

GREENVILLE-SPARTANBURG AIRPORT

COMMISSION MINUTES

MARCH 31, 2014

The Greenville-Spartanburg Airport Commission met on March 31, 2014 at 9:00 a.m. in the Greenville-Spartanburg Airport District Office Conference Room C located at 2000 GSP Drive, Suite 1, Greer, S.C. 29651.

MEMBERS PRESENT: Minor Shaw, Hank Ramella, Leland Burch, Bill Barnet, and Valerie Miller.

MEMBERS ABSENT: Doug Smith

STAFF AND LEGAL COUNSEL PRESENT: Dave Edwards-President/CEO, Kevin Howell-Vice President/COO, Jack Murrin-Vice President Administration and Finance/CFO, Rosylin Weston-Vice President Marketing and Public Relations, Larry Estridge-WCSR Firm, Scott Carr-Director of Properties and Development, Bobby Welborn-Police Chief, Chris Richau- Police Corporal, Whitney Code-Public Relations Specialist, and Wanda Jones-Executive Assistant.

GUESTS PRESENT: Nat King-GSP/Jacobs, Don Warren-Skanska-Moss, Wayne Redfern-Baker, Mike Darcangelo-AVCON, and Jim Fair-Greertoday.com.

CALL TO ORDER: Chair Minor Shaw called the meeting to order at 9:00 a.m.

CONSENT AGENDA:

- A. Approval of the Greenville-Spartanburg Airport Commission January 27, 2014 Regular Meeting Minutes.

A motion was made, seconded, and unanimous vote received to approve the minutes from the January 27, 2014 Commission Meeting.

PRESENTATIONS:

- A. **Commission on Accreditation for Law Enforcement Agencies (CALEA).**

Chief Welborn stated the GSP Airport Police Department just completed a CALEA on-site assessment which occurs every three years. 273 mandatory standards, 59 other than mandatory standards were reviewed and no file maintenance issues or applied discretions were found. CALEA noted the training hours has tripled in the last two (2) years and department personnel mirrored population demographics. The GSP Airport Police Department was the 6th Accredited Airport Police Department of the eleven (11) in North America. The Commission congratulated the Police Department. Chair Shaw asked why more police

departments did not go through the accreditation process. Chief Welborn stated cost, time, and restrictions.

B. Customer Service – Community Relations.

Ms. Weston stated three (3) of the main reasons to engage the community are to educate, to build trust, and gain support and in turn we educate ourselves about the needs of the community so that the airport is in tune with the community.

Ms. Weston stated the Chambers of Commerce and Convention and Visitor's Bureau are the cornerstones of community relation efforts. GSP Airport District participates in the following area events: Euphoria, City of Spartanburg Music on Main, Greer Family Fest, Fall for Greenville, and City of Spartanburg International Festival. GSP Airport District partnered with the City of Greer's Annual Christmas Tree Lighting and Breakfast with Santa. GSP Airport District also sponsors Ice on Main, and new this year to sponsorships will be Dickens of a Christmas, a City of Spartanburg event.

For the first time, GSP International Airport has partnered with Gibbs Cancer Center and Research Institute. Gibbs sponsors the cell phone lot and wants to extend the partnership further. GSP Airport District is excited about the new partnership.

Ten at the Top was established to join public, private and non-profit leaders together to engage in conversations that affect all ten (10) counties of the Upstate. GSP Airport District was the 2013 recipient of the Ten at the Top Welling Collaboration Award. Upstate Alliance and GSP share a good relationship that includes exchanging information for the purpose of recruitment. GSP looks forward to nurturing the relationship in the years to come. GSP360 is a growth initiative resulting from the GSP Airport District Land Use Planning and Development Study. GSP360 gives Staff an opportunity to market GSP to the community in a different way.

A few more partnerships supported by GSP Airport District include: Greater Greer Education Gala, (proceeds from the Greater Greer Educational Gala are dispersed in grants to schools, teachers, students, and worthy educational programs in the Greater Greer area), Food for Thought, and Upstate Athletic Teams (Furman, Wofford, Clemson, Road Warriors, Presbyterian College, and Greenville Drive). Upstate Athletics is a great way to touch a large number of people with GSP messaging.

It is important to GSP Airport District to give back to the community. Three (3) ways we give back is the Salvation Army Christmas Party, Honor Flight Upstate, and Habitat for Humanity.

The GSP Airport District Staff participates on a number of Upstate boards and committees. Also, Staff is invited to a number of speaking engagements which gives us the opportunity to share information about the airport.

Ms. Weston stated that interaction with the community is important, but interaction with our internal community is equally as important. GSP Airport District sponsors an annual tenant event in the fall and all airport tenants are invited to participate in a lunch event. Tenants appreciate the event and this gives Staff an opportunity to engage tenants in conversation in a very casual setting. Chair Shaw stated she has attended the event in the past and would like information on future events.

In conclusion, Ms. Weston stated that Staff recognizes the importance of involvement and the intent is to continue to work closely with the community keeping them informed about services and opportunities available at GSP International. Ms. Weston stated, we are confident that if we provide detailed information to the Upstate, in a timely manner, we will not only maintain our current relationships, but create opportunity for growth in the future.

A motion was made, seconded, and unanimous vote adopted to go into Executive Session to discuss contractual matters at 9:30 a.m. At approximately 10:05 a.m. public session resumed.

NEW BUSINESS:

A. Approval of Terminal Improvement Program Core/Concourse Phase:

Mr. Edwards stated the last construction phase of the TIP Core/Concourse includes the complete renovation of the core area, which includes, ticketing, baggage make-up, the Windows restaurant, and Concourses A&B. Skanska-Moss received sub-contractor bids on March 4, 2014. Mr. Edwards stated for this phase of work, it is recommended to negotiate a lump sum contract versus the Construction Manager at Risk delivery method that we utilized during the first two (2) phases of the project. Mr. Edwards stated Staff and SKM have negotiated a final price for this phase of the work. Construction Administration/Resident Project Representative Services have also been negotiated with Baker for this phase.

The recommended budget for the last phase of the TIP is below:

General Contractor (Skanska Moss)	
Base Lump Sum Contract	\$45,750,000
Cost of Work Reserve Allowance (Not to Exceed)	\$ 200,000
Subtotal General Contractor	\$45,950,000
Construction Administration/Resident Project Representative	\$ 1,475,000
Owner Reserve	\$ 2,500,000
Total Core/Concourse Budget	\$49,925,000

Mr. Edwards stated the Commission could delay moving forward with the alternate construction method and continue with the Construction Manager at Risk work method if so desired or delay moving forward with the Core/Concourse Phase.

Mr. Edwards respectfully requested that the Airport Commission (1) approve the Terminal Improvement Program Core/Concourse Budget in the amount of \$49,925,000; and (2) authorize the President/CEO to finalize a Lump Sum Construction Contract with Skanska Moss for this phase of the TIP not-to-exceed \$45,950,000 and execute the necessary documents to complete the work. A motion was made, seconded, and unanimous vote received to approve the Terminal Improvement Program Core/Concourse Phase not-to-exceed \$49,925,000.

PRESIDENT/CEO REPORT:

Mr. Edwards stated that the Frequent Flyer Program between US Airways and American Airlines will be merged today.

The FAA Annual Aviation Forecast Meeting in March projected the US market growing by 2.1% annually both domestic and international.

As the Federal Fiscal Year 2015 approaches there will be a lot of discussion about FAA Reauthorization. One of the bigger items to achieve is a PFC increase. Mr. Edwards stated he would send various articles to the Commission pertaining to the FAA Reauthorization.

Mr. Edwards stated that airlines continue to be extremely profitable, in large part to ancillary fees. Airlines have turned the corner from a profitability standpoint which is very positive and will create a much more stable industry.

Mr. Edwards gave an update of the ACI-NA/AAAE Legislative Conference in March. Mr. Edwards attended a breakfast meeting with US Representative LoBiondo, Chair of the Aviation Subcommittee, and heard from various Congressional members during the conference. Some of the main issues discussed at the conference were PFCs, AIP Reauthorization as a whole, which includes some discussion of regulatory changes, and exit lanes. There is an on-going debate occurring about staffing of exit lanes. Customs and Border Patrol staffing was also a topic of discussion.

Mr. Burch met with Congressman Trey Gowdy's Chief of Staff during the conference. Chair Shaw stated the importance of consistent communication with Legislators.

Mr. Edwards was able to visit Spartanburg Soaring over the weekend and shared a few pictures from the event. A brief discussion was held concerning the Arts Committee meeting with representatives from the arts community.

INFORMATION SECTION:

Mr. Edwards highlighted the traffic report that the airport had approximately one hundred (100) cancellations due to weather in February. February traffic would have been up 2% if we did not have the cancellations. We are tracking well for March.

Ms. Miller asked if the Happy or Not Meter has had a good response from passengers. Ms. Weston stated yes. Mr. Edwards stated we would keep the Happy or Not Meter after the trial period because it is a good customer service tool; however, how the question(s) are asked needs to be addressed. The next time, a true/false question may be asked so that we can get really good answers. Chair Shaw thanked Ms. Weston for providing customer service complaints in her monthly report. This helps the Commission understand what the trends are.

Ms. Miller asked if the Cell Phone Lot is continuing to grow. Mr. Edwards stated yes. IT is in the process of procuring a large Flight Information Display in order to provide more information in the Cell Phone Lot. We will also be advertising on the displays.

Mr. Barnett asked if the road from 85 is the airport's to maintain. Mr. Howell stated we do maintain the landscaping. Mr. Edwards commented that he has been to several Eyes on 85 meetings recently. Eyes on 85 is a strong initiative by Rick Webel, Mark Byington, and Knox White on how the interchanges between Spartanburg and Greenville can improve the beautification and tie all of them together. The airport interchange is the model with some added features. Area businesses and corporations throughout the corridor will be helping to take on certain interchanges and the cost of maintenance for the interchange as the

airport is already doing. Mr. Edwards stated this is an exciting project and he looks forward to continuing the participation.

Chair Shaw asked that Staff address the lighting on the entrance road and signage. Mr. Howell stated there is money in the budget for a comprehensive signage program as part of the TIP project in 2015 or 2016. There is a facelift of signage in the process and current signage will be repainted and re-lettered in order to give them a fresh look before the comprehensive project in two (2) years. Mr. Howell stated there is a project that will relocate and re-lamp the existing lighting.

Ms. Miller stated she is thrilled to see the billboards and advertising print about Southwest Airlines. Ms. Miller stated it is important to engage in this type of advertising. Mr. Edwards stated this is a partnership between Southwest Airlines and GSP which will run for approximately five (5) months. Mr. Edwards stated this is also a partnership we are willing to offer to any of our carriers. Ms. Miller stated educating people about Southwest Airlines is important.

ADJOURNMENT:

There being no further business, a motion was made, seconded, and approved to adjourn the meeting at approximately 10:52 a.m.