

### **AGENDA**

Greenville-Spartanburg Airport Commission Regular Meeting Greenville-Spartanburg International Airport Board Room Monday, March 20, 2017 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 January 9, 2017 Regular Meeting Minutes (<u>document</u>)
- III. PRESENTATIONS:
  - A. GSP Airport Master Plan Project (<u>document</u>)
  - B. Security Briefing (Executive Session) (document)
- IV. OLD BUSINESS: None
- V. NEW BUSINESS: None
- VI. PRESIDENT/CEO REPORT:
  - A. Aviation Industry Update
  - B. Routes Americas 2017 Update
  - C. Terminal Celebration Event



#### 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. January 2016 Traffic Report (document)
- B. January 2016 Financial Report (document)
- C. February 2016 Development/Project Status Report (<u>document</u>)
- D. February 2016 Communications Status Report (document)
- E. February 2016 Commercial Business and Properties Report (document)
- F. February 2016 OSHA Reportable Injury Report (<u>document</u>)
- G. Industry Presentation(s)/Article(s) of Interest (document)
- H. Potential Items for the Next Regular Scheduled Commission Meeting:
  - FY 2017-2018 Budget and CIP
  - Airline Rates and Charges
  - Design Team Ranking for Parking Garage C
  - VIP Lounge
  - Ground Transportation Services
  - General Pest Control Services Contract
  - Janitorial Services Contract

### VIII. COMMISSION MEMBER REPORTS:

### IX. EXECUTIVE SESSION:

The Airport Commission will hold an Executive Session for the purpose of receiving legal advice on various matters and to discuss security and property disposition.

### 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**

### **January 9, 2017**

The Greenville-Spartanburg Airport Commission met on January 9, 2017 at 9:00 a.m. in the Greenville-Spartanburg District Office Conference Room C located at 2000 GSP Drive, Suite 1, Greer, South Carolina 29651. The public and media were given proper notice of this meeting, under applicable law. This was a regular, non-emergency meeting.

**MEMBERS PRESENT**: Minor Shaw, Hank Ramella, Bill Barnet, Doug Smith, Leland Burch, and Valerie Miller

**MEMBERS NOT PRESENT**: None

STAFF AND LEGAL COUNSEL PRESENT: David Edwards, President/CEO; Kevin Howell, Vice President Operations/COO; Jack Murrin, Vice President Administration and Finance/CFO; Scott Carr, Vice President Commercial Business and Properties (Environs Area Administrator); Nathan Garner, Director, Aviation Services; Kelly Wiggs, Aviation Services Supervisor; Betty O. Temple, WCSR; Stefanie Hyder, Executive Assistant/Recording Secretary

**GUESTS PRESENT**: Ken Holt, Holt Consulting Company; James Stephens, SC Aeronautics Commission

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

### **CONSENT AGENDA:**

A motion was made, seconded, and unanimous vote received to approve the regular meeting minutes from the November 21, 2016 Commission Meeting.

A motion was made, seconded, and unanimous vote received to approve the meeting minutes from the October 21, 2016 Audit Committee Meeting.

#### PRESENTATIONS:

### A. Cargo Facility Requirements

At the November 21, 2016 Commission Meeting, Mr. Kevin Howell, Vice President Operations/COO, updated the Commission on the operations and challenges with the Senator Atlantic Bridge flight.

At the January 9, 2017 Commission Meeting, Kevin Howell provided a presentation of the airport's cargo facilities. The presentation included an informational overview of the current

facilities and future requirements related to cargo apron and cargo buildings, as well as planning level cost estimates.

Kevin Howell addressed questions of the Commission concerning freight, capacity, and financial implications.

### **OLD BUSINESS:**

No old business

### **NEW BUSINESS:**

### A. Approval of Public Parking and Rental Car Facility Recommendation

At the November 21, 2016 Commission Meeting, Mr. Scott Carr, Vice President Commercial Business and Properties, provided a briefing on parking with the intent to present a parking recommendation at the next regularly scheduled Commission meeting on January 9, 2017.

Scott Carr opened this discussion with a revenue budget overview. Parking and rental cars represent nearly 55% of the District's revenue budget. The total current parking spaces at the Airport are just under 5,000. Public parking accounts for approximately 4500-4600 spaces and rental car ready return accounts for 386 spaces that are located in Parking Garage A on the first and second floor. In the current fiscal year, Kevin Howell is managing an overflow parking and cell phone lot expansion project that is budgeted at \$1.8 million and one of which will create 425 economy lot spaces. This lot will require shuttle bus transportation because of the location in relation to the terminal.

In 2016, the Airport District had approximately 1,015,000 enplanements which required 5,075 parking spaces. Based on that data, the District had a shortfall of approximately 500 spaces. In 2017, even with the additional parking, Staff projects a shortage of 150-160 spots. An enplanement growth rate of 1.5% is used for budgeting purposes. Since 2012, the District has seen an average 2.39% enplanement level. By 2030, at a 2.39% enplanement growth rate, the District would be up 1.4 million enplanements requiring 7,200 parking spaces, forecasting a deficit of 2,200.

Over the last ten years, the District has seen a 38% increase in rental car transactions as well as 48% increase in gross revenue. As for market share, the District has five brands represented by three parent companies, Hertz, Avis Budget, and Alamo/National Enterprise (Vanguard Group). Between 2012 and 2016, total vehicles and total peak vehicles in the Alamo/National Enterprise (Vanguard Group) fleet increased by 39%.

The District continues to see the need for additional public parking spaces as enplanements continue to grow each year. Currently, parking facilities are routinely full 95% or more on Tuesday and Wednesday of each week. In addition, current rental car counters and ready return spaces are becoming more congested and less efficient. As a result, Staff has examined expansion options.

A new Economy Surface Lot, Option 1, includes the construction of a new economy surface parking lot east of the existing economy lot with shuttle bus service and possible PRT in the

future. The new economy surface parking lot option has an estimated project cost of \$8,250,000, and projected annual debt service, O&M, and shuttle bus operation costs of \$1,405,274. Staff has forecasted revenue increases from this facility at \$1,600,000. Pros include a daily price point that is competitive as well as an easily expandable lot. This option, however, is not within walking distance of the terminal and would require the use of shuttle buses to provide passenger service to the terminal building, has higher O&M costs associated with the shuttle bus operation, and does not address the needs of the rental car facilities.

A new Parking Garage C, Option 2, includes the construction of a new parking garage on the current daily lot location. While both options net the District 1,100 new public parking spaces, the parking garage option would net the District 364 rental car ready return spaces. The new Parking Garage C, with rental car facility option, is projected to cost \$40,000,000. This cost would be split between the \$15,000,000 associated with public parking and the \$25,000,000 attributed to the rental car facilities. The rental car facility portion is Customer Facility Charge (CFC) eligible and would be covered by those fees. To help defray the costs associated with the rental car facility portion of the project, a CFC increase has been suggested to produce additional revenue.

The total annual debt service and O&M costs of this option are estimated to be \$2,757,995. The incremental revenue generated from the additional 652 public parking spaces, the additional 364 rental car ready return spaces, and the increased rental car counter and office space will produce total increased annual revenue of \$5,071,224. Advantages of this option include closed in parking, close proximity to the terminal, and appropriately sized rental car counters and ready return spaces, as well as lower O&M costs. This option, compared to Option 1, does have a daily price point, currently at \$14/day, as well as higher capital costs.

Mr. Edwards and Mr. Carr responded to questions of the Commission related to rental car customers, shuttle traffic, logistics, interim solutions, as well as the District's financial position.

Mr. Jack Murrin, Vice President Administration and Finance/CFO, discussed the current and projected financial situation (cash, investments, debt) of the District through 2035, addressed the question of affordability based on cost of Parking Garage C (Option 2), explained the customer facility charge (CFC) and its application to this project, and discussed the debt that the District can accommodate based on a verbal representation from TD Bank.

Scott Carr discussed the projected project schedule. This project will follow the RFQ process with a consultant who specializes in parking garages and rental car facilities. Qualifications would be ranked and Staff would present a recommendation to the Commission in May 2017 with the possibility of issuing a Notice to Proceed in June 2017. The construction of Parking Garage C would potentially begin in July 2019 with a completion date of December 2019 for operation in the beginning of 2020.

It is respectfully requested that the Airport Commission (1) approve the recommendation for the construction of Parking Garage C and new rental car facilities, (2) approve design of Parking Garage C and development of associated probable project cost estimates prior to bid, and (3) authorize the President/CEO to execute all required documents.

There was a motion to approve and accept the recommendation for the design phase of Parking Garage C and new rental car facilities, (2) approve associated probable project cost estimates prior to bid, and (3) authorize the President/CEO to execute all required documents. The motion was seconded and unanimous vote was received.

### B. Approval of a Budget Amendment for the Corporate and General Aviation Bulk Storage Hangar Project

Mr. Kevin Howell reminded the Commission that on May 9, 2016, the Commission approved a combined project budget of \$8,903,000 for the construction of a corporate hangar and bulk aircraft storage hangar. The combined hangars project was designed by the AVCON & McMillan Pazdan Smith design team. Construction bids were received on November 21, 2016.

All bids received exceeded the original approved project budget. Staff worked with the project design team and the three (3) lowest bidders to identify possible revisions and value-engineering (VE) items for consideration. The three (3) lowest bidders submitted revised bid proposals on December 19, 2016.

While the revised December 19<sup>th</sup> bid proposals were lower than the original bids received on November 21<sup>st</sup>, the construction costs (approximately \$12 million) still exceeded the approved project budget. The approved combined project budget summary dated May 9, 2016, as well as the revised combined project budget line items, were provided to the Commission in the January 2017 Board Package. The total revised budget (three percent for construction admin. and RPR services, and carrying a 5% project contingency) is \$14.773,565.90 with a net difference of \$5.870,565.90.

Mr. Kevin Howell discussed the challenges with grading and site work and well as clarified costs.

Staff is requesting approval of a \$5,870,565.90 increase to the project budget for the combined Corporate and General Aviation Bulk Storage Hangar Project to be funded by the TD Bank line of credit.

Mr. Kevin Howell respectfully requested that the Airport Commission resolve to (1) approve a project budget increase of \$5,870,565.90 for the combined Corporate and General Aviation Bulk Storage Hangar Project; (2) authorize Staff to proceed with the project utilizing the proposed line of credit financing; and (3) authorize the President/CEO to execute all necessary documents.

There was a motion to (1) approve a project budget increase of \$5,870,565.90 for the combined Corporate and General Aviation Bulk Storage Hangar Project; (2) authorize Staff to proceed with the project utilizing the proposed line of credit financing; and (3) authorize

the President/CEO to execute all necessary documents. The motion was seconded and unanimous vote received.

### PRESI DENT/ CEO REPORT:

**Aviation I ndustry Update**: The industry is waiting to see what President Elect Trump and his Administration will deliver from an AIP standpoint as well as FAA reauthorization. The industry is optimistic about a fairly robust infrastructure program to be put into place.

Airlines continue to be highly profitable. Most recently, United Airlines reevaluated their flight portfolio, and where there was once a strong focus on international traffic, they will now have a stronger concentration on the domestic front.

Customs Border Patrol (CBP) Reimbursable Agreement: When the Senator International flights began on Wednesdays and Saturdays, GSP had to work with CBP to clear those flights. GSP put a CBP reimbursable agreement in place in case to fund activity outside of CBP's normal operating hours. Within three weeks to a month's operation, GSP received notice from CBP to invoke the reimbursable agreement. This cost is passed onto Senator International. Mr. Edwards most recently met with the Deputy Director of CBP and is now currently working with field operations out of Tampa to change the operating hours of the local CBP office.

**FBO Transition Update**: Holistically, there were no issues during the FBO transition. It was a smooth cutover on December 31, 2016 at 5 pm with the help of the remaining Stevens Aviation staff. Kevin Howell commented that GSP hired approximately 90% of the former Stevens Aviation staff. On another note, the GSP FBO plans to adopt and incorporate the Ritz Carlton Customer Service training program and will send both the Customer Service Manager as well as the Customer Service Lead to offsite training. World Fuel provided this program at a discounted rate.

The new Fuel Farm is fully operational and the old Fuel Farm, AirBP, will soon be decommissioned. At this time, AirBP is trying to sell the remaining 30,000 gallons to World Fuel.

**Milliken**: Staff met with Milliken a few weeks ago to discuss a lease for Hangar #4. GSP made a proposal to Milliken and committed to reductions in a couple of areas. A future meeting with Milliken is scheduled later this week.

**Real ID**: South Carolina has not yet adopted the new Real ID standard. This means that in 2018, if changes aren't made, the public will not be able to come to GSP with a driver's license and use that as an ID to get through the security checkpoint. Mr. Edwards noted that it is on the legislative agenda. Other legislative items include a re-proposed \$.50 fee on every public parking transaction to be used for roads and bridges in the state, as well as matters related to handicap parking.

**Ft. Lauderdale-Hollywood International Airport**: Mr. Edwards briefly remarked on the tragic event that occurred at Fort Lauderdale-Hollywood International Airport on January 6, 2017. Mr. Howell commented on the staging, placement and presence of the Airport Police inside the GSP Terminal. The Commission discussed the consideration of additional staffing. Kevin Howell invited Chief of Police, Bobby Welborn, to the next regularly scheduled Commission meeting to provide a security briefing during Executive Session.

Mrs. Shaw asked that Staff share the information about the Art RFP with the Arts Council for Greenville and Center for Creative Arts.

### **COMMISSIONER'S REPORT:**

Mr. Burch noted the upcoming ACI-NA AAAE Airport Board and Commissioners Conference April 2-4, 2017 hosted by GSP.

Mr. Ramella noted that he is scheduled to attend the 2017 Airports at Work (BIT) Conference in Las Vegas March 27–30, 2017. This group has been involved in heavy planning as well as meeting every two weeks via conference call to discuss cybersecurity, product surveillance, and the future of common use terminals. Mr. Ramella will brief the Commission at the next meeting.

### **EXECUTIVE SESSION:**

There being no further business, a motion was made, seconded, and carried to go into Executive Session. The specific purpose of the executive session was to discuss the Skanska Moss settlement agreement and an update on an economic development project.

### **ADJOURNMENT:**

At approximately 1:10 p.m., public session resumed with no action being taken. The meeting was adjourned at 1:11 p.m. The next meeting is scheduled for March 20<sup>th</sup> at 9:00 a.m.

### SI GNATURE OF PREPARER:

Stefanie Hyder		



### **MEMORANDUM**

TO: Members of the Airport Commission

FROM: Kevin E. Howell, Vice President/COO

DATE: March 20, 2017

### ITEM DESCRIPTION - Presentation Item A

GSP Airport Master Plan Project

### **SUMMARY**

A presentation will be provided reviewing the upcoming GSP Airport Master Plan. An informational overview of the project and the project schedule will be presented to the Board. The Commissioners will be invited to provide feedback and discuss specific areas of focus.



### **MEMORANDUM**

TO: Members of the Airport Commission

FROM: Kevin E. Howell, Vice President/COO

DATE: March 20, 2017

### ITEM DESCRIPTION - Presentation Item B

Security Briefing (Executive Session)

### **SUMMARY**

A security briefing will be provided by Police Chief Bobby Welborn in Executive Session. An overview of the current department and a briefing on recent airport industry/airport security related issues will be presented to the Board.



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### **MEMORANDUM**

TO: Members of the Airport Commission

FROM: David Edwards, President/CEO

DATE: March 20, 2017

### ITEM DESCRIPTION - Information Section Item A

January 2017 - Traffic Report

### **SUMMARY**

For January 2017, passenger traffic was strong at .3% over the same month in 2016. Cargo numbers for January 2017 were up at 43.7%. Passenger load factors continue to be good with an overall average of 77.4%. Some of United's numbers may be understated. Staff is working through this with United so January's report may need to be restated in the future.

A comparison of the North America National Passenger Traffic Growth Averages for 2016 to GSP's Passenger Traffic Growth is depicted below:

		2016	
		National	
<u>Month</u>	GSP	Average	Difference
Jan	7.60%	6.00%	1.60%
Feb	15.40%	8.40%	7.00%
Mar	8.40%	3.50%	4.90%
April	0.90%	2.30%	-1.40%
May	5.60%	4.40%	1.20%
June	0.90%	4.60%	-3.70%
July	3.30%	1.40%	1.90%
August	3.70%	1.90%	1.80%
September	8.50%	5.20%	3.30%
October	1.30%	1.90%	-0.60%
November	4.60%	2.60%	2.00%
December	-0.50%	1.90%	-2.40%
Average	4.98%	3.68%	1.30%



Greenville-Spartanburg Airport Commission Information Section Item A January 2017 - Traffic Report Page 2

Attached are copies of the detailed traffic report for January 2017.

Providing a look forward into the service levels for April 2017 is a schedule comparison for the month vs the same month last year, including flights and seats by airline and non-stop markets served. GSP flights are down at 2.0%, but seats are up significantly at plus 5.9%.

Schedule	Weekly	Summ	ary Repo	rt for nonsto <sub>l</sub>	Passeng	jer (Air - All) f	lights fror	n GSP to for	travel Ap	ril 2017 vs. A <sub>l</sub>	pril 2016
	Travel F	Period		Apr 20	17	Apr 20	16	Diff		Percen	t Diff
Mkt Al	Orig	Dest	Miles	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats
AA	GSP	CLT	76	55	3,491	55	2,839	0	652	0.0%	23.0%
AA	GSP	DCA	396	15	971	13	745	2	226	15.4%	30.3%
AA	GSP	DFW	862	14	1,704	20	1,364	(6)	340	(30.0%)	24.9%
AA	GSP	PHL	514	26	1,300	25	1,250	1	50	4.0%	4.0%
DL	GSP	ATL	153	54	6,407	54	6,169	0	238	0.0%	3.9%
DL	GSP	DTW	508	25	1,533	26	1,315	(1)	218	(3.8%)	16.6%
DL	GSP	LGA	610	11	770	11	550	0	220	0.0%	40.0%
G4	GSP	FLL	620	2	354	2	354	0	0	0.0%	0.0%
G4	GSP	PGD	550	0	0	2	354	(2)	(354)	(100.0%)	(100.0%)
G4	GSP	PIE	482	3	520	2	332	1	188	50.0%	56.6%
G4	GSP	SFB	426	3	531	2	332	1	199	50.0%	59.9%
UA	GSP	EWR	594	19	969	20	1,182	(1)	(213)	(5.0%)	(18.0%)
UA	GSP	IAD	383	14	780	14	840	0	(60)	0.0%	(7.1%)
UA	GSP	IAH	838	11	550	11	630	0	(80)	0.0%	(12.7%)
UA	GSP	ORD	577	26	1,560	25	1,534	1	26	4.0%	1.7%
WN	GSP	ATL	153	20	2,860	17	2,431	3	429	17.6%	17.6%
WN	GSP	BWI	425	0	0	2	286	(2)	(286)	(100.0%)	(100.0%)
WN	GSP	HOU	845	0	0	1	143	(1)	(143)	(100.0%)	(100.0%)
WN	GSP	MDW	562	0	0	2	286	(2)	(286)	(100.0%)	(100.0%)
			TOTAL	298	24,300	304	22,936	(6)	1,364	(2.0%)	5.9%

### Monthly Traffic Report Greenville-Spartanburg International Airport



January 2017

Category	Jan 2017	Jan 2016	Percentage Change	*CYTD-2017	*CYTD-2016	Percentage Change	*MOV12-2017	*MOV12-2016	Percentage Change
Passenger Traff	fic								
Passellyel Itali	IIC								
Enplaned	72,328	72,305	0.0%	72,328	72,305	0.0%	1,014,633	980,427	3.5%
Deplaned	<u>72,309</u>	<u>71,878</u>	0.6%	<u>72,309</u>	<u>71,878</u>	0.6%	<u>1,004,140</u>	970,397	3.5%
Total	144,637	144,183	0.3%	144,637	144,183	0.3%	2,018,773	1,950,824	3.5%
Cargo Traffic (P	ounds)								
Express and M	Mail (								
Enplaned	827,236	335	246836.1%	827,236	335	246836.1%	10,156,067	22,126	45801.1%
Deplaned	<u>711,157</u>	<u>632</u>	112424.8%	<u>711,157</u>	<u>632</u>	112424.8%	8,390,093	<u>15,573</u>	53775.9%
Subtotal	1,538,393	967	158989.2%	1,538,393	967	158989.2%	18,546,160	37,699	49095.4%
Freight									
Enplaned	2,135,002	2,457,787	-13.1%	2,135,002	2,457,787	-13.1%	24,184,823	32,241,941	-25.0%
Deplaned	2,886,552	2,104,727	37.1%	2,886,552	2,104,727	37.1%	27,212,791	27,500,266	-1.0%
Subtotal	<u>5,021,554</u>	<u>4,562,514</u>	10.1%	5,021,554	<u>4,562,514</u>	10.1%	51,397,614	<u>59,742,207</u>	-14.0%
Total	6,559,947	4,563,680	43.7%	6,559,947	4,563,680	43.7%	69,944,524	59,780,153	17.0%

<sup>\*</sup>CYTD = Calendar Year to Date and \*Mov12 = Moving Twelve Months.

### Monthly Traffic Report Greenville-Spartanburg International Airport



January 2017

Category	Jan 2017	Jan 2016	Percentage Change	*CYTD-2017	*CYTD-2016	Percentage Change	*MOV12-2017	*MOV12-2016	Percentage Change
Aircraft Operatio	ns								
Airlines	1,556	1,149	35.4%	1,556	1,149	35.4%	17,745	13,415	32.3%
Commuter /Air Taxi	<u>964</u>	<u>1,527</u>	-36.9%	964	1,527	-36.9%	16,507	20,203	-18.3%
Subtotal	<u>2,520</u>	<u>2,676</u>	-5.8%	<u>2,520</u>	<u>2,676</u>	-5.8%	<u>34,252</u>	33,618	1.9%
General Aviation	587	645	-9.0%	587	645	-9.0%	8,711	9,033	-3.6%
Military	<u>220</u>	<u>113</u>	94.7%	<u>220</u>	<u>113</u>	94.7%	<u>1,979</u>	<u>1,331</u>	48.7%
Subtotal	<u>807</u>	<u>758</u>	6.5%	<u>807</u>	<u>758</u>	6.5%	10,690	10,364	3.1%
Total	3,327	3,434	-3.1%	3,327	3,434	-3.1%	44,942	43,982	2.2%
Fuel Gallons									
100LL	1,794	2,174	-17.5%	1,794	2,174	-17.5%	29,870	38,007	-21.4%
Jet A (GA)	64,788	60,074	7.8%	64,788	60,074	7.8%	703,961	688,247	2.3%
Subtotal	<u>66,582</u>	62,248	7.0%	<u>66,582</u>	62,248	7.0%	<u>733,831</u>	<u>726,254</u>	1.0%
Jet A (A/L)	839,058	<u>816,642</u>	2.7%	<u>839,058</u>	816,642	2.7%	9,869,637	9,836,484	0.3%
Total	905,640	878,890	3.0%	905,640	878,890	3.0%	10,603,468	10,562,738	0.4%

<sup>\*</sup>CYTD = Calendar Year to Date and \*Mov12 = Moving Twelve Months.

# Scheduled Airline Enplanements, Seats, and Load Factors Greenville-Spartanburg International Airport



January 2017

	Jan 2017	Jan 2016	Percentage Change	*CYTD-2017	*CYTD-2016	Percentage Change
Allegiant Air						
Enplanements	5,525	5,340	3.5%	5,525	5,340	3.5%
Seats	7,349	7,347	0.0%	7,349	7,347	0.0%
Load Factor	75.2%	72.7%	3.4%	75.2%	72.7%	3.4%
American Airlines						
Enplanements	22,404	20,563	9.0%	22,404	20,563	9.0%
Seats	28,298	24,951	13.4%	28,298	24,951	13.4%
Load Factor	79.2%	82.4%	-3.9%	79.2%	82.4%	-3.9%
Oelta Air Lines						
Enplanements	28,373	25,573	10.9%	28,373	25,573	10.9%
Seats	34,542	29,940	15.4%	34,542	29,940	15.4%
Load Factor	82.1%	85.4%	-3.8%	82.1%	85.4%	-3.8%
Southwest Airlines						
Enplanements	7,210	10,264	-29.8%	7,210	10,264	-29.8%
Seats	12,845	19,039	-32.5%	12,845	19,039	-32.5%
Load Factor	56.1%	53.9%	4.1%	56.1%	53.9%	4.1%

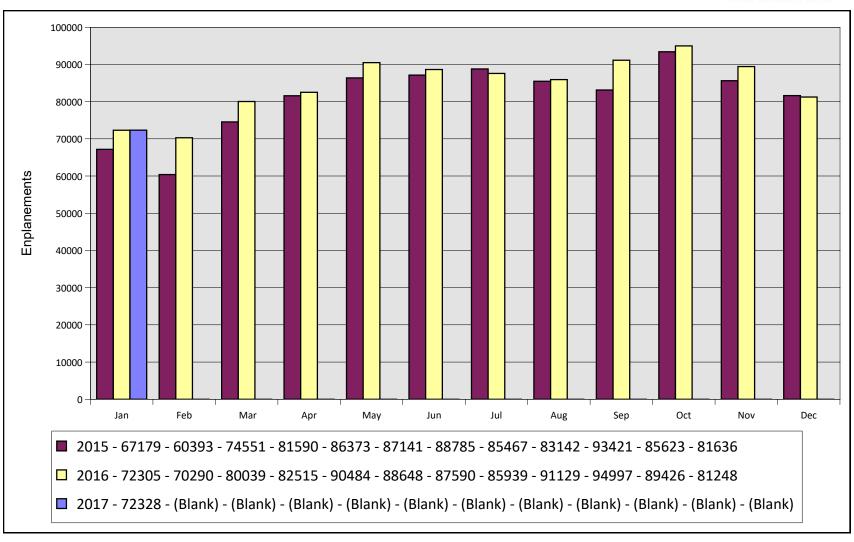
Wednesday, February 15, 2017

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

	Jan 2017	Jan 2016	Percentage Change	*CYTD-2017	*CYTD-2016	Percentage Change
Jnited Airlines						
Enplanements	8,677	9,562	-9.3%	8,677	9,562	-9.3%
Seats	10,215	11,145	-8.3%	10,215	11,145	-8.3%
Load Factor	84.9%	85.8%	-1.0%	84.9%	85.8%	-1.0%
Enplanements	72,189	71,302	1.2%	72,189	71,302	1.2%
Seats	93,249	92,422	0.9%	93,249	92,422	0.9%
Load Factor	77.4%	77.1%	0.3%	77.4%	77.1%	0.3%

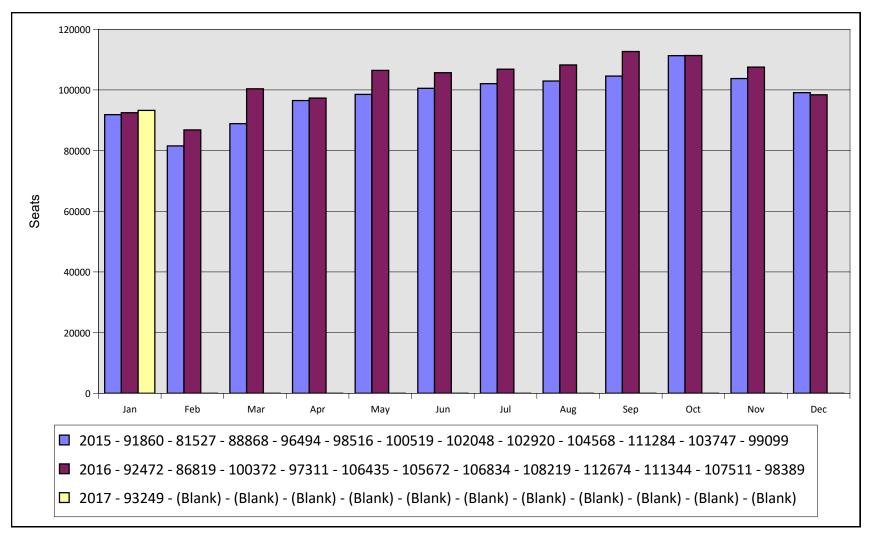
# **Monthly Enplanements By Year Greenville-Spartanburg International Airport**





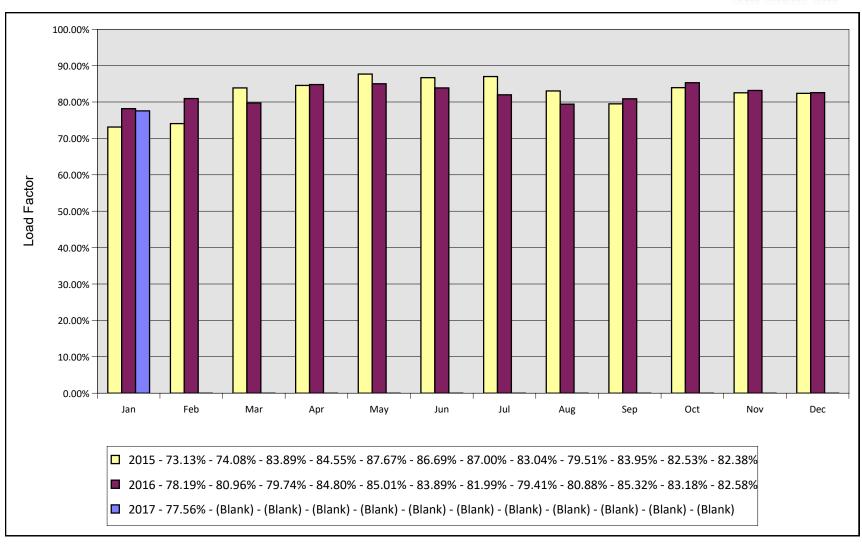
# Monthly Seats By Year Greenville-Spartanburg International Airport





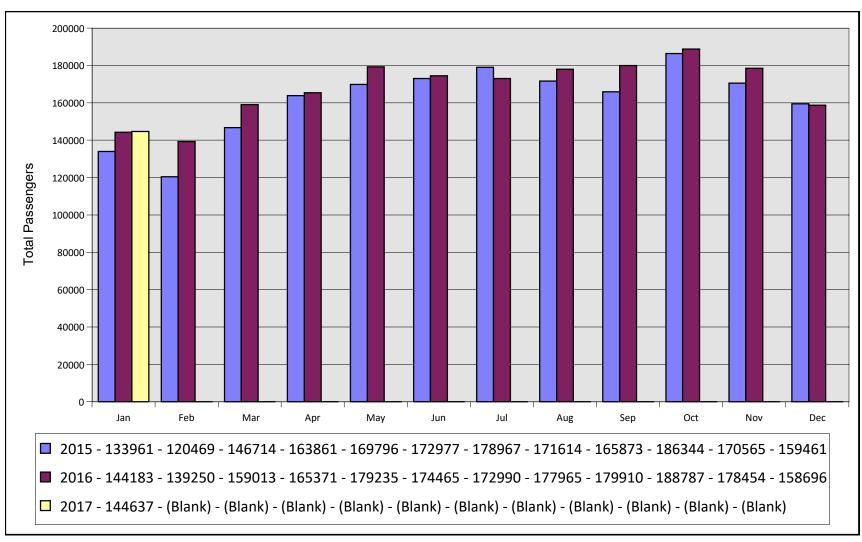
# Monthly Load Factors By Year Greenville-Spartanburg International Airport





# **Total Monthly Passengers By Year Greenville-Spartanburg International Airport**

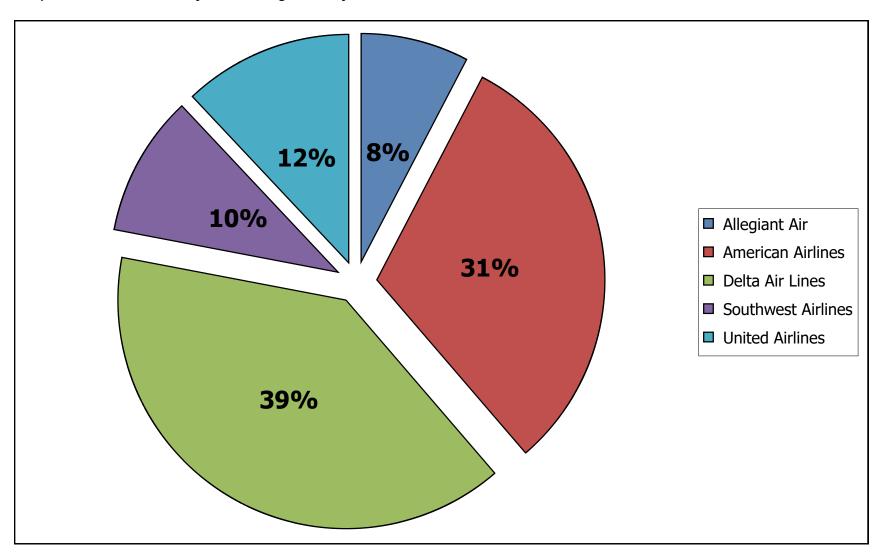




# Scheduled Airline Market Shares (Enplanements) Greenville-Spartanburg International Airport



Report Period From January 2017 Through January 2017



# **Airline Flight Completions Greenville-Spartanburg International Airport**



January 2017

	Scheduled		Cancellation	ons Due To		Total	Percentage of	
Airline	Flights	Field	Mechanical	Weather	Other	Cancellations	Completed Flights	
Aeronaves	1	0	0	0	0	0	100.0%	
Air Atlanta Icelandic	8	0	0	0	0	0	100.0%	
Allegiant Air	41	0	0	0	0	0	104.9%	
Alliance Air Charter	1	0	0	0	0	0	100.0%	
American Airlines	460	0	9	9	3	21	95.4%	
Delta Air Lines	359	0	0	10	0	10	98.1%	
Elite Airways	2	0	0	0	0	0	100.0%	

	Scheduled		Cancellation	ons Due To		Total	Percentage of
Airline	Flights	Field	Mechanical	Weather	Other	Cancellations	Completed Flights
Federal Express	36	0	0	0	0	0	100.0%
IFL Group	1	0	0	0	0	0	100.0%
Kolo Canyons Air Service	1	0	0	0	0	0	100.0%
National Airlines	2	0	0	0	0	0	100.0%
Priority Air Charter	1	0	0	0	0	0	100.0%
Royal Air Freight	3	0	0	0	0	0	100.0%
Southwest Airlines	91	0	0	0	0	0	100.0%
Swift Air, LLC	2	0	0	0	0	0	100.0%
TSM	1	0	0	0	0	0	100.0%

	Scheduled		Cancellation	ons Due To	Total	Percentage of	
Airline	Flights	Field	Mechanical	Weather	Other	Cancellations	Completed Flights
United Airlines	210	0	2	5	5	12	94.3%
UPS	32	0	0	0	0	0	100.0%
Xtra Airways	2	0	0	0	0	0	100.0%
Total	1,254	0	11	24	8	43	96.6%



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### **MEMORANDUM**

TO: Members of the Airport Commission

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

DATE: March 20, 2017

ITEM DESCRIPTION – Information Section Item B

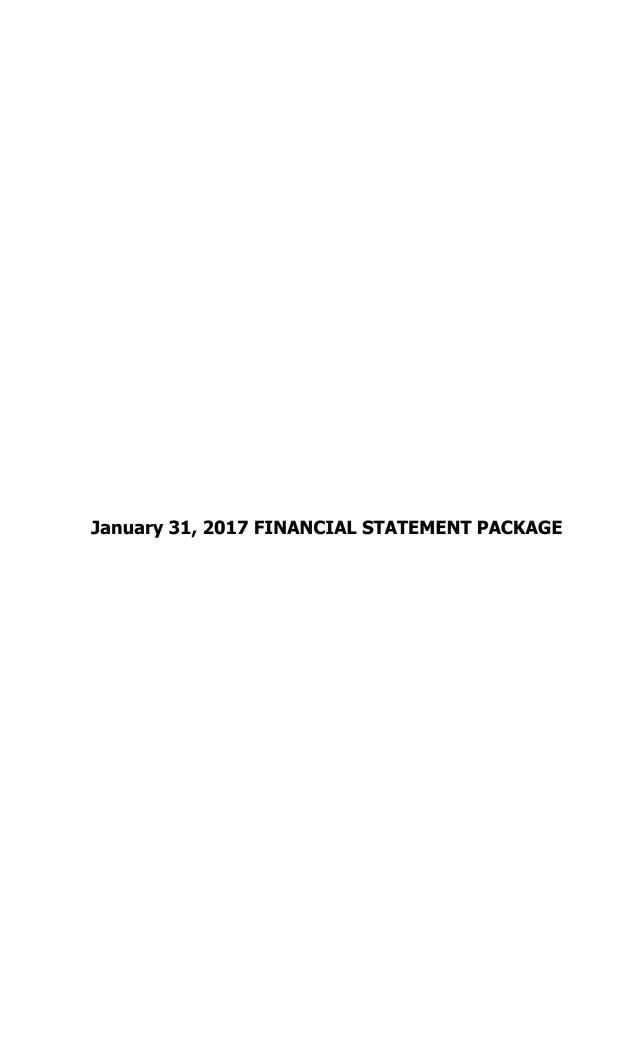
January 2017 - Financial Report

#### **SUMMARY**

Operating Income was up by **3.70%** when compared to the budget for Year-to-Date January 2017. Operating Expenses were down by **8.98%** over the budgeted amount for the period. Net operating income was up **27.70%** versus the budget through January 2017. For the period ending January 2017, which represents seven (7) months of the fiscal year, a total of about **\$7.86 million** has been returned to the bottom line in operating income.

Attached is a copy of the detailed financial report for January 2017.

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



### GREENVILLE SPARTANBURG AIRPORT DISTRICT

### STATEMENT OF NET POSITION

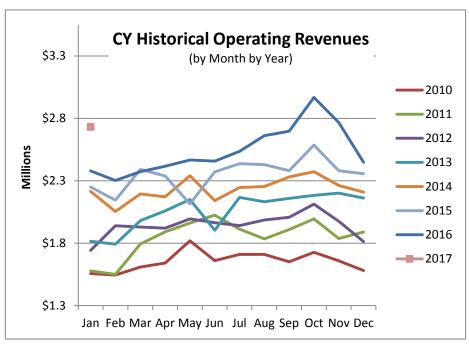
	Current Month Current FY 1/31/2017	Current Month Prior FY 1/31/2016
Assets		
Cash Accounts	18,100,321.42	8,716,373.23
Investments-Airport	6,863,610.31	21,445,787.17
Bond Trustee Assets	209,473.01	199,625.19
Dona Tradice / Edeta	2037 17 3101	155/025.15
Accounts Receivable	288,069.96	159,154.93
Less: Reserve for Doubtful Accts	-	133,13 1.33
Net Accounts Receivable	288,069.96	159,154.93
	200/003130	100/10 1100
Inventory	142,933.37	156,438.79
Prepaid Insurance	439,086.38	262,403.17
repaid insurance	155,000.50	202, 103.17
Notes Receivable-RAC District Funds	1,682,924.53	1,907,473.26
Notes receivable-rac district rulius	1,002,924.33	1,907,473.20
Property, Plant & Equipment (PP&E)	354,871,859.47	326,314,484.59
Less: Accumulated Depreciation	(131,434,450.26)	(122,534,311.72)
Net PP&E	223,437,409.21	203,780,172.87
TOTAL ASSETS	251,163,828.19	236,627,428.61
IOIALAGGLIG_	201/103/020113	250/02//120:01
PLUS: Deferred Outflows of Resources		
Deferred Pension	972,466.85	887,006.00
TOTAL DEFERRED OUTFLOWS OF RESOURCES	972,466.85	887,006.00
TOTAL DELEKKED COTT LOWS OF RESCONCES_	372,400.03	007,000.00
LESS: Liabilities		
Accounts Payable	1,168,634.17	1,034,079.89
TD Bank LOC	2,164,358.00	1,054,079.09
Revenue Bonds Payable	1,971,136.43	2,292,955.12
SCRS Pension Liability	10,446,431.00	9,311,330.00
Benefit Liability	827,112.61	803,234.13
TOTAL LIABILITIES _	16,577,672.21	13,441,599.14
LESS: Deferred Inflows of Resources		
	1 715 101 52	2 761 255 26
Deferred Revenues	1,715,191.53	2,761,355.26
TOTAL DEFERRED INFLOWS OF RESOURCES _	1,715,191.53	2,761,355.26
NET POCITION		
NET POSITION	224 477 400 24	204 500 472 07
Invested in Capital Assets, net of Related Debt	221,477,409.21	201,500,172.87
B. C. C.		
Restricted:	100 000 50	106 670 67
A/P - Capital Projects - Restricted	198,336.58	186,670.07
Contract Facility Charge	2,127,430.95	2,058,295.77
Total Restricted:	2,325,767.53	2,244,965.84
Harris and Carlor d	10.010.351.56	17 500 044 50
Unrestricted	10,040,254.56	17,566,341.50
TOTAL NET POSITION _	233,843,431.30	221,311,480.21

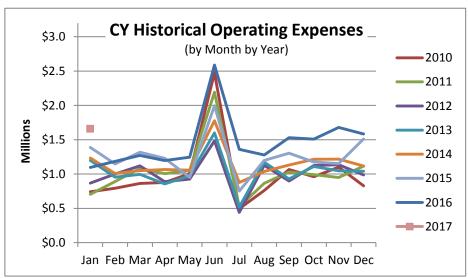
### GREENVILLE SPARTANBURG AIRPORT DISTRICT

### **PROFIT and LOSS STATEMENT**

Name	<u></u>		FISCAL YEAR TO D	ATE		
Name			January 31, 2017		O/ Chamas	
Landing Area:   Landing Fees   1,537,075.89   1,481,050.69   56,025.20   3,78%   (a) Aircraft Parking Fees   244,157.90   219,600.15   24,557.75   11.18%   FBO Into-Plane & Fuel Flowage   28,732.43   55,442.94   27,099.49   48,86%   FBO Into-Plane & Fuel Flowage   28,732.43   55,442.94   27,099.49   48,86%   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   48,000.00   49,092.23   78,750.00   15,342.23   19,48%   (c) Commercial Ground Transportation   94,092.23   233,333.31   (80,658.31)   -24,57%   (d) Food & Beverage   191,640.21   216,212.50   (24,572.29)   -11,36%   (e) Food & Beverage   191,640.21   216,212.50   (24,572.29)   -11,36%   (e) Retail Car   234,910.29   296,916.69   27,993.60   9,43%   (e) Professional Subtotal Concessions   2,577,078.39   2,586,813.88   (3,755.49)   -0,38%   (e) Commercial Ground Transportation   2,587,078.39   2,586,813.88   (3,755.49)   -0,38%   (f) Gross Profit on Fuel Sales   258,822.98   275,750.00   (16,977.02)   -1,414%   (g) Food & Gross Profit on Fuel Sales   258,822.98   275,750.00   (16,977.02)   -1,414%   (g) FromStonal Activities   42,953.54.2   42,599.19   3,566.23   0,83%   (f) Gross Profit on Fuel Sales   42,953.54.2   42,999.19   3,566.23   0,83%   (f) Gross Profit on Fuel Sales   42,943.45.5   42,945.45   (f) Gross Profit on Fuel Sales   42,945.45   (f) Gr		Actual	Buaget	Actual - Budget	% Change	
Landing Fees						
Aircraft Parking Fees   244,157.90   219,600.15   24,557.75   11.18%   FBO Into-Plane & Fuel Flowage   82,532.43   55,442.94   27,089.99   48,86%   Subtotal Landing Area   1,863,766.22   1,756,093.78   107,672.44   6.13%   Subtotal Landing Area   1,863,766.22   1,756,093.78   107,672.44   6.13%   Subtotal Landing Area   1,263,766.22   1,756,093.78   21,326.49   0.42%   (b) Auto Parking   7,235,581.84   6,741,336.49   494,245.35   7,33%   (c) Commercial Ground Transportation   94,092.23   78,750.00   11,542.23   19.48%   19.40%   19.48%	<del>-</del>					
PRO Into-Plane & Fuel Flowage   \$2,532.43   \$5,442.94   \$27,089.49   48,86%   \$1,863,766.22   1,756,093.78   107,672.44   6,13%   \$1,863,766.22   1,756,093.78   107,672.44   6,13%   \$1,863,766.22   1,756,093.78   107,672.44   6,13%   \$1,863,766.22   1,756,093.78   107,672.44   6,13%   \$1,264.90   0.42%   (b) Auto Parking   7,235,581.84   6,741,336.49   494,245.35   7,33%   (c) Commercial Ground Transportation   94,092.23   78,750.00   15,342.23   19,48%   \$1,948.93	3					(a)
Subtotal Landing Area   1,863,766.22   1,756,093.78   107,672.44   6.13%		•				
Space & Ground Rentals						
Commercial Ground Transportation	Subtotal Landing Area _	1,003,700.22	1,730,033.70	107,072.77	0.13 /0	
Commercial Ground Transportation	Space & Ground Rentals	5,068,704,98	5,047,378,49	21,326,49	0.42%	(b)
Concessions:						
Advertising   152,675.00   233,333.31   (80,658.31)   -34,57%   (d)	Commercial Ground Transportation				19.48%	( )
Advertising   152,675.00   233,333.31   (80,658.31)   -34,57%   (d)	Companying					
Production   Pro		152.675.00	222 222 24	(00 (50 24)	24.570/	(-1)
Retail Car   1,907,852.89   1,840,351.38   67,501.51   3.67%   (e) Retail   324,910.29   296,916.69   27,993.60   9.43%   (e) Retail   324,910.29   296,916.69   27,993.60						(a)
Subtotal Concessions   Subtotal Non-Operating Income   Subtotal Non-Ope						(a)
Subtotal Concessions   2,577,078.39   2,586,813.88   (9,735.49)   -0.38%						(6)
Expense Reimbursements   728,532.30   703,459.54   25,072.76   3.56%   Chher Income   630,148.72   608,387.72   21,761.00   3.58%   (f) Gross Profit on Fuel Sales   258,822.98   275,759.00   (16,927.02)   -6.14%   Total Operating Income   18,456,727.66   17,797,969.90   658,757.76   3.70%						
Chier Income Gross Profit on Fuel Sales Total Operating Income         630,148.72 258,822.98         275,750.00 275,750.00         21,761.00 (16,927.02)         3.58% -6.14%         (f)           EXPENSES           Salary & Benefits Profit Salary & Benefits Promotional Activities         5,237,925.79 429,535.42         6,100,711.68 425,799.19 425,799.19 425,799.19 43,556.23 429,535.42         (862,785.89) 425,979.19 435,562.3 425,979.19 436,700.3 437,083.0 51.91%         -14.14% (g)         (g)           Administrative Promotional Activities Promotional Activities Profit Activities				(5).55.15)	0.0070	
Total Operating Income   18,456,727.66   17,797,969.90   (16,927.02)   -6,14%   Total Operating Income   18,456,727.66   17,797,969.90   658,757.76   3.70%		728,532.30				
Total Operating Income   18,456,727.66   17,797,969.90   658,757.66   3.70%						(f)
Salary & Benefits   5,237,925.79   6,100,711.68   (862,785.89)   -14,14%   (g)     Professional Services   429,535.42   425,979.19   3,556.23   0.83%     Promotional Activities   1,134,611.17   746,902.87   387,708.30   51.91%   (h)     Administrative   605,857.25   682,154.55   (76,297.30)   -11,18%   (i)     Insurance   247,394.56   247,394.56   - 0.00%     Contractual Services   1,088,586.78   1,544,045.44   (455,458.66)   -29.50%   (j)     Rentals & Leases   49,110.99   106,792.63   (57,681.64)   -54.01%   (k)     Repairs & Maintenance   403,040.45   337,705.06   65,335.39   19.35%   (l)     Supplies & Equipment   505,861.96   502,953.08   2,908.88   0.58%   (l)     Utilities   895,944.31   949,234.02   (53,289.71)   -5.61%   (m)     Total Operating Expenses   10,597,868.68   11,643,873.08   (1,046,004.40)   -8.98%      NET OPERATING INCOME   7,858,858.98   6,154,096.82   1,704,762.16   27.70%     Non-OPERATING ITEMS:						
Salary & Benefits   5,237,925.79   6,100,711.68   (862,785.89)   -14.14%   (g)	Total Operating Income _	18,456,727.66	17,797,969.90	658,757.76	3.70%	
Salary & Benefits   5,237,925.79   6,100,711.68   (862,785.89)   -14.14%   (g)	FYDENSES					
Professional Services		5 237 925 79	6 100 711 68	(862 785 89)	-14 14%	(a)
Promotional Activities						(9)
Administrative 605,857.25 682,154.55 (76,297.30) -11.18% (i) Insurance 247,394.56 - 0.00% Contractual Services 1,088,586.78 1,544,045.44 (455,458.66) -29.50% (j) Rentals & Leases 49,110.99 106,792.63 (57,681.64) -54.01% (k) Repairs & Maintenance 403,040.45 337,705.06 65,335.39 19.35% (l) Supplies & Equipment 505,861.96 502,953.08 2,908.88 0.58% Utilities 895,944.31 949,234.02 (53,289.71) -5.61% (m)  Total Operating Expenses 10,597,868.68 11,643,873.08 (1,046,004.40) -8.98%  NET OPERATING INCOME 7,858,858.98 6,154,096.82 1,704,762.16 27.70%  NON-OPERATING ITEMS: Investment Income & FMV 22,390.68 7,525.00 14,865.68 197.55% Facility Rental (RAC CFC) 645,826.38 500,311.07 145,515.31 29.08% (n) Interest Expense (85,824.32) (77,975.31) (7,849.01) 10.07% Gain/(Loss) on Asset Disposition (5,080.99) (116,666.69) 111,585.70 -95.64% (o) Subtotal Non-Operating 577,311.75 313,194.07 264,117.68 84.33%  NET INCOME BEFORE DEPREC 8,436,170.73 6,467,290.89 1,968,879.84 30.44%  DEPRECIATION 6,472,214.84 6,472,214.84 - 0.00%						(h)
Insurance						
Rentals & Leases         49,110.99         106,792.63         (57,681.64)         -54.01%         (k)           Repairs & Maintenance         403,040.45         337,705.06         65,335.39         19.35%         (I)           Supplies & Equipment         505,861.96         502,953.08         2,908.88         0.58%         UI)           Utilities         895,944.31         949,234.02         (53,289.71)         -5.61%         (m)           NON-OPERATING INCOME         7,858,858.98         6,154,096.82         1,704,762.16         27.70%           NON-OPERATING ITEMS:           Investment Income & FMV         22,390.68         7,525.00         14,865.68         197.55%           Facility Rental (RAC CFC)         645,826.38         500,311.07         145,515.31         29.08%         (n)           Interest Expense         (85,824.32)         (77,975.31)         (7,849.01)         10.07%         (o)           Gain/(Loss) on Asset Disposition         (5,080.99)         (116,666.69)         111,585.70         -95.64%         (o)           NET INCOME BEFORE DEPREC         8,436,170.73         6,467,290.89         1,968,879.84         30.44%           DEPRECIATION         6,472,214.84         6,472,214.84         -         0.00% <td>Insurance</td> <td></td> <td></td> <td>- '</td> <td>0.00%</td> <td>• • •</td>	Insurance			- '	0.00%	• • •
Repairs & Maintenance         403,040.45         337,705.06         65,335.39         19.35%         (I)           Supplies & Equipment         505,861.96         502,953.08         2,908.88         0.58%           Utilities         895,944.31         949,234.02         (53,289.71)         -5.61%         (m)           NET OPERATING INCOME         7,858,858.98         6,154,096.82         1,704,762.16         27.70%           NON-OPERATING ITEMS:           Investment Income & FMV         22,390.68         7,525.00         14,865.68         197.55%           Facility Rental (RAC CFC)         645,826.38         500,311.07         145,515.31         29.08%         (n)           Interest Expense         (85,824.32)         (77,975.31)         (7,849.01)         10.07%         (o)           Gain/(Loss) on Asset Disposition Subtotal Non-Operating         577,311.75         313,194.07         264,117.68         84.33%           NET INCOME BEFORE DEPREC         8,436,170.73         6,467,290.89         1,968,879.84         30.44%           DEPRECIATION         6,472,214.84         6,472,214.84         -         0.00%	Contractual Services	1,088,586.78	1,544,045.44	(455,458.66)	-29.50%	(j)
Supplies & Equipment Utilities         505,861.96 895,944.31         502,953.08 949,234.02         2,908.88 (53,289.71)         0.58% (53,289.71)         0.561% (m)           NET OPERATING INCOME         7,858,858.98         6,154,096.82         1,704,762.16         27.70%           NON-OPERATING ITEMS:           Investment Income & FMV         22,390.68         7,525.00         14,865.68         197.55%           Facility Rental (RAC CFC)         645,826.38         500,311.07         145,515.31         29.08% (n)           Interest Expense         (85,824.32)         (77,975.31)         (7,849.01)         10.07%           Gain/(Loss) on Asset Disposition Subtotal Non-Operating         (5,080.99)         (116,666.69)         111,585.70         -95.64% (o)           NET INCOME BEFORE DEPREC         8,436,170.73         6,467,290.89         1,968,879.84         30.44%           DEPRECIATION         6,472,214.84         6,472,214.84         -         0.00%		•				(k)
NET INCOME BEFORE DEPREC   895,944.31   949,234.02   (53,289.71)   -5.61%   (m)						(I)
NET OPERATING INCOME         7,858,858.98         6,154,096.82         1,704,762.16         27.70%           NON-OPERATING ITEMS:         Investment Income & FMV         22,390.68         7,525.00         14,865.68         197.55%           Facility Rental (RAC CFC)         645,826.38         500,311.07         145,515.31         29.08%         (n)           Interest Expense         (85,824.32)         (77,975.31)         (7,849.01)         10.07%           Gain/(Loss) on Asset Disposition         (5,080.99)         (116,666.69)         111,585.70         -95.64%           Subtotal Non-Operating         577,311.75         313,194.07         264,117.68         84.33%           NET INCOME BEFORE DEPREC         8,436,170.73         6,467,290.89         1,968,879.84         30.44%           DEPRECIATION         6,472,214.84         6,472,214.84         -         0.00%						
NET OPERATING INCOME         7,858,858.98         6,154,096.82         1,704,762.16         27.70%           NON-OPERATING ITEMS:         Investment Income & FMV         22,390.68         7,525.00         14,865.68         197.55%           Facility Rental (RAC CFC)         645,826.38         500,311.07         145,515.31         29.08%         (n)           Interest Expense         (85,824.32)         (77,975.31)         (7,849.01)         10.07%           Gain/(Loss) on Asset Disposition         (5,080.99)         (116,666.69)         111,585.70         -95.64%         (o)           Subtotal Non-Operating         577,311.75         313,194.07         264,117.68         84.33%           NET INCOME BEFORE DEPREC         8,436,170.73         6,467,290.89         1,968,879.84         30.44%           DEPRECIATION         6,472,214.84         6,472,214.84         -         0.00%						(m)
NON-OPERATING ITEMS: Investment Income & FMV	Total Operating Expenses _	10,597,868.68	11,643,873.08	(1,046,004.40)	-8.98%	
NON-OPERATING ITEMS: Investment Income & FMV	_					
Investment Income & FMV         22,390.68         7,525.00         14,865.68         197.55%           Facility Rental (RAC CFC)         645,826.38         500,311.07         145,515.31         29.08%         (n)           Interest Expense         (85,824.32)         (77,975.31)         (7,849.01)         10.07%           Gain/(Loss) on Asset Disposition Subtotal Non-Operating         (5,080.99)         (116,666.69)         111,585.70         -95.64%         (o)           NET INCOME BEFORE DEPREC         8,436,170.73         6,467,290.89         1,968,879.84         30.44%           DEPRECIATION         6,472,214.84         6,472,214.84         -         0.00%	NET OPERATING INCOME	7,858,858.98	6,154,096.82	1,704,762.16	27.70%	
Investment Income & FMV         22,390.68         7,525.00         14,865.68         197.55%           Facility Rental (RAC CFC)         645,826.38         500,311.07         145,515.31         29.08%         (n)           Interest Expense         (85,824.32)         (77,975.31)         (7,849.01)         10.07%           Gain/(Loss) on Asset Disposition Subtotal Non-Operating         (5,080.99)         (116,666.69)         111,585.70         -95.64%         (o)           NET INCOME BEFORE DEPREC         8,436,170.73         6,467,290.89         1,968,879.84         30.44%           DEPRECIATION         6,472,214.84         6,472,214.84         -         0.00%		-	-			
Facility Rental (RAC CFC)         645,826.38         500,311.07         145,515.31         29.08% (n)           Interest Expense         (85,824.32)         (77,975.31)         (7,849.01)         10.07% (7,849.01)           Gain/(Loss) on Asset Disposition Subtotal Non-Operating         (5,080.99)         (116,666.69)         111,585.70         -95.64% (0)           NET INCOME BEFORE DEPREC         8,436,170.73         6,467,290.89         1,968,879.84         30.44%           DEPRECIATION         6,472,214.84         6,472,214.84         -         0.00%						
Interest Expense         (85,824.32)         (77,975.31)         (7,849.01)         10.07%           Gain/(Loss) on Asset Disposition         (5,080.99)         (116,666.69)         111,585.70         -95.64%         (0)           Subtotal Non-Operating         577,311.75         313,194.07         264,117.68         84.33%           NET INCOME BEFORE DEPREC         8,436,170.73         6,467,290.89         1,968,879.84         30.44%           DEPRECIATION         6,472,214.84         6,472,214.84         -         0.00%						
Gain/(Loss) on Asset Disposition Subtotal Non-Operating         (5,080.99) 577,311.75         (116,666.69) 313,194.07         111,585.70 264,117.68         -95.64% 84.33%         (o)           NET INCOME BEFORE DEPREC         8,436,170.73         6,467,290.89         1,968,879.84         30.44%           DEPRECIATION         6,472,214.84         6,472,214.84         -         0.00%						(n)
Subtotal Non-Operating         577,311.75         313,194.07         264,117.68         84.33%           NET INCOME BEFORE DEPREC         8,436,170.73         6,467,290.89         1,968,879.84         30.44%           DEPRECIATION         6,472,214.84         6,472,214.84         -         0.00%						(0)
NET INCOME BEFORE DEPREC         8,436,170.73         6,467,290.89         1,968,879.84         30.44%           DEPRECIATION         6,472,214.84         6,472,214.84         -         0.00%						(0)
<b>DEPRECIATION</b> 6,472,214.84 6,472,214.84 - 0.00%	Subtotal Non-Operating _	3//,311./3	313,137.07	207,117.00	UT.33 70	
	NET INCOME BEFORE DEPREC	8,436,170.73	6,467,290.89	1,968,879.84	30.44%	
NET INCOME 1,963,955.89 (4,923.95) 1,968,879.84 -39985.78%	DEPRECIATION	6,472,214.84	6,472,214.84	-	0.00%	
	NET INCOME	1,963,955.89	(4,923.95)	1,968,879.84	-39985.78%	

### GREENVILLE SPARTANBURG AIRPORT DISTRICT REVENUES AND EXPENSES TREND GRAPHS





### January 31, 2017

### YTD ACTUAL VS YTD BUDGET FOOTNOTES

(a)	Landing Fees	OVER BUDGET	\$56,025.20	- Actual passenger airline landed weights are higher than budgeted landed weights
(b)	Space & Ground Rentals	OVER BUDGET	\$21,326.49	<ul> <li>- American/Piedmont incurred leasehold clean up/renovations to their old space when moved 45K</li> <li>- UPS is not in its new facility 32K</li> <li>- Loss of cell tower rental 24K</li> <li>- Per Turn more than budgeted 40K</li> <li>- Loss of FBO Rentals (Stevens and Duggar Aviation) 39K</li> <li>- Senator International not budgeted 14.5K</li> <li>- PSA Airlines not budgeted 8.5K</li> </ul>
(c)	Auto Parking	OVER BUDGET	\$494,245.35	- Increase in traffic and parking rates
(d)	Advertising	UNDER BUDGET	\$80,658.31	- Some advertising spots were unavailable due to construction (started back 1/2017)
(e)	Rental Car	OVER BUDGET	\$67,501.51	- Increase in traffic
(f)	Other Income	OVER BUDGET	\$21,761.00	<ul> <li>Ground handling (non-tenant) 41K over budget YTD</li> <li>AvSrvc Charter equipment rental not budgeted 27K YTD</li> <li>Lease Income (Runion) 15K over budget YTD</li> <li>Lease Income not budgeted 14K YTD</li> <li>Non-Tenant Uber over budget 55K YTD</li> <li>Centralized Distribution facility 175K under budget YTD as facility is not yet complete</li> <li>A/C De-icing under budget 28K</li> <li>Ground handling (charter) 36K over budget YTD</li> </ul>
(g)	Salary & Benefits	UNDER BUDGET	\$862,785.89	<ul> <li>Timing: much of July's salary &amp; benefits expense was related to June and therefore booked back to June</li> <li>Budgeted full year for FBO employees that wasn't on payroll until Dec 2016</li> </ul>
(h)	Promotional Activities	OVER BUDGET	\$387,708.30	<ul> <li>Advertising expense 164K under budget YTD</li> <li>Special Events expenses 109K under budget YTD</li> <li>General marketing expenses 612K over budget YTD-Business Development expenses budgeted in prior year</li> <li>Sponsorships expenses 43K over budget YTD</li> </ul>
(i)	Administrative	UNDER BUDGET	\$76,297.30	<ul><li>Dues &amp; Subscriptions 27K under budget YTD</li><li>Travel/Training 13K under budget YTD</li><li>Corporate Function 17K under budget YTD</li></ul>

### January 31, 2017

### YTD ACTUAL VS YTD BUDGET FOOTNOTES

(i)	Contractual Services	UNDER BUDGET	\$455,458.66	<ul> <li>Management agreement expenses 239K under budget YTD - (300K Centralized Distribution facility expenses not yet incurred)</li> <li>Janitorial Services 82K under budget YTD</li> <li>Computer-annual contracts 60K under budget YTD</li> <li>Nursery &amp; Landscaping 26K under budget YTD</li> <li>Elevator &amp; Escalator 28K over budget YTD</li> <li>Telephone Equipment 26K under budget YTD</li> <li>Plants 17K under budget YTD</li> </ul>
(k)	Rentals & Leases	UNDER BUDGET	\$57,681.64	- Timing: expenses should increase over the year
(1)	Repairs & Maintenance	OVER BUDGET	\$65,335.39	<ul><li>- Timing:</li><li>- Projects-Unanticipated 24K under budget YTD</li><li>- Equipment R&amp;M 73K over budget YTD</li><li>- Runways/Taxiways/Ramps 18K over budget</li></ul>
(m)	Utilities	UNDER BUDGET	\$53,289.71	- Gas budgeted 233K YTD spread evenly across the year; milder Winter than budgeted for - Water & Sewer due to conservative budgeting
(n)	Facility Rental (RAC CFC)	OVER BUDGET	\$145,515.31	<ul> <li>Number actual contract days &gt; budgeted number (includes excess CFC that were not budgeted)</li> </ul>
(o)	Gain/(Loss) on Asset Disposition	UNDER BUDGET	\$111,585.70	<ul> <li>Budgeted fixed asset disposition = 200K straight line (117K ytd)</li> <li>Actual consists of undepreciated Master Plan Studies (5K)</li> </ul>

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

### Greenville-Spartanburg Airport District January 31, 2017

	Issue Date	Maturity Date	Interest Rate	Cost Basis or BOY FMV	Par	EOM FMV	FMV Adj
UST T-Bill 4-wk	1/26/2017	2/23/2017	0.487%	4,998,133.35	5,000,000.00	4,998,133.35	<u>-</u> -
Subtotal-UST				4,998,133.35	5,000,000.00 \$	4,998,133.35	-

US Treasury Investment Types	<u>T-Bill</u>	T-Note	T-Bond	Fed Ag					
Negotiable Debt Obligation	Yes	Yes	Yes	Yes					
Backed by Gov Full Faith/Credit	Yes	Yes	Yes	No					
Maturity	< 1 yr	1-7 yrs	7+ yrs	1-5 yrs					
Coupon-Bearing	No	Yes	Yes	Yes					
Interest is paid	at Maturity	Semi-Ann	Semi-Ann	Semi-Ann					
State & Local Tax Exemption	Yes	Yes	Yes	Only FHLB (*)					
(*) Note: Since GSP is a political subdivision of SC, we are tax-exempt from all taxes, including state and local.									

Weighted blended vield = 0.4870%

### GREENVILLE SPARTANBURG AIRPORT DISTRICT

### **Terminal Improvement Project**

through:	1/31/2017			cash basis cash basis  FYE YTD FYE			cash basis								
tillough.	1/31/2017					YTD FYE		YTD FYE		YTD FYE		YTD FYE			
	Budgeted	6	/30/2012	6	/30/2013	6	6/30/2014 6/30/2015		6/30/2016 6/30/2017				Total		
Skanska				\$	9,570,188	\$	35,931,932	\$	22,815,954	\$	31,914,360	\$	3,777,429	\$ 1	104,009,862
Baker (aka LPA)				\$	1,367,784	\$	2,742,449	\$	765,298	\$	1,051,980	\$	295,703	\$	6,223,214
RS&H		\$	2,916,235	\$	2,650,023									\$	5,566,258
Jacobs		\$	961,516	\$	885,315	\$	942,348	\$	394,840	\$	83,121	\$	39,141	\$	3,306,280
Air-Transport IT Services								\$	424,339					\$	424,339
RJ Design				\$	65,350	\$	220,050							\$	285,400
At&t						\$	205,594							\$	205,594
A3 Communications						\$	170,341							\$	170,341
Warco Construction										\$	153,350			\$	153,350
G2 Secure Staff				\$	8,508	\$	85,979	\$	31,889					\$	126,376
McGriff						\$	32,890	\$	51,436					\$	84,326
Project Link				_	1.011	\$	42,509	\$	27,799					\$	70,307
CDW Government				\$	1,911	\$	62,649	\$	3,062					\$	67,622
Phoenix Mechanical				4	40.606	\$	0.057	\$	62,000					<b>\$</b>	62,000
Michael M. Simpson Parsons Brincke				\$ \$	49,696 50,000	Þ	9,957							<b>*</b>	59,653 50,000
Tidewater Lumber				φ.	30,434	\$	1,908	4	918					4	33,260
I-SYS				<b>Þ</b>	30,434	<b>Þ</b>	1,908	\$ \$	31,277					<b>\$</b>	33,260 31,277
TPM				\$	29,212			Þ	31,2//					4	29,212
Duke Energy				Ф	25,212	\$	22,088							ф ф	22,088
Source Group				\$	21,196	Ψ	22,000							\$	21,196
Other		\$	400	\$	57,128	\$	64,692	\$	87,935	\$	5,486	\$	19,615	\$	235,256
Total	\$ 123,762,496	\$	3,878,151	\$	14,786,745	\$	40,535,386	\$	24,696,747	\$	33,208,296	\$	4,131,888	Ψ_	21,237,212
Cumulative \$ Spent	<del>4 123// 02/ 130</del>	\$	3,878,151	\$	18,664,896	\$	59,200,282	\$	83,897,029	\$	117,105,325	\$	121,237,213	4 -	21/20/ /212
% of Budget spent		Ψ	3.13%	Ψ	15.08%	Ψ	47.83%	Ψ	67.79%	Ψ	94.62%	Ψ.	97.96%		97.96%
70 of Budget Spent			3.1370		13.0070		1710570		07.7570		3110270		37.3070		37.3070
Construction				\$	9,635,538	\$	35,934,969	\$	22,953,017	\$	32,073,196	\$	3,777,429	\$ 1	104,374,149
Professional		\$	3,877,751	\$	5,002,818	\$	3,667,600	\$	993,082	\$	1,135,100	\$	334,844	\$	15,011,195
Owners Reserve		\$	400	\$	148,389	\$	932,817	\$	750,649			\$	19,615	\$	1,851,869
Total	\$ -	\$	3,878,151	\$	14,786,745	\$	40,535,385	\$	24,696,747	\$	33,208,296	\$	4,131,888	\$ 1	21,237,213
Cumulative \$ Spent		\$	3,878,151	\$	18,664,896	\$	59,200,281	\$	83,897,028	\$	117,105,325	\$	121,237,213		
		\$	0	\$	0	\$	0	\$	(0)	\$	0	\$	-	\$	(1)

### **TIP Public Relations Expenses**

through:	1/	31/2017												
			FYE		FYE		FYE		FYE		FYE		YTD FYE	
	В	udgeted	6/30/2012	6/	30/2013	6	5/30/2014	6,	/30/2015	6	/30/2016	6	/30/2017	Total
Crawford Strategies	\$	261,000	10,900		61,157		75,948		76,776		60,253		33,650	318,684
Launch Something	\$	279,730	25,870		90,133		23,045		20,604		10,146		-	169,798
Total	\$	540,730	36,770		151,290		98,993		97,379		70,399		33,650	488,482
Cumulative \$ Spent			\$ 36,770	\$	188,060	\$	287,053	\$	384,433	\$	454,832	\$	488,482	
% of Budget spent			6.80%		34.78%		53.09%		71.10%		84.11%		90.34%	90.34%

### GREENVILLE SPARTANBURG AIRPORT DISTRICT

### Other Operating and Maintenance Reserve Funds

	FY \$ Amount Authorized	Date	\$ Amount Used YTD	
Emergency Repair/Replacement/Operations Fund	\$ 750,000	7/12/2016	\$ 3,000	Barton Utilities Inc.
		11/30/2016 1/1/2017	\$ 30,753	GLF Construction Corp-Remove apron and replace drain box aprons w/12' reinforced concrete M&A Supply Co-Coil unit for Hangar 1 HVAC unit
		1/25/2017		Blanchard Machinery Co-Replacement transfer switch for Garage B
		_	\$ 46,867	_
		<u>-</u>		Remaining Reserve
Business Development Obligations/Incentives	\$ 600,000			
		_		_
		<u>-</u> -	\$ - \$ 600,000	Remaining Reserve

### January, 2017

### **Procurement / Capital Acquisitions**

		Monthly \$
Project/Item Description	Date	Amount
Capital Improvements:  GLF / Apron Rehab Avcon / FBO Hangar Project Design Jonscot General Contractors / N Cargo UPS	1/13/2017 1/23/2017 1/13/2017	32,946 29,903 354,946

**Equipment and Small Capital Outlays:** 

**Renewals and Replacements:** 

**Professional Service Projects:** 

Total Procurements/Capital Additions for the month \$\frac{417,795}{}



### **MEMORANDUM**

TO: Members of the Airport Commission

FROM: Kevin Howell, Vice President/COO

DATE: March 20, 2017

### ITEM DESCRIPTION - Information Section Item C

February 2017 - Development/Project Status Report

### SUMMARY

### <u>Terminal Improvement Program (TIP):</u>

**Status** - Project wrap-up continues on the Enabling Package and Bag Claim/South Bridge Packages. The Core Phase construction is currently underway.

**Project Budget** - \$125,000,000

Estimated Completion Date - April 2017

### Enabling:

SKM continues to work on several completion items from the Enabling Phase. The contractor also continues to work on Enabling punchlist work and closeout simultaneously. On September 15, 2015, SKM requested the Owner complete the punchlist inspections for specific remaining areas of work. The Owner and CA Services Team completed these inspections and provided the punchlist reports to SKM. Some areas were not complete and not ready for inspection. SKM continues to work on the identified items. SKM is reporting all items will be complete by April 1, 2017.

### Bag Claim/South Bridge:

The Bag Claim/South Bridge Phase continues to progress towards completion as SKM attempts to wrap up several completion and punchlist items simultaneously. On September 15, 2015, SKM requested the Owner complete the punchlist inspections for specific remaining areas of work. The Owner and CA Services Team completed these inspections and provided the punchlist reports to SKM. Some areas were not complete



Greenville-Spartanburg Airport Commission Information Section Item C February 2017 – Development/Project Status Report Page 2

and not ready for inspection. SKM continues to work on the identified items. SKM is reporting all items will be complete by April 1, 2017.

# Core & Concourse:

During the month of February, SKM continued to work towards full completion of the Core and Concourse phase. Work in process included the North fountain, airside Grand Hall water features, the down stairs from both concourses to the Grand Hall, Airside Garden terrace railings and handrails, concourse seating, electrical, signage, building automation system, lighting controls, HVAC/MEP activities, and central plant epoxy paint floor system. SKM is simultaneously working on punchlist and work to complete items on the Core and Concourse phase.

# **Apron Rehabilitation Project Phase 3:**

Status – Construction Phase Project Budget – \$5,000,000 Estimated Completion Date – Fall 2017

The Apron Rehabilitation Project Phase 3 includes the Year 3 recommended items outlined in the 2012 LPA Apron Pavement Study. Year 3 priority items included rehabilitation of the A concourse concrete apron surfaces from the building to the new trench drain (Apron Rehab Phase 1), and from the new trench drain to the apron taxi lane.

Project engineering is led by AVCON, Inc. GLF is the contractor for the project. Phase 1 of Phase 3 is complete. After a winter weather shutdown, the project restarted on February 21. Work is currently ongoing adjacent to the Airside Garden area. Phase 3 should be complete in fall of this year.

# **Consolidated Hangars Project:**

Status – Bidding Phase Project Budget – \$8,903,000 Estimated Completion Date – TBD

The Consolidated Hangars Project was approved in May 2016 and includes construction of a new Corporate Hangar and a new Bulk Storage Hangar. The design is led by AVCON along with McMillan Pazdan Smith.



Greenville-Spartanburg Airport Commission Information Section Item C February 2017 – Development/Project Status Report Page 3

The project was bid on November 21, 2016. All bids exceeded the project budget and the project team has been working with the three lowest bidders on value-engineering (VE) and revising the scope to get the project closer to the original budget. Contract documents are being finalized with Roebuck Buildings Co. and construction will start as soon as permits are approved.

# **Emergency Call Station Project:**

Status – Construction Phase Budget – \$200,000 Estimated Completion Date – May 2017

The Emergency Call Station Project involves the installation of emergency call stations in the Economy Lot, Daily Surface Lot, and at all levels of the two parking garages. A Request for Proposals (RFP) was produced with the assistance of Michael Baker International and the Faith Group. The contractor for this project is SDI. Field installation is underway and the project should be completed this spring.

# 2102 GSP Drive Hangar Project (PSA MRO Hangar):

Status – Construction Phase Budget – \$1,600,000 Estimated Completion Date – May 2017

The 2102 GSP Drive Hangar Project includes the renovations and improvements necessary for the PSA MRO Hangar. Design is being led by Michael Baker International who is supported by several local area engineering firms. Cely Construction is the contractor for this project. The project is on schedule for completion in early May.

# Airport Master Plan:

Status – Contract Negotiation

Project Budget – \$1,000,000

Estimated Completion Date – 12 to 18 months

The Airport Master Plan is a budgeted FY17 capital project. The last GSP Master Plan was conducted in 2003. An RFQ process was completed. McFarland Johnson was determined to be the first ranked firm/team. Project kick-off is scheduled for March 2017.



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# **MEMORANDUM**

TO: Members of the Airport Commission

FROM: Rosylin Weston, Vice President - Communications

DATE: March 20, 2017

# ITEM DESCRIPTION – Information Section Item D

February 2017 – Communications Status Report

# Art in the Airport 02/01/17-02/28/17:

The GSP Terminal Art Program Phase II call to artist opened on December 15, 2016 and closed on March 1, 2017. The call was posted on the GSP website and with Café, an online application and adjudication system that provides artists from around the globe the opportunity to view and apply for public art programs. Café also provides those organizations posting such calls with an efficient review process for every entry. In addition to being posted at these locations, the Call was also posted and advertised by the Chapman Cultural Center, the Metropolitan Arts Council, the South Carolina Arts Commission and the Arts in Public Places Committee. The call was also publicized in the local media and on the GSP Social Media sites. In this first round, we received 242 applications which are currently under review. In round two, a short list of artists will be invited to submit proposals that specifically outline what they envision for the space(s) that interests them.

# Online Statistics 02/01/17-02/28/17:

# Elevatingtheupstate.com (Blog)

- 875 sessions
- Average session duration :49
- Pages viewed per session 1.52

# GSPAirport.com

- 97,647 sessions
- Average session duration 1:09
- New visitors: 74,395

Greenville-Spartanburg Airport Commission Information Section Item D February 2017 - Communications Status Report Page 2

Returning visitors: 23,251

# Social Media:

# **Twitter**

• 5,411 followers (increase of 100 since January 2017)

# Instagram

- 277 followers
- Most engaging post Love is in the Air photo shoot

# **Facebook**

- 1,678 page views
- 8,688 total page likes
- 113 new page likes

# **Top Facebook Posts**

- The Bass Master Classic is coming back to the Upstate
- GSP Calls for Artist: 1,489 people reached
- Visitors to Facebook have the ability to rate businesses that they visit using a star system that ranges from 1 – 5, with 5 being the best. GSP has received an overall rating of 4 Stars. Below are examples of what customers are saying about GSP on Facebook:

# 5 Stars

"My visit from GSP was excellent! It was only my 2<sup>nd</sup> time traveling and my daughters 1<sup>st</sup>. From the time we parked until the time we took off everything went smooth. The airport was nice and clean, well-lit and relaxing. Southwest is an awesome airline." Lori Whiteside Hirsch, February 28, 2017

# 1 Star

"It's too expensive to fly from GSP. I traveled to Philadelphia from CLT for \$148.00. The same trip from GSP was \$304.00." Al Baraty, February 4, 2017

# In the Community 02/10/17-02/28/17:

**Spartanburg Soaring** - We have met and are working closely with the Chapman Cultural Center to support Spartanburg Soaring, an upcoming community event that uses kites to promote community pride and outdoor activity. This event is scheduled to take place on April 22, 2017 and will feature a GSP kite give-away.

**Wings for Autism** – Thanks to our partners, Delta Airlines, TSA and the ARC of South Carolina, a date of April 29<sup>th</sup> has been set for GSP's *First Wings for Autism and All* event.



Greenville-Spartanburg Airport Commission Information Section Item D February 2017 - Communications Status Report Page 3

Delta Airlines has secured an aircraft and crew to participate in this event which is designed to help diminish the anxiety of autistic children and their parents as they prepare for upcoming flights out of GSP International Airport.



# **MEMORANDUM**

TO: Members of the Airport Commission

FROM: Scott C. Carr, A.A.E., Vice President – Commercial Business and Properties

DATE: March 20, 2017

# ITEM DESCRIPTION - Information Section Item E

February 2017 – Commercial Business and Properties Report

# SUMMARY

# <u>Concessions Program Development – Grand Hall Phase:</u>

**Status** – Dunkin Donuts, Baskin Robbins, and Hudson and Tech-On-The-Go retail stores opened for business on October 29, 2016. Chick-Fil-A and DC3 Dawgs construction work is underway. Chick-Fil-A and DC3 are expected to open in April 2017 with The Kitchen by Wolfgang Puck scheduled for May 2017.

**Project Budget** – All facility costs are included in the overall \$125,000,000 TIP and all tenant fit-out costs are being covered by Hudson News Group and OHM Concessions Group.

Estimated Completion Date - May 31, 2017

# <u>Concessions Program Development – New Concourse Satellite Seating Areas:</u>

**Status** – Seating areas are now open with only punch list work remaining. **Project Budget** – All costs are being covered by OHM Concessions Group. **Estimated Completion Date** – March 31, 2017

OHM Concessions Group recognized the need for additional seating at R.J. Rockers Flight Room and Thomas Creek Grill. To accomplish this, a satellite seating area is being added directly across from each restaurant on both concourses.

# Centralized Receiving and Distribution Facility (CRDF) Project:

**Status** – Construction work is underway. All long lead items are now onsite including coolers, freezers, and the generator.

**Project Budget** – All operational costs will be recovered through existing concessionaire and tenant lease agreements.

Estimated Completion Date – April 30, 2017

Bradford Airport Logistics (BAL) will provide receiving and distribution services to all terminal building tenants. This primarily includes food, beverage, and retail deliveries, as well as pick up of returnable items such as empty beer kegs and outdated magazines. In addition, they will handle collection of used grease for the concessionaires.

All terminal building FedEx and UPS packages, office supply deliveries, etc. for terminal building tenants will also be handled through the CRDF located at the South Cargo Building. This will remove delivery trucks from the limited space along the terminal building front curb, as well as eliminate the need for some of these vehicles that come airside to make their deliveries.

# <u>Airl T - Flight Information Display System (FIDS), Gate Information Display System (GIDS), and Baggage Information Display System (BIDS) Installation Project:</u>

**Status** – New FIDS, GIDS, and BIDS screens are currently being installed throughout the terminal building. Some are brand new while others are replacements. New flight information templates are being built by AirlT. FlightView is building their new template for the Live Air Traffic map as well as reconfiguring the automated airline data feeds.

Project Budget – \$303,362

Estimated Completion Date – March 31, 2017

The Airport District is transitioning to AirIT for all FIDS, GIDS, and BIDS. This will provide seamless integration with AirIT's EASE software at each of the 13 gates for the GIDS, as well as place the BIDS and FIDS on the same software platform.

# <u>Airl T - Paging Installation Project:</u>

**Status** – All new speakers have been installed by the terminal building contractor. Staff is awaiting IED, the paging subcontractor to AirIT, to schedule their onsite visit to begin installing the new headend paging equipment.



Project Budget - \$471,683 Estimated Completion Date - March 31, 2017

The Airport District is transitioning to AirIT and IED's paging system. This will provide seamless integration with AirIT's other software programs in use at the airport (i.e. EASE, BIDS, FIDS, GIDS, etc.) and place them on the same software platform. This will allow the airport to provide automated flight information announcements and other customer service enhancements for the benefit of the traveling public.

# <u>Turner Broadcasting Network - CNN Airport Network Project:</u>

**Status** – Awaiting final installation schedule from the contractor **Project Budget** – All installation costs are being covered by Turner Broadcasting Network/CNN Airport Network.

Estimated Completion Date - May 31, 2017

Turner Broadcasting Network is offering to install their CNN Airport Network product in the concourse hold rooms to help provide an additional level of customer service to the traveling public. Based on current negotiations, the Airport District would receive six minutes of advertising space each hour to either sell or use for marketing of the Airport. As an example, the current 30 second TV commercial that is running on WYFF, WSPA, and WLOS could air up to 12 times each hour in between CNN's programming.

# <u>Turner Broadcasting Network - Cartoon Network Project:</u>

**Status** – Awaiting final installation schedule from the contractor

**Project Budget** – All installation costs would be covered by Turner Broadcasting Network/Cartoon Network. The Airport District would have to provide network bandwidth to support the live streaming capability required for multiple users which may result in an ongoing operational cost.

Estimated Completion Date – May 31, 2017

Turner Broadcasting Network is exploring the idea of providing children with the Cartoon Network and other children's programming via the Airport District's WiFi network to any WiFi capable device (i.e. computers, smart phones, tablets). This would be free of charge and would help keep children occupied while waiting for their flight on the concourses.



# <u>Lyft – Transportation Network Company (TNC) Service:</u>

**Status** – TNC operating agreement awaiting execution by Lyft **Project Budget** – All operational costs will be covered by the service provider. **Estimated Completion Date** – To be determined

Lyft is beginning to open up service in various communities throughout South Carolina. They recently started service in the Upstate and have plans to add the airport at some point in the future once they grow the local market base.

# **Valet Parking Program:**

**Status** – An operator has been selected and is currently working on logistical items. **Project Budget** – All operational costs will be covered by the selected operator. **Estimated Completion Date** – May 15, 2017

In order to better compete with surrounding airports, as well as meet the needs of the traveling public, the Airport District has met with a few valet parking operators. This will be a one year trial program to see how well the valet service is utilized and if they will be a customer.

# <u>AT&T Wireless – Cell Phone Antenna Equipment Upgrade and Capacity Enhancement Project:</u>

**Status** – Plans and specifications were approved. AT&T has delayed work until Q2 2017.

**Project Budget** – All costs are being covered by AT&T. **Estimated Completion Date** – June 30, 2017

AT&T is in the process of upgrading the existing antenna equipment located on top of Parking Garage A. The project also includes an increase in network capacity to handle increased call volume in the area and reduce the number of dropped and failed calls.

# National Weather Service/ Interior Renovation and Parking Lot Expansion Project:

**Status** – Project completed with the exception of punch list items **Project Budget** – All costs are being covered by the National Weather Service. **Completion Date** – March 3, 2017



The National Weather Service is in the process of developing plans and specifications for the renovation of the interior leasehold space in their building, as well as the creation of some additional parking lot space for their maintenance vehicles.

# <u>FedEx – AT&T Network Based IP/ VPN Remote Access (ANIRA) Installation</u> <u>Project:</u>

**Status** – Awaiting plans and specifications for review **Project Budget** – All costs are being covered by FedEx. **Estimated Completion Date** – To Be Determined

FedEx is requesting to install a backup cellular system for their local data network to provide redundancy in the event that their wired data connection is interrupted. This project will be engineered and installed on behalf of FedEx by AT&T.

# <u>FedEx – Customer Service Lobby Renovation and Exterior Signage</u> <u>Replacement Project:</u>

**Status** – The project is completed with the exception of punch list items. **Project Budget** – All costs are being covered by FedEx. **Completion Date** – March 3, 2017

FedEx is proposing to completely renovate its customer service lobby with new millwork, carpeting, wall coverings, branding, etc. In addition, FedEx is planning to replace the exterior building signage with its updated branding.



# **MEMORANDUM**

TO: Members of the Airport Commission

FROM: Marsha Madore, Human Resources Director

DATE: March 20, 2017

ITEM DESCRIPTION - Information Section Item F

February 2017 - OSHA Reportable Injury Report

# **SUMMARY**

Monthly Activity as of February 28, 2017

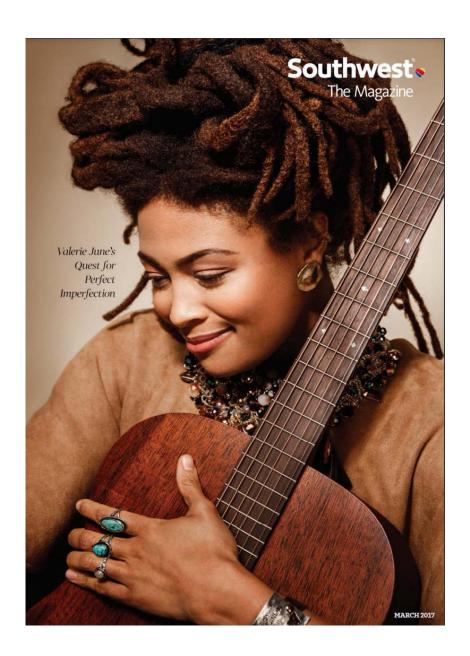
• No OSHA Reportable Injuries

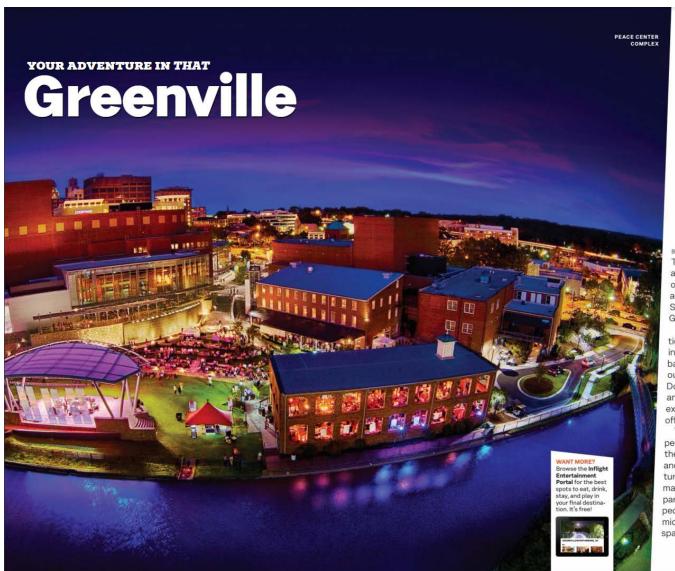
2016 Calendar Year-to-Date

• 5 OSHA Reportable Injuries

# 2 Year Historical Annual OSHA Report Submissions:

	Annual	Total Hours	# OSHA Reportable Work	# OSHA Reportable Work	# Days
Calendar Year	Annual Average # Employees	Worked by all Employees	Related Injuries	Related Hinesses	# Days away from Work
2016	133	243,191	6	0	2
2015	127	192,332	3	0	16





# BY LYNN SELDON

There are dozens of Greenvilles across the country, but there's only one Greenville, South Carolina—and only one Greenville that's a Southwest destination. Yeah, that Greenville.

Check in at your accommodations of choice and never set foot in a car again until it's time to head back to the airport. Whether you set out on foot or hop on board the free Downtown Trolley that runs down and around Main Street, it's easy to explore all that downtown Greenville offers.

"Our secret is attention to the pedestrian experience—the scale of the buildings, the mix of residential and retail, and the surprising art features," says Knox White, Greenville's mayor since 1995. "Place a beautiful park with a dramatic waterfall and pedestrian suspension bridge in the middle of it all and you have an urban space like none other."

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started with the opening of Main Street's Hyatt Regency in 1982, which established a downtown anchor that's since seen a major renovation. The revival continued in the next two decades, including the Peace Center for the performing arts in 1990, restaurateur Carl Sobocinski's 1997 opening of still-popular Soby's New South Cuisine in a one-time shoe store, and the 2000 renovation of the historic Westin Poinsett. Other accommodations, attractions, shopping, and dining followed, filling long-vacant gaps.

However, that was just the beginning of a flood of activity that's best compared to the rush of water at the now-bustling Falls Park on the Reedy. The last 15-plus years have seen an explosion of new hotels (including a riverfront Embassy Suites, the chic Aloft, and a Home2 Suites, with more to come); attractions, like the 21-mile and growing Greenville Health System Swamp Rabbit Trail that winds through downtown to the acclaimed Greenville Zoo and the outdoorsy town of Travelers Rest; adventures, including segway tours with Greenville Glides; and restaurants like Sobocinski's Table 301 Dining Group, which includes tasty downtown offerings.

Development in downtown's "West End" was inevitable. The Liberty Bridge, the 345-foot curved pedestrian span praised by Mayor White, provides stunning views of Falls Park and the Reedy River Falls. Nearby, there's RiverPlace, with condos and shopping; creative restaurants, like Larkin's on the River and Pomegranate on Main; and a Hampton Inn and Suites lauded by Greenville-born singer-songwriter Edwin McCain.

Just a few blocks farther, Fluor Field at the West End is the home of the Greenville Drive, a Class A minor league baseball affiliate of the Boston Red Sox. The team's name nods to BMW and Michelin, with both having a major presence in the area. Nearby, the Shoeless Joe Jackson Museum & Baseball Library is housed in the childhood home of the famed major leaguer.

With more than 110 restaurants downtown and 600-plus countywide, Greenville's diverse dining offerings—from Persian and Indian to authentic Thai—are a huge draw. Of note is the spring addition of Chef Sean Brock's farm-to-table Husk Greenville. Or score reservations at American Grocery Restaurant, Ink N Ivy, or Rick Erwin's West End Grille. Stroll Main Street's Farmers Market, TD Saturday Market, from May to October, drink in the booming microbrewery scene, and have a spirited sip at Dark Corner Distillery.





# TALKING POINTS

This is a place people are talking about. Noted among the "Top 52 Places to Go in 2017," Green-ville is also ranked in the "Top 10 Underrated Cities for Art Lovers." Learn more at visitgreenville sc.com.



HARCH 2037 SQUTHWEST 189

# ENTER FOR A CHANCE TO WIN

A TRIP FOR TWO TO YEAH, THAT GREENVILLE, SOUTH CAROLINA

> TO ENTER, VISIT: FACEBOOK.COM/ SOUTHWESTMAGAZINE (only one entry per person)



# PACKAGE INCLUDES:

- Two \$250 Southwest Airlines\* gift cards
- Two-night stay at a Downtown Greenville hotel
- \$100 gift card to Rick Erwin's restaurants
- \$100 gift card to Table 301 restaurants
- Two seats in a VIP Ultimate Mixer at BMW Performance Driving School
- Two Platinum Passes to euphoria, September 21 – 24, 2017

Collection (A. 1). The production of the collection (A. 1) is a collection of the co

# **Culture Cues**

Take a bite out of town with Greenville History Tours' culinary tours. Come September, euphoria is a premier four-day food, wine, and music festival. Other signature events include Artisphere, the BMW Charity Pro-Am, Gallabrae-The Greenville Scottish Games, Fall for Greenville, as well as holiday skating rink UCB Ice on Main.

Greenville's cultural scene is booming, too. The Peace Center features headline musicians, Broadway productions, ballet companies, the Greenville Symphony Orchestra, and the South Carolina Children's Theatre. To the north, Heritage Green includes the Greenville County Museum of Art, Greenville Little Theatre, the Upcountry History Museum, and The Children's Museum of the Upstate. Don't miss 70-plus works of art featured as part of the Art in Public Places initiative, including Dale Chilhuly's "Rose Crystal Tower" in Falls Park on the Reedy. Spot all nine Mice on Main bronze sculptures based off Goodnight Moon.

Seeking more adventure? A 20-minute drive can have you paddleboarding, kayaking, or hiking. The county has three state parks and abundant outdoor recreation—from scenic mountains to sparkling lakes—an easy drive from town.

Given all the options, there's never a better time to head to Greenville. Yeah, that Greenville.





# Greenville's Finest Dining Tradition

When Greenville native Rick Erwin opened the doors of his West End Grille in 2005, he did it with the ambitious goal of crafting an exquisite dining experience in the heart of his community. What followed over the next decade was a long list of national accolades, including Open Table's "Top 50 Steakhouses in America."

Guests are immersed in a candlelight symphony dancing across the warm, rich tones of mahogany, inviting an atmosphere reminiscent of a Chicago-style speakeasy. The west End Grille is a fusion of Uptown sophistication and Southern charm in the heart of Greenville's historic downtown district. Each cut of beef is hand-selected, and you can taste the salt water of Dutch Harbor in the seafood. Warm Goat Cheese Spinach Salad, Domestic Double-Cut Lamb Chops, The Company Crab Cakes, and Rick's Signature Filet are just a few of the dishes that will stimulate the senses.

Engaging in business or pleasure is always welcome here. Savor the experience  ${\bf rickerwins.com}$ 





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# **Feast on Freshness**

Visit Table 301's unique group of restaurants for an experience, not just a meal.



SOUTHERN PRESSED JUICERY

Fuel up with 100-percent organ-

ic, raw juice blended at Southern

Pressed Juicery. Energize with

cold-pressed juices, smoothies,

SouthernPressedJuicery.com

and cleanse options.



# THE LOFT AT SOBY'S

Enjoy the ultimate in private dining and entertainment for up to 100 guests at the Loft at Soby's. Located above Soby's on the Side, the Loft is a fully furnished event space with a rooftop patio. Sobys.com

# TABLE 301 CATERING

Whether you need to entertain a few people at home or hold a major event, Table 301 Catering will work with you to create a memorable experience.

Table301Catering.com



coffee, breakfast, lunch, or a snack. Available to eat-in, take out, or for delivery, it's perfect for a fast-paced day in town. SobysOnTheSide.com



# SOBY'S NEW SOUTH CUISINE

Dine downtown at Soby's New South Cuisine. Table 301's flagship blends fresh, seasonal ingredients to create contemporary cuisine with a Southern twist. Sobys.com



Fresh and simple, Papi's Tacos is known as a taco truck without wheels. Authentic flavors and delicious ingredients are prepared with care-sample tacos, tortas, salsas, and dips. eatpapistacos.com



# PASSERELLE BISTRO

Feeling French? Visit Passerelle, located at the base of The Liberty Bridge in downtown Greenville. Gaze over Falls Park and enjoy European fare at this casual French bistro. PasserelleInThePark.

### CRAFTED AT NOSE DIVE

Inspiring, handcrafted cocktails are on the menu at Crafted, located on the mezzanine level of Nose Dive. CraftedAtNoseDive.com



## NOSE DIVE GASTROPUB

Dine on urban comfort food made from locally sourced ingredients with craft cocktails and beers, and a hand-selected wine list. Eat inside or out and enjoy the warm neighborhood atmosphere. TheNoseDive.com



Customizable and mobile, Highway 301 Food Truck is a fun way to bring food to any party or event. Great for parties, offices, or even late-night receptions, the truck can create food for any mood.

Highway301FoodTruck.com





# JIANNA

Savor a modern Italian menu and freshly shucked oysters at Jianna. An open kitchen, 40-foot bar with indoor and outdoor seating, and house-made pasta round out this next-level dining experience. JiannaGreenville.com

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# Skills & Thrills

BY THE NUMBERS

Size of the fleet: 115 cars In 15 cars In 15

Numbers are approximations. Credit: Dan Gubitosa, Director BMW Performance Center

the speedometer!

Check off your bucket list at the BMW Performance Driving School. **By Brian Cook** 

My heart races the minute I turn up the drive. I've come to the BMW Performance Driving School in Greer, South Carolina, for the highly anticipated, five-exercise Car Control program. The teaching pros here know their way around not only "the Ultimate Driving Machine," but also what may be the ultimate classroom: some two miles of meandering blacktop, with varying widths, turns, and elevations that simulate various driving conditions—a dream outing for car lovers.

Most of my day will be spent behind the wheel, yet there's no underestimating the value of class time. All instructors at the Performance Driving School are BMW-certified, with backgrounds including experience in NASCAR, the Sports Car Club of America, and the International Motor Sports Association.

As we head outside, it's misting rain—perfect for car-control school, we're told. Weaving my way between cones at speeds topping 30 mph, I hold back a bit at first but quickly gain confidence on the slalom course. Soon it's time for the skid pad, where BMW's Dynamic Stability Control (DSC) system can shine. DSC uses sensors that monitor wheel rotation, steering angle, lateral forces, and other conditions. It also helps keep the car on course, even if the tires aren't gripping evenly.

The skid pad is a circle of slick, wet concrete that you drive around at increasing speed until you lose control. Then you steer your way back under control before sliding onto the rough asphalt surrounding the ring or into the grass beyond. It's an unnerving routine, but after a few 360s, I manage to compensate fairly well through steering, very quickly, and not freaking out.

Other exercises follow, such as the "lane change technique" (aka crash avoidance). Accelerating straight ahead to about 40 mph, we let off the gas at a designated spot, make a sharp, hard left turn—as if avoiding a stopped vehicle—an immediate right turn, then come to a stop. The takeaway for everyday driving: "Always leave yourself an out, someplace you can put your car in an emergency maneuver."

Our instructor wraps up our session with an invitation nobody refuses: to ride along as he takes a few laps in a twin-turbo, 10-cylinder, 560-horsepower BMW M5. A few minutes later as I step out of the car, I'm slightly dizzy but also grinning madly. My notion of a thrill ride has been spectacularly redefined.

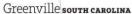
Other programs include M School, motorcycling, and multi-day events. Try the challenging North and South Palm Circuits at the Thermal, California location, too. Both locations specialize in thrilling corporate team-building events. For info and to book your visit, call 888,345,4269 or go to bmwperformancecenter.com.



Take delivery of your new BMW at the Performance Center and have a skilled technician guide you through every aspect of your new BMW, take a tour of the BMW facility, and road test the car with skilled instructors. It's free and BMW will even cover your accommodations while you're here. Ask your BMW dealer for details.



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# **Helping Advanced Manufacturing Thrive**

As a workforce development leader in the South Carolina Upstate for more than five decades, Greenville Technical College launched a new dynamic collaboration between education, industry, and community partners at the Center for Manufacturing Innovation (CMI). Building upon an educational partnership with Clemson University, CMI was crafted with key input and guided by strong support from area manufacturers, including Bosch Rexroth, Michelin, GE, BMW, League Manufacturing, and Standard Motor Products. Located adjacent to CU-ICAR. Clemson University's International Center for Automotive Research. CMI offers convenient access to industry and education partners. The innovative curriculum features advanced topics such as additive manufacturing, metrology, and manufacturing system automation.

Together, through this unique collaboration, CMI is working to connect a supremely qualified workforce with leading industries so that local companies will be more globally competitive, and Greenville County and the South Carolina Upstate community will continue to thrive. Find out more at CMIgreenville.com.

Classes at the CMI include: CNC Machining, Mechatronics, Machine Tool Technology as well as Lean and Six Sigma. New, small companies and organizations seeking additional resources can also rent space in the modern business incubator or contract prototyping services utilizing state of the art 3D printers and CNC machines.

# MOVING FORWARD

Clemson University International Center for Automotive Research (CU-ICAR) is a 250-acre innovation campus where industry, academic, and economic developers collaborate to address today's top global mobility challenges. Located in Greenville, SC along the I-85 corridor, CU-ICAR is a growing ecosystem for the automotive industry. Beyond housing multiple state-of-the-art research laboratories and Clemson University's graduate automotive engineering program, the CU-ICAR campus is also home to over 20 resident partners, including BMW, JTEKT, and the global headquarters of SAGE Automotive Interiors. cuicar.com



Pictured above is one of five technology neighborhoods that make up

# **Higher Learning** Greenville offers an array of educational opportunities.





# THE FURMAN ADVANTAGE

Furman University, one of the nation's premier undergraduate institutions, is located in Greenville, South Carolina, a vibrant, award-winning city nestled in the foothills of the Blue Ridge Mountains. Known for its rigorous academics, the university is home to 2,800 students who live and learn on a campus that is internationally lauded for its stunning beauty. At the heart of the university's academic experience is The Furman Advantage-a promise that all of Furman's students will receive an education that links classroom learning with real-world experiences and self-discovery to forge a transformational pathway to meaningful lives and fulfilling careers. furman.edu

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# Greenville SOUTH CAROLINA





# MIX IT UP

One of the area's hottest new hotels, Aloft Greenville Downtown, is much more than a place to stay when you're in town. Mingle with other guests and locals in the re:mix area and WXYZ lounge. Meet your new best friend in the lobby-Aloft sponsors a Fureyer Home dog adoption program in partnership with local rescue groups. Pups live it up in a custom dog house in the re:mix area. Look for local art-check out the gallery wall-and live music here as well. aloftgreenvilledowntown.com

# **NEW VIEWS** Newly opened in the cen-

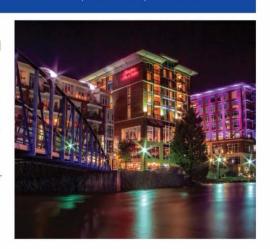
ter of downtown, Embassy Suites by Hilton Greenville Downtown Riverplace boasts comfortable suites with spectacular river and mountain views. Local custom art adorns the walls throughout the hotel, and an indoor saltwater pool beckons. Grab a bite at two on-site dining options: Ruth's Chris serves classic, mouthwatering steaks, while the brandnew UP on the Roof features striking views of downtown Greenville along with small plates and craft cocktails. eatupdrinkup.net ruthschris.net embassysuitesgreenvilledown town.com



# Stay and Play Check out these cool and classic places to stay in Greenville.

# **A DOWNTOWN** CLASSIC

Overlook the Reedy River from a well-appointed guest room or suite at Hampton Inn & Suites by Hilton Greenville Downtown Riverplace. Situated on the Swamp Rabbit Trail in central downtown, the boutique-style hotel is located within walking distance to hundreds of popular shops and restaurants. Book a two-room circular suite and enjoy the city views. Take advantage of the complimentary breakfast and enjoy the stellar service of the friendly staff. hamptoninnandsuitesgreen ville.com



# THE WESTIN



# **STAR QUALITY STAY**

When you walk in the doors, you realize you're in the midst of the action at the Westin Poinsett. Located in the heart of downtown and situated close to Greenville's exciting new shops, restaurants and venues, the hotel is the place to see and

When the Poinsett opened in 1925, it was soon known as "Carolina's Finest." As it nears its centennial, it is now, more than ever, the heartbeat of a vibrant city. Completely renovated when it became a Westin, all historical details in the public space and grand ballrooms have been meticulously restored. Its completion triggered the revitalization of an award winning downtown. Today, guests stay here for the hip, cool vibe that draws the likes of George Clooney, Renee Zellweger, and Ringo Starr. The very latest in amenities and technology meet the outstanding service and sophistication Westin is known for in this landmark hotel. westinpoinsettgreenville.com





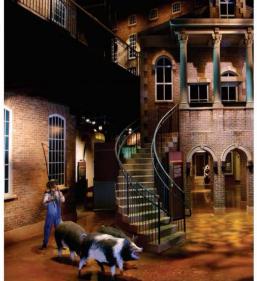
# **FEELING FESTIVE**

What began in 2006 as a three-day festival highlighting Greenville's culture, depth of talent, and outstanding revitalized downtown now draws more than 6,000 guests from 30 states and multiple countries. Today, this fourday food, wine, and music festival features celebrated chefs, renowned pitmasters, celebrity singers and songwriters, craft brewers, master sommeliers, and unique culinary experiences. Named one of the "10 Southern Food Festivals You Need to Taste," euphoria educates, entices, enlightens, and entertains. Proceeds benefit local nonprofit organizations. euphoriagreenville.com



# PAST AND PRESENT

Delve into the history of this unique area at the Upcountry History Museum - Furman University. A Smithsonian Affiliate, the state-of-the-art facility's expansive exhibit space includes seven permanent galleries as well as three galleries with changing exhibits. Award-winning exhibitions and innovative programming not only showcase regional history from the 1700s to the present, but also feature nationally acclaimed traveling exhibitions and in-house exhibit projects. upcountryhistory.org



Game

This pro-am format is unique to the event. Each amateur is paired with a professional; the Pros are playing for the purse and the opportunity to go to the PGA Tour. The Ams are playing for pride and experience. To top it all off, the field is filled with A-list celebrities like actors and Super Bowl-winning QBs. bmwusfactory.com/chartty-golf



You are standing in the sunshine on a gorgeous May day in South Carolina. "I think it's a smooth seven iron right at the edge of the television tower," the player says to his caddy. He replies, "I love it; take your time." This is the 72nd hole and these guys have a one-shot lead; par wins the BMW Charity Pro-Am. You can't believe how nervous you are watching a sporting event, but you're doing more than just watching. You are in the fairway playing alongside one of the best young players in the game who is about to punch his ticket to the PGA Tour in front of a national television audience.

There's only one place this is possible: the BMW Charity Pro-Am presented by SYNNEX—three days on three golf courses and the opportunity to make the cut and play on Sunday. Plus, don't miss other perks like the BMW Performance Center, vibrant downtown Greenville, and the Celebrity Concert on Main. Past champions include David Toms, Jonathan Byrd, Ken Duke, and Rod Pampling. Taking place May 18–21 in the Greenville-Spartanburg area, this once-in-a-lifetime golf experience is one of the great values in the game. Whether you're playing or just watching, at the BMW Charity Pro Am you're always inside the ropes. bmwcharitygolf.com



John Maginnes spent more than a decade and a half playing professional golf, including eight years on the PGA Tour. He currently hosts a radio show, Katrek & Maginnes on Tap.



# Greenville SOUTH CAROLINA





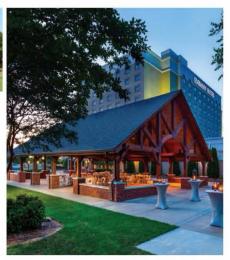
# SPARK IMAGINATION

The Children's Museum of the Upstate is a dynamic learning center and a compelling community attraction in Greenville, S.C. that offers innovative family activities and STEAM programming for children. While visiting, families can explore 20-plus exhibits housed in more than 80,000 square feet of space on three floors. The museum is an affiliate of The Smithsonian Institution, with a mission to spark a lifelong passion for curiosity and learning through play. For hours and admission costs visit tcmupstate.org.



# **SUITE RETREAT**

Greenville's only resort property is more than a place to lay your head. The newly renovated Embassy Suites by Hilton Greenville Golf Resort & Conference Center features recreation, relaxation, and plenty of perks. Wake in your spacious two-room suite and enjoy a made-to-order breakfast before venturing to the 18-hole golf course, tennis courts, indoor and outdoor swimming pools, or fitness center. Complimentary evening cocktails, on-site dining at Craft 670, a shuttle to attractions, and more than 44,000 square feet of event space make this 175-acre site the ideal balance of business and pleasure. embassysuitesgreenville.com



# Time to Soar

Greenville-Spartanburg International Airport (GSP) serves more than two million passengers annually. Conveniently located near downtown Greenville and a short drive to other Upstate South Carolina attractions, GSP offers service to more than 40 Southwest destinations.

Known for ease and convenience, GSP recently reinvented the passenger experience with \$125 million in terminal building improvements, including new restaurants like The Kitchen by Wolfgang Puck.

Be sure to check out the airside garden, located just outside of the Grand Hall once you pass through security. Beautifully landscaped with artwork and fountains, it's an experience you will not find at any other airport in the world. **gspairport.com** 





GSP's airside garden represents true horticultural artistry, a picturesque setting, and an abundance of Southern charm.

Stay

Get some work done while you wait for your flight to board. Hook up to multiple charging locations, or book a public meeting or conference space.

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**AIRLINES** 

# Feds Put Airfare, Bag Fee Disclosure Rules on Hold

LAUREN ZUMBACH ON MAR 6, 2017

**SOURCE:** MCCLATCHY



Photo credit: https://creativecommons.org/publicdomain/zero/1.0/

March 04--The U.S. Department of Transportation has put on hold a proposal requiring airlines to do a more thorough job of disclosing the fees charged to passengers.

The rule, proposed Jan. 19, would require airlines and ticket agents to display checked and carry-on bag fees from the start of the booking process, making it easier for consumers to compare the full cost of an airfare with fees.

The process of collecting public comments on the proposal has been indefinitely suspended to "allow the President's appointees the opportunity to review and consider this action," Transportation Department officials said in a Federal Register filing Thursday.

Transportation Department officials also suspended comments on a request for information regarding whether it should regulate how airlines share information about flights and fares with online travel agencies. Websites raised concerns that consumers weren't seeing all their choices when shopping for tickets.

The Obama administration announced plans for several consumer-protection rules for air travelers last fall, including more accurate reporting of on-time arrival rates and bag fee refunds if bags arrive "substantially delayed."

Airline industry trade group Airlines for America applauded the Transportation Department's decision.

"We applaud Secretary (Elaine) Chao's leadership today and look forward to an era of smarter regulation that protects consumers from unfair practices, but does not step in when action is not warranted," Airlines for America President and CEO Nicholas E. Calio said in a news release.

The Transportation Department also granted Airlines for America and Delta Air Lines' request for a delay in implementing a separate regulation requiring airlines disclose when they mishandle wheelchairs and motorized scooters for the disabled, the agency said in another Thursday filing. The rule will now take effect Jan. 1, 2019, one year later than planned.

lzumbach@chicagotribune.com

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AOA

# Trump's Transportation Chief Eyes Canada Visit to Explore Private Aviation System

MELANIE ZANONA ON MAR 6, 2017

**SOURCE:** THE HILL

The head of the Department of Transportation may visit Canada in the coming weeks to examine the country's privatized air traffic control system, according to Marc Garneau, Canada's minister of transport.

Canada's air traffic control operations are run by a nonprofit corporation instead of the government, a setup that has been championed by the U.S. airline industry and some Republican members in Congress.

A trip by Transportation Secretary Elaine Chao to see Canada's aviation system could signal that the Trump administration is serious about exploring whether to support setting up a similar model in the U.S.

President Trump has vowed to modernize U.S. airports, but has yet to take a public stance on whether he wants to see air traffic control peeled off from the federal government.

Read more: http://thehill.com/policy/transportation/322138-trumps-transportation-chief-may-visit-canada-to-explore-private

AIRLINES

# Delta CEO: Airlines Should All Fly Fair

DONNA GOODISON ON MAR 10, 2017

**SOURCE: MCCLATCHY** 

March 10--Delta Air Lines' CEO is hopeful the Trump administration will assist major U.S. airlines in their dispute with Gulf carriers over alleged government subsidies and unfair access to U.S. air routes.

U.S. airlines maintain that Emirates, Etihad Airways and Qatar Airways -- which all fly out of Boston -- have received billions in government subsidies from Qatar and the United Arab Emirates in violation of the U.S. Open Skies agreement governing airlines' rights to offer international passenger and cargo services.

"We're very hopeful," Delta CEO Ed Bastian said at a Boston College Chief Executives Club lunch in Boston yesterday.

"We are up against governments that are flying against us, rather than airlines," he said.

The Open Skies agreements are based on airlines playing by the same rules, Bastian said.

"They're subsidized, we're not," he said, noting he'd like Gulf carriers to be more transparent and held accountable, and the U.S. to suspend their growth until new agreements are reached. Bastian's optimism about the Trump administration follows a Feb. 9 White House meeting between Trump and U.S. airline executives.

"His opening comments ... were on that topic, and he acknowledged the challenges that these foreign governments are (posing) and the lack of a level playing field," Bastian said. "He ran on a platform of protecting American jobs and enforcing U.S. trade agreements. We think we're one of the industries that's been most impacted."

In January, Delta reported its highest annual profit ever: \$6.1 billion in adjusted pretax income that allowed for \$1.1 billion in employee profit-sharing. But Bastian said the Open Skies issue also speaks to the future economic climate for U.S. airlines.

European carriers Lufthansa, Air France and KLM, and Asian carriers Singapore Airlines and Cathay Pacific, are struggling because the Gulf airlines have taken their traffic pools, Bastian said.

"Qantas is no longer the national airline of Australia, it's Emirates," he said. "Do we want that to be this country in 10 years from now?"

Bastian also spoke about Trump's new travel ban that barring another legal setback, will take effect Thursday and temporarily prohibit refugees and others from certain Muslim-majority countries from entering the United States.

"We appreciate that this most recent executive order came out to give us some lead time in terms of how to implement it," Bastian said.

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AIRPORTS

# Airports Welcome Legislation to Eliminate Federally Imposed Limit on Infrastructure Investment

SOURCE: ACI-NA MAR 1, 2017

Airports Council International – North America (ACI-NA) on March 1, welcomed the introduction of the Investing in America: Rebuilding America's Airport Infrastructure Act by Representatives Peter DeFazio (D-OR) and Thomas Massie (R-KY). The bill would eliminate the federally imposed cap on the Passenger Facility Charge (PFC) user fee and provide airports more local control to make airport infrastructure investment decisions.

"Because of their powerful ability to grow economies and create jobs, America's airports must be at the heart of any efforts toward building a 21st century infrastructure," said ACI-NA President and CEO Kevin M. Burke. "We welcome Representatives DeFazio and Massie's bipartisan leadership to get Washington out of the way of local infrastructure decisions. We will continue our important work with the Trump Administration and Congress to ensure no airport is left behind in the global marketplace."

Collectively, airports generate more than \$1.1 trillion in economic output. That's more than seven percent of U.S. GDP. More than 1.2 million people work at U.S. airports. Airports support more than 9.6 million jobs in communities all across the United States.

America's airports are a fundamental component of our nation's transportation infrastructure, annually welcoming more than 800 million passengers last year. Passenger numbers are expected to hit one billion by 2029. To meet the capacity demands of the future with safe, secure, efficient, and modern facilities that passengers and cargo shippers expect, we need to make the investments to maintain and modernize our nation's infrastructure.

Since its inception in 1990, the locally set Passenger Facility Charge user fee has become the foundation of airport capital investment, funding FAA approved projects to improve the passenger experience by eliminating congestion, increasing airline competition, improving safety and security as well as accommodating future growth. PFCs are a local user fee paid by air travelers and collected by the airlines on behalf to the airport to fund capacity, safety, security, and noise mitigation projects.

Currently, Congress controls PFC levels. The levels should be locally controlled so airports can more easily meet their individual needs. This would allow airport infrastructure projects to be quickly and adequately funded and for construction to begin with absolutely no federal budget impact.

**AIRPORTS** 

# Delta Introduces Enhanced Boarding Process in Atlanta

SOURCE: DELTA AIR LINES MAR 2, 2017



Delta is a key partner in the \$6 billion infrastructure modernization project at the world's busiest hub and this boarding process will continue to rollout at Delta gates across Hartsfield-Jackson International Airport as part of a \$400 million terminal and concourse renovation.

Photo credit: Delta Air Lines

Customers traveling through B Concourse at Atlanta's Hartsfield–Jackson International Airport today will notice a more streamlined boarding process at five Delta departure gates.

The latest upgrade to the boarding process features branded pillars to create four parallel lanes, keeping customers out of the walkway and providing a separate queuing area for premium customers and those needing special assistance. The airline plans to roll out this interim solution to additional airports if customer feedback continues to be positive.

"We tested a variety of boarding processes, and our customers and employees let us know that this iteration makes their experience better," said Bill Lentsch, Delta's senior vice president – airport customer service and airline operations. "We're excited to provide this interim solution, and we'll continue to evaluate new processes and technologies to make the customer experience even better."

As Delta develops new solutions to improve the boarding process, the airline looks to take the "hold room" feel out of the gate space and create an interactive area full of meaningful distractions that keep customers engaged and entertained while they wait, Lentsch explained.

"Delta is determined to create the friendliest airport customer experience in the industry," said Tim Mapes, Delta's senior vice president & chief marketing officer. "Improving boarding is a major priority for us, and we want it to be as easy as possible for our customers and airport customer service agents. As this new boarding process rolls out, our customers will experience less crowding and confusion at the gate in addition to a more seamless transition when entering the plane."

Delta is a key partner in the \$6 billion infrastructure modernization project at the world's busiest hub and this boarding process will continue to rollout at Delta gates across Hartsfield–Jackson International Airport as part of a \$400 million terminal and concourse renovation.

This boarding adjustment is the latest example of Delta's commitment to innovation. The airline has also implemented innovative customer experience solutions like RFID baggage handling, real-time bag tracking via the Fly Delta mobile app, more efficient and high tech security lanes and a groundbreaking app that helps Delta pilots avoid turbulence for a more comfortable flight. Last November, Lentsch discussed Delta's ongoing boarding tests in a column on the Delta News Hub.

Small tweaks to the Delta boarding process over the past few years have led to the implementation of zone boarding based on loyalty. The enhanced pillar queuing system will continue to allow customers to board by zones.

AOA

# Small Airports, Many Minnesota Towns, Fear Turning Air Traffic Control Into a Business

KRISTEN LEIGH PAINTER ON MAR 7, 2017 **SOURCE:** MCCLATCHY

March 07--Mayors from small and midsize cities across Minnesota and the country are concerned about efforts to privatize the nation's air traffic control system, a move they fear would harm rural airports and communities.

More than 100 mayors from all 50 states, including mayors in Winona, Albert Lea, Ely and New Ulm, sent a letter Monday to the U.S. House and Senate transportation committees, opposing renewed efforts to put the system in the hands of business.

These mayors worry that would give commercial airlines an outsized role in governing the system and could lead to a loss of air service, loss of federal "critical airport" designations, higher fees and financial infeasibility.

Most rural air strips are used for general aviation, which is the industry term for all civil aviation other than commercial flights. These smaller airports often serve aircraft used for medical emergencies, fighting wildfires, transferring organs for transplants, monitoring power lines and training pilots.

Minnesota has 135 airports that employ 26,000 people. General aviation in the state contributes about \$5.3 billion in economic benefit, said a 2013 study by PricewaterhouseCoopers.

"Currently, thousands of airports around the country are designated as critical to our national air transportation system by the FAA and thus are eligible for federal funding," said Selena Shilad, executive director of Alliance for Aviation Across America, which organized the letter. "If you put this network under the purview of a private board that is accountable to private commercial interests, that gives us grave concern."

Governance of the nation's airways is a perennial debate in Washington, D.C., but the thrum recently has grown louder. Airlines For America, the lobbying group for the majority of U.S. commercial carriers, is making a hard push for privatizing air traffic control and the Trump administration has signaled its support for an overhaul.

Opponents come from both political parties. The Senate appropriations committee, led by Republican Sen. Thad Cochran of Mississippi, sent a letter to the chamber's committee on commerce, science and transportation, opposing the privatizing effort.

Proponents said a quasi-governmental, public-private entity -- like Amtrak or Fannie Mae -- would be nimbler and quicker to implement the Federal Aviation Administration's modernization efforts, called NextGen, a program rollout plagued by delays. Airlines and other advocates argue that removing it from congressional oversight would stabilize its funding.

The appropriations committee took issue with that. Although funding for the FAA, like other federal agencies, must be reauthorized by Congress every few years, "assertions of a lack of stable funding for the FAA are simply inaccurate," the committee wrote in a letter on Feb. 28. "In fact, the Appropriations Committee has protected and prioritized funding for the Air Traffic Organization by providing more than 99 percent of the administration's budget request since 2008."

Proponents point to Canada and the United Kingdom as examples of how to privatize. These systems rely more heavily on user fees, which opponents said drives up the cost to fly. Opponents like to remind them that the United Kingdom had to bail out its private air traffic control entity following the Sept. 11, 2001, terrorist attacks.

Privatization worries George Bolon, the fixed-based operator at the Winona Airport, who supports his mayor for signing the letter.

"You will increase the cost for the light, general aviation pilot," Bolon said. "You will increase the cost for training schools. You will significantly reduce the safety factor, in my estimation."

Safety will be compromised, Bolon believes, because higher costs may encourage some pilots to "risk it" and fly "under the radar" without letting Air Traffic Control know their flight plans.

"If people become economically driven, they often miss the safety factor," Bolon said. "Saving one person is worth a lot of money. The system currently is able to do this."

Delta Air Lines is an exception among the major commercial carriers in its opposition to privatization. The Atlanta-based airline and largest operator at Minneapolis-St. Paul International Airport, split from the airline industry trade group over the issue.

Richard Anderson, then-CEO of Delta, was a vocal critic of efforts to privatize air traffic control. Delta pulled its membership from Airlines For America and wrote several opinion pieces in newspapers, saying it believed privatization would escalate costs for the airlines and, ultimately, for passengers.

In a paper outlining its opposition, Delta said, "General aviation flights typically use more monetary resources than they give back." If the system is turned into a

revenue-based system, air traffic control resources likely would be prioritized at the larger hub airports rather than spread across the country, Delta argued.

The FAA manages a network of more than 13,500 airports across the U.S., according to the CIA World Factbook. The next largest network is the entire European Union with about 3,100 airports. The federal agency gives airport improvement grants to large and small airports.

Hub airports rely on nearby general aviation airports when, for example, flights may not be able to land because of bad weather. Winona Airport has a \$12.5 million project underway to improve safety. About 90 percent was funded by the FAA, Bolon said, "and there's no question that money [was generated by] the major hubs."

Shilad of the Alliance for Aviation said, "In a private system, the board could direct all of the investments to whatever airports they wanted. In many cases, some smaller airports couldn't survive."

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**TECH & SECURITY** 

# OH: TSA Begins More Aggressive Pat-Downs at Local Airports

KARA DRISCOLL AND CHRIS STEWART ON MAR 9, 2017

**SOURCE: MCCLATCHY** 

March 08--As travelers complain about a new, more aggressive pat-down procedure implemented at airports, security experts say it may be necessary to thwart possible terrorist threats on airplanes.

The Transportation Security Administration is warning police departments that more aggressive pat-downs -- that have already started in airports -- could result in more backlash from passengers going through security checkpoints. Jay Ratliff, an aviation expert from the area, said old procedures varied across the country and the new protocol replaces five separate kinds of pat-downs previously used.

"Everyone is gong to do the same comprehensive pat-down," Ratliff told this newspaper. "TSA knew it would not be well-received, which is why they've told police to get ready for complaints and calls to 9-1-1."

"On my way out and on my way back I got stopped for the hand swipe," said Jayne Stone, a Dayton resident who was traveling out of the Dayton International Airport this week. "I was hoping that maybe because I had a baby strapped to my chest they would let me go into, no none of that, I was just right along with everybody else."

Dayton International Airport, Cincinnati/Northern Kentucky International Airport and the John Glenn Columbus International Airport will all be impacted by the new mandates. Though TSA officials have not described how extensive the searches will be.

The new procedure comes after a 2015 study from the Department of Homeland Security showed TSA employees missed discovering weapons and explosives more than 95 percent of the time. With record numbers of airline passengers and more people than ever carrying concealed weapons, guns are increasingly showing up in carry-on baggage at the nation's airports, according to the TSA.

On just one day last month, TSA officers found 21 firearms in carry-on bags. The haul on Feb. 23 broke a previous one-day record of 18 set in 2014. Of the 79 firearms discovered during that week, 68 were loaded and 21 had a round chambered.

Gun discoveries at the nation's airports jumped 28 percent between 2015 and last year when 3,391 firearms made it to checkpoints in carry-on bags, an average of more than nine per day. Of those, 2,815 -- 83 percent -- were loaded. Firearms were intercepted at a total of 238 airports; 2 more airports than last year.

TSA officers at Dayton International Airport had already found three guns in carry-ons by July of last year -- more than during all of 2015. By the end of 2016, the total reached eight guns -- all found loaded, according to TSA records.

Concealed handgun permits have soared 215 percent to over 14.5 million since 2007, according to a 2016 Crime Prevention Research Center report. No permit is required to carry a concealed handgun in at least 11 states.

TSA officers screened more than 738 million passengers during 2016, an increase of more than 43 million in 2015. Officers also screened 466 million checked bags and 24.2 million airport employees, according to TSA.

Unloaded firearms and ammunition is permitted in checked baggage, but must be declared and secured in a locked case.

Those regulations didn't prevent 26-year-old Estaban Santiago, a passenger with a checked firearm, from allegedly gunning down nearly a dozen travelers in January at the Fort Lauderdale-Hollywood International Airport. Five people were killed and six others sustained gunshot injuries. A pastor from Beavercreek was caught in the crossfire and aided the injured.

Santiago claimed his bag and took the gun from the baggage claim area and went into the bathroom to load the gun, according to reports.

An average of 25 to 50 pounds of prohibited items are found each month at Dayton International, according to the TSA. The list of prohibited items is long, but in general, passengers can't carry anything that can be passed off or used as a weapon.

The list includes handgun replicas, grenade replicas, anything that could pass as a liquid explosive, and anything that could be used as a weapon -- even loaded cap guns, multi-tools with knives, blades and scissors with blades longer than 4 inches.

FIVE FAST BUSINESS READS

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AIRPORTS

# ACI-NA Calls for Immediate Action to Improve Airport Infrastructure

SOURCE: ACI-NA MAR 9, 2017

Airports Council International – North America (ACI-NA) President and CEO Kevin M. Burke on March 9, called for immediate action to improve U.S. airport infrastructure following the release of a "D" rating for the state of America's aviation infrastructure by the American Society of Civil Engineers (ASCE).

"With nearly \$100 billion in infrastructure needs over the next five years, America's airports are at risk of losing their position as leaders in the global aviation system. As today's report card by the American Society of Civil Engineers demonstrates, we must act quickly to get Washington out of the way and eliminate the outdated federal restrictions that hold America's airports back. Over the last two years, America's airport infrastructure needs have increased 32 percent and our ASCE rating has dropped. Air passengers and communities count on their airports. We can't let them down.

"Airports are ready to work with Congress and the Trump Administration to address these significant infrastructure needs in the most cost effective and sustainable way possible. Congress can help ensure the self-sufficiency of America's airports in meeting their own infrastructure needs without increasing federal spending by eliminating the outdated federal cap on the local user fee known as the Passenger Facility Charge (PFC). To encourage additional investment, Congress should also fully fund the Airport Improvement Program (AIP)."

The ASCE Infrastructure Report Card comes on the heels of ACI-NA's recently released report, Airport Infrastructure Needs: 2017 – 2021, a comprehensive look at airport infrastructure needs and projects. ACI-NA estimates that U.S. airports have a collective funding need of \$99.9 billion over the next five years, or nearly \$20 billion per year, to undertake these projects.