

AGENDA

Greenville-Spartanburg Airport Commission Regular Meeting
Greenville-Spartanburg International Airport
Conference Room at Administrative Offices
Tuesday, September 18, 2012, 9:00 a.m.

*** NOTE TO ALL PUBLIC ATTENDEES:**

The public may speak on any item on the agenda. There are request cards located outside the public seating area. These cards must be completed and presented to the Recording Secretary prior to the item being heard. Your comments will be addressed prior to the Airport Commission's discussion and you will have 5 minutes to address the Airport Commission. Thank you for your attention.

- I. CALL TO ORDER:
- II. CONSENT AGENDA:
 - A. Approval of the Greenville-Spartanburg Airport Commission July 16, 2012 Regular Meeting Minutes ([document](#)).
- III. PRESENTATIONS:
 - A. Transportation Security Administration – Security Update (Eric Beane - TSA Federal Security Director) ([document](#))
 - B. Inland Port Project (Jack Ellenberg) ([document](#))
 - C. Economic Impact Study Update (Tom Tveidt) ([document](#))
 - D. GSP Leakage Analysis Update (Damon Hylton) ([document](#))
- IV. OLD BUSINESS:
- V. NEW BUSINESS:
 - A. Terminal Improvement Program - Enabling Projects Budget Amendment ([document](#))

VI. PRESIDENT/CEO REPORT:

- A. Aviation Industry Update.
- B. The LPA Group Incorporated fully transitioning to the Michael Baker Corporation ([document](#)).
- C. Transportation Security Administration (TSA) Grant for Checked Baggage Screening Project.

VII. INFORMATION SECTION:

(Staff presentations will not be made on these items. Staff will be available to address any questions the Commission may have.)

- A. July 2012 - Traffic Report ([documents](#)).
- B. July 2012 - Monthly Financial Report ([document](#)).
- C. September 2012 - Development/Project Status Report ([document](#)).
- D. September 2012 – Communications Status Report ([document](#)).
- E. Industry Presentation(s)/Article(s) of Interest ([document](#)).
- F. Potential Items for the Next Regular Scheduled Commission Meeting:
 - Approval of the Component Guarantee Maximum Price for the Bag Claim/South Bridge Phase of the Terminal Improvement Program.
 - Award of the Rental Car Concessions at GSP International Airport
 - Briefing on GSP Police Department Firing Range

VIII. COMMISSION MEMBER REPORTS:

IX. EXECUTIVE SESSION:

The Airport Commission may hold an Executive Session for the purpose of receiving legal advice on various matters.

X. ADJOURNMENT.



This agenda of the Greenville-Spartanburg Airport Commission is provided as a matter of convenience to the public. It is not the official agenda. Although every effort is made to provide complete and accurate information to this agenda, the Airport Commission does not warrant or guarantee its accuracy or completeness for any purpose. The agenda is subject to change before or at the Airport Commission meeting.

**GREENVILLE-SPARTANBURG AIRPORT COMMISSION
MINUTES
July 16, 2012**

The Greenville-Spartanburg Airport Commission met on July 16, 2012 at 9:00 a.m. in the Greenville-Spartanburg Airport District Office Conference Room located at 2000 GSP Drive, Suite 1, Greer, SC 29651.

MEMBERS PRESENT: Minor Shaw, Hank Ramella, Bill Barnet, Leland Burch, Valerie Miller, 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, Dan Ingram-IT Manager, Whitney Code-Marketing Coordinator, Kristie Weatherly-Finance Manager, and Marsha Madore-HR Manager.

GUEST PRESENT: Nat King-Jacobs/GSP, Gary Lott-LPA Group, Phil Parkins-CDM Smith, Cullen Pitts-MPS, Tom Lockhart-MPS, Steve Harrill-RS&H, Jim Fair-GreerToday.com, and Price Atkinson-Crawford Strategy

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

Mr. Edwards stated that New Business Item B which is the Approval of Updated Terminal Improvement Program Budget will have some potential impacts on contracts with the Construction Manager at Risk; therefore, the recommendation is to enter into Executive Session to discuss those items. Following Executive Session formal action on the item will be taken in Public Session.

Mr. Edwards also pointed out that Mr. Eric Beane, TSA Federal Security Director, will not be presenting today. Unfortunately, Mr. Beane was called to Washington, DC. Mr. Beane will be on the agenda for the September Commission Meeting. Chair Shaw stated when the security check point gets backed-up; opening the second lane makes the process go better. Mr. Edwards stated that staff is keeping a close eye on the check point and encouraging TSA to act in advance of the queue building instead of after. Mr. Edwards also stated part of the initial problem was training staff on the new AIT Units. Chair Shaw urged all Commissioners to report to Dave on any issues they may see. Mr. Ramella commented he had a very positive experience with TSA on his recent trip.

CONSENT AGENDA:

A. Approval of the Greenville-Spartanburg Airport Commission May 14, 2012 Regular Meeting Minutes:

A motion was made, seconded, and unanimous vote received to approve the minutes from the May 14, 2012 Commission Meeting.

PRESENTATIONS:

A. Terminal Improvement Program – Web Portal:

Ms. Weston stated one of the successful keys to a construction project is communication. The TIP Agency was created in order to help keep employees, customers, and the Commission up-to-date on the construction project and the progress over the next four years. The TIP Agency has representatives from Crawford Strategy in Greenville, Launch Something in Spartanburg, and the GSP Communications Team. Together three communication tools were developed: a Brand, a Website, and a Blog.

Ms. Weston stated the intent of the brand is to communicate that this is more than a construction project. It is a program about progress, sustainability, economic development, and economic impact. The website and the blog will continue those communication messages along with other messages as the project progresses. WINGSPAN is the brand. Ms. Weston presented the first phase of the website and stated that as the project grows the website will grow. Ms. Weston pointed out at the bottom of the WINGSPAN page is the Commission page. The page is password protected; you will be given your username and password today. The Commission page will allow Staff to deliver timely secure information. A similar page was also developed for airport employees in order to keep them informed as well. The Blog is updated every Wednesday and Friday and Commissioners are encouraged to view the Blog. Chair Shaw stated it is a great way of finding out what the community is thinking. A link is provided via the GSP website or you can go directly to elevatingtheupstate.com.

Mr. Burch complemented the team on a great job. He did state the presentation omitted that the Airport District will retain the beauty of the airport. Mr. Burch also wants all renderings on the website to be identified. Ms. Weston stated she will correct the presentation and that all renderings will be identified. There will also be a photo gallery and at some point a time lapse video. Mr. Edwards stated at the close of business every Friday the dash-board will be updated. Mr. Smith asked how the website will be promoted to the community. Ms. Weston stated through media coverage and speaking engagements. A Communication Round-Table will be held for the media this week to educate the media about the project. Also, discuss phases and timelines as well as introduce the media to the communication tools: the brand, the website, and the blog. Mr. Smith would like something (not a link) that he can forward to elected officials, etc. Ms. Weston stated she would send something to him.

B. Southwest Community Videos:

Ms. Weston stated a Thank You video has been created to send to the Southwest Airlines Leadership Team. Several community leaders from Spartanburg and Greenville came back to the table to help create this video. Ms. Weston presented the Thank You video. Ms. Weston stated a second video was created. Due to technical difficulties a copy of the video will be sent to each Commissioner. Chair Shaw asked if a copy would be sent to those who participated in the making of the

video. Ms. Weston stated yes.

OLD BUSINESS: None.

NEW BUSINESS:

A. Approval of the Final Design Elements of the Terminal Improvement Program:

Mr. Edwards stated we are at a point in the design process where we need to make sure everyone is comfortable in moving forward with the design elements. If any changes to the design are necessary or desired now is the time those decisions need to be made. Otherwise, we will be impacting cost and schedule. Mr. Harrill presented the phasing animation, walk-through and fly-around animation, renderings, and answered questions.

Mr. Barnet commented when he looks up to security, even with all the effort to make it look friendly, it looks cold. There are a couple of non-descriptive elevators and a no entry sign. Several Commissioners agreed. Mr. Edwards stated there are some limitations, but will work with the design team on this. Mr. Edwards also stated the animation is not showing everything such as art and advertising.

Ms. Miller commented the glass canopy looks very nice when it is clean but what is the answer to birds and debris, etc. Mr. Harrill stated rain will take care of most of it. Mr. Edwards stated the San Francisco Airport has the glass canopies and they have indicated maintenance is not a major issue to take care of.

Mr. Smith commented that he has two concerns: baggage claim being noisy and the landside garden. Mr. Harrill commented that we are working to keep the noise level down in baggage claim by adding carpet and the hanging feature offers an acoustical feature. Mr. Edwards commented that today there is no separation from bag claim and ticketing and it seems not to be a problem. On the landside garden, Mr. Edwards commented this is not scheduled to be constructed until mid-2015. If the Commission finds this is something they want to cut from the project then the option is there.

After a five minute break the meeting reconvened at 10:55 am.

Mr. Edwards respectfully requested that the Commission resolve to approve the Final Design Elements of the Terminal Improvement Program. After a brief discussion the motion was amended to read the Final Design Elements are approved subject to the approval of the final budget to be presented in New Business Item B. A motion was made, seconded, and unanimous vote received to approve the Final Design Elements of the Terminal Improvement Program subject to the approval of the final budget.

B. Approval of Updated Terminal Improvement Program Budget:

Mr. Murrin gave a recalculated twenty (20) year pro-forma presentation to identify financial impacts of the potential budget increase on the Terminal Improvement Program. The TIP current budget, TIP approved scope additions, TIP budget impacts, and the proposed updated TIP budget were included in the Commission Package.

The Commission requested to discuss the possible contractual impact of this potential budget increase in Executive Session. A motion was made, and adopted to go into Executive Session. [we should put in the time we went into Executive Session and the time we reconvened the public session]Public session reconvened.

Mr. Edwards respectfully requested that the Airport Commission resolve to approve the updated Terminal Improvement Program Budget as presented. A motion was made, seconded and unanimous vote received to approve the Updated Terminal Improvement Program Budget as presented.

PRESIDENT/CEO REPORT:

A. Aviation Industry Report:

Mr. Edwards stated United Airlines ordered one hundred fifty (150) 737's with delivery beginning in 2018, which was a fourteen (14) billion dollar order. American Airlines has opened up to potential merger options. Delta started a second non-stop daily flight from GSP to New York, LGA.

B. ACI-NA Annual Conference – September 9 -12, 2012:

The schedule will be sent to Commissioners and if Staff can help in anyway, please let us know.

C. Terminal Improvement Program Dashboard:

A draft will be posted to the website by the end of the week. Mr. Edwards encouraged the Commissioners to provide feedback with comments or anything additional you would like to see on the Dashboard.

INFORMATION SECTION:

Mr. Edwards asked if anyone had any questions concerning the information section. No questions from the Commission.

Potential Items for the next meeting: Approval of the Component Guarantee Maximum Price for the Bag Claim/South Bridge Phase of the Terminal Improvement Program and Transportation Security Update

COMMISSION MEMBER REPORTS: None.

ADJOURNMENT:

There being no further business, a motion was made, and adopted to go into Executive Session to discuss legal matters and personnel matters. It was announced that no actions would be taken during the Executive Session. At the end of the Executive Session, at approximately 12:45 p.m., the meeting was adjourned.



MEMORANDUM

TO: Members of the Airport Commission

FROM: David N. Edwards, Jr., President/CEO

DATE: September 18, 2012

ITEM DESCRIPTION - Presentation Item A

Transportation Security Administration – Security Update (Eric Beane - TSA Federal Security Director)

BACKGROUND

Eric Beane, the Transportation Security Administration, Federal Security Director for GSP will be presenting a non-classified security update to the Commission. I encourage the Commissioners to ask questions on any security issues that may be on your mind related to security in general, passenger processing, baggage processing, or cargo processing.



MEMORANDUM

TO: Members of the Airport Commission

FROM: David N. Edwards, Jr., President/CEO

DATE: September 18, 2012

ITEM DESCRIPTION - Presentation Item B

Inland Port Project (Jack Ellenberg – SC Ports Authority)

BACKGROUND

Jack Ellenberg with the South Carolina Ports Authority will provide an overview of the Inland Port Project and the positive impacts it will have for the Upstate.



MEMORANDUM

TO: Members of the Airport Commission

FROM: David N. Edwards, Jr., President/CEO

DATE: September 18, 2012

ITEM DESCRIPTION - Presentation Item C

GSP Economic Impact Update (Tom Tveidt – Syneva Economics)

BACKGROUND

Tom Tveidt with Syneva Economics has conducted an update to the 2009 Economic Impact Study for GSP. Tom will present the results of this updated study.



MEMORANDUM

TO: Members of the Airport Commission

FROM: David N. Edwards, Jr., President/CEO

DATE: September 18, 2012

ITEM DESCRIPTION - Presentation Item D

GSP Leakage Study (Damon Hylton – Seabury APG)

BACKGROUND

In 2009, GSP engaged Seabury APG to do a Leakage Study to help determine the loss of passengers to surrounding airports such as Charlotte and Atlanta. Damon Hylton conducted the study back in 2009, and Damon was re-engaged to provide an updated study following a full year of service by Southwest Airlines. Damon will present the results of this updated study.



MEMORANDUM

TO: Members of the Airport Commission

FROM: David N. Edwards, Jr., President/CEO

DATE: September 18, 2012

ITEM DESCRIPTION - New Business Item A

Terminal Improvement Program – Enabling Projects Budget Amendment

BACKGROUND

In May 2012, the Commission approved the projects and budget for the Terminal Improvement Program – Enabling Projects. The amount approved was \$30.5 million.

ISSUES

At the July 2012 meeting of the Commission, Staff presented an overall budget amendment for the Terminal Improvement Program, which was approved by the Commission. It was further discussed at the meeting that certain elements of the overall program, such as the landside curtainwall, baggage claim devices, etc. when procured under the Enabling Projects phase that for cost effectiveness such components should be procured in their entirety for the project. Staff recommends that the two items below be procured in their entirety under the Enabling Project Phase:

- Bag Claim Devices 2 and 3; and
- Specialty Curtainwall for Baggage Claim and Ticketing Area

The total budget impact of procuring these items in the Enabling Projects Phase is estimated at \$3,808,701. Therefore, Staff is requesting a budget amendment to the Enabling Projects Budget in the amount identified.



ALTERNATIVES

No alternatives recommended at this time, as Staff believes this is the most cost effective method to procure the necessary components for the Landside Facility.

FISCAL IMPACT

An updated Terminal Improvement Program – Enabling Projects Budget in the amount of \$34,183,159 is attached. The overall Terminal Improvement Program Budget of \$115,000,000 remains unchanged.

RECOMMENDED ACTION

It is respectfully requested that the Commission resolve to approve the amended Terminal Improvement Program – Enabling Projects Budget as presented.

Attachment

NB Item A - Attachment

**Proposed Budget Amendment
Terminal Improvement Program - Enabling Projects
September 18, 2012**

<u>Item</u>	<u>Approved Budget Amount</u>	<u>Proposed Budget Change</u>	<u>New Revised Budget Amount</u>
Sitework			
BP 2 - Site Work and Utilities	\$ 927,292	\$ -	\$ 927,292
BP 16 - Electrical	72,859	-	72,859
Sub-Total Sitework	\$ 1,000,151	\$ -	\$ 1,000,151
North Wing/Vertical Core			
BP 1 - Demo	\$ 94,119	\$ -	\$ 94,119
BP 2 - Micropiles	640,916	-	640,916
BP 3 - Concrete	1,217,198	-	1,217,198
BP 4 - Unit Masonary	228,658	-	228,658
BP 5 - Metals	1,108,811	-	1,108,811
BP 6 - Finish Millwork and Casework	134,375	-	134,375
BP 7 - Waterproofing/Roofing/Fireproofing/Stucco	686,725	-	686,725
BP 8 - Doors/Hardware/Storefront	1,607,185	-	1,607,185
BP 9 - Drywall/Ceiling/Floors/Paint	1,017,328	-	1,017,328
BP 10 - Specialities/Signage	164,269	-	164,269
BP 12 - Baggage Handling	700,000	-	700,000
BP 14 - Elevators and Escalators	546,000	-	546,000
BP 15 - Fire Protection/Plumbing/HVAC	2,650,725	-	2,650,725
BP 16 - Electrical	4,404,908	-	4,404,908
Sub-Total North Wing/Vertical Core	\$ 15,201,217	\$ -	\$ 15,201,217
Concourse Additions			
BP 1 - Demo	\$ 126,042	\$ -	\$ 126,042
BP 2 - Micropiles	407,936	-	407,936
BP 3 - Concrete	447,485	-	447,485
BP 4 - Unit Masonary	266,313	-	266,313
BP 5 - Metals	474,024	-	474,024
BP 6 - Finish Millwork and Casework	127,130	-	127,130
BP 7 - Waterproofing/Roofing/Fireproofing/Stucco	488,474	-	488,474
BP 8 - Doors/Hardware/Storefront	80,875	-	80,875
BP 9 - Drywall/Ceiling/Floors/Paint	829,715	-	829,715
BP 10 - Specialities/Signage	76,892	-	76,892
BP 14 - Elevators and Escalators	200,000	-	200,000
BP 15 - Fire Protection/Plumbing/HVAC	1,149,006	-	1,149,006
BP 16 - Electrical	649,203	-	649,203
Sub-Total Concourse Additions	\$ 5,323,095	\$ -	\$ 5,323,095
Ductbank			
BP 16 - Electrical	\$ 500,000	\$ -	\$ 500,000
Sub-Total Ductbank	\$ 500,000	\$ -	\$ 500,000

Item	Approved Budget Amount	Proposed Budget Change	New Revised Budget Amount
Bag Claim #1			
BP 1 - Demo	\$ 91,619	\$ -	\$ 91,619
BP 2 - Micropiles	-	-	-
BP 3 - Concrete	193,108	-	193,108
BP 4 - Unit Masonary	44,853	-	44,853
BP 5 - Metals	123,477	-	123,477
BP 7 - Waterproofing/Roofing/Fireproofing/Stucco	82,694	-	82,694
BP 8 - Doors/Hardware/Storefront	7,470	-	7,470
BP 9 - Drywall/Ceiling/Floors/Paint	46,887	-	46,887
BP 12 - Baggage Handling	730,000	1,400,000	2,130,000
BP 15 - Fire Protection/Plumbing/HVAC	540,229	-	540,229
BP 16 - Electrical	22,924	-	22,924
Sub-Total Bag Claim #1	\$ 1,883,261	\$ 1,400,000	\$ 3,283,261
Bag Claim and Ticketing			
BP 13 - Speciality Curtainwall	\$ -	\$ 1,600,000	\$ 1,600,000
Sub-Total Bag Claim and Ticketing	\$ -	\$ 1,600,000	\$ 1,600,000
Total Direct Cost of Work	\$ 23,907,724	\$ 3,000,000	\$ 26,907,724
Subguard - 1.35%	\$ 322,754	\$ 40,500	\$ 363,254
	\$ 24,230,478	\$ 3,040,500	\$ 27,270,978
GCS - LS	10.34% \$ 2,505,838	\$ 310,250	\$ 2,816,088
	\$ 26,736,316	\$ 3,350,750	\$ 30,087,067
CM Fee - 3.6%	\$ 962,507	\$ 120,627	\$ 1,083,134
	\$ 27,698,824	\$ 3,471,377	\$ 31,170,201
Contingency - 4.0%	\$ 969,219	\$ 121,620	\$ 1,090,839
	\$ 28,668,043	\$ 3,592,997	\$ 32,261,040
General Liability	\$ -	\$ -	\$ -
Building Permit	\$ 2,000	\$ 2,000	\$ 4,000
CMR P&P Bond - 0.9%	\$ 258,012	\$ 32,337	\$ 290,349
	\$ 28,928,055	\$ 3,627,334	\$ 32,555,389
Owner Reserve - 5.0%	\$ 1,446,403	\$ 181,367	\$ 1,627,769
Total Budget Estimate	\$ 30,374,458	\$ 3,808,701	\$ 34,183,159



MEMORANDUM

TO: Members of the Airport Commission

FROM: David N. Edwards, Jr., President/CEO

DATE: September 18, 2012

PRESIDENT/CEO'S REPORT:

- A. Aviation Industry Update.
- B. The LPA Group Incorporated fully transitioning to the Michael Baker Corporation ([document](#)).
- C. Transportation Security Administration (TSA) Grant for Checked Baggage Screening Project.

Baker

Michael Baker Corporation

Airside Business Park
100 Airside Drive
Moon Township, PA 15108

(412) 269-6300

July 3, 2012

Greenville-Spartanburg Airport Commission
2000 GSP Drive, Suite 1
Greer, SC 29651-9202

Dear Valued Client of The LPA Group:

In May of 2010, Michael Baker Corporation (Baker) acquired The LPA Group Incorporated. Over the course of the past two years, we have been working to complete the many tasks required for the full integration of the two firms. One of the final steps of the integration process is the transition from the LPA brand to the Baker brand, which is presently scheduled to be completed on or before December 31, 2012. The purpose of this correspondence is to inform you of our intention to discontinue the use of the LPA name and logo and replace it with Michael Baker Jr. Inc., a company licensed to conduct business in South Carolina. We hope to have this transition finalized earlier than December 31, but only where it makes sound business sense to do so.

From a contracting perspective, all new contracts with your firm/agency after July 1, 2012, will be executed by Michael Baker Jr. Inc. All existing LPA contracts that will extend into 2013 and beyond will remain under the LPA name until the contract is complete.

We want to emphasize that everyone at Baker, as with LPA, is totally committed to providing you with the highest quality of service. The combination of the two firms has created a robust organization with deeper resources than either firm had individually, which will result in better service to you. This letter addresses a brand name change only-- you will see no change in the level of support and attention provided to you. Your current point of contact within LPA will remain the same, and he or she is available to answer any questions you may have.

On behalf of Michael Baker Corporation and The LPA Group Incorporated, I would like to thank you for your confidence in us to perform your planning, design and construction engineering services and we look forward to continuing to serve you in the future.

Sincerely,

MICHAEL BAKER CORPORATION



Bradley L. Mallory
President and Chief Executive Officer



MEMORANDUM

TO: Members of the Airport Commission

FROM: David N. Edwards, Jr., President/CEO

DATE: September 18, 2012

ITEM DESCRIPTION – Information Section Item A

July 2012 Traffic Report

SUMMARY

Passenger numbers continue to show positive growth. For July 2012 passenger traffic was down slightly at **1.5%** over the same month in 2011. Cargo traffic was up 0.5% for June 2012 over June 2011.

The key factor for July's passenger numbers being slightly off was the reduction in service by Allegiant. This resulted in a reduction of 1,200 seats by Allegiant in the GSP market for the month.

On a national basis for the same period passenger traffic statistics were not yet available, but they will be presented at the meeting.

Attached is a copy of the detailed traffic report July 2012.

Monthly Traffic Report Greenville-Spartanburg International Airport

July 2012



Category	Jul 2012	Jul 2011	Percentage Change	*CYTD-2012	*CYTD-2011	Percentage Change	*MOV12-2012	*MOV12-2011	Percentage Change
Passenger Traffic									
Enplaned	84,621	85,661	-1.2%	536,927	490,575	9.4%	932,119	768,365	21.3%
Deplaned	<u>82,986</u>	<u>84,510</u>	-1.8%	<u>528,910</u>	<u>479,717</u>	10.3%	<u>918,261</u>	<u>751,080</u>	22.3%
Total	167,607	170,171	-1.5%	1,065,837	970,292	9.8%	1,850,380	1,519,445	21.8%
Cargo Traffic (Pounds)									
Mail									
Enplaned	0	0	#Num!	0	0	#Num!	0	0	#Num!
Deplaned	<u>0</u>	<u>0</u>	#Num!	<u>0</u>	<u>0</u>	#Num!	<u>194</u>	<u>0</u>	#Div/0!
Subtotal	0	0	#Num!	0	0	#Num!	194	0	#Div/0!
Express									
Enplaned	5,127	5,551	-7.6%	38,267	40,554	-5.6%	91,466	52,567	74.0%
Deplaned	<u>1,487</u>	<u>4,830</u>	-69.2%	<u>26,821</u>	<u>39,727</u>	-32.5%	<u>50,822</u>	<u>48,431</u>	4.9%
Subtotal	6,614	10,381	-36.3%	65,088	80,281	-18.9%	142,288	100,998	40.9%
Freight									
Enplaned	2,192,771	2,225,915	-1.5%	15,773,399	15,369,691	2.6%	27,094,750	26,591,550	1.9%
Deplaned	<u>2,231,874</u>	<u>2,174,694</u>	2.6%	<u>17,024,009</u>	<u>15,116,217</u>	12.6%	<u>30,790,997</u>	<u>27,064,415</u>	13.8%
Subtotal	4,424,645	4,400,609	0.5%	32,797,408	30,485,908	7.6%	57,885,747	53,655,965	7.9%
Total	4,431,259	4,410,990	0.5%	32,862,496	30,566,189	7.5%	58,028,229	53,756,963	7.9%

*CYTD = Calendar Year to Date and *Mov12 = Moving Twelve Months.

Monthly Traffic Report Greenville-Spartanburg International Airport

July 2012



Category	Jul 2012	Jul 2011	Percentage Change	*CYTD-2012	*CYTD-2011	Percentage Change	*MOV12-2012	*MOV12-2011	Percentage Change
Aircraft Operations									
Airlines	1,025	1,034	-0.9%	6,894	5,251	31.3%	11,745	7,662	53.3%
Commuter /Air Taxi	<u>2,280</u>	<u>2,308</u>	-1.2%	15,705	16,606	-5.4%	27,533	29,004	-5.1%
Subtotal	<u>3,305</u>	<u>3,342</u>	-1.1%	<u>22,599</u>	<u>21,857</u>	3.4%	<u>39,278</u>	<u>36,666</u>	7.1%
General Aviation	856	755	13.4%	5,687	5,934	-4.2%	9,701	10,115	-4.1%
Military	<u>99</u>	<u>81</u>	22.2%	<u>767</u>	<u>662</u>	15.9%	<u>1,165</u>	<u>1,058</u>	10.1%
Subtotal	<u>955</u>	<u>836</u>	14.2%	<u>6,454</u>	<u>6,596</u>	-2.2%	<u>10,866</u>	<u>11,173</u>	-2.7%
Total	4,260	4,178	2.0%	29,053	28,453	2.1%	50,144	47,839	4.8%
Fuel Gallons									
100LL	1,970	3,642	-45.9%	19,083	21,526	-11.3%	33,408	38,069	-12.2%
Jet A (GA)	65,795	66,312	-0.8%	436,785	451,563	-3.3%	762,162	749,796	1.6%
Subtotal	<u>67,765</u>	<u>69,954</u>	-3.1%	<u>455,868</u>	<u>473,089</u>	-3.6%	<u>795,570</u>	<u>787,865</u>	1.0%
Jet A (A/L)	<u>882,989</u>	<u>1,056,189</u>	-16.4%	<u>5,983,639</u>	<u>6,635,059</u>	-9.8%	<u>10,936,255</u>	<u>10,789,708</u>	1.4%
Total	950,754	1,126,143	-15.6%	6,439,507	7,108,148	-9.4%	11,731,825	11,577,573	1.3%

*CYTD = Calendar Year to Date and *Mov12 = Moving Twelve Months.

Scheduled Airline Enplanements, Seats, and Load Factors

Greenville-Spartanburg International Airport



July 2012

	Jul 2012	Jul 2011	Percentage Change	*CYTD-2012	*CYTD-2011	Percentage Change
Allegiant Air						
Enplanements	8,908	10,277	-13.3%	49,402	51,829	-4.7%
Seats	9,900	11,100	-10.8%	54,900	58,050	-5.4%
Load Factor	90.0%	92.6%	-2.8%	90.0%	89.3%	0.8%
American Airlines						
Enplanements	4,018	4,133	-2.8%	28,205	30,456	-7.4%
Seats	4,350	4,650	-6.5%	33,693	36,742	-8.3%
Load Factor	92.4%	88.9%	3.9%	83.7%	82.9%	1.0%
Continental Airlines						
Enplanements	0	6,539	-100.0%	8,275	34,922	-76.3%
Seats	0	8,300	-100.0%	13,750	51,950	-73.5%
Load Factor	#Num!	78.8%	#Type!	60.2%	67.2%	-10.5%
Delta Air Lines						
Enplanements	25,160	24,328	3.4%	160,944	153,206	5.1%
Seats	30,504	28,579	6.7%	207,114	194,094	6.7%
Load Factor	82.5%	85.1%	-3.1%	77.7%	78.9%	-1.6%

Wednesday, September 05, 2012

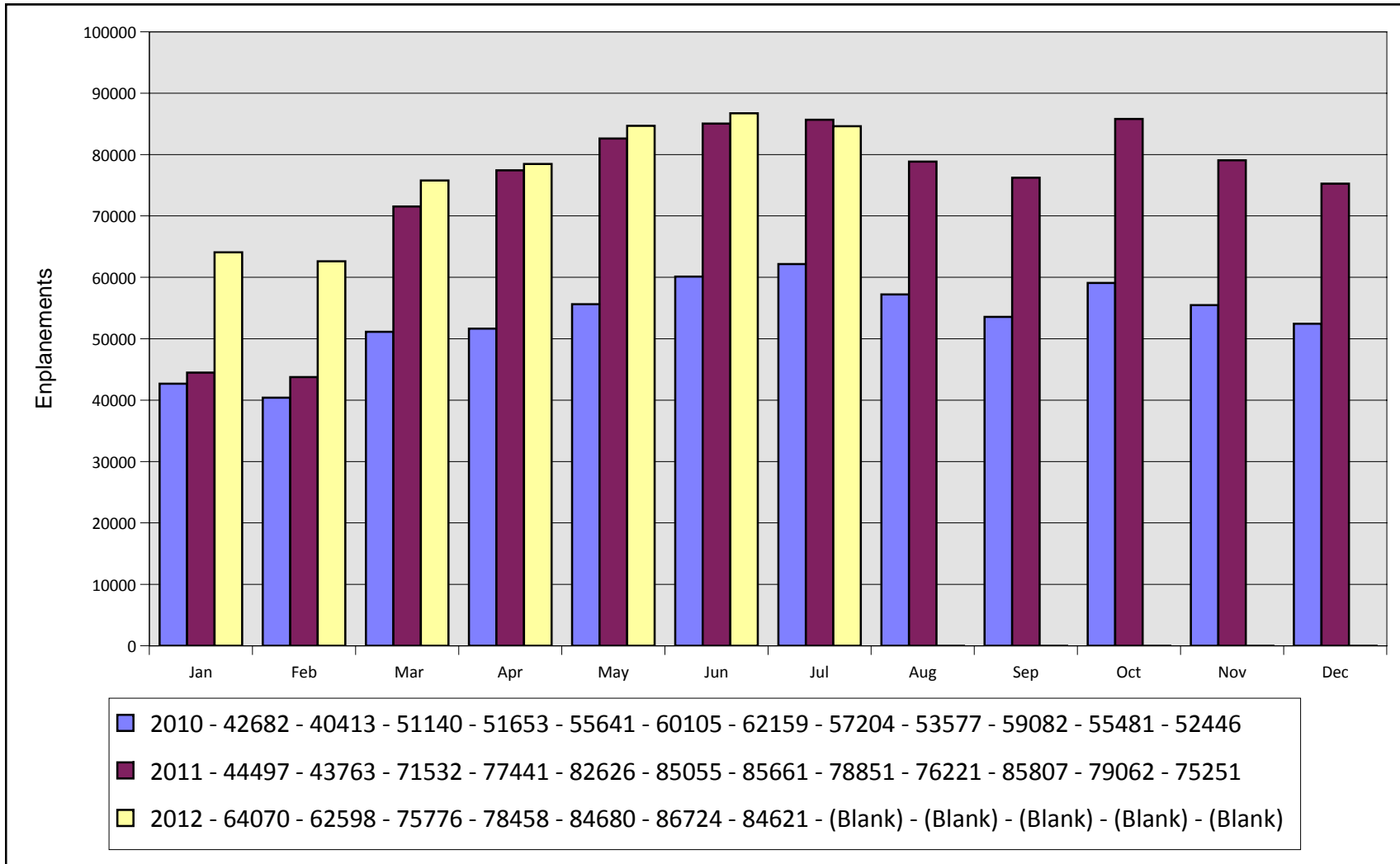
*CTYD = Calendar Year to Date and *Mov12 = Moving Twelve Months.

	Jul 2012	Jul 2011	Percentage Change	*CYTD-2012	*CYTD-2011	Percentage Change
Southwest Airlines						
Enplanements	20,153	19,680	2.4%	121,200	87,480	38.5%
Seats	29,592	28,913	2.3%	201,594	131,324	53.5%
Load Factor	68.1%	68.1%	0.1%	60.1%	66.6%	-9.7%
United Airlines						
Enplanements	11,713	7,133	64.2%	69,093	42,244	63.6%
Seats	16,274	9,800	66.1%	95,872	61,100	56.9%
Load Factor	72.0%	72.8%	-1.1%	72.1%	69.1%	4.2%
US Airways						
Enplanements	14,373	13,315	7.9%	98,827	86,663	14.0%
Seats	18,082	17,373	4.1%	131,174	120,711	8.7%
Load Factor	79.5%	76.6%	3.7%	75.3%	71.8%	4.9%
Vision Airlines						
Enplanements	0	187	-100.0%	0	3,121	-100.0%
Seats	0	1,066	-100.0%	0	7,554	-100.0%
Load Factor	#Num!	17.5%	#Type!	#Num!	41.3%	#Type!
Totals						
Enplanements	84,325	85,592	-1.5%	535,946	489,921	9.4%
Seats	108,702	109,781	-1.0%	738,097	661,525	11.6%
Load Factor	77.6%	78.0%	-0.5%	72.6%	74.1%	-2.0%

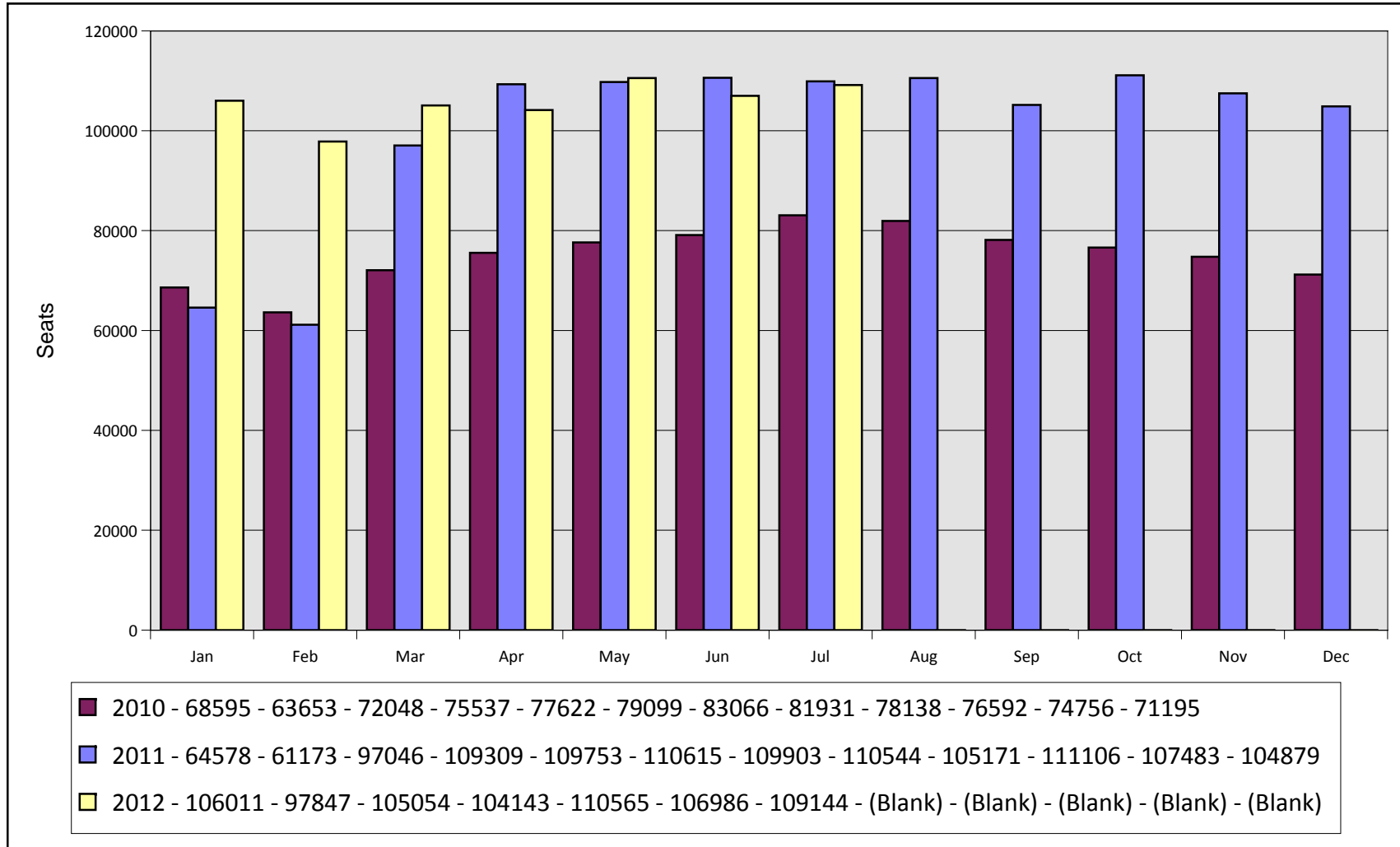
Wednesday, September 05, 2012

*CTYD = Calendar Year to Date and *Mov12 = Moving Twelve Months.

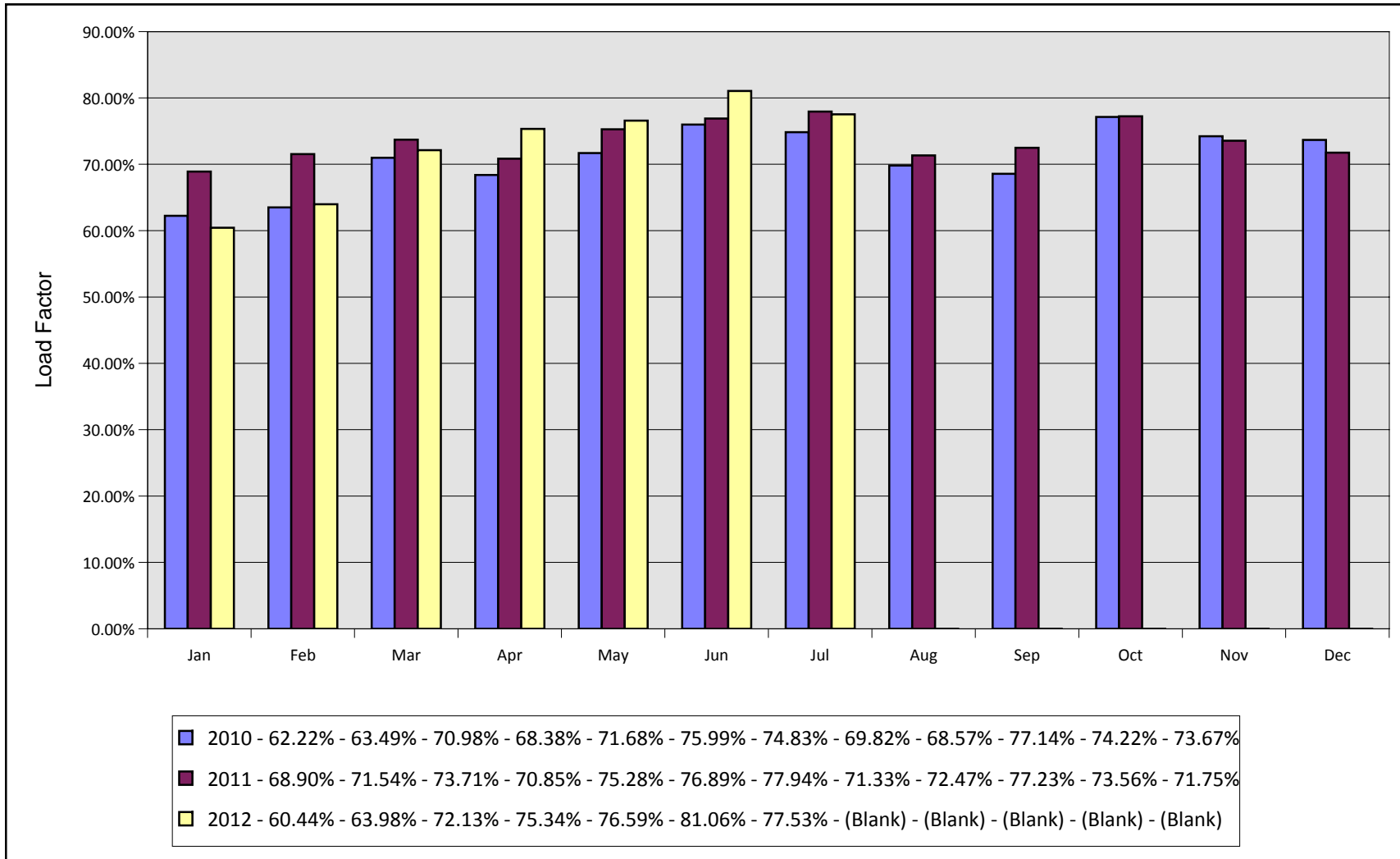
Monthly Enplanements By Year Greenville-Spartanburg International Airport



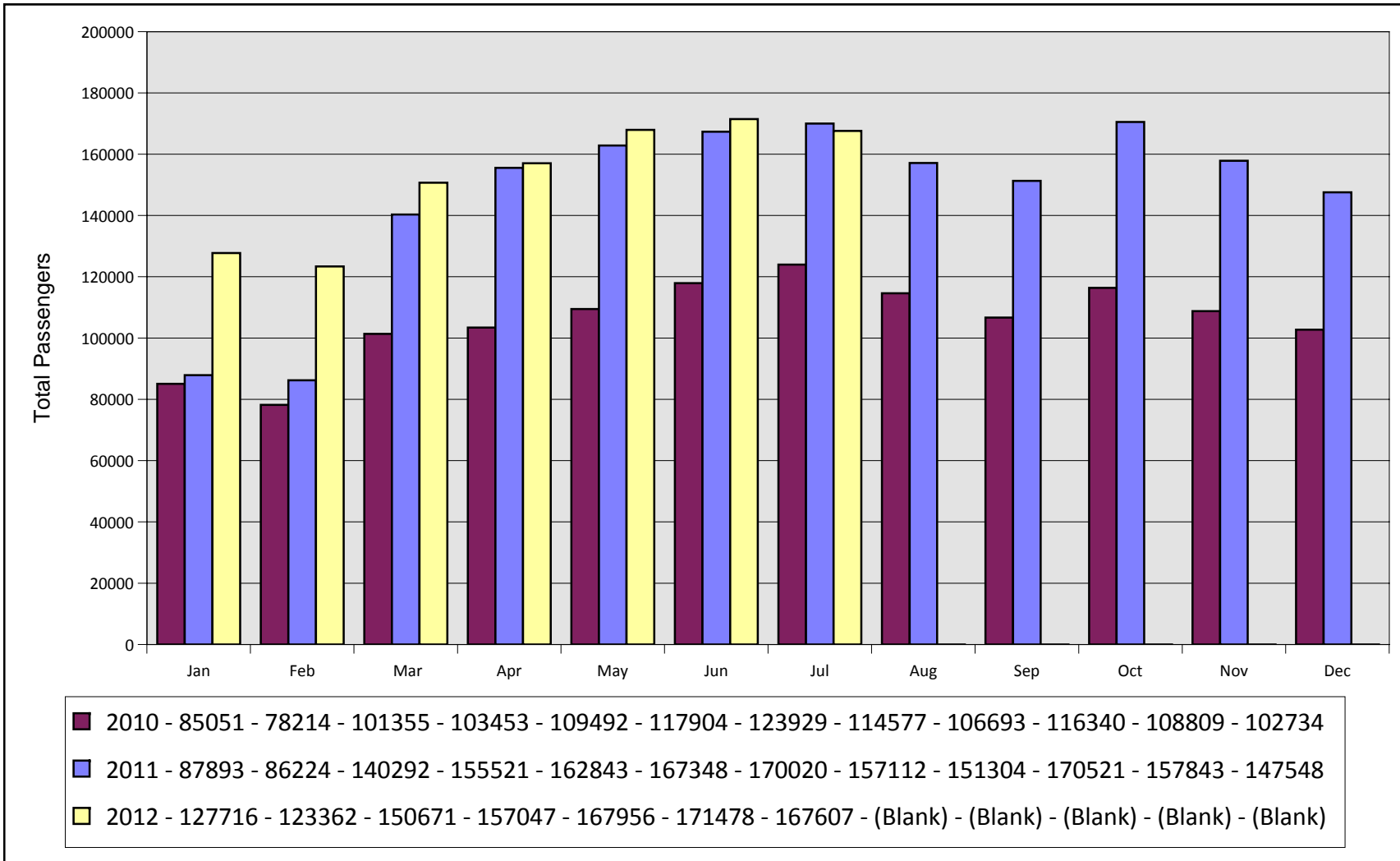
Monthly Seats By Year Greenville-Spartanburg International Airport



Monthly Load Factors By Year Greenville-Spartanburg International Airport



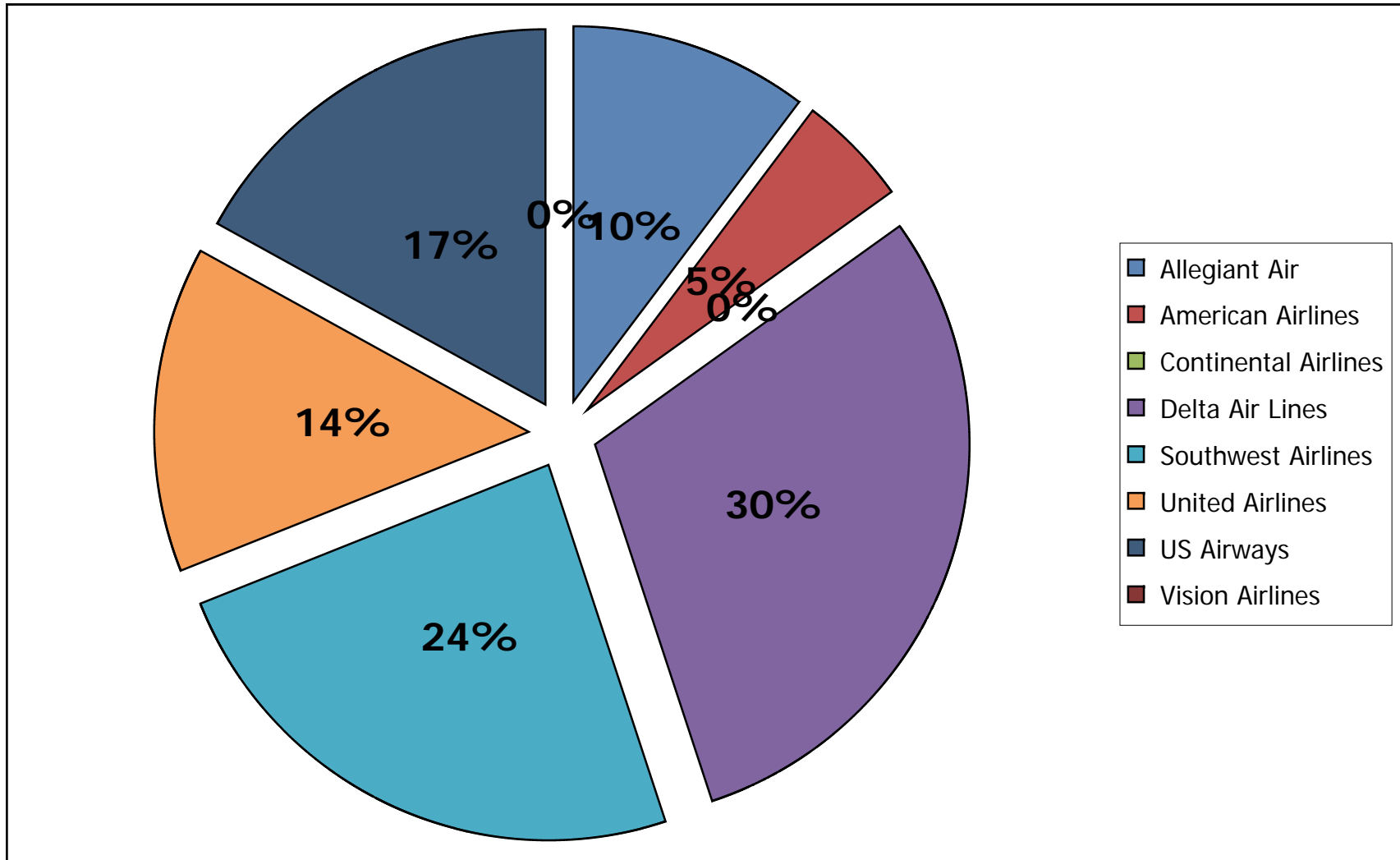
Total Monthly Passengers By Year Greenville-Spartanburg International Airport



Scheduled Airline Market Shares (Enplanements) Greenville-Spartanburg International Airport



Report Period From July 2012 Through July 2012



Airline Flight Completions Greenville-Spartanburg International Airport

July 2012



Airline	Scheduled Flights	Field	Cancellations Due To			Total Cancellations	Percentage of Completed Flights
			Mechanical	Weather	Other		
Allegiant Air	66	0	0	0	0	0	100.0%
American Airlines	92	0	0	0	0	0	100.0%
Ameristar Jet Charter	1	0	0	0	0	0	100.0%
Continental Airlines	0	0	0	0	0	0	#Num!
Delta Air Lines	447	0	0	0	0	0	100.0%
Federal Express	37	0	0	0	0	0	100.0%
IFL Group	3	0	0	0	0	0	100.0%

Wednesday, September 05, 2012

Airline	Scheduled Flights	Field	Cancellations Due To			Total Cancellations	Percentage of Completed Flights
			Mechanical	Weather	Other		
Kalitta Charters II	1	0	0	0	0	0	100.0%
McNeely Charter Service	1	0	0	0	0	0	100.0%
Miami Air	2	0	0	0	0	0	100.0%
Royal Air Freight	1	0	0	0	0	0	100.0%
Sky King	2	0	0	0	0	0	100.0%
Southwest Airlines	216	0	0	0	0	0	100.0%
United Airlines	325	0	0	0	0	0	100.0%
UPS	33	0	0	0	0	0	100.0%
US Airways	384	0	2	8	0	10	97.4%

Wednesday, September 05, 2012

Airline	Scheduled Flights	Field	Cancellations Due To			Total Cancellations	Percentage of Completed Flights
			Mechanical	Weather	Other		
Vision	2	0	0	0	0	100.0%	
Vision Airlines	0	0	0	0	0	#Num!	
Total	1,613	0	2	8	0	99.4%	



MEMORANDUM

TO: Members of the Airport Commission

FROM: Jack G. Murrin, VP of Administration & Finance/CFO

DATE: September 18, 2012

ITEM DESCRIPTION – Information Section Item B

July, 2012 - Monthly Financial Report

SUMMARY

Operating Income was up by **1.42%** when compared to the budget for Year-to-Date July 2012. Operating Expenses were down by **57.15%** over the budgeted amount for the period. Net operating income was up **73.60%** versus the budget through July 2012. For the period ending July 2012 which is 1 month of the fiscal year a total of about **\$1.45 million** has been returned to the bottom line in operating income.

Attached is a copy of the detailed financial report for July 2012.

Please recognize that this is a preliminary report, unaudited, and only represents one month of activity resulting in variances from budget which can be quite volatile.

July 31, 2012 FINANCIAL STATEMENT PACKAGE

GREENVILLE SPARTANBURG AIRPORT DISTRICT
BALANCE SHEET

	Current Month Current FY <u>7/31/2012</u>	Current Month Prior FY <u>7/31/2011</u>
ASSETS		
Cash Accounts	4,857,431.59	9,454,534.78
Investments-Airport	82,473,903.46	79,987,881.47
Bond Trustee Assets	39,370.95	584,395.05
Accounts Receivable	357,201.61	680,154.78
Less: Reserve for Doubtful Accts	-	
Net Accounts Receivable	<u>357,201.61</u>	<u>680,154.78</u>
Inventory	191,172.67	178,969.57
Prepaid Insurance	344,544.54	176,874.40
Unamort Bond Underw, Insur, Legal Fees	63,456.72	115,757.85
Notes Receivable-RAC District Funds	2,605,932.85	2,782,362.60
Property, Plant & Equipment (PP&E)	244,357,785.82	236,760,344.92
Less: Accumulated Depreciation	(123,729,674.99)	(120,687,282.53)
Net PP&E	<u>120,628,110.83</u>	<u>116,073,062.39</u>
TOTAL ASSETS	<u>211,561,125.22</u>	<u>210,033,992.89</u>
 LIABILITIES & EQUITY		
Accounts Payable	619,154.05	601,739.40
Revenue Bonds Payable	3,132,701.70	6,676,005.64
Benefit Liability	738,167.45	725,212.20
Deferred Revenues	2,605,932.85	2,782,362.60
TOTAL LIABILITIES	<u>7,095,956.05</u>	<u>10,785,319.84</u>
Contributed Capital-Grants	143,029,635.00	140,322,144.00
Retained Earnings - Beginning of Year	60,606,040.55	58,257,029.05
Net Profit/(Loss)-YTD	829,494.00	669,499.91
TOTAL EQUITY	<u>204,465,169.55</u>	<u>199,248,672.96</u>
TOTAL LIABILITIES & EQUITY	<u>211,561,125.60</u>	<u>210,033,992.80</u>

Terminal Improvement Project (TIP) life-to-date payments by vender through July 31, 2012

Skanska	544,700
Jacobs	1,106,000
RS&H	3,621,600
TPM	29,200
Other	600
	<u>5,302,100</u>

GREENVILLE SPARTANBURG AIRPORT DISTRICT
PROFIT and LOSS STATEMENT

----- FISCAL YEAR TO DATE -----					
	July 31, 2012 <u>Actual</u>	July 31, 2012 <u>Budget</u>	<u>Actual - Budget</u>	<u>% Change</u>	
INCOME					
Landing Area:					
Landing Fees	161,446.83	164,144.40	(2,697.57)	-1.64%	
Aircraft Parking Fees	24,226.25	24,725.72	(499.47)	-2.02%	
FBO Into-Plane & Fuel Flowage	8,893.57	8,068.55	825.02	10.23%	
Subtotal Landing Area	<u>194,566.65</u>	<u>196,938.67</u>	<u>(2,372.02)</u>	<u>-1.20%</u>	
Space & Ground Rentals	529,806.48	527,502.55	2,303.93	0.44%	
Auto Parking	718,668.86	704,068.67	14,600.19	2.07%	
Commercial Ground Transportation	13,568.75	13,027.17	541.58	4.16%	
Concessions:					
Advertising	17,877.07	8,333.33	9,543.74	114.52%	
Food & Beverage	24,742.64	23,805.17	937.47	3.94%	
Rental Car	252,997.25	240,484.88	12,512.37	5.20%	
Retail	41,418.63	34,500.00	6,918.63	20.05%	
Other	-	8.33	(8.33)	-100.00%	
Subtotal Concessions	<u>337,035.59</u>	<u>307,131.71</u>	<u>29,903.88</u>	<u>9.74%</u>	
Expense Reimbursements	56,021.30	59,057.75	(3,036.45)	-5.14%	
Other Income	41,166.60	56,659.27	(15,492.67)	-27.34%	
Total Operating Income	<u>1,890,834.23</u>	<u>1,864,385.79</u>	<u>26,448.44</u>	<u>1.42%</u>	
EXPENSES					
Salary & Benefits	261,285.68	540,880.34	(279,594.66)	-51.69%	(a)
Professional Services	(6,026.49)	22,783.34	(28,809.83)	-126.45%	(b)
Promotional Activities	6,855.92	49,554.16	(42,698.24)	-86.16%	(c)
Administrative	27,604.68	57,487.17	(29,882.49)	-51.98%	(d)
Insurance	29,518.42	29,518.42	-	0.00%	
Contractual Services	26,072.49	124,372.07	(98,299.58)	-79.04%	(e)
Rentals & Leases	1,319.18	3,726.66	(2,407.48)	-64.60%	
Repairs & Maintenance	3,166.22	25,546.55	(22,380.33)	-87.61%	
Supplies & Equipment	12,376.51	65,466.93	(53,090.42)	-81.10%	(f)
Utilities	78,818.43	109,865.19	(31,046.76)	-28.26%	(g)
Total Operating Expenses	<u>440,991.04</u>	<u>1,029,200.83</u>	<u>(588,209.79)</u>	<u>-57.15%</u>	
NET OPERATING INCOME	<u>1,449,843.19</u>	<u>835,184.96</u>	<u>614,658.23</u>	<u>73.60%</u>	

July 31, 2012

YTD ACTUAL VS YTD BUDGET FOOTNOTES

(a)	Salary & Benefits	UNDER BUDGET	\$279,594.66	- 11 days of first payroll were booked back to June 2012 148K; budgeted vacant positions as if employed entire year
(b)	Professional Services	UNDER BUDGET	\$28,809.83	- Consulting 16K under budget - Legal expenses 9K under budget
(c)	Promotional Activities	UNDER BUDGET	\$42,698.24	- Advertising expenses 31K under budget-June 2012 expenses paid in July booked back to June 2012
(d)	Administrative	UNDER BUDGET	\$29,882.49	- Travel & Training 16K under budget - Dues & Subscriptions 8K under budget
(e)	Contractual Services	UNDER BUDGET	\$98,299.58	- Janitorial Services 23K under budget-June 2012 expenses paid in July booked back to June 2012 - Parking Mgmt Agreement Expenses 48K under budget-June 2012 expenses paid in July booked back to June 2012 - Nursery/landscaping 9K under budget
(f)	Supplies & Equipment	UNDER BUDGET	\$53,090.42	- Timing: June 2012 expenses that were paid in July were booked back to June; this will correct itself only at year end when accruals are booked back to June
(g)	Utilities	UNDER BUDGET	\$31,046.76	- Water & Sewer 31K under budget-June 2012 expenses paid in July booked back to June 2012



MEMORANDUM

TO: Members of the Airport Commission

FROM: Kevin Howell, Vice President / COO

DATE: September 18, 2012

ITEM DESCRIPTION – Information Section Item C

September 2012 – Development/Project Status Report

SUMMARY

Control Tower Site Study:

Status – No new information

Project Budget – na

Estimated Completion Date - na

The AFTIL 1 site simulation was held at the FAA Technical Center in Atlantic City, NJ in February 2011. A total of 13 sites were analyzed for required tower height, TERPS interference and other criteria as outlined in FAA Order 6480.4A "Airport Traffic Control Tower Siting Process". A total of 4 viable sites were selected for further consideration. FAA engineering staff developed rough order of magnitude (ROM) cost estimates for all four sites. Staff met with the FAA in mid-May to review those figures and discuss the next steps. An additional meeting was held in January with another FAA representative to discuss alternatives that may allow this project to move forward. Discussions will continue with the FAA regarding this project and a potential partnership to construct a new tower at GSP.



Passenger Boarding Bridge (PBB) Replacement Project:

Status – This project is substantially complete. A project close out report will be provided at the September Commission meeting.

Project Budget – \$3,342,706.40

Estimated Completion Date – substantially complete

This project includes the replacement of eight (8) passenger boarding bridges located at Gates A1, A2, A3, A4, B1, B2, B3 and B4. The new bridges are substantially complete and have been returned to the airlines for scheduled operations. Minor punch list items remain on some of these gates and the contractor is working to complete those items. A project close out report will be provided at the September Commission meeting.

Pre-Conditioned (PC) Air & Fixed Ground Power Project:

Status – This project is substantially complete. A project close out report will be provided at the September Commission meeting.

Project Budget – \$1,123,944.50

Estimated Completion Date – substantially complete

This project includes the purchase and installation of nine (9) pre-conditioned air, nine (9) fixed ground power units and the retrofit of five (5) passenger boarding bridges for bridge pre-conditioning. This project is substantially complete and all gates have been returned to the airlines for scheduled operations. Minor punch list items remain on some of these gates and the contractor is working to complete those items. A project close out report will be provided at the September Commission meeting.

Terminal Improvement Program:

Status – Construction is underway on the Rental Car Customer Center in Garage A. CMR procurement continues for various components of the Enabling Projects. Review of the 75% Design Submittal for Bag Claim and the South Bridge is currently underway.

Project Budget – \$115,000,000.00

Estimated Completion Date – January 2016

Work is progressing on the Rental Car Customer Center in Parking Garage A. Procurement is underway for the enabling package work including the North Wing, new gate level concessions shell space and toilet rooms and the first new bag claim unit. The 75% submittal for Baggage Claim and South Bridge is currently under review.



Design work continues on the construction documents for the remaining phases of the program.

Economy Parking Lot Expansion Project:

Status – Construction is underway

Project Budget – \$2,700,000.00

Estimated Completion Date – October 2012

This project involves the expansion of the Economy Parking Lot with an addition of over 400 spaces and the construction of a round-a-bout on GSP Drive. The site is currently at rough grade, the storm drainage system is being installed, site electrical is being installed, retaining walls are being installed and the GSP Drive round-a-bout is being constructed. Recent wet weather has impacted the project and the overall schedule is being evaluated.

Land Use Planning & Development Study:

Status – Task 4 underway

Project Budget – \$500,000.00

Estimated Completion Date – October, 2012

A Task Force meeting was held on for July 31. The CDM-Smith Team continues work on several tasks, including finalizing the development concepts and developing the deliverables for the Phase 1 and Phase 2 sites. Marketing tasks are also underway, including development of the website and branding materials.

South Cargo Modernization Project:

Status – Design underway

Project Budget – \$3,000,000.00

Estimated Completion Date – December 2012 (Design Phase)

The South Cargo Modernization Project is a budgeted capital improvement project and includes general improvements to the South Cargo Building. Phase 1 included a professional evaluation of the facility and an estimate of probable construction costs. Phase 2, which is underway, includes design and construction documents and is scheduled to take about seven (7) months. Schematic design is being finalized with the LPA Group.



MEMORANDUM

TO: Members of the Airport Commission

FROM: Rosylin Weston, Vice President - Communications

DATE: September 18, 2012

Item Description – Information Section Item D

September 2012 – Communications Report

Summary

The highlights for the month of August include the introduction of Thanks Again, a customer loyalty program created to increase customer engagement and potentially generate more airport sales in the restaurant, the gift shop, parking and ground transportation excluding rental cars.

News Stories Broadcast, Print and Online:

- WYFF 4 – “GSP to Close Short Term Parking Lot” (on-air & online)
- WSPA News 7 – “GSP’s Short Term Parking Lot to Close to New Business on Friday ” (on-air & online)
- FOX Carolina WHNS 21 – “GSP Plans to Close Short-Term Parking Lot” (on-air & online)
- Greenvilleonline.com – “ GSP Launches new Rewards Program”
- Upstatebizsc.com – “Earn Miles When you Park, Shop and Dine at GSP International Airport

News Releases:

- Thanks Again at GSP International Airport
- Short-Term Parking Lot Closure and Tree Harvest

Website Statistics:

- 58,909 visitors to gspairport.com site between July 30th and August 30th of this total 36,759 were new visitors.
- 672 visitors to elevatingtheupstate.com site between July 31st and August 30th with 2,087 pageviews.



Facebook:

- 200 new likes between July 31st and August 31st
- 545,737 people shared stories about our page between July 31st and August 31st

Thanks Again Membership:

- 300 people joined the Thanks Again Program between August 6th and August 31st.



US Airways Closes In On Merger With American Airlines

SOURCE: THE ST. AUGUSTINE RECORD (FLORIDA)
CREATED: SEPTEMBER 4, 2012

PHILADELPHIA — US Airways Group Inc. is a step closer to a possible merger with American Airlines.

The two carriers announced Friday they have signed a nondisclosure agreement, and will exchange confidential financial information so that they can evaluate a potential combination.

The companies said they will not speak publicly about the status of discussions, until they have a deal or terminate talks.

The airlines said they would work “in good faith” and “close collaboration” with American’s unsecured creditors committee. They noted there is “no assurance that a transaction will result.”

American also signed a similar agreement with International Consolidated Airlines Group SA, owner of British Airways, according to a Bloomberg News report.

US Airways has aggressively pursued a possible merger with American since soon after AMR Corp. filed for bankruptcy in November.

In a letter to US Airways employees Friday, CEO Doug Parker said he was “pleased to be working directly with American to study a potential merger.”

“It does not mean we are merging - it simply means we have agreed to work together to discuss and analyze a potential merger,” Parker wrote.

American, in a note to managers Friday, said as part of the process “other parties have also signed confidentiality agreements, which permit for the confidential exchange of information and discussion between American and those parties.” The airline did identify them.

The memo repeated remarks made recently by CEO Thomas Horton that American has gained “clarity” on its revenue outlook and cost structure and is “now looking at other strategic options that could make the new American even stronger.”

American will move through the evaluation process with the goal “to create the highest value for our creditors and the best outcome for our people,” the memo said.

A merger between AMR Corp., American’s parent, and US Airways would create an airline about the same size as the world’s largest, United Continental Holdings, and bigger than No. 2 Delta Air Lines.

“AMR has been dragged kicking and screaming to the table,” said bond analyst Vicki Bryan, with Gimme Credit LLC, in a client note. “AMR’s stakeholders are becoming universally convinced that a merger presents the best chance” to compete with larger Delta and United “as well as global behemoths emerging overseas.”

American’s flight attendant union reiterated support Friday for a merger with US Airways. “Combining our networks will allow American Airlines to grow and compete with our industry’s dominant global carriers.”



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