the Atrium for one week and attracted many viewers.
- It included a display aircraft, photo exhibit and an interactive game box.
- Samples of red Bull were also provided to passengers.

#### **Miscellaneous Discussion**

Dorsch: How's the rail yard coming?

Orr: We are still polishing on the agreement.

Dorsch: Have they started grading?

Orr: No.

Edwards: How's the medical facility doing?

Gentry: It is open. They had a soft opening but will soon be doing some publicity later in the month.

They are located just down the hall from here and love to give tours. Currently, they have a physician there one to two days during the week. They just started seeing patients. They also added physical therapy to their services offered, which was an addition to their initial concept. They have been integrated into our medical protocols and we have begun directing walk-up traffic to them. It is offered to the customer as an option, whether they would like to be examined onsite or transported to the hospital.

Dorsch: What can you tell us about Airport Drive with the water pipe extension?

Orr: It is probably another 30 days at least until completion. That is a Utilities Department contract; therefore we have no control over it.


McMahan: Have we started the runway rehab work yet?

Orr: No, we plan to do that next summer. We wanted to get our operations settled in on the new runway first and all the instruments in place before we started.

Carpenter: Is the plan still to put the high speed rail terminal downtown?

Orr: Yes, the plan between the City and the State is to put the passenger station downtown, which is actually where it used to be. There is no interest in their part in putting it out here.

**Meeting adjourned at 8:45 a.m.**



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T. J. Orr, Aviation Director

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