

**CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT
AIRPORT ADVISORY COMMITTEE**

**Minutes from the April 5, 2012
Charlotte Douglas International Airport
Piedmont Conference Room
8:00 a.m.**

Present

Drew Riolo, Chair
Shawn Dorsch, Vice Chair
Todd Fuller
Russ McMillan
Tim Gause
Crystal Jackson
Scott Culpepper
Pamela Bennett
Morgan Edwards

Staff Present

T.J. Orr, Aviation Director
Jennifer Long, Customer Relations Manager
Lauri Golden, Customer Service Coordinator
Brent Cagle, Assistant Dir. of Administration and Finance
Grey Drum, Airport IT Department

Absent

Ed McMahan
George Pretty

1. CALL TO ORDER

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

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF MARCH 1, 2012 MINUTES

Minutes were approved as written. (Culpepper abstained from vote)

4. ACI PRELIMINARY RANKINGS

Airports Council International (ACI) recently released their preliminary rankings for airports, which reflects CY2011. The final report will be published later this spring.

CLT's National Rankings:

- 6th in Movements (7th in 2010)
- 11th in Passengers (11th in 2010)

CLT's Worldwide Rankings:

- 6th in Movements (7th in 2010)
- 25th in Passengers (25th in 2010)

Riolo: Please notice how close we are to Los Angeles in terms of movements. Also notice how we continue to grow and are moving in the right direction. I think we have become the 6th in the world by focusing on our mission statement, to produce the best product at the lowest possible cost.

5. BUSINESS AGENDA

1. Airport Customs and Border Protection Office Upfit

Action: Award the low bid contract of \$675,000 to Myers & Chapman, Inc. for additional office space for Customs and Border Protection.

Background:

- In September 2010, City Council approved a contract with Edison Foard in the amount of \$20,009,059 for the expansion of the east side of the terminal building. This expansion creates a fifth security checkpoint and expands the international arrivals hall operated by the United States Customs and Border Protection.
- In order to accommodate international arrivals, the Airport is required to provide space and equipment to federal specifications at no cost to the government.
- The original contract excluded certain elements related to the international arrivals hall modifications because additional coordination was needed with federal agencies prior to constructing that space.
- This contract will allow for the relocation of offices for Customs and Border Protection, which will provide additional circulation space for passengers as part of the east terminal expansion project.
- The project will be completed in approximately four months.
- The cost for this project will be recouped through rates and charges to the airlines using the facility.

Contract Terms

- This is a lump sum contract with a 120 calendar day duration.

Small Business Opportunity

Established Goal: 11%

Committed Goal: 28.45%

Myers & Chapman, Inc. met the established SBE goal, and committed 28.45% of the base bid amount (\$192,035) to the following SBE firm(s) Stevens Interiors (drywall), Southend Painting (painting), and Coed Electrical (electrical).

Summary of Bids

Myers & Chapman, Inc.	\$675,000
Edison Foard, Inc.	\$686,000
Momentum Construction	\$703,800
PCL Construction Services, Inc.	\$789,900

Council Date: April 9, 2012

Edwards: Is this all coming out of FAA funding?

Orr: No, this is funded with the bonds that we sold in 2011.

Dorsch: Jerry, that's what the front of the terminal is going to look like, that type of glass?

Orr: Yes.

Dorsch: How long before you think you've gotten the whole front of it done? About two years?

Orr: Yes two years, could be a little longer than two years.

Motion: Dorsch

Second: Culpepper

Vote: 9-0

2. Baggage Level East Office Upfit

Action: Award the low-bid contract of \$112,028 to The Bowers Group, LLC for renovation of east baggage level office space.

Background:

- In September 2010, City Council approved a contract with Edison Foard in the amount of \$20,009,059 for the expansion of the east side of the terminal building, which is currently under construction. This expansion creates a fifth security checkpoint, expands the international arrivals hall, and creates additional office space.
- The original contract excluded certain elements related to the office space because additional information was needed from potential tenants on space use and arrangement. These elements have now been determined.
- This contract will allow for the upfit of 2,700 square feet of office space in the expanded area.

Contract Terms

- This is a lump sum contract with a 30 calendar day duration.

Small Business Opportunity

The project cost was estimated to be less than \$200,000, therefore was informal and exempt from SBE goals (Appendix Section 23.1 and 29.1 of the SBO Policy); however two of the three companies invited to bid were SBEs but were not the low-bid.

Summary of Bids

The Bowers Group, LLC	\$112,028
Camps Construction Company	\$119,700
Metro Landmarks Construction	\$136,000

Council Date: April 9, 2012

Edwards: Have you expanded police presence at the airport?

Orr: Yes, we added 17 positions this year.

Motion: Bennett

Second: Jackson

Vote: 9-0

3. Airport Traffic Control and Security Guard Services

Action: Approve a contract extension with G4S Secure Solutions in the amount of \$300,000 for airport traffic control and security guard services.

Background:

- The Aviation Department manages the security access and traffic control functions at the Airport utilizing a private contractor.
- After September 11, 2001, the Airport used a combination of Airport personnel and temporary employees to provide these services.
- In February 2004, Council approved a contract with a private contractor to provide security and access control services.

- After a competitive process, Council approved a contract in May, 2009, with G4S Security Solutions to provide uniformed personnel on the Airport's upper and lower level curbsides and other access control services.
- This contract extension is for 5 months and will allow the Airport time to transition these duties to FTEs.

Contract Terms

- G4S Security Solutions will provide personnel on a man hour basis as required by the Airport.
- The original contract amount was 2,100,000.
- This extension will increase the total contract amount by \$300,000.
- There are seven guard positions with hourly rates ranging from \$9.00 to \$11.25 per hour.
- G4S provides the employees:
 - Earned wages
 - Holiday
 - Vacation Pay
 - Training/Tuition Reimbursement

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).

Council Date: April 23, 2012

Motion: Culpepper

Second: Edwards

Vote: 9-0

4. Jet Fuel Vault Relocation

Action: Approve a contract with the lowest responsive bidder for the relocation of existing jet fuel vault in preparation for future terminal expansion.

Background:

- The Fuel Vault relocation project relocates one of the main valve vaults used to control the hydrant fueling system.
- The Fuel Vault at the intersection of the Terminal and Concourse B was a part of the original terminal construction in 1980.
- With planned growth, the existing vault would be within the footprint of future buildings.
- This project will not only move the new vault to a safe distance from the planned West Terminal expansion, will also move it to a safe distance outside any potential future expansion.

Contract Terms

- This is a unit price contract with a 120 calendar day duration.

Small Business Opportunity

No SBE goal was set for this contract extension because subcontracting opportunities were not identified (Part C: Section 2.4 of the SBO Policy).

Summary of Bids

Bids are to be received on April 10, 2012

Estimated Budget

\$650,000

Council Date: April 23, 2012

Riolo: Now is the time to just recap the construction that we have ongoing at the terminal proper. In the front of the terminal now, we all know what we were doing with the parking garage. Under the terminal, everyone is aware that we just did the baggage claim area. On the east side, we just talked about the construction we are having over toward the Customs area. Now on the west side we are doing the jet fuel vault relocation. So I just wanted to recap how many projects we have on-going in the terminal itself.

Edwards: What is the schedule on the tower?

Orr: The tower is currently scheduled by FAA for 2019. But, an intensive effort is under way to accelerate that schedule. We think we will have some positive news on that soon.

Riolo: Jerry, do you want to take a minute to present again why we're positive on that, about the cost of it and what we are willing to do?

Orr: Sure, we think that between Congress and the Administration, they're going to accelerate the funding for one additional tower this year. And we think the choice is down to us and Philadelphia. We think it is going to be us.

Motion: Dorsch

Second: Jackson

Vote: 9-0

5. Airport Vehicle GPS Tracking System

Action: Approve a purchase from Air-Trak, Inc. in the amount of \$130,000 for a vehicle tracking and communication system.

Background:

- In August 2011, the Airport issued an RFP for an Automated Vehicle/Asset Location System. Five responses were received, four of which had multiple exceptions
- Selection committee chose Air-Track, Inc. based on their complete RFP response and proposed cost.
- Purchase will include monitoring and display equipment for 30 buses and monitoring equipment for 28 other Airport vehicles.
- Monitoring will allow operation supervisors to more effectively dispatch vehicles to where they are needed.
- Display equipment allows for the communication of work order and other necessary information directly to the driver without requiring use of a radio.

Council Date: April 23, 2012

Motion: Gause

Second: Bennett

Vote: 9-0

6. Energy Infrastructure

Action: Approve a contract with the lowest responsive bidder for work associated with new duct bank.

Background:

- This contract will allow for the installation of 10,000 linear feet of concrete encased duct bank, including electrical manholes and associated work needed to accommodate current and future terminal energy needs.

Contract Terms

- This is a unit price contract with a 200 calendar day duration.

Small Business Opportunity

Established SBE Goal: 10%

Committed SBE Goal: TBD

Summary of Bids

Bids are to be received on April 10, 2012

Estimated Budget

\$2,347,700

Council Date: April 23, 2012

Edwards: Easement on this, is that through some private line from that substation?

Orr: Actually we own all the land.

Dorsch: Where is the substation, how far out?

Orr: It's just the other side of Wilkinson Blvd and just the west of Little Rock Rd. It's where the first NASCAR race track was.

Motion: Edwards

Second: Dorsch

Vote: 9-0

7. Airport Carpet Installation

Action: Approve a contract with the lowest responsive bidder for installation of carpet in the Airport's terminal and concourses.

Background:

- In May 2011, Council approved a sole-source contract with Tandus Flooring for the purchase of carpet for the airport terminal and concourses.
- This contract will continue the installation of this carpet in the Airport's concourses and terminal areas.

Small Business Opportunity

Established SBE Goal: 15%

Committed SBE Goal: TBD

Summary of Bids

Bids are to be received on April 10, 2012

Estimated Budget

\$310,000

Council Date: April 23, 2012

Motion: Culpepper

Second: Jackson

Vote: 9-0

8. Property Transaction**Action:** **Project: Airport Master Plan Land Acquisition****Owner(s): William and Susan Ridout****Property Address: 6708 Wilkinson Blvd.****Property to be acquired: 3.04 acres****Improvements: single family residence****Purchase Price: \$291,900.00****Remarks:** The purchase price was determined by independent appraisals and was reviewed by a third appraiser. Each appraisal takes into consideration the specific quality and quantity of the land. The tax value is determined on a more generic basis and will be higher or lower for land/house with certain attributes. Property is acquired per Federal Guidelines 49 CFR Part 24 of the Uniform Acquisition and Relocation Act of 1970. Acquisition costs are eligible for Federal Aviation Administration reimbursement.**Zoned: B2 Use: single family residence****Tax Value: \$148,800****Tax Code: 055-521-02****Council Date:** April 23, 2012**Dorsch:** The one we are buying has a house?**Orr:** One has a house.**Dorsch:** And I assume the house will be torn down?**Orr:** The house will be torn down. I do not think it can be moved.

Motion: Dorsch

Second: Jackson

Vote: 9-0

5. STATUS REPORTS**1. Wireless System**

Brent Cagle, Assistant Aviation Director of Administration & Finance speaks, to the members about CLTNET, the Airport's free passenger Wi-Fi System. Cagle also shows a map-diagram of the terminal to illustrate areas that have good and poor coverage.

System Overview

- System implemented early 2006
- Originally 167 Access Points, covering 1.7 Million Square Feet
- Later expanded to cover parts of the CLT Center and new terminal construction
- Internet service provided by AT&T
- 2.8 million customers served in 2010 (people who accepted the User Agreement)
- \$345,000 annual revenue through an advertising agreement

PC World Magazine

- CLT ranked 2nd in download speeds @ 11.54 mbps and 1st in upload speeds @ 13.72 mbps behind RDU – however CLT service is free and RDU service has a cost of \$7.49 per day
- PC World reports that the average download speed at the nation's 40 busiest airports is 2.88 mbps

System Review and Recommendations

- System has excellent download/upload speeds and good coverage
- System is not adequate to handle the increasing demand levels (user density)
- CLT has hired Wireless Communications to study the system and make recommendations – this report is due the week of April 9, 2012
- Staff has identified some areas for immediate improvement

System Enhancements

- Immediate enhancements:
 - Relocate existing access points to enhance coverage and accessibility
 - Add additional access points in high density areas like Concourses B and C
- Future considerations:
 - Integrate new components into the existing system to enhance coverage and reliability
 - Complete system replacement
 - Engage third-party service provider

Dorsch: We have over 30 million people going through the terminal each year.

Orr: Yes.

Dorsch: So of the people who didn't accept the User Agreement, were their devices still able to pull down web pages and bandwidth?

Cagle: They were not able to pull down web pages, but they were taking slots in the access points. That's important because the access points have a limited amount of slots before things start to slow down for all the users.

Dorsch: Even if they are not affecting bandwidth?

Cagle: Correct, even if they are not affecting bandwidth.

Fuller: Do they get an IP address?

Drum: They don't quite get an IP address. But it's one of those things where you have a certain amount of people around those access points, trying to get a connection, and then it starts to slow its speed down. They don't get a full IP address.

Bennett: Where does the revenue come from?

Cagle: If you've ever signed on to our system, sometimes you'll see an advertisement before you sign on, sometimes you won't. That's where the revenue is coming from.

Edwards: There have been some questions regarding security on the system. Has any action been taken to upgrade the security?

Drum: The only security that we have on there is a network security certificate. We do not provide any security to the user because there are so many different devices out there that we do not have the resources to provide something to every single person. That's why our User Agreement states "use at your own risk." We expect the user to keep their firewalls and their anti-virus protections up to date themselves.

Riolo: I find that once I am on the system, it's quick. But there are times when it is difficult to get on the system. Can you explain that?

Cagle: We know that upload and download speeds are excellent. We know that coverage is excellent. However, what you're describing is something we also know. Our system, implemented in 2006, was really designed with excellent coverage, but it is struggling to meet the demand (the density of users).

Because of that, it can be slower to log on. Once you're on to the system you should be ok and have the fast speeds. But it's the density that is the challenge. Part of that is the system design from 2006 and not anticipating the explosion in the number of devices. Part of that is also due to the phenomenal growth the airport has had. So again, it is the density that is the problem and that problem is what you see when you're trying to log on and get a slot in the system.

Riolo: Are we going to address that?

Cagle: Yes.

Riolo: I go out of D Concourse a lot. When I am in D Concourse everything is good. What I do is I'll walk down the jet way and get on the airplane. When I get on the airplane I lose my signal. Is that because the aluminum in the airplane? Is that because it gets weaker as I get further away?

Drum: The reason for that is we do not have any access points on the outside of the building and also because you're walking into the airplane, which effects the signal. The system was not designed to work on the airplane.

Riolo: But the coverage shows it to be out on the ramp on D Concourse right?

Drum: That is if you walk out there with a laptop and your standing on the concrete.

Riolo: That explains that.

Cagle: The aircraft is blocking you.

Riolo: But the computer will still say to me when I sit on the airplane, "do you want to log on"? I will try and it will say, "No you can't".

Orr: Remember that our system is free to the user. Other airports charge \$7.95 a day.

Riolo: We all vote for free and I will tell you why we vote for free. What I see a lot of, in the convenience of it being free, if your flight is delayed or cancelled people don't call reservations anymore because you get put on hold. Immediately people go to their computer to check when the next flight is. If you have to pay \$7.95 to do that, it slows everybody up and it upsets people who are already upset because of the delay and the cancellation. So, everybody likes free. Let's keep it that way.

Fuller: Why don't most airports here in the states (and internationally) offer the service for free? When I went to LAX, there was a fee.

Orr: The reason is because of the providers out there like Boingo and those others. Most airports that use a third party provider are not free. That is because they are making money off of that. We figured this system out and put it in ourselves. We put the system in for a cost that was probably a quarter of what Boingo would have spent to put the system in. Therefore we can afford to make it free.

Fuller: And we are still making nearly half a million in revenue.

Orr: Yes, we are still making revenue. But these people (third party providers) make a lot of money of this system.

Fuller: I think it's about the leadership at those other airports.

Gause: Is this system going to be used by the employees as well?

Orr: You can't keep employees from using it for business or non business purposes. But we can shield them so that they don't take up all of the space on the system. It will not be long before the airline is using this system outside of the building for a number of functions.

Riolo: Tim, let me answer that question directly. What I have noticed is that when the ground agents go on break, this thing slows down completely. They all go to the break room and the first thing they do is get on the internet. Let me tell you what else makes it slow down, Sunday afternoon on NFL games. Everyone wants to check the scores and the whole system slows down just because that's what people do. You go to break and the first thing you do is open up your computer, you grab your handheld, you check the scores, you check the local news and that's when the system slows down. That's when the demand is the most.

Culpepper: If we get the recommendation to upgrade the whole system, what's the process with that?

Cagle: We think there are pros and cons to both and we will be weighing those. And there are some pros to back filling and replacing over time. It does allow you to always have cutting edge equipment and new technologies. It also allows us the ability to test them on a smaller scale so that it's not an all in system replacement. It's also more intensive and more disruptive to have to replace the whole system.

Orr: And you all know from your personal life if you try to have the best available on the market in all

electronics, you're going to go broke.

Culpepper: It will obsolete by the time you put it in.

Orr: Right.

2. Global Entry

Long updates the committee on Global Entry.

Long: During the February meeting, representatives from U.S. Customs and Border protection (CBP) spoke to this committee regarding Global Entry and announced the plan to bring the service to CLT. It is now here. They started March 12, and since they began, they are processing about 25 people through Global Entry a day. They expect that number to continue increasing as new people enroll in the system and with the summer travel approaching. Global Entry has two kiosks in the primary area of customs; which is right when you get off the airplane and enter into the Customs area. It is the first area you come to where you present your passport and your Customs Declaration Form. To be a member into this program, it requires a rigorous background check, and you pay a \$100 non-refundable fee for your membership, which is good for 5 years. As a member, you're allowed front of the line access. You go to one of these kiosks and the process moves quickly, as opposed to waiting in line to queue up to the officer to check you through. So far, it's going really well. CBP has an enrollment center here as well. It is located in the Customs area, so you have to call for an appointment first. CBP has also recently reached out to the Airport to do some sort of tabling event, maybe somewhere in the Atrium or somewhere in the terminal to bring awareness to the public about what Global Entry is and that it is here in Charlotte.

Riolo: On the Global Entry application, it asks you if you have any type of criminal activity what so ever. Criminal activity refers to a speeding ticket, or going through a stop sign. Don't let that stop you from applying to do that, because when you have the interview, you can explain that. Even if you have a DUI, you can explain that. What they are looking for is violations against CBP. So go through the process.

3. Intermodal Facility

Orr speaks to the members to update them on the Intermodal Facility project.

Orr: We have executed the lease agreement with Norfolk Southern. The Mayor signed that last week. Their contractor is on site and gearing up. We expect to be moving dirt by the 16th of the month and it will be a very active summer out there. We anticipate a ground breaking event on May 2nd on the site and you will get more information on that as we get the time set.

Edwards: If I could comment on this briefly- I have been advocating that we need to do more transportation systems that have the transportation modes competing against each other. This is a great step in that direction. Unfortunately, the DOT tried this back in the late 80s/early 90s to do an intermodal facility down in Kinston. They were anticipating Seymour Johnson closing and they have the only 1,200 foot runway east of 95. They instead had to go to Kinston. But the thing has not succeeded because they can't bring the type of airplane in, which would make in advantageous. What's the largest they bring in?

Orr: The runway in Kinston has been lengthened so they can get the airplane in. But I think the main point is that Kinston is ideally located if you want to be in the middle of nowhere. The essence of distribution is that you get in the middle of where you want to distribute. That gives you the shortest distribution routes. And Charlotte is a hub; has always been a hub for distribution. So this is, and always has been, where the global transport should be located.

Edwards: One of the reasons at the time for Kinston is they wanted Raleigh Durham, Greensboro, and Charlotte, where the airspace doesn't overlap, but they are close enough so that they do overlap. And that was going to create some traffic problems. But the purpose of my comment is that obviously we are trying to get transportation systems that have common meeting places rather than having these

different folks competing against each other. I had a really serious problem. They are getting ready to redo the terminal downtown, but in their infinite wisdom, they put the transit spot about 8-9 miles from where the new hub is going to be, which was not the best plan.

4. Construction Update

Orr updates members on construction.

East Terminal Expansion

- Exterior work is wrapping up
- Interior floors, mechanical systems and ceilings are being installed.
- 60,000 square foot expansion includes a fifth security checkpoint and additional public, office and lobby space.
- The project on target to open in June.

New Hourly Deck

- Currently, more than 4,000 steel piles are being driven into the ground to form the deck's foundation.
- Excavation of the deck's bottom level is nearly complete. Storm water pipes for drainage and utilities are being installed. Crews will begin pouring concrete by summer.
- The deck's completion is anticipated for December 2014.

New Entrance Road & Bridge

- The month, work starts on the new entrance road bridge, completion is scheduled for the end of this year.
- In May, construction of the new entrance road kicks off.
- The road is anticipated to open by December 2013.

5. USO

Riolo introduces Colonel John Falkenbury, who is the head of the North Carolina USO, and Megan Grady, who runs the CLT-USO. Colonel Falkenbury gives the committee a complete overview of the USO including the history/background, their mission and vision, programs and services offered, staffing, funding and partners.

Edwards: Regarding the Wounded Warrior Program, I would like for you to expand on that if you would. There were a lot of things that came out of the Iraq and Afghanistan War. But we have more returning veterans from battlefield, returning alive than we ever had before, due to military improvements. People are coming home today, and they may be wounded, but would have never come home in previous wars. I think that is something that is not being emphasized enough. I believe that the average wounded person in these two combats have gotten out of the zone within in 24 hours.

Falkenbury: The good news is that more people are surviving. The bad news is we are seeing more dramatic brain injury, more PTSD, more amputations.

Riolo: In the number of people that we serve at the USO at the airport in Charlotte, are we number 3 or 4 in the nation?

Falkenbury: Well it parallels pretty much your size of where we are as an Airport. We mimic the Airport. Obviously Dallas-Fort Worth and Atlanta are major hubs where we have USO centers. The vast majority of USOs are charter centers.

Riolo: You know how proud we are about the Airport, and we should be equally proud of the USO and how it's advanced. We are in our 5th year I think and it's been an excellent facility. I think we owe that to the people that support the facility with the volunteers and also the staff that we have over there that began with Captain Jack and now Megan. I can't say enough good things about those people that have helped run that USO under Colonel Falkenbury. I think Megan is the kind of leader and person we

want there and I hope she stays and I hope Colonel Falkenbury doesn't promote her like he has with our previous Directors. So thank you very much, we appreciate it.

6. Director's Report

Connections Published

- Copies were made available at each member's seat.

Air Force One Pictures

- Pictures are shared with the committee

Miscellaneous Discussions

Dorsch: The Museum is hosting the Tuskegee Airmen-Red Tails traveling exhibit. We are going to have the only surviving P51 that they flew. It's being sponsored by Duke Energy. It's officially going to be there from the 11th -14 and all children 18 and under will be admitted free for 4 days.

Meeting adjourned at 9:10 a.m.



T. J. Orr, Aviation Director

Distribution:

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Stephanie Kelly, City Clerk

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