

GREENVILLE-SPARTANBURG AIRPORT COMMISSION

MINUTES

September 11, 2017

The Greenville-Spartanburg Airport Commission met on September 11, 2017 at 9:00 a.m. in the Greenville-Spartanburg District Office Board Room located at 500 Aviation Parkway 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/CFO; Scott Carr, Vice President Commercial Business and Properties (Environs Area Administrator); Rosylin Weston, Vice President Communications; Marsha Madore, Human Resources Director; Bobby Welborn, Chief of Police; Alan Sistare, Fire Chief; Betty O. Temple, WCSR; Dane Slaughter; Facilities Director; Stefanie Hyder, Executive Assistant/Recording Secretary

GUESTS PRESENT: Derek Baker, Eastside Transportation; Ken Holt, Holt Consulting Company; Dennis Wiehl, Mead & Hunt

CALL TO ORDER: Chair Minor Shaw called the meeting to order at 9:00 a.m. and took a few moments to recognize Jack Murrin, Vice President Administration and Finance/CFO and acknowledge his tenure at GSP.

CONSENT AGENDA: A motion was made, seconded, and unanimous vote received to approve Consent Agenda as follows:

- A.** The regular meeting minutes from the July 10, 2017 Commission Meeting.
- B.** The amendment to the Drug-Free Workplace Policy (Section 203.00) noting minor scrivener changes only.
- C.** The amendment to the Employment of Relatives Policy (Section 208.00) in the Human Resources Policies and Procedures Manual.
- D.** The Greenville-Spartanburg Airport Commission Meeting Dates/Times for Calendar Year 2018.

PRESENTATIONS:

A. Communications Department Update/Website Presentation

Mrs. Rosylin Weston, Vice President of Communications, provided an update on the responsibilities of the Communications Department as well as goals, achievements and highlights over the past year (e.g. Cerulean Aviation, Senator International, Holiday Music Series, Artists' Brunch, and WINGSPAN Grand Opening), a social media recap (e.g. Facebook, Instagram, and Twitter), and various GSP sponsorships and events (e.g. Euphoria, Fall for Greenville, An Uplifting Event, Spartanburg Soaring, Greer Family Fest, Artisphere, Wings for All, and Voice of Business Brunch).

Future plans for the Communications Department include GSP Art Program Phase 2, Cerulean Aviation website, Edge4Vets Program, internal communications such as the Word on Wednesday (W.O.W.) publication, and marketing of the GSP Conference Center. Since its inception earlier this year, the GSP Conference Center has accommodated 86 events.

In conclusion, Mrs. Weston provided a brief presentation on the new GSP website that launched on September 7, 2017. GSP partnered with Your Creative People (YCP) for the creation and implementation of the new website.

The Commissioners commented and asked questions to which Mrs. Weston responded.

OLD BUSINESS: No old business

NEW BUSINESS:

A. Approval of Final Ranking for Janitorial Services Contract

Mr. Kevin Howell, VP/COO, first introduced Dane Slaughter, GSP's new Director of Facilities. Dane Slaughter joined GSP approximately a month ago and brings with him 25+ years of experience in the private sector.

Mr. Howell referenced an updated Board memo placed before the Commissioners requesting approval of the final ranking for the janitorial services contract. Staff recently conducted a Request for Proposals (RFP) for a new five (5) year contract with two one-year options for janitorial services. The new janitorial services contract will combine janitorial services for multiple buildings into a single campus style contract.

Thirteen proposals were received and listed on the updated Board memo provided. The Evaluation Committee evaluated the thirteen proposals received based on experience, staffing plan, transition plan, compensation, and references. The final

ranking recommended to the Commission was Budd Group, IH Services, Incorporate, American Maintenance, TEMCO Facility Services, and Intercontinental Commercial Services, Inc. (ICS).

Mr. Howell discussed the fiscal impact on the terminal portion as well as the outlying buildings. The bid scope not only included the terminal, but several other buildings and several other tasks not included in the current contract.

Commissioners asked questions regarding minority hiring percentage, background checks, and terms of cancellation/renegotiation to which Mr. Howell responded.

There was a motion to approve the final rankings for the Janitorial Services contract, authorize Staff to negotiate and finalize an agreement with the highest ranked company not to exceed \$991,775.00 annually (if an acceptable agreement cannot be reached with the highest ranked company, negotiations will be formally terminated and will then proceed with the next ranked company), authorize the necessary budget amendments based upon final contract negotiations, and authorize the President/CEO to execute all necessary documents. The motion was seconded and unanimously approved.

B. Approval of Final Ranking for Ground Transportation Services Concession Agreement

Atchison Transportation currently provides ground transportation services for passengers needing transportation to and from the Airport. The current concession agreement expires on October 31, 2017.

Mr. Scott Carr, VP Commercial Business and Properties, stated that in August 2017, the Airport District Staff issued a Request for Proposals (RFP) for a (3) three-year initial agreement with two one-year options to provide ground transportation services. Two proposals were received and deemed responsive in accordance with the RFP documents advertised.

Staff reviewed the RFP's and ranked both proposals based on the proposed minimum annual guarantee for the initial three-year term. Atchison Transportation Services, Inc. proposed Year 1 at \$21,000, Year 2 at \$22,000, and Year 3 at \$23,000. Eastside Transportation Services, Inc. offered a more competitive bid at \$30,000 for each of the first three initial years of the agreement.

Staff ranked Eastside Transportation Services, Inc. as No. 1 and Atchison Transportation Services, Inc. as No. 2. The new concession agreement will take effect November 1, 2017.

The Commissioners asked questions about level of service to which Mr. Carr responded.

There was a motion to approve the rankings for the Ground Transportation Services RFP, and to authorize the President/CEO to execute an agreement with one of the two proposers based on the rankings. The motion was seconded and unanimously approved.

PRESIDENT/CEO REPORT:

Aviation Industry Update: The industry is still seeking a long-term extension for FAA reauthorization. The bill was to go to the House floor next week, but was pulled this week. The ATC reform portion of that bill remains controversial in the House.

The Senate Committee passed a \$4.00 Passenger Facility Charge (PFC) increase for originating passengers only. At this time, GSP does not impose a PFC charge.

While industry associations continue to push for long-term reauthorization, the authorizing bill expires on September 30th. At this time, it appears that Congress will pass a mini-Omnibus continuing resolution package.

Bid Status Update on New Economy Parking Lot and Employee Parking Lot Expansion: The New Economy Parking Lot and Employee Parking Lot Expansion project is a 2017-2018 capital improvement project. The bids came in at \$.5 million over budget. In order to stay within the project budget, Staff is moving forward with the new Economy Parking Lot project and scaling down to a gravel lot expansion for the Employee Parking Lot. The Employee Parking Lot bid came in at twice the normal per space cost.

Commissioners commented positively on the decision.

GSP International Logistics Park Update: In 2012-2013, CenterPoint brought on the first building which was a 400,000 square foot building for BMW. In Phase II, CenterPoint brought on another 300,000 SF taking that building to 700,000 SF. The District inked a final deal with CenterPoint, for BMW Phase III, which was approved at the last Commission meeting. The pad is clear now and the 270,000 square foot building is ready to go under construction.

Earlier in the year, the Commission approved a land lease for ProTrans, which is another 243,000 square foot building development in the Logistics Park.

The District is down to the last parcels of property in the Park with two pending proposals to build upwards of a 500,000 square foot first phase building with an expansion of about 250,000 SF, taking the building site to 750,000 SF. This would leave the District with two outparcels based on the development scheme. One parcel

might accommodate another 250,000 square foot building and the other parcel, a 100,000 square foot building.

Commissioners asked questions regarding the current Hangar project to which Mr. Howell responded.

INFORMATION SECTION:

Traffic: Mr. Edwards noted that passenger traffic grew more than 8% in July. There are no near-term signs of that number wavering based on the increases in seat capacity through October. Cargo traffic is up over 40%.

Beginning October 10th, Senator International will begin a 3rd scheduled 747 flight that will continue through the end of the year. Senator International is preparing to compete for the BMW contract. Cerulean Aviation continues to do a great job communicating with BMW as well as accommodating Hot Shot cargo flights and other airplanes.

Commissioners requested an update on Cerulean Aviation and PSA Airlines (MRO facility). Mr. Edwards responded. There will be a press announcement for PSA Airlines the first week in October.

Fuel sales continue to increase. The District is competing for a contract with another GA operator which could uplift another 250,000 gallons of fuel per year, adding a 25% increase in fuel sales.

Industry Presentation(s)/Article(s) of Interest: The Commissioners commented on the articles included in this month's GSP Commission Package, specifically the article on the Pittsburgh Airport.

Communications Status Report: The Commissioners inquired and commented on the customer service complaints in the August 2017 - Communications Status Report. Mr. Edwards responded.

Financial Report: The Commissioners inquired about operating income in the July 2017 - Financial Report. Mr. Murrin responded.

COMMISSIONER'S REPORT:

Mrs. Shaw noted the items for the next regular scheduled Commission meeting.

Mr. Burch noted the upcoming ACI-NA Annual Conference.

Mr. Ramella noted the condition of the banks along GSP's property line that fronts I-85.

ADJOURNMENT:

There being no further business, a motion was made, seconded, and unanimous vote received to adjourn the meeting. The meeting was adjourned at 10:38 a.m.

The next meeting is scheduled for November 20th at 9:00 a.m.

SIGNATURE OF PREPARER:



Stefanie Hyder