

**CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT
AIRPORT ADVISORY COMMITTEE**

**Minutes from February 7, 2013
Charlotte Douglas International Airport
Piedmont Conference Room
8:00 a.m.**

Present

Shawn Dorsch, Chair
Drew Riolo, Vice Chair
Peter Acker
Pamela Bennett
Scott Culpepper
Morgan Edwards
Todd Fuller
Stephen Gedney
Crystal Jackson
Russ McMillan

Staff Present

T. J. Orr, Aviation Director
Kari Lazaroski, Executive Assistant
Brent Cagle, Asst. Aviation Director-Finance & Admin
Jack Christine, Asst. Aviation Director-Development
Haley Gentry, Asst. to the Aviation Director
Herbert Judon, Asst. Aviation Director-Operations
Mark Wiebke, Asst. Aviation Director-Facilities
Lee Davis, Public Affairs Manager
Jimmy Mynatt, Operations Manager

Absent

Ed McMahan

1. CALL TO ORDER

AAC Chair Shawn Dorsch called the meeting to order at 8:00 a.m.

2. PLEDGE OF ALLEGIANCE

3. APPROVAL OF DECEMBER 6, 2012 MINUTES

Minutes were approved as written.

4. BUSINESS AGENDA

1. Concourse D Ceiling Renovations

Action: Award the low bid contract of \$197,386 with Clancy and Theys Construction Company for installation of lighting fixtures on Concourse D.

Explanation

- In 1994, the Airport opened the first four gates on Concourse D, the international concourse. In 2002, the concourse was expanded to its current configuration.
- The original four gates were not modified during the expansion of the concourse, which means the ceiling and lighting in this space is now 18 years old.
- This project will replace the ceiling tiles and lighting in the original gate area.
- This project will install LED lighting in lieu of florescent lights, and connect the lighting to the Airport's building automation system so that the lights can be dimmed during off hours.
- Funding for this contract comes from proceeds of the 2011 General Airport Revenue Bond issue, the debt service of which is paid by Passenger Facility Charge (PFC) revenues.

Small Business Opportunity

Established SBE Goal: 10%

Committed SBE Goal: 6.1%

Clancy and Theys failed to meet the SBE goal, but earned the required number of Good Faith Efforts Points (Part B: Section 2.1 of the SBO Policy). They committed 6.1% (\$13,126) of the base bid amount to the following SBE firm: Charlotte Sound and Visual (audio). In addition, subsequent to Bid Opening,

Clancy and Theys committed an additional 18.3% (\$36,068.18) to Carolinas Electrical Supply (electrical supply).

Funding

2092/555.09

Summary of Bids

Clancy and Theys	\$197,386
The Bowers Group, LLC	\$197,400
W.C. Construction	\$200,100
Momentum Construction	\$213,500
Edison Foard, Inc.	\$214,700
Morlando Construction	\$249,300

Council Date: 2.25.13

Motion: Acker

Second: Gedney

Vote: 8-0 (Fuller and Jackson absent for vote)

2. Airport East End Baggage Claim Renovation

Action: Award a low bid contract of \$267,700 with The Bowers Group, Inc. for renovations of the east end of the baggage claim lobby.

Explanation

- In April 2011, Council approved a contract in the amount of \$1,943,250 for renovations to the baggage claim lobby in Zones A, B & C, including new lighting, ceiling, walls, and flooring.
- This project was completed prior to the DNC and provides a better passenger experience while using more energy-efficient lighting and lighting methods.
- This contract will complete the baggage claim renovation project by renovating the east end of baggage claim area with the same finishes used throughout the rest of the baggage claim lobby.

Small Business Opportunity

Construction contracts under \$200,000 are considered informal with regard to the SBE subcontracting goal setting process, therefore establishing SBE goals are not required (Appendix Section 29.1 of the SBO Policy), This project was bid as an informal project due to the estimate; however, The Bowers Group has committed \$88,341 (33%) to Steven's Interior (finishes).

Funding

2087/529.64

Summary of Bids

The Bowers Group	\$267,000
Myers-Chapman	\$285,053
Metro Landmarks (*SBE)	\$358,000

Council Date: 2.25.13

Motion: McMillan

Second: Culpepper

Vote: 8-0 (Fuller and Jackson absent for vote)

3. Airport Traffic Control and Security Guard Services

Action: Approve a second contract amendment with G4S Secure Solutions in the amount of \$350,000 for airport traffic control and security guard services.

Explanation

- The Aviation Department manages the security access and traffic control functions at the Airport.
- Following September 11, 2001, the Airport used a combination of Airport personnel and temporary employees to provide some of these services.
- In May 2009, after a competitive process, Council approved a contract with G4S Secure Solutions in the amount of \$2,100,000 to provide uniformed personnel for traffic management on the Airport's upper and lower level curbsides and for guard services at some access points to the airfield.
- In April 2012, Council approved a contract amendment in the amount of \$696,000 extending these services for an additional year.
- This second amendment will extend the contract for up to six months and will allow the Airport time to transition these duties to Aviation Department employees.
- G4S Secure Solutions will provide personnel on a man hour basis as required by the Airport.
- Funding for the additional employees has been requested in the FY14 budget.
- The new total value of the contract is \$3,146,000.
- The contract can be terminated by the Airport with a 30-day notice.

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).

Funding

7402/577.08

Council Date: 2.25.13

Motion: Bennett

Second: Gedney

Vote: 8-0 (Fuller and Jackson absent for vote)

4. Airport Landscape Maintenance Service Contracts

Action:

- A. Award a low bid contract of \$469,774.60 to TruGreen Landcare, LLC for Landscape Maintenance of Zones 1 and 8, and
- B. Award a low bid contract of \$170,841.00 to Leisure Time Lawn Care, LP for Landscape Maintenance of Zone 2, and
- C. Award a contract of \$16,104.00 to Samson Grounds Management, LLC for Zone 7 Landscape Maintenance.

Explanation

- In 1998, the Aviation Department began contracting for the landscaping maintenance work outside of the perimeter security fence on a lump sum basis.
- In August 2008, City Council approved a contract with Valleycrest Landscape Maintenance for landscaping maintenance services in the amount of \$1,420,000 for 40 months (\$35,500 per month).
- In 2012, this contract was unbundled to provide more opportunities for SBE's to bid for the work. As part of this initiative, city-certified SBE's received email notification of the bid. The Airport also waived labor and performance bonds which would have normally been required in order to bid.
- The contract for Zone 2 and 7 was originally awarded to Accolade Designs, who was unable to meet requirements of the contract and voluntarily terminated the contract with the Airport.

- The contracts for Zone 1 and 8 were originally awarded to Denver Landscape Services, who was also unable to meet the specifications of the contract and was given a 60-day notice of termination.
- An invitation to bid (ITB) was advertised in December 2012 for these zones.
- Eight vendors replied to the ITB, including two SBEs. Leisure Time Lawn Care, LP and Samson Grounds Management, LLC are certified SBEs.
- The contracts were bid on a unit-price basis with estimated quantities and frequencies of work.
- Each contract is a two-year term with a 60-day termination clause.

Small Business Opportunity

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

Funding

7402/57685

Summary of Bids

Zone 1 Bid Summary

Bidder Name	2 Year Total
TruGreen Landcare, LLC*	\$399,076.00
Mainscape, Inc.	\$692,147.57
Commercial Landscape Services, Inc.	\$1,315,688.00

**Negotiated to be within budget. (Original bid total = \$504,648.10).*

Zone 2 Bid Summary

Bidder Name	2 Year Total
Leisure Time Lawn Care, LP	\$170,841.00
TruGreen Landcare, LLC	\$179,665.42
Denver Landscape Services, Inc.	\$187,110.00
Mainscape, Inc.	\$192,080.79
The Brickman Group, LTD	\$303,041.20
More Green for Less Green Lawn Care	\$473,847.00
Samson Grounds Management, LLC	\$474,556.50

Zone 7 Bid Summary

Bidder Name	2 Year Total
Mainscape, Inc.	\$15,248.90
Samson Grounds Management, LLC	\$16,104.00
Leisure Time Lawn Care, LP	\$17,820.00
TruGreen Landcare, LLC	\$29,332.51
Denver Landscape Services, Inc.	\$52,800.00
More Green for Less Green Lawn Care	\$62,224.80
The Brickman Group, LTD	\$62,700.00

** Mainscape declined and withdrew their bid since they were not low bid on the other three zones.*

Zone 8 Bid Summary

Bidder Name	2 Year Total
TruGreen Landcare, LLC	\$70,698.60
Leisure Time Lawn Care, LP	\$80,692.50
Mainscape, Inc.	\$104,176.59
Denver Landscape Services, Inc.	\$122,640.00

Samson Grounds Management, LLC	\$131,460.00
The Brickman Group, LTD	\$140,154.00
More Green for Less Green Lawn Care	\$175,560.00

Council Date: 2.25.13

Dorsch: Jerry, where is Zone 1?

Orr: Zone 1 is the Terminal area, Wilson Aviation and Josh Birmingham Parkway.

Dorsch: I notice that you list Zones 1, 2, 7 and 8. Are the other zones inside the fence?

Orr: No, the other zones are also outside the fence but the contractors that last bid on those are comfortable in their contracts and are performing.

Culpepper: So these have all requested to be released from their contracts?

Orr: Yes sir.

Motion: Bennett

Second: Gedney

Vote: 10-0

FOR INFORMATION ONLY:

The following actions were approved at the January 28, 2013 Council Meeting. However, they were not reviewed with this committee at the January meeting.

5. Airport Concourse Electrical Upgrades

Action:

- A. Award the low bid contract of \$3,082,000 with The Bowers Group, LLC. for the installation of cabling along Concourses B & C, and
- B. Award the low bid contract of \$364,000 with EDI Electric for the purchase of switch gear panels, and
- C. Adopt a budget ordinance appropriating \$3,446,000 from the Airport Discretionary Fund to the Aviation Capital Investment Plan Fund.

Explanation

- Over the years, US Airways has changed the type of aircraft stationed at their mainline gates. During the summer months, these aircraft require air conditioning units 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 and Concourse C gates.
- In November 2012 City Council approved a contract with RDK Engineering in the amount of \$177,150 to design electrical upgrades to Concourses B & C to accommodate the larger air conditioning units.
- In December 2012 City Council approved a contract to JBT AeroTech in the amount of \$1,365,302 to purchase aircraft air-conditioning units.
- In order to complete the electrical upgrades to the concourses, to power the new air conditioning units; additional cabling for the terminal building is needed.
- Action A will provide new electrical distribution cables from the Duke Energy transformers to the aircraft gates around the concourses.
- Action B will provide the necessary switch gear panels for the electrical rooms to distribute the power to the proper areas around the concourses. These panels were bid separately in order to expedite their delivery in order to meet the project schedule.

Small Business Opportunity

Action A:

Established SBE Goal: 8%

Committed SBE Goal: 32.0%

The Bowers Group, LLC exceed the established goal and committed 32.4% (\$997,700) of the total bid amount to the following SBE firm: Area Drywall (studs, drywall), Kelby Construction, Inc. (demo), COED Electrical (electrical)

Action B:

No SBE goals are established for purchase of goods & equipment. (Section 18 of the SBO Policy)

Funding

2084/558.04

Summary of Bids

Action A:

The Bowers Group, LLC	\$3,082,000
Camps Construction	\$3,433,000
Brooks Berry Haynie	\$3,590,042

Action B:

Graybar Electric Company	\$268,950, bid was rejected; no bid bond
EDI Electrical	\$364,000
Brooks Berry Haynie	\$370,000
Besco Electric	\$401,650
Star Electric CO, Inc.	\$431,445

Council Date: 1.28.13

6. Airport Janitorial Services Contract Amendment #2

Action: Approve contract amendment #2 with Sunshine Cleaning Systems, Inc. for Airport janitorial services, exercising the first one-year contract extension.

Explanation

- On November 23, 2009 Council approved a three-year contract and authorized the City Manager to execute two one-year extensions with Sunshine Cleaning Systems, Inc. for janitorial services at the Airport. Services are paid on a unit cost basis (i.e. time and materials) in an amount up to \$16,883,156.10 for the initial three-year term.
- On May 9, 2011, City Council approved amendment #1 in an amount not to exceed \$532,166.62 for additional janitorial supplies and services needed due to higher than projected passenger volume.
- Contract amendment #2 will cover the cost associated with the following:
 - In 2012, approximately 55,871 square feet were added to the Terminal and passenger numbers for 2013 are estimated to rise to 41,600,000. These increases require additional janitorial supplies and staff time to maintain the Terminal's housekeeping functions.
 - Adjust for the personnel costs associated with the Payroll Taxes and Insurance reimbursement rate for 2012, and the 2013 State Unemployment Tax (SUT) rate increase. In 2012, the SUT increased from 1.15% to 3.00% and in 2013 the anticipated SUT rate is 2.52%, and
 - The cost associated with the first one-year contract extension. The estimated expenditure is in the amount of \$6,151,276.
- The total value of the contract, including the one-year extension is estimated at \$23,566,598.72.

Small Business Opportunity

All additional work associated with this amendment will be performed by the contractor and their current subcontractors. Sunshine Cleaning Services will maintain its initially committed goal of 11.7 % SBE participation.

Funding

7402/576.94

Council Date: 1.28.13

Dorsch: On the Janitorial Service contract, the 1-year extension is for \$23,500,000?

Orr: No, it's around \$6,000,000. The total amount of the contract to date would be \$24,000,000.

5. STATUS REPORTS/DISCUSSION**1. Year End Numbers**

	2011	2012	Increase
Passenger Activity	39,043,708	41,228,372	5.60%
International Enplanements	1,303,578	1,339,897	2.79%
Aircraft Operations	539,842	552,093	2.70%
Concession Sales	\$153,745,318	\$175,133,272	13.91%
Food and Beverage Sales	\$107,034,241	\$117,315,551	9.61%
Retail Sales	\$46,711,077	\$57,832,598	23.80%
Rental Car Revenues	\$102,090,122	\$110,555,934	8.29%
Parking Revenue	\$32,404,787	\$41,381,283	27.70%
Parking Transactions	2,108,540	2,261,455	7.25%
Wilson Air Revenues	\$16,804,101	\$19,121,765	13.80%

Culpepper: Jerry, about the numbers. We get a lot of questions about the potential effects of the US Airways merger; I know you've addressed that at these meetings in the past. Can you comment on that?

Orr: Sure. American is a considerably larger airline than US Airways. It appears that this is US Airways taking over the management of American and 1) it creates the largest airline in the world. There's a certain mass and weight in the marketplace with being the biggest. What's really important to us is international flights. International flights are an extremely lengthy negotiation for an airline to get permission to fly, extremely costly to start up a station somewhere else. American already has stations all over the world, a very extensive network particularly in South and Central America. What that really means is that overnight, US Airways would have the opportunity to add international destinations economically and quickly. Both of those are money to the bottom line.

Culpepper: What would be your response to the concern that because we basically serve, most of our traffic is changing flights, that we wouldn't be as attractive as some of the other hub cities that American uses and it might negatively affect our growth?

Orr: We are US Airways' largest hub because we are very efficient and have very low cost per passenger. The entity that provides the highest level of service at the lowest cost will always be attractive to the marketplace. It's also important for us to respect that low cost provider part of that

because without that part in our game here, I highly doubt we'd be able to sustain a hub.

Riolo: I think what it enables us to do in Charlotte with American Airlines is to serve South and Central America. American does have a hub in Miami. They pay considerably more in cost per passenger in order to be able to serve that. There is originating traffic in Miami for there, but there is traffic out of the Northeast that goes to Central America and I think that here on the platform we have in Charlotte, we can convince management that the business area can be better served out of Charlotte because the cost of doing that service is a lot less in Charlotte than it is in Miami.

Orr: Keep in mind that a hub by definition is if you just think of a wagon wheel. A wagon wheel works better if the hub is in the middle of the wheel and Miami, from a domestic point of view, is not in the middle of the wheel, it's all that direction. Charlotte is definitely a better gathering point from places all around than Miami.

2. Strategic Development Plan

Orr: I made a presentation to City Council's Economic Development Committee. As you know, City Council has several committees that are designed around their focus areas. The presentation was to help them understand the value of a couple of projects that we suggested for City funded that would take advantage of the platform here at the Airport in terms of Economic Development. Economic Development is a function of jobs and job growth. The City manager proposed an 8-year, billion dollar capital improvement program that has yet to be approved by Council and in that program somewhere was about \$40 million to build roads, water and sewer on the westside of the Airport. We consider the Airport enterprise here an economic development platform, publically owned and operated infrastructure program that has not cost the taxpayers one penny. It generates over \$10 billion a year in economic impact and contributes to 100,000 jobs in the region. 20,000 of those jobs are inside the fence. A recent state economic impact study measured that impact at \$12.5 billion and said that the operation generates close to \$500 million in state and local taxes, which is a lot of tax money. In the 18th century you had to be a port city because that's the only way you could get from here to there. In the 19th century, those cities that prospered had rail access. In the 20th century it's the interstate highways and in the 21st century it is the airplane that gets you there in a hurry. It's a little bit dark, but the base for this map, the red indicates congestion on rail lines. You want to try to avoid congestion if you're moving goods around. Congestion also is usually a pretty good indicator of where the goods need to go, that's why it's congested, because a lot of people are trying to move a lot of goods. The three circles are New York, Charlotte and Atlanta. Either by brilliant planning or luck, Charlotte is right there in the middle of the eastern seaboard where 2/3rds of the population live. It makes it an excellent place for an air traffic hub. It puts us in a position to disseminate goods all around the country. You can see that, remember the hub of the wheel.

Fuller: I can't see your fine print but that's probably just freight rail congestion and not passenger?

Orr: Freight, yes.

Fuller: If you ride Amtrak, you get delayed all the time. Freight takes priority on the rail.

Orr: That's because freight makes money and Amtrak loses money.

Fuller: You have to wait if you're on Amtrak, if there's a backup.

Orr: Of course Amtrak runs faster and needs a clear track. There's good reason for that. This is a little bit smaller scale and you see the major ports. The one in the upper right hand corner is Norfolk, the middle down here is Charleston and the little bit bigger one is Savannah and the white lines are the major rail lines that feed into Charlotte. Very clearly, we have the capability to have the air hub in Charlotte and to create the rail hub in Charlotte. We'd pull containers and goods from the 4 major ports in the Southeast; the next one is Jacksonville, which is just off of the map down here; in to Charlotte for redistribution up the mainline back into the northeast and up the mainline into the Chicago area as well as down into Dallas/Fort Worth. And that's kind of the genesis for our plan to bring all four modes of transportation together on one coordinated site which is the Airport. I think we'll be using the term "port" increasingly in our future because what we have effectively done with the rail yard connecting to the ports is the next best thing to being the seaport. This shows our plan, our three parallel runways, and the rail yard in there in the stripes. One thing that you notice here on this plan is that the land between the interstate 485 and the river over here just off the paper is very

sparsely developed. There are very few roads in there, almost no water and sewer. So with the river on this side and the airport on this side, it's very hard to get to that and it's never developed, even though it's only 7 or 8 miles from the center of town. In my view, that is an opportunity. We put together here this big complex that brings together all four modes of transportation. Then we have next to it 5,000 acres that's essentially uninhabited that's available to develop those types of facilities that want to be close to the transportation hub and bring good, high quality jobs. Our long range vision includes the next runway that we've spoken about, right here. We'll close this crosswind runway at some point and build another parallel over here on this side. As I've told you before, when you do all that, you then have a runway footprint that's identical to Atlanta. We have the ability down here to continue to expand these concourses as the need develops. With our new deck in here, you know that the rent-a-cars move out of here and we can build a new international concourse in there. It'll get hard to read here but what this shows you is that 50% of the industrial space in Mecklenburg County is in this area right here. Some spread out here with industrial parks, but 50% right here. If with the airport right here with the opportunity to develop this right here, we really have the opportunity to create a lot of business around the airport, an edge city, if you will, that is close to downtown, connected by the best, greatest, multi-lane and most under-used facility in the county, Wilkinson Boulevard. The long term benefit of that is that you eliminate trucks driving back and forth through the city. So we have looked at that, looked at the topography and the opportunities for development and we looked at how tracks of land and roadway systems and water and sewer work out here in this area. The initial step in that is getting a road built. You can't develop anything until you get a road built. So the point of all that is, with a little investment and essential front-end development, that would provide some roads and water and sewer, that it would open this land up to be developed. It would create tax paying development and tax paying development. And that's what it's all about. Riolo: I have a statement. That's a vision, that's what we look for. That's how we set up our plans. We use the mission statement and we do that vision. There were two new runways on there, there was economic development outside of the fence, I just think that's the vision and we should use the mission statement over the next 20 years to get there.

3. Annual Employee Awards

- The Aviation Department held its Eighth Annual Employee Awards on Saturday, January 26 at the NASCAR Hall of Fame.
- The event serves as the Department's opportunity to honor its employees.
- More than 200 employees and their guests enjoyed dining, dancing and socializing.
- This also marked the 12th year employees exhibiting outstanding performance, quality customer care and team spirit have been recognized.
- Rookie Award Winner: Jen Bryan (Facilities)
- Team Spirit Winner: Conveyor and Passenger Loading Bridge Crew
- Above & Beyond Winners: Valerie Boston (Parking) and Jimmy Mynatt (Operations)

4. Neighborhood Task Force (NTF)

- The Neighborhood Task Force was created in 1989 to give residents living in the Airport's noise contours a forum to learn about and discuss issues relating to Airport noise.
- The Task Force is composed of individuals living in neighborhoods closest to the Airport's runways.
- Members of the Neighborhood Task Force are appointed by the Airport Advisory Committee with no term limitations.
- The Task Force meets quarterly; the next meeting is scheduled for Thursday, February 21 at 7 p.m. in the CLT Center's Mooney Room.
- Currently, there are two vacancies that need to be filled. Applicants must live south of Runway 18C/36C or north of Runway 18R/36L.
- Seeking applications through Friday, March 15.

5. Director's Report

Dorsch: We have a couple of items. First of all, we'd like to recognize Jerry. I know that has happened a bunch lately. As most of you know, yesterday morning the Charlotte Business Journal recognized him as Business Person of the Year for 2012. There was a breakfast which some of you guys attended yesterday morning. Of course it's a very significant award. Also, the Counselors of Real Estate are giving Jerry the 5th annual Creative Thinkers award. He is going to be honored on February 20th. Drew had wanted to say something about Jerry's Business Person of the Year award.

Riolo: I think it's important to note how unique it is for a government official to be named the Business Person of the Year. If you go back and look at the previous business winners, they've been CEO's of public or privately held companies. Never have we had a government employee be the Business Person of the Year. I think that's just so unique to be able to run a government agency like a business. In fact, I think it's so unique, I see that Ely's here. I'm going to ask him to go back to his alma mater at Harvard and go to the Kennedy School of Government and also to the Harvard Business School and see if they can come down and do a case study on how this works. I've never seen this done before. It tells a lot about Jerry. We all know that Jerry is a business person, obviously. We know that he's a manager because he manages the airport and the airport has \$10 billion worth of impact. 20,000 jobs inside the airport; you have to be a manager to do that. Jerry's a visionary as we just saw. We know that Jerry is a civil engineer and a surveyor and he's the money man. He and Brent work together to keep all of this stuff in the black. What's most important and what strikes me as what I haven't seen before is that Jerry is a teacher. He's a teacher and he gives us this knowledge and we're able to watch Jerry and take part in this. You know my dad never said do this, do that. You're just supposed to watch him and figure it out, the way that things should go. So I think that Jerry's a teacher. He follows the mission statement that he set for the airport. The mission statement for the airport is the highest possible product at the lowest possible cost. So in TJO speak, what that means is good but cheap. When we got the Best Airport in the World in 2010 from the International Air Transport Association, I went to Berlin and I was honored to pick up that award. I was thinking about the mission statement and how to say cheap but good to this group of people. There was the chairman and the CEO of Air France and Lufthansa and different entities from airlines and airports. So I didn't want to say cheap but good, so what I used was great and inexpensive. That's what we have here at the airport, great but inexpensive. I want to compliment Jerry on this and I want everyone to stand up and say "For he's a jolly good fellow, for he's a jolly good fellow, for he's a jolly good fellow, which nobody can deny." Thank you for that participation. That's how we honor people here.

Orr: I am overwhelmed.

Winter Weather Operations

Orr: Two years ago, or three years ago, we took over the deicing for the airlines in an effort to streamline that, do it more environmentally friendly and save them money. We had a hard time doing that because by the time we got a decision it was too late to buy trucks and there was a shortage of glycol that year and a number of other things came together. We've got our act together now and we're doing a much better job. In 15 words, Jimmy's going to tell you about it.

Jimmy Mynatt shared the following summary:

	<u>Thurs., Jan. 17</u>	<u>Fri., Jan. 25</u>	<u>Total</u>
<u>Planes Deiced</u>	<u>2</u>	<u>231</u>	<u>233</u>
<u>Type I (gallons)</u>	<u>33</u>	<u>12,492</u>	<u>16,549</u>
<u>Type IV (gallons)</u>	<u>51</u>	<u>4,603</u>	<u>4,654</u>
<u>Cost</u>	<u>\$10,076</u>	<u>\$163,055</u>	<u>\$173,131</u>

<u>Billed to Airlines</u>	<u>\$8,396</u>	<u>\$138,996</u>	<u>\$147,392</u>
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Riolo: Go back a minute, Jimmy. It cost us \$173,000 and we only billed \$147,000?

Mynatt: Some of that is going to be recovered through the availability fee. What we're billing through there is our application fee and at end of the season, we'll true up what the airlines owe us.

Orr: It'll all be recovered at the end. That's just for my count, so I know where we stand.

	<u>January 2013</u>
<u>Planes Defrosted</u>	<u>123</u>
<u>Type I (gallons)</u>	<u>3,442 Concentrate</u>
<u>Glycol Cost</u>	<u>\$26,125</u>

- In January, 123 planes were defrosted, which has used 3,442 gallons of glycol (Type I concentrate), costing a total of \$26,125.

Fuller: Is the cost really about \$5,000 per aircraft to deice?

Mynatt: No, there are different aircraft mixes so, on average, during defrosting we use about eight gallons of glycol Type I per aircraft. I think we pay around \$6.50 per gallon.

Fuller: On the previous slide, I guess when you only have two airplanes there's a baseline cost.

Mynatt: You do and when you ramp up and have additional staffing that comes in and don't deice a lot of aircraft. Also, the second event was kind of an anomaly because when you have frozen rain it takes more Type I fluid to get the ice off, so we did have to use a few more gallons.

Orr: Now remember that we're using much less glycol because we bought trucks that also put out hot air so instead of just using glycol on the airplane, we're pushing hot air.

Mynatt: The forced hot air system injects the glycol and you can use a lot less.

Orr: The bottom line is that in our big event it took us about 6 minutes per airplane to deice and that is extraordinary in the industry.

Mynatt: The only way to get it any faster is to have the aircraft turn quicker.

Orr: So we have not gone from good to great, we've gone from bad to great.

CLT Named 2nd Best Airport for Connecting Flights – Travels Leader Group

- A nationwide survey was conducted by Travel Leaders Group.
- Nearly 1,000 managers and travel experts answered the question, "If your clients are flying and need to connect through a hub airport, which hub do they prefer?"
- CLT ranked as the second preferred domestic airport for those with connecting flights.

Charlotte Business Journal 2012 Business Person of the Year Award

Counselors of Real Estate-Annual Creative Thinkers Award 2/20/12

NC Airports Association Conference

- Wednesday, April 17 – Friday, April 19 in Raleigh
- Marriott Raleigh City Center
- Discounted rates available until Sunday, March 24
- Agenda provided to each member
- Last year, Morgan Edwards and Russ McMillan attended
- Please let Kari know this month if you would like to attend

Meeting adjourned at 8:50 a.m.



T. J. Orr, Aviation Director

Distribution:

Mayor & City Council

Julie Burch, Interim City Manager

Stephanie Kelly, City Clerk

Jeanne Peek, City Boards and Commissions Clerk

Ronnie Bryant, President/CEO, Charlotte Regional Partnership

Bob Morgan, Charlotte Chamber