

**GREENVILLE-SPARTANBURG AIRPORT
COMMISSION MINUTES
SEPTEMBER 9, 2013**

The Greenville-Spartanburg Airport Commission met on September 9, 2013 at 9:00 a.m. in the Greenville-Spartanburg Airport District Office Conference Room C located at 2000 GSP Drive, Suite 1, Greer, SC 29651.

MEMBERS PRESENT: Minor Shaw-Chair, Hank Ramella-Vice Chair, Leland Burch, Valerie Miller, Bill Barnet, and 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 Communications, Larry Estridge – WCSR Firm, Wanda Jones – Secretary, and Dan Ingram – Information Technology Manager.

GUEST PRESENT: Nat King – Jacobs/GSP, Don Warren – Skanska Moss, Mike Reiter – Baker, Jim Fair – greertoday.com, and Krista Gibson –The Greer Citizen.

CALL TO ORDER: Chair Minor Shaw called the meeting to order.

CONSENT AGENDA:

- A. Approval of the Greenville-Spartanburg Airport Commission July 8, 2013 Regular Meeting Minutes.
- B. Approval of Airport Commission Meeting Dates/Times for Calendar Year 2014.

A motion was made, seconded, and unanimous vote received to approve the consent agenda items, subject to changing one date conflict with the Airport Commission Meeting Dates/Times for Calendar Year 2014.

PRESENTATIONS:

A. GSP 360 – Beyond the Runway.

Mr. Edwards stated in early August that GSP 360 Beyond the Runway was launched. The website is gsp360beyondtherunway.com and Mr. Howell will give an overview of the website.

Mr. Howell stated after the planning study was completed and adopted by the Commission, the website was the rollout of some marketing efforts which will be the next step of land development. The website contains seven (7) tabs including: overview, development, properties, resources, news, partners, and contact. Also, on the front page there is a list of all nine (9) tracts. When

clicking on a tract you will see a picture, location, description, and the highest and best use. A sample lease agreement will be available on the website and, depending on the type of project, the terms are negotiable. Chair Shaw asked who helped with the development of the website. Mr. Howell stated CDM Smith used a local firm, Brand Farmers, who in turn used Launch Something from Spartanburg. The original company, Bounce, folded and a few of the employees from Bounce started Brand Farmers. The team felt since a working relationship had begun it was best to stay with Brand Farmers so as not to lose the momentum. Chair Shaw asked if there is an overview of the upstate communities that would allow someone to find out about the Upstate in general. Mr. Howell stated, no, but will work with communities that want to team up with us and share connectivity. Staff will work on adding information from surrounding communities as an added improvement to the site.

OLD BUSINESS: None.

NEW BUSINESS:

A. Adoption of Commission Member Ethics Policy.

Mr. Edwards stated that this item will be pulled from the agenda today to give the Commissioners an opportunity to discuss details with legal counsel in Executive Session. The intent is to put this item on the November agenda for action.

B. Appointment to the Airport Environs Planning Commission.

Mr. Edwards stated the Airport Commission has two (2) appointments to the Airport Environs Commission, one from Spartanburg and one from Greenville County. Commissioner Hank Ramella from Spartanburg County was re-elected at the July 8, 2013 Commission Meeting. Mr. Jim Whitten's appointment will expire on September 30, 2013. Mr. Whitten has agreed to serve an additional two (2) years. Mr. Whitten is from Greenville County, the current Chairman and does a great job.

Mr. Edwards respectfully requested that the Airport Commission reappoint Mr. Whitten to the Airport Environs Commission. A motion was made, seconded and unanimous vote received to approve Mr. Whitten as the appointment to the Airport Environs Commission from Greenville County. Mr. Edwards will send Mr. Whitten a letter informing him of his re-appointment.

C. Approval of the Terminal Improvement Program Pre-Core Budget and Authorization to Proceed with Work.

Mr. Edwards stated the Pre-Core Package is an additional Enabling Package that will allow us to move into the Core. From a timing standpoint, advancing

some work while continuing to work on existing packages will allow a seamless transition. Mr. Edwards stated Skanska Moss, Program Manager, and GSP Staff have worked very closely to minimize costs for the overall project. Failing to approve the Pre-Core Package could potentially add three (3) months to the schedule which would result in added project costs. It is estimated that there would be an approximate \$750,000 savings in General Conditions costs due to a three (3) month savings of construction time. The actual budget for the Core along with the CGMP will be on the agenda for the January Commission Meeting. This portion of the project will prepare the airport for the future even if the Commission decided to stop the project prior to the Core and Concourse work. The Pre-Core Package is an additional expenditure that is coming earlier than originally planned but will help to save money in the long term. Chair Shaw asked if the Pre-Core Package is an additional expenditure to add to the budget. Mr. Edwards stated that is not additional money and that the project remains at \$115 million; this is a redirection of money from the original Core money earlier than anticipated. Mr. Ramella asked if this will help with a continuity of construction rather than a start and stop. Mr. Edwards stated, yes, that is the goal. The project has been impacted from a time standpoint and the team is trying to find ways to make back time.

Mr. Edwards respectfully requested that the Airport Commission (1) approve the Approval of Terminal Improvement Program Pre-Core budget in the amount of \$4.245 million; and (2) authorize the President/CEO to negotiate a final Component Guaranteed Maximum Price with Skanska/Moss (Construction Manager at Risk) for this phase of the project not to exceed \$4.245 million and execute the necessary documents to complete this work. A motion was made, seconded and unanimous vote received to approve the Pre-Core budget and Authorization to Proceed with Work.

A TIP Task Force Meeting will be scheduled in the future to bring the Task Force up-to-date on all aspects of the project.

D. Adoption of the Airport Arts Policy.

Ms. Weston stated the Art Task Force worked closely together on the policy, which is a combination of other airport arts policies. Ms. Weston stated the real take-away from the policy is the Airport Commission would have the final word on any art pieces; in particular the large pieces. The Art Committee would be created from a group of individuals from Greenville and Spartanburg that are part of the arts community that have expertise in the arts area. The Arts Committee would be working at the direction of the Airport Commission who would have the final word on all pieces selected.

Mr. Edwards stated from a discussion he and Chair Shaw had that he would like to touch on a couple of suggestions. One being, the Arts Council should

be individuals who have expertise in selecting and displaying art in various public locations. Also, the Airport Commission should be providing the Arts Council with recommendations on public art pieces as well as theming. An Arts Workshop will be scheduled with the entire Commission.

Mr. Edwards respectfully requested that the Airport Commission resolve to approve the Greenville-Spartanburg Arts Policy. A motion was made, seconded and unanimous vote received to approve the Arts Policy subject to the Commission meeting in a workshop and providing guidance to the new Arts Council as it relates to the new future public art that will be placed in the terminal.

PRESIDENT/CEO REPORT:

A. Aviation Industry Report:

Mr. Edwards stated the Justice Department and a few states have filed a lawsuit against US Airways and American to stop the merger. The date has been set for November 25, 2013. Mr. Edwards stated there are positives and negatives associated with the merger. The positive being, there are four (4) major carriers in the industry which can be profitable and highly competitive. The negative being, that because the industry is losing a player, it could mean fares nationally go up and everyone is impacted by that.

Sequestration is another big item that has to be dealt with. Sequestration will not affect the TIP Project funding, which are entitlement funds. One big concern is it will affect discretionary funding. Mr. Edwards stated he had the opportunity to meet with Secretary Fox, Department of Transportation, and Secretary Fox conveyed that unless the entire sequestration issue is resolved, there is no specific fix for aviation.

Mr. Edwards discussed cancellations on the traffic report. GSP has a higher proportion as it relates to US Airways than other carriers due to the short distance between GSP and CLT. The airport sees fewer cancellations on flights that have a longer haul unless the cancellation is mechanical. The 50 seat planes will be impacted over the 150 seat planes. Chair Shaw asked if delays fall in the same category. Mr. Edwards stated that delays are impacted by what is going on at the hubs.

B. GSP Airport District Fiscal Year 2012/2013 Annual Audit:

Mr. Edwards stated the auditors have completed an unqualified audit which will be presented to the Audit Committee and then will be on the November Commission Agenda.

C. **Update on Current Phasing of Terminal Improvement Project:**

Mr. Edwards gave a brief update on the phasing of the Terminal Improvement Project. Work has begun on the front curb with more curb area than anticipated being taken down in order to give Skanska-Moss more room to work. Police Officers are present on the curb to move people to the cell lot for parking rather than sitting on the front curb. Mr. Edwards stated the process is not as convenient as it has been, but in the latter part of December the glass curtainwall will begin. Chair Shaw stated from a safety standpoint, it is important to have more personnel on the front curb. Mr. Edwards stated the Police Department is doing a great job, especially at peak periods, making sure that there is a strong presence at the curb and working to minimize any inconvenience to our customers.

Following a brief discussion of the Thanks Again Program, Mr. Barnet asked if there were regularly held meetings with the tenants and if the message was conveyed of how important it is to pay attention to the quality of service. Mr. Edwards stated yes, meetings are held at a minimum of once a month. When there is a complaint from an unsatisfied customer, that information is provided to each of the concessionaires and they respond directly and copy Staff on any response that they follow through with. Staff tries to make sure every unsatisfied customer is addressed. Ms. Weston stated she is responsible for receiving emails from customers who are satisfied and unsatisfied. Ms. Weston responds to all emails.

Chair Shaw commented that GSP will be part of pre-check. Mr. Edwards stated a couple of things need to happen before pre-check can be implemented. A different type of x-ray technology will have to be installed at the checkpoints and scanners at the TSA podium on both concourses. All airlines are signed onto pre-check with the exception of Allegiant and Southwest at this time. However, Southwest should be in pre-check by the end of November 2013. Mr. Ramella asked if the Trusted Traveler Program is a separate group. Mr. Edwards stated they are essentially the same.

INFORMATION SECTION:

Mr. Edwards stated that he will be transitioning out of the Chair of ACI-NA in September and be moving into the immediate past chair position. Mr. Edwards thanked the Commission and Staff for their unwavering support during his time as ACI-NA Chair. Chair Shaw and the Commission congratulated Mr. Edwards.

Ms. Miller stated that she was pleased to have Mr. Edwards speak at the Marchant Breakfast. Ms. Miller also stated the importance of people flying out of GSP and that point needs to continue to hit home.

COMMISSION MEMBER REPORTS: None.

ADJOURNMENT:

There being no further business, a motion was made, seconded and adopted to go into Executive Session to discuss legal matters at 11:15 a.m. It was announced no actions would be taken during the Executive Session. At the end of the Executive Session, at approximately 1:00 p.m., the meeting was adjourned.