

**CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT
AIRPORT ADVISORY COMMITTEE**

**Minutes from November 1, 2012
Charlotte Douglas International Airport
Piedmont Conference Room
8:00 a.m.**

Present

Drew Riolo, Vice Chair
Morgan Edwards
Todd Fuller
Pam Bennett
Russ McMillan
Peter Acker
Stephen Gedney

Staff Present

T.J. Orr, Aviation Director
Jennifer Long, Airport Customer Relations Manager
Lauri Golden, Airport Customer Service Coordinator
Bob Lucas, Airport Housekeeping Manager

Absent

Ed McMahan
Shawn Dorsch, Chair
Crystal Jackson
Scott Culpepper

Call to Order

AAC Vice Chair Drew Riolo called the meeting to order at 8:00 a.m., followed by the Pledge of Allegiance.

Welcome New Members

Riolo recognizes the committee's two newest members. Both are recommended to the committee by the Charlotte Regional Partnership, and are appointed by City Council for one, two-year term, with no option for reappointment. Both must live outside Mecklenburg County.

- Peter Acker: Acker is the President & CEO of Carolinas Medical Center—Lincoln County.
- Stephen Gedney: Gedney is the President/SVP of the Lancaster and Chester Railroad and a former AAC member.

ACTION ITEMS

Approval of October 4, 2012 Minutes.

Minutes were approved as written.

Business Agenda

1. Airport Passenger Facility Charge Administration

- Action**
- A. Approve a contract amendment with Newton and Associates, Inc. not to exceed \$240,000 for Passenger Facility Charge applications, administration, and reporting, and**
 - B. Adopt a budget ordinance in the amount of \$240,000 from the Passenger Facility Charge Fund to the Capital Improvement Fund.**

Background:

- In November 2004, the Airport implemented the collection of a \$3.00 Passenger Facility Charge (PFC) for passengers boarding commercial aircraft at the Airport.
- The purpose of the PFC program is to provide the Airport with an additional source of funding for capital projects.
- The FAA approves all projects included in the PFC program, including program administration and reporting, prior to the Airport spending the funds.
- In November 2011, the Aviation Department executed an agreement with Newton and Associates, Inc. to perform PFC administrative functions on behalf of the Airport. The duties required under this contract include:
 - Preparing PFC applications for new projects
 - Preparing amendments to approved PFC applications to reflect changes in approved project scope, timing, costs, of plan of finance
 - Preparing quarterly reports to the FAA regarding the Airport's collection and use of PFC revenues
- This second amendment to the existing Newton and Associates, Inc. contract will provide \$240,000 in previously approved PFC funding to be utilized for project administration over the next two years.
- The Airport currently has four (4) active PFC Applications; PFC application 1 includes project approval for the use of \$240,000 for the purposes outlined above.
- Over the last year Newton and Associates, Inc., a local firm, has demonstrated their expertise in providing the required services. Newton and Associates, Inc. has also served as an integral part of the Airport development team throughout the development and the administration of the Airport's PFC program.
- The budget ordinance will appropriate \$240,000 from the PFC fund balance to fund this contract. This contract will reimburse Newton and Associates, Inc. on an hourly basis for services performed.
- The total value of the original contract was \$350,000 and this request for amendment will increase the total value to \$590,000.

Council Date: November 12, 2012

Fuller: The original contract is \$350,000, and this will increase it to \$590,000. Are the bullet points listed in the middle the stuff they'll be doing?

Orr: Yes, that's what they'll be doing. They will spend approximately \$120,000 a year.

Motion: McMillan

Second: Fuller

Vote: 7-0

2. Airport Security and Camera System Change Order

Action: Approve Amendment #2 to the Building Automation and Management Systems Maintenance Contract with Johnson Controls Inc. for maintenance of the Video Management System in the amount of \$847,216.00.

Background:

- In February 2008, Council accepted a Homeland Security grant in the amount of \$2,050,000.00 for the purchase and installation of video surveillance equipment that was used to monitor the Transportation Security Administration's checkpoints and baggage screening areas.

- In December 2010, Council approved a five-year contract with Johnson Controls in the amount of \$2,767,992 for the Building Automation and Management Systems Maintenance Contract.
- In December 2011, Council approved Amendment No.1 to the Building Automation and Management Systems Maintenance Contract in the amount of \$139,855.00 for building automation and access control system improvements.
- Amendment No. 2 will provide the ongoing maintenance on 453 cameras, 36 computer workstations and 31 digital video recorders that are part of the video surveillance equipment that was purchased and installed through the Homeland Security grant.
- The revised total value of the Building Automation and Management Systems Maintenance Contract will be \$3,755,063.
- Existing contract is for 5 years with an end date of December 31, 2015 unless extended.

Small Business Opportunity

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

Council Date: November 12, 2012

Riolo: Please note that there are 453 cameras operating at the Airport. We actually have cameras that watch cameras in case one of them fails.

Edwards: Is there a central control room where someone monitors those cameras?

Orr: Yes.

Motion: Edwards

Second: Bennett

Vote: 7-0

3. Business Valet Parking Expansion

- Action:**
- A. Approve a contract with LS3P Associates, LTD in the amount of \$2,410,200 to design additional parking capacity on Wilkinson Boulevard.**
 - B. Adopt a budget ordinance in the amount of \$2,410,200 from the Airport Discretionary Fund to the Airport Capital Fund.**

Background:

- In November 2009, the Airport completed construction and opened the 3,200-space Business Valet parking deck on the corner of Wilkinson Boulevard and Harlee Avenue, which was designed by LS3P Associates, LTD.
- That parking deck consistently operates at 75-80% capacity and that percentage continues to increase. This performance, coupled with the reduction in overall parking spaces near the terminal due to construction, presents the need for additional spaces.
- The new parking deck will be aesthetically, functionally and structurally similar to the existing Business Valet parking deck.
- This contract will provide for architectural design, engineering services and construction administration to complete the project.
- This parking deck will consist of approximately 3,000 parking spaces for Business Valet at Wilkinson Boulevard and Harlee Avenue.

Small Business Opportunity

Committed SBE Goal: 30.8%

LS3P Associates, Ltd committed 30.8% (\$742,341.60) of the total bid amount to the following SBE firm(s): The Wilson Group (design & admin services), RobinsonThinks (way-finding graphics design), Urban Design Partners (landscape design) and Richa Graphics, Inc (printing).

Council Date: November 12, 2012

Motion: Bennett

Second: Fuller

Vote: 7-0

4. Concourse Electrical Upgrades

Action: **A. Approve a contract with RDK Engineers in the amount of \$177,150 to design electrical upgrades for Concourses B&C.**

B. Adopt a budget ordinance in the amount of \$177,150 from the Airport Discretionary Fund to the Airport Capital Fund.

Background:

- Passenger aircraft at the terminal building dock with jetbridges which allow passengers board and deplane the aircraft.
- While at the terminal, the aircraft use power and air conditioning units that are attached to the underside of the jetbridge. These units allow the aircraft to run electronic systems and cool the aircraft instead of running auxiliary power units that use fuel and generate emissions.
- Over the years, US Airways has changed the type of aircraft using their mainline gates. These aircraft require larger air conditioning units during the summer months to keep the aircraft cool while on the ground.
- US Airways has asked the Airport to provide additional power to run larger air conditioning units on the Concourse B&C gates.
- This contract will provide for the design of the new electrical infrastructure needed to power these new units.

Small Business Opportunity

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

Council Date: November 12, 2012

Edwards: During the evaluation, was there any consideration for upgrading additional outlets for the carts to use inside? They seem to be running short on outlets when they need to park.

Orr: This will give us the power to run more circuit inside the building. It will also give us the power that we need to run charging stations on the outside of the concourse to charge the electrical outdoor carts.

Fuller: What do you anticipate the cost of the project being when design is done?

Orr: About \$2.5 million for the electrical upgrade. Each of the units that we will be acquiring are about \$60,000 a unit.

Fuller: What's the number of jetways?

Orr: US Airways has 19 and we have 16.

Fuller: So this isn't just for US Airways? It is to accommodate the fleet? The airplanes are getting

bigger.

Orr: That's true. This is needed for the B and C Concourses, two on the D Concourse and all of the E Concourse. On the A Concourse, we have enough power to run upsizing, and we have already upsized some.

Riolo: How about D Concourse?

Orr: We have upsized everything on D, except for the two US Airways gates.

Riolo: Once thing I learned is that the term "jetway" is a proprietary term and it belongs to the manufacturer. The correct, generic term is a loading bridge or a jet bridge.

Motion: Fuller

Second: Edwards

Vote: 7-0

5. Aircraft Parking System

- Action:**
- A. Approve a low-bid contract with The Bowers Group, LLC. in the amount of \$1,208,000 for the installation of a Visual Docking Guidance System on Concourses B,C, D and E.**
 - B. Adopt a budget ordinance in the amount of \$1,208,000 from the Airport Discretionary Fund to the Airport Capital Fund.**

Background:

- On October 8, 2012 City Council approved a contract with Safegate Group for forty-six (46) Safedock Visual Docking Guidance System units for Airport gates used by US Airways.
- US Airways has established as a corporate goal the installation of Safedock Visual Docking Guidance System units on all of their leased gates at their hub locations.
- The Safedock system provides automated guidance technology that provides directions to the flight crew approaching the gate area, which reduces the number of airline personnel in the vicinity of the aircraft approaching the gate. The system also provides information to the ramp control tower on the aircraft's power and environmental controls, as well as information to the ground crews on the aircraft's next destination and time remaining on the gate.
- US Airways is purchasing the Safedock units for all the gates at CLT that they exclusively lease and has requested the Airport purchase identical units for the Airport gates that they utilize, which includes 12 gates on Concourse D and 34 gates on Concourse E.
- Installation of the units requires additional power and data connections, which will be accomplished through Action A. This contract will provide that infrastructure for all the units.
- This contract is a lump sum cost bid with a 120 calendar day duration.
- The Airport initially opened bids for this project on September 25, 2012, however; due to 2 of the 3 bidders using the incorrect bid form at the time of bid, all bids were rejected and the Airport proceeded with a new bid process. The project was advertised on September 28, 2012 and opened bids on October 18, 2012.
- This contract will be funded from two sources; the installation costs for Airport gates will be funded with Passenger Facility Charge revenues available upon final approval from FAA, and the cost related to US Airways exclusive gates will be funded through rates and charges paid for by US Airways.

Small Business Opportunity

Established SBE Goal: 10%

Committed SBE Goal: 10.18%

The Bowers Group exceeded the established goal and committed 10.18% (\$123,000) of the total bid amount to the following SBE firm(s): Corner Stone Construction Services (misc. steel installation) and C.A. Scisim Construction, Inc. (concrete)

Summary of Bids

The Bowers Group, LLC.	\$1,208,000
Edison Foard Construction Services	\$1,233,685
Morlando Construction	\$1,331,673.71

Council Date: November 12, 2012

Edwards: Didn't we address something similar to this?

Orr: Yes, last month what we did was buy the Safedock units from the manufacturer.

Bennett: So this is to install?

Orr: Yes.

Fuller: What manpower does this reduce?

Orr: You no longer need the mechanic to wave the airplane in. You still need the wing-walker.

Riolo: This is a guidance system of lights and a camera that is on the airplane. You have arrows on both sides and if you are over on one side you have the arrows that will tell you to move to the other side and line up. Once you are lined up, you have a green arrow that will show. Follow that green light straight ahead until you get within 10 feet. When you get within 10 feet that will turn into red lights that will start flashing to slow you down, then it will tell you to stop. If you go past the stop point, it will flash "too far". Sometimes the jet bridge will fit and sometimes it won't. This really helps during inclement weather when there is a restriction for who can be on the ramp because of thunderstorms. If you have ever been in an airplane and had to wait because the ramp is closed, that's because the people who work on the ramp can't get out there. The captain can then waive the requirement of the wing-walkers. The captain and co-pilot can lookout and when he waives the requirement of the wing-walkers, even though the ramp is closed, you can pull right up and park the airplane. The person that is running the jet bridge is not on the ramp. They can hook it up to the airplane and the passengers can exit the airplane instead of waiting on the ramp. It is really an efficient process once the captain determines that he doesn't need the wing-walkers. This is actually a lot more precise than the human-error. When the employee is marshalling you in with the wands, he is supposed to look at the front wheel as it is coming to the spot and time his arms with the speed of the airplane, but this is not always the case.

Motion: Edwards

Second: Bennett

Vote: 7-0

6. Airport Management Contract with CRVA

Action: Approve a month-to-month contract extension with the Charlotte Regional Visitors Authority (CRVA) for management of the Airport Terminal Advertising Program and Visitor Info Center for a duration of no longer than six months.

Background:

- In September 2007, City Council approved a contract with the CRVA to manage the Airport's advertising program and to operate the Airport Welcome Center (re-branded by CRVA to Visitor Info Center following the execution of the contract).
- For the advertising program, the Airport pays the CRVA all pre-approved expenses (including the cost of an on-site sales person) plus 5% of all gross advertising revenue. Over the last five years, gross advertising revenue averaged \$2,256,000 a year.

- For the Visitor Info Center, during the first six months of the contract, the Airport reimbursed CRVA the cost of operating, which was \$76,812.19. Thereafter, CRVA has staffed and operated the Visitor Info Center at no charge to the Airport.
- The initial term of the contract was November 1, 2007 through October 31, 2012.
- Due to recent leadership changes within the CRVA, as well as the City serving as the host site for a recent event, the timing of the contract renewal was impacted.
- A month-to-month contract extension will allow the advertising program and Visitor Info Center to continue operating through the holiday season, and will allow both the Airport and CRVA sufficient time to determine appropriate next steps.

Small Business Opportunity

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

Council Date: November 12, 2012

Edwards: Will City Administration be a part of this negotiation?

Orr: No. Typically the Aviation Department negotiates contracts and sends them through the City Manager and City Council.

Motion: Fuller

Second: Edwards

Vote: 7-0

7. Aircraft Deicing Operator Amendment

Action: Approve an Amendment to the Consolidated Deicing Facilities Management Agreement ("Amendment") to increase the management and consulting fee from \$98,127.00 to \$140,000.00 per year.

Background:

- In September 2010, the City entered into a Consolidated Deicing Facilities Management Agreement ("Agreement") with Contego Systems, LLC, subsequently acquired by Consolidated Deicing Services, LLC ("CDS"), to manage the Airport's deicing system.
- Pursuant to the terms of the Agreement, CDS has operated the deicing system at the direction of the Airport with the Airport contracting directly with the airlines for deicing services.
- After two winters of operating in this manner, the Airport and CDS have agreed to amend the Agreement to require CDS to contract directly with the airlines for deicing services to enhance administrative efficiency.
- This Amendment will increase the management and consultant fee payable to CDS from \$98,127.00 to \$140,000.00 per year to compensate CDS for the cost of administering the airline deicing service contracts.

Small Business Opportunity

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

Council Date: November 12, 2012

Fuller: That is a 40% increase?

Orr: It is a 40% increase partially because of the additional billing, paperwork, and administrative

duties. It is also partially due to a normal increase based on a growing operation.

Fuller: That goes to the airlines?

Orr: All of that goes straight to the airlines.

Edwards: When you took over this, you ran into some shortages. It looks like we may have a longer-than-usual winter coming up. Is that being factored in to our plans?

Orr: Yes, we are building a storage system right now. Those tanks will be operational sometime in December. That enables us to store 150,000 gallons of fluid, which is a total year's use in a heavy year. We have a contract with two different companies for supplying the deicing fluid. What really happened the first year is we needed to award the contract to acquire the trucks, and put everything together in January or February, in order to be ready to go for the following season. The airlines didn't tell us to go ahead until about July and we did not have sufficient time to arrange the supply contracts or get the trucks, or anything. So the first season we didn't have these 28 trucks. We leased US Airways old, worn-out trucks. We had to scramble for deicing fluid in an extremely cold winter when a number of airports in Europe actually ran out of deicing fluid. It was a combination of events that caused that, and it will not ever happen again.

Riolo: If you had searched for a price-point on a determination of this, this is a very expensive operation for the number of times it is used throughout the year when you're in the south. A lot of airports in the south, they deice by just letting it melt because it is such an expensive operation. When you look at the capital investment and the training that goes on, the storage of the fluid, the recapture of the fluid, it is expensive. Additionally, everyone has to be trained to standard on this. There is an extensive checklist that everyone follows. You have to go down the checklist, from the pilot to the operator. It takes a considerable amount of training. It is an expensive operation, but it is necessary.

Motion: McMillan

Second: Fuller

Vote: 7-0

8. Property Transactions

Action: Approve the following property acquisitions.

- A. Project: Airport Master Plan Land Acquisition**
Owner(s): Sadler, Gloria et al
Property Address: 5615 S I-85 Highway
Property to be acquired: 4.308 acres
Improvements: vacant land
Purchase Price: \$145,000.00
Remarks: The purchase price was determined by an independent appraisal and was reviewed by a second 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: R-3 Use: vacant land
Tax Value: \$24,948
Tax Code: 055-382-13
Funding: 2090: 54010
- B. Project: Airport Master Plan Land Acquisition**
Owner(s): Paul R and Elizabeth A Laramie
Property Address: 4309 Rockwood Road
Property to be acquired: .87 acres

Improvements: single family residence

Purchase Price: \$70,000.00

Remarks: The purchase price was determined by an independent appraisal and was reviewed by a second 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: R-3 Use: single family residence

Tax Value: \$120,700

Tax Code: 113-161-04

Funding: 2090: 54010

C. Project: Airport Master Plan Land Acquisition

Owner(s): Matlock Family Trust

Property Address: * Wilkinson Boulevard

Property to be acquired: .77 acres

Improvements: Vacant land

Purchase Price: \$196,000.00

Remarks: The purchase price was determined by an independent appraisal and was reviewed by a second 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: I-2 Use: vacant land

Tax Value: \$67,000

Tax Code: 061-262-06

Funding: 2090: 54010

Council Date: November 12, 2012

A. Project: Airport Master Plan Land Acquisition

Owner(s): Charles and Shelia Hartley Heirs

Property Address: 4016 Rockwood Road

Property to be acquired: .57 acres

Improvements: single family residence

Purchase Price: \$138,000.00

Remarks: The purchase price was determined by an independent appraisal and was reviewed by a second 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: R-3 Use: single family residence

Tax Value: \$127,900

Tax Code: 113-161-39

Funding: 2090: 54010

Council Date: November 26, 2012

Riolo: Many of the members have commented regarding the difference between the purchase price and the tax value. We have two independent appraisers who come out and appraise the property.

Orr: I would also add to that, that these are all voluntary acquisitions on the part of the homeowner.

Motion: Edwards

Second: Bennett

Vote: 7-0

STATUS REPORTS/DISCUSSION

Airport Onsite Recycling Center

Bob Lucas, Airport Housekeeping Manager, presents to the committee a short, "show-and-tell" video on the Airport Onsite Recycling Center.

- The Airport Recycling Center continues with its Testing Phase. The goal is to reduce landfill costs and recycle 70 percent of CLT's waste.
- CLT is partnering with Go Green NC to manage the facility.
- Fifteen new jobs were created to handle the daily operations of sorting 9,000 tons of yearly trash produced at the Airport.
- Joining in the mission of creating a more sustainable facility are 1.5 million earth worms that make-up the Airport's new vermicomposting system.
- The Airport's vermicomposting system will utilize 1,500 pounds of earth worms to eat cooked organic waste (food, coffee grounds, contaminated cardboard and paper). It is the first program of its kind at an airport. The worms provide an eco-friendly method of disposing of organic waste.
- Food waste from the terminal gets fed into a pre-composter at the recycling center and gets partially broken down. It is then mixed with bulking agents like woodchips, coffee grounds and cardboard, and heated to a certain temperature and then allowed time to cool, before it gets fed to the worms.
- The types of worms being used are non-burrowing and they are always eating up.
- The worm waste will be used onsite as organic fertilizer.
- This month, this information is being presented to the AAEE Sustainability Conference in Chicago.
- The Airport's Recycling Center and composting program will receive an honorable mention at the 2012 Airports Going Green (AGG) award on Tuesday, November 6th in Chicago, Illinois. The award's program recognizes outstanding leadership in pursuit of sustainability within the aviation industry.

Gedney: What is the cost of doing this compared to the cost of the landfill?

Lucas: The landfill fee is just one thing. What you also have to consider into that is the cost to get there, cost of labor, etc. When you calculate all of that, it is about \$900,000 annually. To run the recycling center, it is approximately \$425,000. But then we are turning around and selling the cardboards, plastics, aluminum, etc. We also have a share program with the company that is operating the facility for us. We can go through 40,000 pounds of cardboard a week and it is great to put that through a mill, versus a landfill. The number of aluminum cans that come off of the aircraft have been staggering. One particular airline goes through a lot of cups. When that flight is prepared, let's say that get a sleeve of cups. Even if they only use four cups out of the entire sleeve, they dispose of all the unused cups. The center has been bombarded with plastics and recyclables. The other interesting items we are seeing a lot of are clothes. People get to the ticket counter and their luggage is too heavy and they start dumping their clothes. We have a group of ladies who have been generous to come and pick-up the clothes, launder them and then donate them to Good Will and Salvation Army. Neither of those organizations would accept the clothing as is because they were soiled.

Orr: I anticipate that within five years, garbage will be a profit center.

Southwest Airlines

- Southwest Airlines recently announced that AirTran Airways will convert to Southwest Airlines on April 14, 2013 at CLT. AirTran will cease operations at CLT on April 13, 2013.
- Southwest, which acquired AirTran on May 2, 2011, will provide service to Baltimore/Washington, Chicago (Midway), Houston (Hobby) and Orlando airports from Charlotte Douglas. AirTran Airways current CLT flight schedule offers three daily nonstop flights to Atlanta and Baltimore airports, except on Saturday when two daily flights are offered to the two cities.
- Southwest, together with AirTran, serves 103 destinations in 41 states, the District of Columbia, the Commonwealth of Puerto Rico and six near-international countries.

Director's Report

Sixth Annual Runway Run Held

- The Run was held on Saturday, October 27, with 2,300 participants.
- Funds from the Run will once again go toward LifeSpan's Community Activity and Employment Transition Program (CAET).
- With this year's run, total proceeds to LifeSpan are expected to exceed \$100,000.
- LifeSpan, a nonprofit organization, assists children and adults with developmental disabilities.
- Twenty-two LifeSpan participants currently work at CLT, mainly as restroom attendants.

Hurricane Sandy

- Orr shares pictures with the committee of the various aircraft parked on CLT's airfield.
- Approximately 90 planes were parked on CLT's airfield Monday October 29- Tuesday, October 30 due to Hurricane Sandy.

Meeting adjourned at 9:00 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