

**GREENVILLE-SPARTANBURG AIRPORT COMMISSION  
MINUTES**

**March 11, 2013**

The Greenville-Spartanburg Airport Commission met on March 11, 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, Bill Barnet, Leland Burch, Doug Smith, and Hank Ramella via telephone.

**MEMBERS ABSENT:** Valerie Miller

**STAFF AND LEGAL COUNSEL PRESENT:** Dave Edwards-President/CEO, Kevin Howell-Vice President/COO, Jack Murrin-Vice President Administration and Finance/CFO, Larry Estridge-WCSR Firm, Wanda Jones-Secretary, Dan Ingram-IT Manager, and Bobby Welborn-Chief of Police.

**GUEST PRESENT:** Nat King-Jacobs/GSP, Ken Holt-Baker, Wayne Redfren-Baker, Jim Fair-Greertoday.com, Robert Anderson-Baker, and Paul Smith-W.K. Dickson.

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

**CONSENT AGENDA:**

**A. Approval of the Greenville-Spartanburg Airport Commission January 23, 2013 Regular Meeting Minutes:**

A motion was made, seconded, and unanimous vote received to approve the minutes from the January 23, 2013 Commission Meeting.

**PRESENTATIONS:** None.

**OLD BUSINESS:** None.

**NEW BUSINESS:**

**A. Approval of the Ranking for On-Call Professional Services Consultants**

Mr. Howell stated the Federal Aviation Administration (FAA) recommends that every five (5) years airports conduct solicitations for general consulting services. The RFQ was advertised locally and nationally. Thirteen (13) submittals were received and the selection committee, which consisted of Mr. Edwards, Mr. Howell, Mr. Murrin and Ms. Weston, ranked the firms on certain criteria. The criteria entailed the following: Experience and performance on similar projects, experience of key personnel, ability to respond in a timely manner, organizational structure, and the overall responsiveness from the thirteen (13). After the ranking, four (4) teams were

brought back on March 4<sup>th</sup> and 5<sup>th</sup> for a two (2) hour interview process: AVCON, Inc, Kimley-Horn & Associates, Inc., Michael Baker, Jr., Inc., and W.K. Dickson & Co., Inc. During this presentation, teams were asked to select a project from the CIP and present how the team would manage the project including any issues that may arise with the project. Staff wanted teams that represented the upstate and has local involvement, including small businesses, and minority firms.

After careful consideration the selection team recommends the following ranking: (1) Michael Baker, Jr., Inc (2) AVCON, Inc, and (3) W.K, Dickson. Mr. Howell stated that projects which are federally funded and have AIP money will be awarded based on qualifications. Since Staff has already gone through the process of ranking the three (3) teams, a mini RFO would be used to decide among the three (3) teams which team would be the best choice for that project. Chair Shaw asked if the selection of these teams precluded the Commission from using another consultant. Mr. Howell stated no that the Commission always has the choice of soliciting a new consultant.

Mr. Howell respectfully requested that the Airport Commission resolve to approve the final rankings for On-Call Professional Consulting Services and to authorize Staff to negotiate and finalize agreements with the three (3) highest ranked firms/teams, and to authorize the President/CEO to execute all necessary documents. If an acceptable agreement cannot be reached with one (1) of the three (3) highest ranked firms/teams, negotiations will be formerly terminated and will then process with the fourth ranked firm/team. A motion was made, seconded and unanimous vote received to approve the ranking for On-Call Professional Services Consultants.

#### **B. President/CEO Authorization to Open/Close/Amend Financial Accounts:**

Mr. Murrin stated that from time-to-time Staff is called to either open/close/amend a financial account in the name of the Greenville-Spartanburg Airport District which requires a corporate resolution approving such a move. Mr. Murrin stated Staff takes internal controls very seriously and has several checks and balances procedures in place. Mr. Edwards stated as the Commission charter is structured he is officially the Secretary/Treasurer of the Commission and typically the Treasurer would be the one who would handle this function. Chair Shaw stated opening/closing/amending accounts does not happen very often. Mr. Barnet asked why now? Mr. Murrin stated with the account structures changing rapidly compared to the historical normal, Staff would like the ability to be more efficient and responsive to needed account changes. Mr. Edwards stated this will ensure that Staff is consistent with policy when funds need to be moved and Staff can accomplish this without having to wait on approval from the Commission.

Mr. Murrin respectfully requested that the Airport Commission resolve to authorize the President/CEO open, close and/or amend all financial accounts necessary to conduct the normal business of the District. All such accounts must be in the sole name of the District and any accounts closed must have such funds transferred to a District account. A motion was made, seconded and unanimous vote received to approve the President/CEO the ability open/close and/or amend financial accounts as necessary to conduct the normal business of the District.

## **PRESIDENT/CEO REPORT:**

### **A. Aviation Industry Report:**

Mr. Edwards stated US Airways and American Airlines have announced their merger. The merger will still have to go through the Justice Department which could take several months.

Mr. Edwards stated the Federal Aviation Administration (FAA) has to deal with sequestration and, at this time, it does not appear that the GSP Control Tower will be impacted. The Facilities and Equipment Group will be impacted by furlough days. The Transportation Security Administration (TSA) recently hired nine (9) new officers for GSP and it does not appear TSA will be impacted at GSP by the sequestration. The Customs and Border Protection Agency (CBP) are a larger concern for some of the international airports due to the way they are structured and funded. International travelers can expect delays.

Chair Shaw asked if GSP will eventually have Global Entry/Pre-Check. Mr. Edwards stated the possibility for Pre-Check is there long term, but with sequestration he did not think short term it was possible.

### **B. Economy Lot Close-Out Report:**

Mr. Howell stated the physical construction of the lot is complete but Staff and Baker are working on the closeout of the project with Ashmore. The goal was to increase the economy lot by 40%. Some of the project highlights include: an additional 400+ parking spaces in the economy lot, relocation of a direct buried FAA Air Surveillance Radar Cable, landscaping and streetscaping, stormwater retention/detention, electrical service upgrades, and a GSP Drive round-a-bout.

Below is a financial summary (this is not the final - negotiations have to be finalized with Ashmore).

Original Construction Contract (final invoice not complete)	\$1,855,041.50
LPA Design Services	\$148,408
LPA Bidding Phase Services	\$10,330
LPA CA Services	\$43,408
AED RPR Services Original Contract	\$89,000
Wetlands/Stream Mitigation	\$115,673.60
ASR Radar Cable	\$46,774.73
FAA Reimbursement Agreement	\$10,000
Miscellaneous Owner Costs	\$4,342.69
Final Project Expenses	\$2,418,180.48
Under Budget	\$281,819.52

Mr. Howell discussed some issues with the advance purchase of a cable. Staff made the decision to purchase the cable in advance due to the long lead time. When the cable was received, it was not opened but stored. Upon unwrapping of the cable, it was discovered the cable was damaged. This cost required some extra time and money. Mr. Smith asked if Staff recovered the damages from the shipper. Mr. Howell stated that Staff accepted the shipment and it was not inspected at the time therefore, it was hard to prove when the damage actually occurred. Mr. Smith stated consultants are paid a lot of money and he thought they should help with issues of this nature. Mr. Howell and Mr. Edwards stated that Staff has learned some lessons and will ensure that proper protocols are put in place for the future.

Mr. Howell stated that overall this was a good project. Chair Shaw asked if Staff has had a good response to the economy lot. Mr. Howell stated, there have been some complaints that it is a long way to walk, but overall there has been a very positive response. Mr. Edwards stated GSP continues to be very competitive with parking rates.

**C. Allegiant Meeting Update:**

Mr. Edwards stated that GSP is the 6<sup>th</sup> lowest cost airport for Allegiant to operate out of. Allegiant is still very pleased with GSP and should be adding additional service in the Orlando/Sanford market in the future. Staff is still talking to Allegiant about Las Vegas and International service.

In June, Staff will attend the Jumpstart Air Service Meeting. This meeting will include all of the incumbent carriers and others.

**D. Review New Monthly Construction Update for the Terminal Improvement Program:**

Mr. Edwards stated in order to push more information to the Commission on a monthly basis as it relates to the construction project, a monthly project report will be sent by the third week of the month. The report will include pictures, a look ahead, and budget status. Chair Shaw stated she appreciates the update and if anyone has any suggestions, please let Dave know.

## **INFORMATION SECTION:**

Chair Shaw asked if anyone had any questions concerning the information section. Mr. Edwards stated traffic has been down in January and February, but he does not think there is any reason for concern. Traffic grew at such a large number when Southwest entered the market that we should have seen some falling off of traffic after the first year of Southwest service, but that did not happen. Traffic continued to grow into the second year. Since 1962, GSP has grown an average of 5% with some peaks and valleys, but has always had a positive trend line. Mr. Edwards stated he does not expect traffic to continue to increase 5% annually. GSP should see increase in the 3-4% range. Chair Shaw asked if this is consistent with the financial projections for the TIP. Mr. Edwards stated yes, and Staff will provide the Commission with another twenty (20) year financial projection in the next few months.

Potential Items for the next meeting: Budget

**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 and personnel matters at 10:10 am. It was announced that an action would be taken following the Executive Session.

Public session reconvened at 10:25 am. Mr. Edwards respectfully requested that the Airport Commission authorize Staff to negotiate and finalize an agreement with CPW for the lease of up to five (5) acres of District property for an electrical substation, plus additional property for a transmission line corridor based on a fair market sales value of \$28,500 per acre; and authorize the President/CEO to execute the necessary documents subject to review by legal counsel and confirmation by Staff that such area being requested is within the CPW electrical service agreement area. A motion was made, seconded and adopted to approve the agreement with CPW as stated above.

A motion was made, seconded, and adopted to adjourn the meeting at 10:30 am. At this time, the Commission participated in a Ribbon Cutting Ceremony for the new Rental Car Customer Care Center.