

**CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT
AIRPORT ADVISORY COMMITTEE**

**Minutes from the March 3, 2011 meeting
Piedmont Conference Room
8:00 a.m.**

Present

Andrew Riolo, Chair
Shawn Dorsch, Vice Chair
Russ McMillan
Crystal Jackson
C. Morgan Edwards
Todd Fuller
Scott Culpepper
George Pretty
Tim Gause

Staff Present

TJ Orr, Aviation Director
Erika Helm, Community Outreach Specialist
Jennifer Long, Customer Relations Specialist
Mark Wiebke, Asst. Aviation Director of Facilities

Absent

Stan Vaughan
Ed McMahan

1. Call to Order

Chair Andrew Riolo called the meeting to order at 8:00 a.m.

2. Pledge of Allegiance

3. Approval of the February 3, 2011 Minutes

The minutes were approved as written.

4. Business Agenda

1. Airport Solid Waste Disposal Services

Action: Approve a month to month contract extension not to exceed \$450,000 for up to one year with Waste Management of the Carolinas, Inc. of Gastonia for solid waste disposal services.

Background:

- This contract was approved by Council in November 2004 for three years with two, one year extensions and expired in November 2009.
- In September 2009 Council approved a month to month contract extension not to exceed \$450,000 for up to one year with Waste Management of the Carolinas, Inc. of Gastonia for solid waste disposal services.
- The airport is exploring a material recovery facility to process the airport's waste stream to capture all recyclable items to become a more sustainable facility and reduce the environmental impact of the airport.
- Extending this contract month to month will allow the Airport to complete its analysis so that the proper Request For Proposal can be developed to incorporate a material recovery operation.
- The original terms, pricing and conditions of the contract will remain in place.

Contract Terms: Month to month for up to one year

Council Date: March 28, 2011

Dorsch: Did Waste Management bid on the recycling contract?

Orr: No, they did not. We did not put that up for bid. We negotiated a contract with the company that performed our waste audit. It will be under a Management Contract. Therefore, we will run the operation and they will act as a consultant.

Riolo: Mark, can you tell us how much waste is generated per day at the Airport?

Wiebke: It adds up to 10,000 tons per year.

Motion: Dorsch

Second: Culpepper

Vote: 9-0

2. Baggage Claim Renovations

Action: Approve a contract with TBD in the amount of (approximately \$2,000,000) for renovations in the baggage claim lobby.

Background:

- The passenger terminal at the Airport was opened in May 1982. The baggage claim level has been expanded over time, which has created a combination of inconsistent finishes as new and better products were used in the expanded sections of the lobby.
- This contract will install new lighting, a new drop ceiling, terrazzo flooring and new wall finishes throughout the baggage claim level to provide a more consistent and updated image.
- Funding for these contracts comes from the 2004 General Airport Revenue Bonds, the debt service of which is paid for with Passenger Facility Charge (PFC) revenues.

Summary of Bids: Bids will be received on March 10, 2011

Small Business Opportunity

Established SBE Goal: 9%

Committed SBE Goal: TBD

Council Date: March 28, 2011

Culpepper: Are the renovations taking into account the upcoming changes down there regarding new regulations and requirements with security?

Orr: The renovations have not been delayed due to the changes in the bag belt project, which is the In-line Baggage Screening System. That is all occurring behind the wall. Nevertheless, if we had done the renovations several years ago, we would be coming back in and tearing some of that up.

Dorsch: Will the renovations be done by the time the DNC occurs?

Orr: Yes.

Edwards: What kind of sub-contracting opportunities will there be?

Orr: The goal is nine percent and will have the typical refurbishment sub-contracting opportunities like ceiling laying, sheet rock, electrical work, etc. We have not taken bids yet so we don't know who the prime contractor is.

Edwards: I have a sheet rock contractor I'd like to recommend, third generation.

Orr: He needs to access the bidders list and call and quote the generals who have bid the job.

Edwards: Who should I speak to in order to get that list?

Orr: Call Rebecca. Has anyone seen the bid list?

Wiebke: I believe there are about 10 contractors bidding.

Fuller: Are the improvements mostly cosmetic?

Orr: They will all be cosmetic.

Riolo: If you look in this area there are a lot of empty car rental booths. We really need these improvements.

Orr: It can be very difficult to pin down the rental car companies on how they want to operate and whether they want the counter in the building or not.

Dorsch: We are constantly replacing carpet in the terminal. Are you replacing the carpet in that area?

Orr: We are putting in terrazzo.

Motion: Edwards

Second: Dorsch

Vote: 9-0

3. Entrance Road Bridge Design

Action: A. Approve a contract with AECOM, Inc. in the amount of \$TBD for the design of two bridges for the Airport Entrance Road.

B. Approve a contract with STV/Ralph Whitehead, Inc. in the amount of \$TBD for the design of two bridges for the Airport Entrance Road.

(Combined Total Contract Estimate: \$750,000)

Background:

- In February, City Council approved a contract with HNTB, Inc. for the design of the Airport Entrance Road. In that action, the Airport stated that a separate Request for Qualifications was issued for the design of four bridges related to the new road.
- The Airport received seven qualification responses, which were reviewed by a selection committee comprised of two Airport Advisory Committee members and three Airport staff members.
- The committee recommended two design firms AECOM, Inc. and STV/Ralph Whitehead Associates, Inc. (STV/RWA) for the bridge design.
- AECOM, Inc. will design two of the bridges and STV/RWA will design the other two bridges.
- Funding for these contracts comes from the 2004 General Airport Revenue Bonds, the debt service of which is paid for with Passenger Facility Charge (PFC) revenues.

Small Business Opportunity

Established SBE Goal: TBD

Committed SBE Goal: TBD

Council Date: March 28, 2011

Dorsch: What do you think the cost of the total project is?

Orr: \$21 million.

Pretty: What's the time frame for that?

Orr: Just over a year.

Riolo: The exit will be one way?

Orr: Yes, there will be one way in and one way out.

Dorsch: What about the traffic light before you get to the railroad bridge?

Orr: That goes away.

Using the visual rendering of the new Airport Entrance Road, Orr explains the changes in the traffic flow due to the new roadway and bridges.

Motion: Dorsch
 Second: Fuller
 Vote: 9-0

Fuller: What about where it stops at Wilkinson?

Orr: The State will build the road that will connect Wilkinson to the Little Rock Road interchange.

Edwards: None of this is State funded?

Orr: None of this is State funded. We will build the roads to State standards, but we will not ask the State for approval of the plans.

Edwards: Will they take over the maintenance of the roads?

Orr: No, we will maintain them. We are already maintaining State roads.

4. Hourly/Rental Car Parking Deck – Package #1

Action: Approve a contract with TBD in the amount of (approximately \$650,000) for preliminary construction elements related to the Hourly/Rental Car Parking Deck.

Background:

- In July 2009, City Council approved a contract with LS3P Associates, Inc. for the design of the 7,000-space Hourly/Rental Car Parking Deck.
- In order to expedite the start of construction, the Airport has identified some construction elements that should be completed in advance of the main construction contract.
- This work includes construction of a temporary toll plaza for the Daily Parking Deck and installation of a new water line and communications duct bank so the existing lines can be removed in the vicinity of the project.

Small Business Opportunity
 Established SBE Goal: 10%
 Committed SBE Goal: TBD

Summary of Bids
 Bids will be received on March 10, 2011

Council Date: March 28, 2011

Dorsch: What's the cost of the entire project?

Orr: \$165 million

Dorsch: That will be a poured-in-place deck?

Orr: Yes.

Edwards: When you start the renovations, have you decided where you will put Queen Charlotte?

Orr: No, we have not decided that. But she will be moved and will be put in a prominent place. It may or may not be inside the terminal building.

Dorsch: How many cars is the deck going to hold?

Orr: The deck will have 7,000 spaces.

Jackson: How many spaces do the current decks hold?

Orr: The current decks have 2,713 spaces.

Dorsch: What about the decks behind the Control Tower?

Orr: Each deck contains 3,200 spaces.

Dorsch: What's the total amount of parking spaces at the Airport?

Orr: Over 26,000 spaces. When you count employee spaces it is over 30,000.

Edwards: I heard that all of a sudden there is an investigation on the tower. Will it be relocated?

Orr: The tower needs to be moved. If there is a new tower, it would be a do-over because you have to keep the existing one fully operational until you can use the new one. It will be located on the south

side of runway 5/23.

Edwards: What will happen to the space when you tear it down?

Orr: That space will become part of an additional roadway system. It leaves enough space to build perhaps a hotel in the middle. We have also space identified space for another terminal that would serve the new 25-gate international concourse and a terminal to serve Concourse E. There are also alternatives to that. But that land will be used productively. It will probably not be another parking deck because we will have 13,000 structured spaces in a fairly small space and you need to be able to get people in and out.

Edwards: Other than the tower itself, are there auxiliary buildings used?

Orr: There is a base building which is an integral part of the tower.

Riolo: I've received a lot of comments about the existing Hourly decks and the condition they are in and it is not up to the standards of the rest of the Airport, as far as all the barrels there, the toll plaza and the ticket machines not always working. We are getting ready to tear all of that down.

Motion: Dorsch

Second: Jackson

Vote: 9-0

5. Runway 18C/36C Reconstruction

- Action:
- A. Approve Change Order #1 with Hi-Way Paving, Inc. in the amount of \$388,560 for LED airfield lighting related to the Runway 18C/36C reconstruction.
 - B. Approve a contract with S&ME, Inc. in the amount of \$596,000 for construction materials testing services for the Runway 18C/36C reconstruction.
 - C. Adopt a budget ordinance in the amount of \$984,560 from the Airport Discretionary Fund to the Airport Capital Improvement Plan.

Background:

- In January, City Council approved a contract with Hi-Way Paving, Inc. in the amount of \$17,864,856.80 for the reconstruction of Runway 18C/36C.
- In recent years, the Federal Aviation Administration (FAA) has authorized the use of LED airfield lighting rather than the traditional incandescent lighting normally used on the airfield. LED lighting provides a significant operating cost savings due to reduced power consumption.
- During design, the FAA issued a moratorium on the use of LED lighting for the runway centerline and touchdown zone lights. Anticipating the moratorium being lifted, the Airport bid the LED centerline and touchdown zone lighting as an alternate so pricing would be available should the LED lighting be authorized by FAA.
- FAA has lifted the moratorium and with this change order the Airport will accept the alternate bid to install the LED lighting.
- Action B will provide construction materials testing services for the reconstruction of the runway.
- S&ME, Inc. was selected by a selection committee based on the firm's qualifications submitted to the Airport on _____.
- Funding for this change order and contract will come from both future FAA Airport Improvement Program grant funds and future General Airport Revenue Bonds and Passenger Facility Charge Revenues.

Contract Terms

- The change order was bid on a unit-price basis.

- The contract is a not-to-exceed amount based on hourly rates.

Disadvantaged Business Opportunity

Established DBE Goal: TBD

Committed DBE Goal: TBD

Council Date: March 28, 2011

Dorsch: How long will that runway be closed to dig out the middle and re-concrete it?

Orr: A touch over two months.

Dorsch: So they will be working 24 hours a day?

Orr: Yes.

Fuller: With LED lights being so long lasting, do they pay for themselves?

Orr: Yes, they will pay for themselves through tremendously reduced electricity and longer life.

Changing a bulb is fairly extensive. It requires the runway to be closed which means we have to do it at night. Everything is substantial and heavy and bolted together. It is a major undertaking to change a light bulb.

Fuller: Will this include the warning system that some airports have where the lights turn red and green. What is that called?

Wiebke: Runway Status Lights, but there are all sorts of acronyms.

Fuller: They are used when you are somewhere you are not supposed to be, they turn red.

Riolo: But this is not for that.

Orr: The FAA puts those in. What we did on the new runway was bury the cans in the concrete because when we were paving the runway they were going to do that immanently. They have not yet gotten around to it. I suspect that will be LED lights, although I don't know for sure.

Fuller: The FAA will put that warning system in?

Orr: They say they are going to do that.

Gause: What was the initial concern that caused the moratorium over the LEDs?

Wiebke: It had something to do with how all the lights interacted with the entire airfield lighting system.

Dorsch: Do you know how much electricity we use to light the runways?

Orr: Our total power bill is about \$4.5 million. That's for everything on the Airport.

Riolo: This is for the centerline lighting for the center runway. What Todd was talking about were the stoplights before you approach the runway. Those are in-ground. You may notice when you cross a taxiway there will be lights in front of you flashing and telling you to stop and not cross. They will change to green when you can cross and to red when you are not allowed to cross. That is not part of what we are doing here. A little pilot information is the first thousand feet of them are all red, the second thousand feet alternate red and white, then they are white down the center, then you alternate and go solid at the end of the runway.

Fuller: What I am talking about is indeed a center-line system. About 30 runways have it. I read about this recently in AOPA.

Orr: We are talking about two different things. The Runway Status Lights are before you get to the runway. Then there is a second system, a more sophisticated system. But I don't think it is in place at 30 locations. I believe it is two airports. That's a set of lights that will be buried in the runway. After you clear the status lights and you pull on the runway and if you are not clear to take off, those lights will be red.

Edwards: The lights you spoke of for getting on the runway, who controls those?

Orr: All the lights are under the control of the tower.

Riolo: I must have misunderstood. Todd, I thought you were talking about the stop before you enter the runway, not the 'go' that's going to happen when you enter onto the runway.

Motion: Edwards
 Second: Fuller
 Vote: 9-0

6. Deicing Pad Construction

Action: Approve a contract with TBD in the amount of (approximately \$2,000,000) for the construction of asphalt shoulders on Runway 5/23 for deicing truck pads.

Background:

- In September 2010, City Council approved a contract with Contego Systems for operation of the deicing facility for the Airport.
- The primary location for deicing aircraft on the airfield is Runway 5/23.
- Contego Systems operates deicing trucks that were purchased by the Airport to remove snow and ice from the aircraft.
- This contract will construct asphalt shoulders along the runway in specific areas that will allow the deicing trucks to maneuver around the aircraft in a safe and more efficient manner, which will increase the throughput of aircraft.
- Funding for this contract comes from the 2010 General Airport Revenue Bonds, the debt service of which is paid for with Passenger Facility Charge (PFC) revenues.

Summary of Bids

Bids will be received on March 10, 2011

Disadvantaged Business Opportunity

Established DBE Goal: 10%

Committed DBE Goal: TBD

Council Date: March 28, 2011

Culpepper: Didn't we already vote on this?

Orr: You approved the trucks and the design of the collection system. You have not approved this. If you want to know why we ran out of de-icing fluid this winter, there are two reasons. One was an aptitude on our part. We had just taken over the de-icing with a contractor and through a series of errors we did not have enough de-icing fluid on hand. But the other reason was because we did such an outstanding job of keeping the runways clear that US Airways brought more airplanes here than they should have. This resulted in a lot more airplanes to de-ice. It was a combination of the two. We were not the only airport to run out of de-icing. The following week, we trucked 10,000 gallons up to Washington.

Edwards: Do you have to do any re-de-icing due to runway relays?

Orr: None. The way we structure the airfield is we land on one runway and depart on another. So you don't take those delays. Then there is a holdover time.

Riolo: The holdover time is based on a spreadsheet with the conditions that are out there and how much de-icing fluid you have. So once the de-icing is complete the pilot looks at the spreadsheet and says, "I have Type 1 under these conditions and I have to take off within 20 minutes." Ideally what you would do is de-ice every plane at the end of the runway, but then you have to go back and look at the cost of doing that at an airport where you don't de-ice that often. You would need to consider if it would be cost-effective to set that up at the end of every runway.

Edwards: You would then have to put in a collection system at every runway.

Orr: Right. One of the things we figured out this winter is we have our contractor set up in a cargo building which is connected to the cargo ramp. If you are set up in a north operation, we can de-ice about six airplanes at one time on the cargo ramp.

Riolo: How this works is when you call for push back from the gate the question you are asked is, "Do you need de-icing?" If you need it, they will give you a time to when you can push back from the gate

to go enter the de-icing pad. If you don't need de-icing you can push back immediately and go straight to the end of the runway for departure.

Edwards: Are there delays as a result of waiting for de-icing?

Riolo: Sometimes there are delays, yes.

Fuller: Will this allow for processing the planes faster?

Orr: That's the goal. Processing the planes faster saves a lot of money. There will always be delays with de-icing because it takes extra time and you can only do so many airplanes at a time, and you have to shut the engines down and then start-up. You have to go through an entire process. The objective is to minimize those delays.

Motion: Dorsch

Second: Fuller

Vote: 9-0

Riolo: Before we move on to the Status Items, I just want to make a note that within the last 30 minutes, we, as a committee, have approved \$6 million worth of projects.

5. Status Reports

1. Passenger Survey

Long talks to the committee about the passenger survey.

- Beginning in FY09, CLT contracted with Phoenix Marketing International (PMI), a market research company based in New York, to develop and implement a customized passenger survey.
- Using a complete random approach, passengers 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 delivery and more.
- The surveys are conducted twice monthly in the gate area. The surveyors alternate between all five of the Airport's concourses and are here throughout the day (mornings, afternoons and evenings).
- Four hundred completed surveys are captured during a 12-month period, which offers a 95% confidence level.
- The Airport is now into its third full year with PMI and recently received the results for the first six months of FY11 (July 2010- December 2010), as well as yearend results for Calendar Year 2010.
- The results show that CLT's Overall Satisfaction rating received the highest score among passengers with 96 percent rating their experience as "Satisfied" or "Very Satisfied." The Overall Satisfaction percentage is not an average of the results from the various survey categories, but is an actual question asked in the survey. The question asked is, "Considering your entire experience at CLT, please rate your Overall Satisfaction."
- PMI's Travel Research Group works with Airports, Airlines (including US Airways), TSA, Hotels, Convention and Visitors Bureaus, Car Rental Companies and more.

The committee reviews the overall results for each category.

2. Intermodal facility and Garden Parkway

Orr talks to the committee about the Intermodal Facility and Garden Parkway.

- Back in 1994, the Airport put together a Strategic Development Plan to determine what was unique about CLT and what the Airport needed to improve on to become a player in a global economy.
- The Airport worked with a consultant, Michael Gallis, in developing the plan. It was found that the center of manufacturing was moving westward and a lot of traffic would be coming through the Suez Canal.

- Traffic coming to the east coast has to come through the Panama Canal. The size and number of ships coming through the Panama Canal is limited (they are called Panamac Ships) and is going to change in the coming years and those Pacific ships will be able to come through the Panama Canal to the east ports.
- Two thirds of the population lives along the eastern seaboard and you want to distribute the goods where the people are. It doesn't make sense to bring them into west coast ports and then bring them all the way across the country to the east coast.
- Charlotte is conveniently located and accessible by rail from Norfolk, Charleston, Savannah and Jacksonville, which are four major ports in the southeast. The Airport is also located on Norfolk Southern's mainline. There are only four major railroads left in the country.
- Charlotte could take containers from all four ports, resort them and ship them up into the Chicago-Midwest area, and also up into Ohio and then back into New York. Already, containers go from New York ports out to Ohio to be resorted and shipped back into the northeast. This occurs because there is so little land available in New York City along the river.
- Charlotte is a single city, opposed to other places like Greensboro-High Point and Raleigh-Durham, which means all roads lead to Charlotte. The Airport, in a global sense, is co-located with downtown Charlotte.
- The Airport has worked with Norfolk Southern since 1994 to develop a concept to move the Intermodal yard, which is located downtown and is over-utilized, cannot be expanded and highly inefficient, to the Airport. The Airport is very linear and the Intermodal yard fits well with the layout of the airfield and runways and is close to the interstate.
- There will be large cranes that will transfer the containers from the trains to the trucks and vice versa.
- The plan is to have two, three-mile long tracks that are set-off tracks. Containers can be loaded directly onto the train. Some ports are now charging a rate, per day, for containers to sit there, which is an additional cost for intermodal.
- Under the concept, a separate crew would pick-off from the train and break it into five car sections and push them into five unloading tracks. Everything would exit at the same location onto the new West Blvd. and then onto I-485. The trucks would never go past a residence, other than on the interstate.
- The ultimate design capacity of the new Intermodal yard, located at the Airport, is 6,000 lifts per year. This is equivalent to the yard at Alliance Airport in Fort Worth, TX.

Dorsch: What's the total number of containers that can be stacked in the yard?

Orr: At least 600,000.

Edwards: Regarding the Garden Parkway, is it necessary to do a contingency plan in case that is not built?

Orr: No. It needs to be built because it provides new access across the river and over to I-85 near the SC line. What's very important in logistics is redundancy. What kills you in logistics is when you have a wreck on the highway and it costs you sitting there three hours. The railroad and shippers are concerned with having redundancy all along the way. It was very important to have two major roads, which are Billy Graham Pkwy and I-485.

Edwards: Has this been approved by the Turnpike Commission and Gaston County residence?

Orr: The people in support of the Turnpike, yes. The people who oppose the Turnpike oppose it for different reasons. The Turnpike is important to the people of Gaston County. The Belmont peninsula is a great place to live. My view is it would be really great if they didn't build anymore houses. We learned a lesson in Mecklenburg County 30 years ago when we didn't build the outer belt on the pretence that Providence Road wouldn't continue to develop. Providence Road did continue to develop, we built the interstate and it was over capacity the day it was opened. Now you have to go back and add a lot more lanes which will cost a lot more than it would have. We continue to play catch-up by building infrastructures to support yesterday's traffic. That never ever works. You need to build the infrastructure and then the development. To be a successful airport you must do that.

Edwards: The only place that was done was Independence Blvd. Everybody in Charlotte thought it was a road to nowhere. They wondered why build a four lane road to Monroe that no one was going to use. That was in the early 1950s.

Orr: It enabled you to also get downtown and back. A part of the Intermodal project includes a new portion of West Blvd. and four ramps, which the State will pave and they say it will be done by June 1. Norfolk Southern is very close to awarding a grading contract to finish the fine grading of the yard. We anticipate the yard being open in less than two years. If you are asking why to move containers by rail, if for no other reason, if you move a container by rail you generate a lot less CO2 than by truck. Those are the kind of things that must be addressed. The proposed Garden Parkway would start near the Airport and Intermodal yard as an extension of West Blvd. over the river into Gaston County.

6. Miscellaneous Discussion

Edwards: Do you have space in the budget for increased security?

Orr: Yes, and space in the budget means we won't lose money. Space in the budget means the more money you spend the less competitive you are and the more it costs the airlines to operate.

Riolo: Pahl, would you like to say something? (Pahl Davis is a local citizen in attendance).

Davis: No, thank you.

Riolo: Our next meeting will be April 7.

Meeting adjourned at 9:08 a.m.



T. J. Orr, Aviation Director

Distribution:

Mayor & City Council

Curt Walton, City Manager

Stephanie Kelly, City Clerk

Jeanne Peek, City Boards and Commissions Clerk

Ronnie Bryant, President/CEO, Charlotte Regional Partnership

Bob Morgan, Charlotte Chamber