

**CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT
AIRPORT ADVISORY COMMITTEE**

**Minutes from April 4, 2013
Charlotte Douglas International Airport
Bellanca Conference Room
8:00 a.m.**

Present

Shawn Dorsch, Chair
Drew Riolo, Vice Chair
Peter Acker
Scott Culpepper
Stephen Gedney
Morgan Edwards
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
Jennifer Long, Passenger Experience Manager

Absent

Pamela Bennett
Todd Fuller
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 MARCH 7, 2013 MINUTES

Minutes were approved as written.

4. BUSINESS AGENDA

1. FAA Grant Budget Ordinance Amendment

Action: Amend budget ordinance 4915-X appropriating \$274,999 in the Airport Capital Investment Plan from cost center 540.03 to cost center 554.07.

Explanation:

- In June 2012, City Council accepted a grant from the Federal Aviation Administration (FAA) in the amount of \$20,500,000. The grant funds were appropriated to projects related to the third parallel runway, including environmental permitting, the relocation of West Boulevard, the relocation of Wallace Neel Road, runway grading and drainage, construction administration, utilities relocation, and construction of the taxiway bridges.
- This grant was the sixth installment of the Letter of Intent issued by FAA in 2006 that provided \$80,000,000 in federal discretionary funding for the new runway over seven years.
- Projects normally receive 75 percent funding from FAA grants, with the Sponsor providing the balance of 25 percent. In the case of the West Boulevard Relocation project, the Airport received a contribution of \$1,700,000 from the North Carolina Department of Transportation (NCDOT), which ultimately provided more than 25 percent of Sponsor share funding for the project. The Airport has collected all of the \$1,700,000 funds from NCDOT.
- When the FAA grant was received, the Airport anticipated needing the full 75% federal funding for the West Boulevard Relocation project and appropriated grant funds to reflect that when the grant was accepted; however, with the funds from NCDOT in place the project was over funded, meaning there are more grant funds appropriated to that project than is needed to fully fund the project.

- Conversely, the funding for the taxiway bridges is not yet fully funded with grant proceeds. The Airport will request additional FAA funds as they become available.
- However, in order to earn the full amount of this grant, the excess grant funds currently in the West Boulevard Relocation project will be re-appropriated to the Taxiway Bridge construction project.

Funding

Grant Funds

<u>From</u>	<u>Fund</u>	<u>Center</u>	<u>Amount</u>
West Boulevard Relocation	2090	540.03	\$274,999

<u>To</u>	<u>Fund</u>	<u>Center</u>	<u>Amount</u>
Taxiway Bridges	2091	554.07	\$274,999

Council Date: 4.22.13

Culpepper: If we don't make the move, do we lose the grant money?

Orr: If we don't make the move, yes, we will lose that \$274,000 grant money and we'd close out the grant. We have to have enough expense to earn 75% of that expense in grants.

Culpepper: So you built the road too cheaply?

Orr: You could say we built the road too cheaply.

Motion: Edwards

Second: Gedney

Vote: 8-0

2. Airport Control Room Upfit

Action:

- Approve the purchase of an upgrade to the lightning detection system, as authorized by the sole source purchasing exception of G.S. 143-129 (e) (6),
- Award a contract in the amount of \$94,707 to Viasala, Inc. for an upgrade to the lightning detection system used in the Operations Control Room,
- Award the low bid contract of \$66,250 to Advanced Video Group, Inc. for five operator consoles for the Operations Control Room,
- Adopt a budget ordinance appropriating \$436,199 from the Airport Discretionary Fund Balance to the Capital Improvement Fund.

Explanation:

- The Operations Control Room serves as the 24/7 Communications Center and Incident Command Center for all Airport operations and emergencies.
- The Operations Control Room receives all police, fire and medical calls for service. Control room staff are responsible for operating and monitoring security camera equipment, fire and burglary alarm receivers, communications equipment, data terminals, computers and building automation systems.
- The current Operations Control Room has been in place since 1982 and now requires expansion to accommodate the increase in operations at the Airport.
- In January 2013, Council awarded a contract with The Bowers Group, LLC in the amount of \$159,800 to construct interior walls and provide the necessary power and communications infrastructure for a new control room.
- Action B provides for an upgrade to the Airport's lightning detection system, which will automate the lightning warnings using proprietary software from Viasala, Inc.
- Action C provides the workstation consoles that will be used by operations officers in the new control room. Six vendors were invited to bid these workstation consoles; only one vendor submitted a bid.
- Action D provides a budget ordinance for the contracts in this action, as well as a purchase order for design of the control room upfit completed by DAS Architecture (\$21,500), the Bowers Group contract (\$159,800), a purchase order for a new video wall (\$87,869) signed by the City Manager,

and a purchase order signed by the Aviation Director for the replacement of the fire control panel for the new control room (\$6,073).

- These items have been identified as eligible for Passenger Facility Charge (PFC) funding. Establishing this budget ordinance will segregate these contracts so they can be funded by PFC revenues.

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)

Funding

New center requested by Finance

Summary of Bids

Advanced Video Group, Inc. \$66,250

Council Date: 4.22.13

Edwards: I know it's a US Airways operation, but does this have anything to do with monitoring the carts that ride through the airport?

Orr: No.

Motion: Acker
Second: Gedney
Vote: 8-0

3. Airport Old Terminal Chiller Replacement

Action: Award a low bid contract of \$76,607 with Johnson Controls Inc., for the installation of a new chiller unit to condition the Old Terminal Building.

Explanation

- This project will replace a 14 year-old 140 ton air-cooled chiller which conditions the indoor air at the old terminal facility. The existing chiller has exceeded its useful life and is performing at half its rated capacity.
- The old terminal facility was transformed to office space in 1982 once the new terminal facility opened. There are currently ten tenants leasing approximately 41,000 SF.

Small Business Opportunity

Construction contracts under \$200,000 are considered informal with regard to the SBE subcontracting goal setting process, therefore establishing SBE goals is not required (Appendix Section 29.1 of the SBO Policy).

Funding

7402/576.84

Summary of Bids

Johnson Controls Inc.	\$76,607.00
Carrier Corporation	\$86,890.00
Cost Effective Maintenance	\$89,000.00

Council Date: 4.22.13

Motion: Gedney

Second: Jackson

Vote: 8-0

4. Airport Visitor Info Center Management Agreement

Action: Approve a management agreement with the Charlotte Regional Visitors Authority (CRVA) for management and operation of the Airport Visitor Info Center.

Explanation

- In September 2007, City Council approved a management agreement 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).
- In November 2012, City Council approved a month-to-month extension with the CRVA for the same services for up to six months. This agreement expires April 30, 2013.
- The Airport is currently in a Request for Proposal process for an advertising concessionaire in an effort to maximize advertising revenues. In contrast to a concession contract, the previous management contract paid CRVA all pre-approved expenses plus 5% of all gross advertising revenue.
- For the Visitor Info Center component, the previous contract provided an initial period of reimbursement by the Airport to the CRVA during transition of responsibilities, including upfit and construction. Thereafter, CRVA has staffed and operated the Visitor Info Center at no charge to the Airport.
- This proposed agreement with CRVA is for the management and operation of the Visitor Info Center and provides customers with information related to regional tourism, area attractions, lodging, ground transportation, terminal wayfinding and more.
- The new agreement has a three year and two month term commencing on May 1, 2013 and terminating on June 30, 2016. The Airport will have two options to exercise extensions for one year each.
- Under the new agreement, the Airport will reimburse the CRVA expenses for the cost of operating the Visitor Info Center, which is estimated to be \$243,015 in FY14.
- Additionally, the Airport will pay CRVA a yearly management fee for the operation of the Visitor Info Center. The amount of this fee will be 5% of the overall yearly operating budget.

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

7402/57680

Council Date: 4.22.13

Culpepper: We're paying CRVA?

Orr: We're paying CRVA to put people out here and manage the Info Center, essentially the paging system and the information center.

Culpepper: But CRVA requested to be able to staff it.

Orr: Yes, CRVA wants to keep doing that but they do not want to continue managing the advertising.

Culpepper: Why does the airport cover the expense?

Orr: Because we'd have to staff it with somebody and by staffing it with their people, they are already trained in guiding people through the visitor attractions and so they're much better equipped to help people.

Culpepper: Is that pretty well utilized? Do we keep track of how much people are going and talking to them? It takes up a pretty big space down there.

Orr: Do we have any numbers on that?

Long: Yes, we average servicing 17,000 customers at the Visitor Info Center.

Orr: They also do paging from there. 98% of the people in the airport are lost, or have lost something,

or are about to get lost. They answer questions.

Motion: Culpepper

Second: Edwards

Vote: 8-0

5. Airport Recycling Center Canopy

Action: Award the low bid contract of \$89,135.00 to Moore and Seagle Construction for the purchase and installation of a canopy at the Airport Recycling Center.

Explanation

- In June 2012, the Airport began operation of an onsite recycling center designed to separate recyclable items from the waste stream.
- The first step in the recycling process is to haul the waste from various places at the Airport to the recycling center. Trucks offload the waste onto a pad before the waste is placed on a sorting conveyor.
- This canopy will cover the waste while it waits for sorting and protect it from the elements, ensuring the waste is not carried by the wind or compromised by precipitation.
- The canopy will be constructed on a 4-foot foundation wall and will measure 50' x 60'.

Small Business Opportunity

Construction contracts under \$200,000 are considered informal with regard to the SBE subcontracting goal setting process, therefore establishing SBE goals is not required (Appendix Section 29.1 of the SBO Policy).

Funding

7402/563.33/199

Summary of Bids

Moore & Seagle Construction	\$89,135.00
Kelby Construction	\$93,025.00
Brooks-Berry-Haynie & Associates, Inc.	\$95,100.00
Camps Construction Company	\$97,692.00
The Bowers Group, LLC	\$98,560.00

Council Date: 4.22.13

Culpepper: Jerry, can we get an update on what the recycling center is doing and how it's impacting? I think it's amazing that we have worms out there. Do we get good press for that? Do we get that out into the media enough to let them know the efforts out at the airport?

Orr: Well, that's good news. Enough said. We'll get you some numbers next time.

Culpepper: I'd appreciate it if we could just keep the committee updated on that because I think it's a neat program.

Orr: We are generating revenue and cutting down on disposal costs and providing jobs. All three of those things are moving in the right and intended direction.

Culpepper: But financially, it's making sense over time?

Orr: It's making sense. It's doing what we said it would do and we'll get to where we said we would get which is that we intend to make trash disposal a profit center.

Culpepper: It's amazing, thank you.

Gedney: Jerry, what's the size of the structure?

Orr: 50x60'.

Dorsch: And the recycling center processing part of the building is what, about 20,000 square feet?

Orr: I'd say that's roughly right. It's in the old catering kitchen, which I find kind of amusing.

Edwards: Do you have the figure on the number of trucks we've reduced going to the landfill?

Orr: We can provide that.

Dorsch: And they do have worms, Scott, I've seen them.

Culpepper: You've seen the worms?

Edwards: Do we have to replace those worms?

Orr: We have not yet.

Dorsch: I think they replace themselves, though, don't they?

Orr: That's the intent.

Motion: Gedney

Second: Edwards

Vote: 8-0

6. Land Acquisition Budget Ordinance

Action: Adopt a Budget Ordinance appropriating \$35,000,000 from the Airport Discretionary Fund to the Airport Capital Investment Fund.

Explanation

- The Airport's new third parallel runway opened in January 2010. In preparation for its design and construction, the Airport undertook an Environmental Impact Study (EIS) that considered, among other things, what impact noise from aircraft operating on the new runway would have on the community.
- Between 1995 and 2001, the Airport routinely communicated with Council and the community on the EIS process, explaining that a number of homes to the south of the new runway would be identified for acquisition through the Airport Noise Mitigation Program (Part 150 Program) due to the anticipated new noise. However, the FAA did not ultimately approve the acquisition of these properties through the Part 150 Program, although it did approve other Airport noise mitigation efforts.
- Last year, a number of plaintiffs sued the City based on allegations of inverse condemnation due to aircraft noise. Seven of the 48 plaintiffs own homes in this area. Settlement negotiations are ongoing in this litigation.
- In the years since the EIS was submitted, the Airport has continued to grow and it is now clear that the land on which these properties are located is needed for future development of the Airport. The FAA agrees with this assessment and, on February 13, 2013, approved a new Airport Layout Plan (ALP) which includes this land to be acquired.
- FAA approval of the ALP means that the cost of acquiring these properties is now eligible for FAA funding through the Airport Improvement Program (AIP) grant process and with Passenger Facility Charge (PFC) revenues. The Airport therefore intends to proceed with negotiating voluntary acquisitions of these properties, which, if successful, could contemporaneously settle the lawsuits of the seven plaintiffs.
- This action will appropriate \$35,000,000 from the Airport Discretionary Fund Balance to fund the land acquisition, which will ultimately be replaced with a combination of future General Airport Revenue Bonds, AIP Grants and/or PFC revenues.

Funding

New Center

Council Date: 4.22.13

Edwards: Jerry, just for orientation purposes, is this going south?

Orr: That's right.

Christine: Jerry, you're rotated 90 degrees.

Orr: Good point. This is north, this way. As an old surveyor, it's inconceivable that north would not be up on a map. It looks a lot better now, thanks for that.

Acker: How do we fund the discretionary fund? By that I mean, each year, do we budget an amount that goes into that?

Orr: No sir. Remember that our deal with the airlines is their rents are compensatory, whatever it costs us to provide them and then excess revenue at the end of the year we split with the airlines. We give them 40% of the excess revenues, 60% of the excess revenues go into the discretionary fund. So there's a residual amount that's sitting out there in the discretionary fund and we draw out of that.

Acker: So then over time you'll be able to replenish this amount here with those year-end funds?

Orr: Well, we'll replace this over time with either airport revenue bonds, which are bonds we issued that are guaranteed by airport revenues and we will pay the debt service of those bonds with our PFC revenues. PFC is the passenger facility charge, \$3 for each boarding, and that too goes into a separate, segregated fund that we can draw out of. Or we'll fund it 100% out of that PFC fund or we'll get a grant out of the Airport Improvement Program, the FAA grant program, to pay for 75% of it and then bond the rest of it, the 25%. Or pay the 25% with PFC. So any combination of those we can use, none of which really cost the airlines anything.

Culpepper: So the PFC revenues, those belong to the FAA?

Orr: No, well, it depends on who you ask. They belong to the Airport but you have to have FAA permission to use them.

Culpepper: Will this increase that Passenger Facility Charge?

Orr: No. We imposed the Passenger Facility Charge in 2004 at the \$3 level. You can impose it at \$1, \$2, \$3 or \$4.50. Somewhere between 80-90% of airports, maybe more than 90, currently impose it at the \$4.50 level. We still impose it at the \$3 level which gives us an additional level of protection.

Culpepper: If this had been approved initially by the FAA for Noise Ordinance reasons, is this the same way it would have been funded?

Orr: Exactly. The only difference is that we would have done it five years ago.

Culpepper: Are they changing that standard in terms of the Noise Ordinance, or how are they approving that?

Orr: They are approving this because we made the case that because of all the cargo development in this area here, we will ultimately need more land for cargo support facilities to support the Airport.

Culpepper: And that area is 100% residential right now?

Orr: Yes.

Culpepper: What happens if people decide not to sell?

Orr: I don't know about ultimately, but for the near to immediate future, they can stay there.

Culpepper: But is the zoning going to be industrial over there once this is all bought out?

Orr: It depends on how much we acquire. When we initially approved the Part 150, which started the buyout in 1989, we hired a firm to do an opinion survey of the people that lived in Moores Park, Steeleberry Acres and in Whipperwill Hills. 90% of those people wanted to stay there. We ended up buying about 98% of the people on a voluntary basis, so we decided this time not to spend money on an opinion survey and let the chips fall where they may.

Culpepper: Did we get feedback from the Neighborhood Task Force?

Orr: Yes.

Culpepper: And are they supportive of this idea?

Orr: Well the member that lives right here thinks it's a great idea. There are also eight people that live in here that are part of the 48 person lawsuit. This is a presumptuous statement because it's in the courts, but we presume that by offering to buy these houses, we will settle those eight lawsuits.

Culpepper: What percentage of the people involved in the lawsuit are going to be impacted by this?

Orr: Eight out of 48. There are eight right here and 40 up here. Actually the ones up here are much further up here than these. These are much closer to the end of the runway.

Riolo: In the notes, I just want to add, this is voluntary acquisition of these properties, voluntary.

Orr: That's right. So if most of these people want to continue to live there, we can make that work.

Acker: So there's no specific window where they would have to decide within three or six months, for example?

Orr: No and, rather obviously, you can't choose to live there and then complain about living there.

Riolo: The plain English statement of this is that if you want to stay there, you can.

Dorsch: And to the north of the Airport, there's that neighborhood you've been buying out for a really

long time and isn't there someone still living there?

Orr: In Moores Park, which was roughly 125 homes, there is one left. There is one vacant lot and one house.

Dorsch: And you've been buying them out for how long?

Orr: Since 1989.

Dorsch: Similar kind of program.

Gedney: Jerry, what percentage of funds, on the short term basis, comes out of that discretionary fund based on what's left of the balance?

Orr: At any one time, we will have up to \$100 million tied up in prefunded projects. We've been doing this for 30 years. What this enables you to do is 1) it helps you identify your exact cost before you borrow the money which avoids borrowing more money than you really need which costs you more and 2) since it's coming out of our reserves, we don't need to borrow extra money to pay capitalized interest, in other words, to pay interest on the bonds before the project before the project starts generating revenue. When you borrow money, the bond holders expect you to start paying interest whenever they give you the money. Typically it takes us a couple of years to get the project completed and generating revenue. So that avoids us having to pay capitalized interest, which again cuts down on the cost of doing the project.

Motion: Culpepper

Second: Acker

Vote: 8-0

5. STATUS REPORTS/DISCUSSION

ACI 2012 Preliminary Rankings

- Lee Davis gave update.

• Worldwide Rankings: Total Movements

	2012	2011	2010
1	Atlanta (ATL)	Atlanta (ATL)	Atlanta (ATL)
2	Chicago (ORD)	Chicago (ORD)	Chicago (ORD)
3	Dallas/Fort Worth (DFW)	Los Angeles (LAX)	Los Angeles (LAX)
4	Denver (DEN)	Dallas/Fort Worth (DFW)	Dallas/Fort Worth (DFW)
5	Los Angeles (LAX)	Denver (DEN)	Denver (DEN)
6	Beijing, China (PEK)	Charlotte (CLT)	Houston (IAH)
7	Charlotte (CLT)	Beijing, China (PEK)	Charlotte (CLT)
8	Las Vegas (LAS)	Las Vegas (LAS)	Beijing, China (PEK)
9	Houston (IAH)	Houston (IAH)	Las Vegas (LAS)
10	Paris, France (CDG)	Paris, France (CDG)	Paris, France (CDG)

• National Rankings: Total Movements

	2012	2011	2010
1	Atlanta (ATL)	Atlanta (ATL)	Atlanta (ATL)
2	Chicago (ORD)	Chicago (ORD)	Chicago (ORD)
3	Dallas/Fort Worth (DFW)	Los Angeles (LAX)	Los Angeles (LAX)
4	Denver (DEN)	Dallas/Fort Worth (DFW)	Dallas/Fort Worth (DFW)
5	Los Angeles (LAX)	Denver (DEN)	Denver (DEN)
6	Charlotte (CLT)	Charlotte (CLT)	Houston (IAH)
7	Las Vegas (LAS)	Las Vegas (LAS)	Charlotte (CLT)
8	Houston (IAH)	Houston (IAH)	Las Vegas (LAS)
9	Phoenix (PHX)	Phoenix (PHX)	Philadelphia (PHL)
10	Philadelphia (PHL)	Philadelphia (PHL)	Detroit (DTW)

- Worldwide Rankings: Total Passengers

	2012	2011	2010
1	<u>Atlanta (ATL)</u>	<u>Atlanta (ATL)</u>	<u>Atlanta (ATL)</u>
2	<u>Beijing, China (PEK)</u>	<u>Beijing, China (PEK)</u>	<u>Beijing, China (PEK)</u>
3	<u>London, UK (LHR)</u>	<u>London, UK (LHR)</u>	<u>Chicago (ORD)</u>
4	<u>Tokyo, Japan (HND)</u>	<u>Chicago (ORD)</u>	<u>London, UK (LHR)</u>
5	<u>Chicago (ORD)</u>	<u>Tokyo, Japan (HND)</u>	<u>Tokyo, Japan (HND)</u>
6	<u>Los Angeles (LAX)</u>	<u>Los Angeles (LAX)</u>	<u>Los Angeles (LAX)</u>
7	<u>Paris, France (CDG)</u>	<u>Paris, France (CDG)</u>	<u>Paris, France (CDG)</u>
8	<u>Dallas/Fort Worth (DFW)</u>	<u>Dallas/Fort Worth (DFW)</u>	<u>Dallas/Fort Worth (DFW)</u>
9	<u>Jakarta, Indonesia (CGK)</u>	<u>Frankfurt, Germany (FRA)</u>	<u>Frankfurt, Germany (FRA)</u>
10	<u>Dubai, United Arab Emirates (DXB)</u>	<u>Hong Kong, China (HKG)</u>	<u>Denver (DEN)</u>
	<u>CLT ranked 23</u>	<u>CLT ranked 23</u>	<u>CLT ranked 25</u>

- National Rankings: Total Passengers

	2012	2011	2010
1	Atlanta (ATL)	Atlanta (ATL)	Atlanta (ATL)
2	Chicago (ORD)	Chicago (ORD)	Chicago (ORD)
3	Los Angeles (LAX)	Los Angeles (LAX)	Los Angeles (LAX)
4	Dallas/Fort Worth (DFW)	Dallas/Fort Worth (DFW)	Dallas/Fort Worth (DFW)
5	Denver (DEN)	Denver (DEN)	Denver (DEN)
6	New York (JFK)	New York (JFK)	New York (JFK)
7	San Francisco (SFO)	San Francisco (SFO)	Houston (IAH)
8	Charlotte (CLT)	Phoenix (PHX)	Las Vegas (LAS)
9	Las Vegas (LAS)	Las Vegas (LAS)	San Francisco (SFO)
10	Phoenix (PHX)	Houston (IAH)	Phoenix (PHX)
11	Houston (IAH)	Charlotte (CLT)	Charlotte (CLT)

Edwards: Is that originating passengers?

Davis: That is total passengers.

Edwards: Everyone that comes through the Airport?

Davis: Correct.

Acker: Is there a significant margin between where we are at number eight and San Francisco at number seven?

Orr: There's not a significant margin until you get up to between fifth and fourth. Atlanta and Chicago are about twice as much.

Acker: So it's conceivable then that, in the future, we may keep moving up?

Orr: We might move up to sixth, but I seriously doubt any higher.

Riolo: What drives these numbers on total passengers a lot is the size of the airplanes and how many people are on each airplane. We are ranked high on the number of movements because a lot of our airplanes are smaller airplanes that work to feed the Carolinas and a lot of them are 737's and regional jets. We don't have a lot of the big airplanes. We might see, on the average per airplane, 120 people whereas, if you would look at a larger place like London-Heathrow or Paris or Frankfurt, even Los Angeles or San Francisco, they would have airplanes that would seat over 300 people on an average. We have a lot of movement but the airplane size on the passenger count is not as big.

Acker: Is that because we have connecting flights and more of a hub approach?

Riolo: Yes, we have a definite hub approach.

Orr: And because we're located here on the east coast where all the people are and the people are not as far apart. When you get out in Denver, it's a long ways to the next city.

Davis: Our growth was 5.6% in passenger numbers from 2011-2012 and we continue to see increases in the first quarter this year. These again are the preliminary rankings; the final rankings will probably be released sometime in May. You may see some shift in some of these, but we'll have to wait and see.

Southwest Airlines

- Lee Davis gave update.
- Spring 2011: Acquired AirTran Airways
- Begins Charlotte service on Sunday, April 14
- Provide service from CLT to Chicago (MDW), Baltimore/Washington (BWI), Houston (HOU) and Orlando (MCO)
- Southwest, together with AirTran, serves 103 destinations in 41 states, the District of Columbia, Puerto Rico and six international countries
- Press event to be held Monday, April 15 at
- 10 a.m. at Gate A8
- All invitations will be e-mailed by Southwest
- Agenda includes Southwest Airlines Vice President of Business Development Dave Ridley

Advertising RFP Process

- Jennifer Long gave update.
- In November 2012, City Council approved a six month contract extension with Charlotte Regional Visitors Authority (CRVA) for management of CLT's Advertising Program. That agreement is set to expire Tuesday, April 30.
- Following discussions with CRVA, CLT elected to enter into a competitive process for the Advertising Program in an effort to maximize advertising revenues.
- CLT is currently seeking proposals to develop and oversee the Advertising Program, through a concession agreement.
- Key dates of the RFP include:
 - Proposals due Friday, April 12
 - Evaluation of Proposals: Monday, April 15-Monday, April 22
 - Short Listing and Proposer Interviews: Week of May 13
 - Award Recommendation: AAC on Thursday, June 6
Charlotte City Council on Monday, June 24
 - Contract Start: Monday, July 1
- For the Proposer Interviews, CLT would like to use three members from the AAC to serve on a Selection Committee.

Dorsch: Do we have three people who would like to be involved in the process?

Acker: I'll do it.

Dorsch: Why don't you also check with Pam? She's not here today. Do we have a third member who'd be willing to do it?

Edwards: I will.

- Because CRVA's agreement expires Tuesday, April 30, and the estimated start date of a new contract is July 1, CLT will manage the advertising program in-house throughout May and June.

Orr: Let me make a couple of quick comments. Five years ago when we did these deal, we thought that there would be synergy between CRVA selling the City and selling our advertising at the Airport. We have not seen that synergy develop. That doesn't mean that the program hasn't been successful, we've been generating good revenues through a difficult time, we just didn't accomplish the goals we thought we were going to accomplish on both sides which is why there really isn't anything in it for CRVA in the

agreement now.

Neighborhood Task Force

- Kari Lazaroski gave update.
- 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 and appointed by the Airport Advisory Committee.
- Received nine applications for consideration.
- Subcommittee of AAC members to make recommendations for nomination of new members.

Orr: I would suggest that the subcommittee include the two Westside appointees, especially since that was the basis of their appointment.

Dorsch: The Westside appointees are?

Lazaroski: Crystal and Russ.

Dorsch: I'm happy to do it with them.

5. DIRECTOR'S REPORT

Sustainability Program Update

- Haley Gentry gave update.
- Fast Facts
 - 6th nationwide in operations
 - 11th nationwide in passengers
 - Nonstop service to 142 destinations
 - 735 daily departures
 - 1.8 million SF of Terminal
 - 26,700 parking spaces
 - 95 gates
 - \$169M operating budget
 - Approximately \$6M in terminal utility bills
- CLT Hires full-time Sustainability Specialist
 - Patrick Cerri began as 18-month intern under a fellowship through a grant provided by the NC State Energy Office from ARRA funds.
 - Helped create CLT's sustainability program working with key management
 - Hired on as a full-time airport employee at the end of his internship
 - Continues to identify energy/sustainability opportunities
 - Measures and verifies energy savings
 - Provides reports on sustainability projects
- Commitment to Sustainability
 - CLT shall pursue fiscally responsible practices and strategies that minimize environmental impacts to achieve a sustainable enterprise for the benefit of the region.
- Green Standards
 - Incorporating a multitude of accepted industry standards help ensure a viable, effective and manageable program
 - Designers, suppliers, auditors, manufactures, contractors, etc. are familiar with standards
- Three Step Process Outline
 - Practical Applicator comes up with idea and completes SIT.
 - Reviewer recommends to accept or reject. If accepted, profile sheet is created.
 - If initiative can work all the time, it is incorporated into the Focus Area Policy.
- Yearly Publications
 - CLT Sustainability Program Summary
 - CLT Sustainability Catalog
- CLT Pilot Project 2012
 - CLT worked with The Charlotte Regional Partnership to identify and pursue a Pilot Project

that showcases:

- Off-grid solar lighting
- Micro-grid technology
- LED streetlights
- LED canopy lights
- Challenges and Successes
 - Collecting existing information that was implemented years ago
 - Organizing the program to be flexible with current operations
 - Monetary tracking and funding
 - Culture change to new approach of conducting business
 - Creating an effective and flexible program for an organization this large with room to expand
 - Sustainable Initiative Template (SIT)
 - Implementing several successful initiatives
 - Key staff commitment lead to department-wide success

CLT's Energy Savings Initiatives

- Mark Wiebke gave update.
- Concourse D Lighting
 - Original Concourse D gate areas will be updated with new ceiling tile and LED lighting that will potentially be utilized throughout B and C Concourses as well.
 - The new LED lighting will connect with the building's automation system so it can be dimmed during off peak hours.
 - These LED fixtures are 53% more efficient than current fixtures.
 - Renovations have not begun, but are expected to be complete by June.
 - Cost: \$197,386
- New Hourly Parking Deck and Rental Car Facility
 - Will include induction lighting
 - Induction lighting is 60% more efficient than traditional metal halide lighting
 - Uses only 42% of the wattage of traditional metal halide lighting.
 - Cost: \$151,800
 - Payback: Approximately six months
 - Annual Savings: \$298,000
- Business Valet Deck II
 - Will include either LED or the same induction lighting
 - At this time, cost, payback and annual savings have not been determined.
- Daily East and West parking Decks
 - Blue accent lights are being converted to LEDs
 - LEDs are 75% more efficient than the current metal halide lights.
 - Cost: \$22,567.50
 - Payback: Nearly two years
 - Annual Savings: \$19,056.63
- Electric Ground Service Equipment Battery Chargers
 - Twenty three outdoor battery chargers will be used to charge US Airways' new electric ground service equipment vehicles.
 - These will reduce tailpipe emissions.
 - US Airways and Piedmont/US Airways Express will pay for the use of this equipment through the airlines' rates and charges.
 - Equipment Cost: \$609,770

Dorsch: How many electric tugs do we have out there now, do you know?

Orr: Roughly 30.

Dorsch: And those are operated by US Airways Express?

Orr: Yes.

Airport Signage

- Jack Christine and Herbert Judon gave update.
- Currently installing two new entrance signs at the intersection of Harlee Avenue and Wilkinson Boulevard
- Construction will be complete by the end of the month
- To provide drivers parking updates, four dynamic signs have been installed along roadways leading to the Airport:
 - Wilkinson Boulevard
 - Little Rock Road
 - Harlee Avenue
 - Josh Birmingham Parkway
- On Monday, April 15, they will begin operating
- Ten more dynamic signage boards will be in use by the end of the year; these will be capable of displaying 128 different messages, including directions to open lots

NC Airports Association Conference

- Wednesday, April 17 – Friday, April 19 in Raleigh
- Marriott Raleigh City Center
- Shawn Dorsch and Russ McMillan will be attending this year.

Culpepper: Jerry, one question. Can we get an update on how things are being handled with the Cell Phone Lot during the construction of the new parking decks? Are we changing anything? I've gotten a lot of feedback from people coming in at busy times and it's kind of a mess right now.

Orr: The mess is demand exceeding supply. Yes, we can get a report.

Culpepper: Are we considering moving the Cell Phone Lot to a bigger area if that overflows?

Orr: Well, that's part of the new entrance road. When the new entrance road is opened in the fall, we will have, in conjunction with that, a much larger Cell Phone Lot.

Culpepper: But right now we just have to make due?

Orr: Right now, we're kind of stuck with it where it is. We did a study on that and the problem is, for the Cell Phone Lot to be effective, it needs to be in an area where the people feel they can get to the terminal. We have room where we could put it way out there somewhere, but we don't think we'd get the use.

Meeting adjourned at 9:00 a.m.



T. J. Orr, Aviation Director

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