

REQUEST FOR BOARD ACTION

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: April 19, 2017
SUBJECT: Asheville Airport Update
PRESENTER: Lew Bleiweis
ATTACHMENTS: Yes
1) 2016 Airport Highlights

SUMMARY OF REQUEST:

Lew Bleiweis, Airport Director at the Asheville Regional Airport, will provide an update to the Board of Commissioners on the Asheville Airport.

BOARD ACTION REQUESTED:

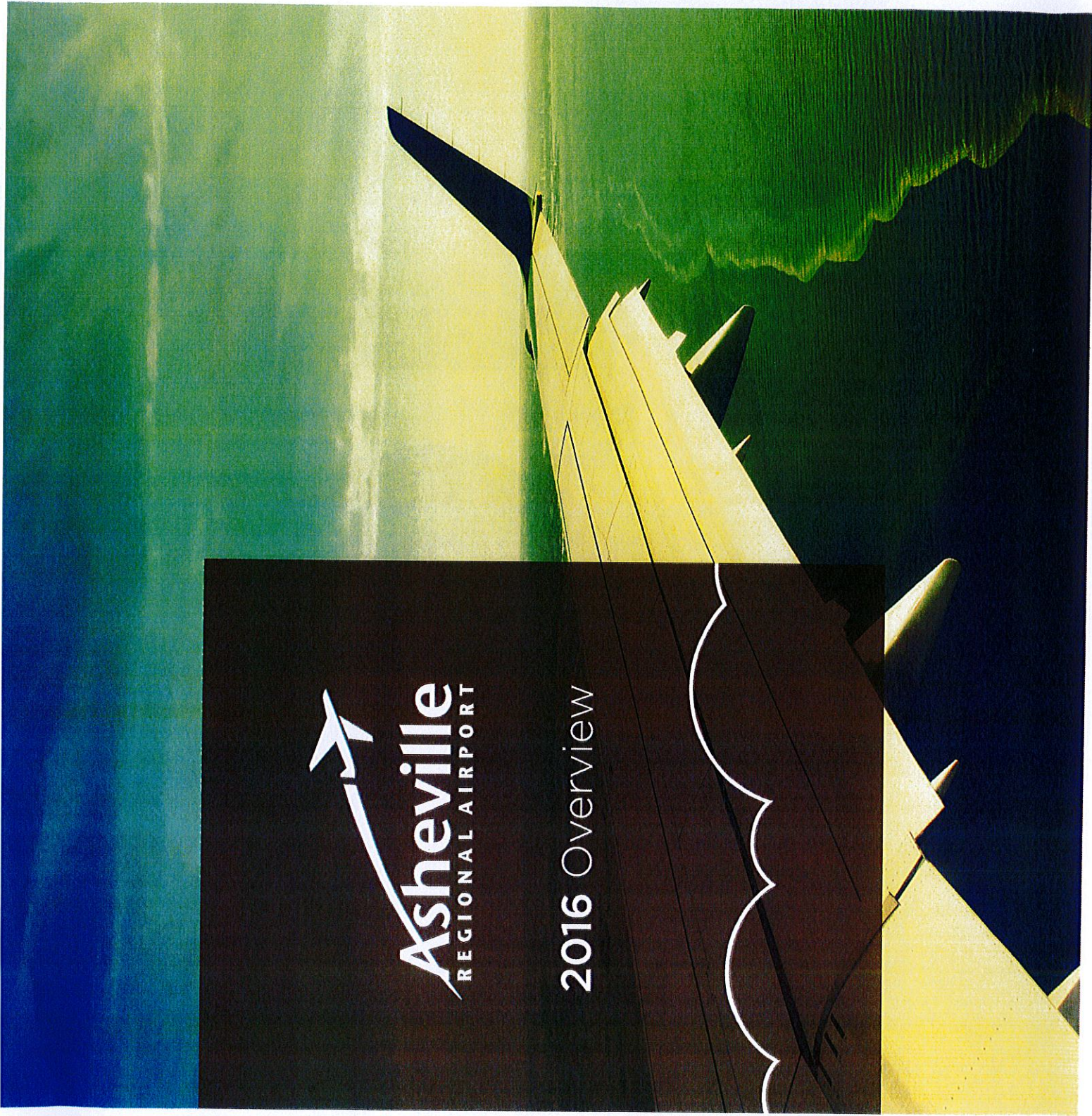
No action is requested. The presentation is for information purposes.

Suggested Motion:

No motion suggested.



2016 Overview



a letter

from the Executive Director: Rising Reflections



Lew Bleiweis, A.A.E.
Executive Director

The sun rising over the airport is a beautiful sight each day. I see the hustle and bustle of air travel, starting early each morning — luggage being loaded, planes on their way to the day's journey, seats filled with passengers, many of whom are my friends and neighbors. The sun reflects off of a jet as it taxis to the runway, and often, a glimmer can be seen in the distance where construction equipment is in high gear.

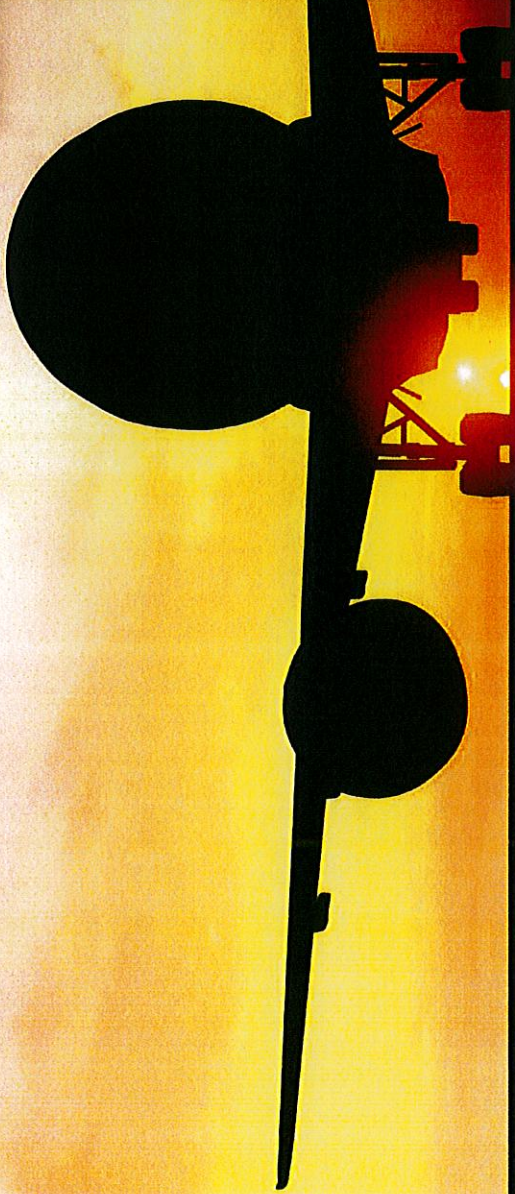
The rising of the sun is symbolic to me — it represents the daily renewed energy of the excellent team of people who make the airport operate smoothly for you. It reminds me that each day like the sun, the airport is rising up and fostering healthy growth.

Reflecting on 2016, it was a year of ascension. The airport rose to new heights — literally and figuratively — driven by a dedicated team of professionals. We experienced new heights in air service and community partnerships. We made great forward strides in the implementation of the airport's master plan, with significant development during the year, and finalized an in-depth strategic plan for the airport authority. A focus on our community lifted our spirits — as well as our connection to our region throughout the year.

And the people. Asheville Regional Airport would not be the successful, busy and growing airport it is today without the dedication of hundreds of professionals who work so diligently to provide the many services offered.

So, as I reflect, I see a year of growth, lift, escalation. There is a vision and a plan for our region's airport, and amazing strides were made in 2016 toward that vision. The team at AVL will continue to rise with the sun each day, with renewed energy and determination, to move our airport forward.

Lew Bleiweis, A.A.E.
Executive Director



authority

2016 Board of Directors

BOARD OF DIRECTORS

Greater Asheville Regional Airport Authority

Bob Roberts — CHAIR
Appointed by the City of Asheville

K. Ray Bailey — VICE CHAIR
Appointed by the GARAA Board

Stephanie Pace Brown — MEMBER
Appointed by the City of Asheville

Matthew Burril — MEMBER
Appointed by Buncombe County

David Gantt — MEMBER
Appointed by Buncombe County

William Meyer — MEMBER
Appointed by Henderson County

Andrew Tate — MEMBER
Appointed by Henderson County

OUR VISION

To be a champion for exceptional customer experiences and economic vitality

OUR MISSION

To provide an exceptional airport experience with a focus on people, service, commercial and general aviation, and to contribute to the regional economy

OUR CORE VALUES

People | Caring | Excellence | Integrity | Respect | Service | Adaptability

air service

Reaching New Heights: New flights, new routes, more passengers than ever before



Three new routes added in 2016

Jacksonville, FL

Jacksonville International Airport (JAX)

Allegiant began seasonal summer service to JAX.

Washington, D.C. area

Baltimore Washington Thurgood Marshall

International Airport (BWI)

Allegiant started a summer seasonal route to BWI

on May 19. The route was so successful, Allegiant extended service through the end of the year.

New York City area

Newark International Airport (EWR)

Allegiant added a non-stop to Newark, joining

United Airlines in serving this popular route from

AVL. The service started on November 17, with four weekly flights.

Existing routes grew, too

We continued to see the use of larger planes

by American Airlines to Charlotte Douglas

International Airport and Delta Air Lines to Atlanta

Hartsfield International Airport, especially in the

peak travel times of the year. The larger jets offer

dual-class service, and a more spacious flying

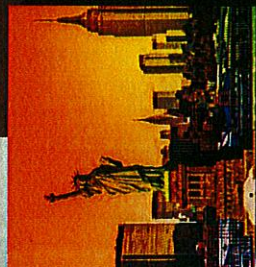
experience — as well as more seats for passengers.

Additionally, United Airlines increased

frequencies to Chicago O'Hare International

Airport, and extended their seasonal service

to Newark Liberty International Airport.



ALR service

Reaching New Heights: New flights, new routes, more passengers than ever before.

New flights, new routes, more passengers than ever before

For the third consecutive year, passenger numbers reached record highs in 2016, with 826,648 people flying in or out of AVL. A five percent increase over the prior 2015 record numbers, AVL passenger levels surpassed 800,000 for the first time in history.

826,648

Western North Carolina is proud of its airport, and most travelers choose to fly from AVL as often as they can. Equally important, the airlines serving AVL have taken steps to add new routes, larger planes with more seats, dual-class service and other amenities to make the travel experience from AVL even easier and more satisfying than ever before.



Teamwork

Ascending Together: A year of teamwork, partnerships and success in air service development

2016 was a significant year for the airport and the Buncombe County Tourism Development Authority (BCTDA) and Asheville Convention and Visitors Bureau (CVB). We collaborated to conduct a market study that examined potential air service growth opportunities — focusing on the local air service market, as well as potential in-bound markets. The results showed that:

AVL enjoys excellent air service for a region our size.

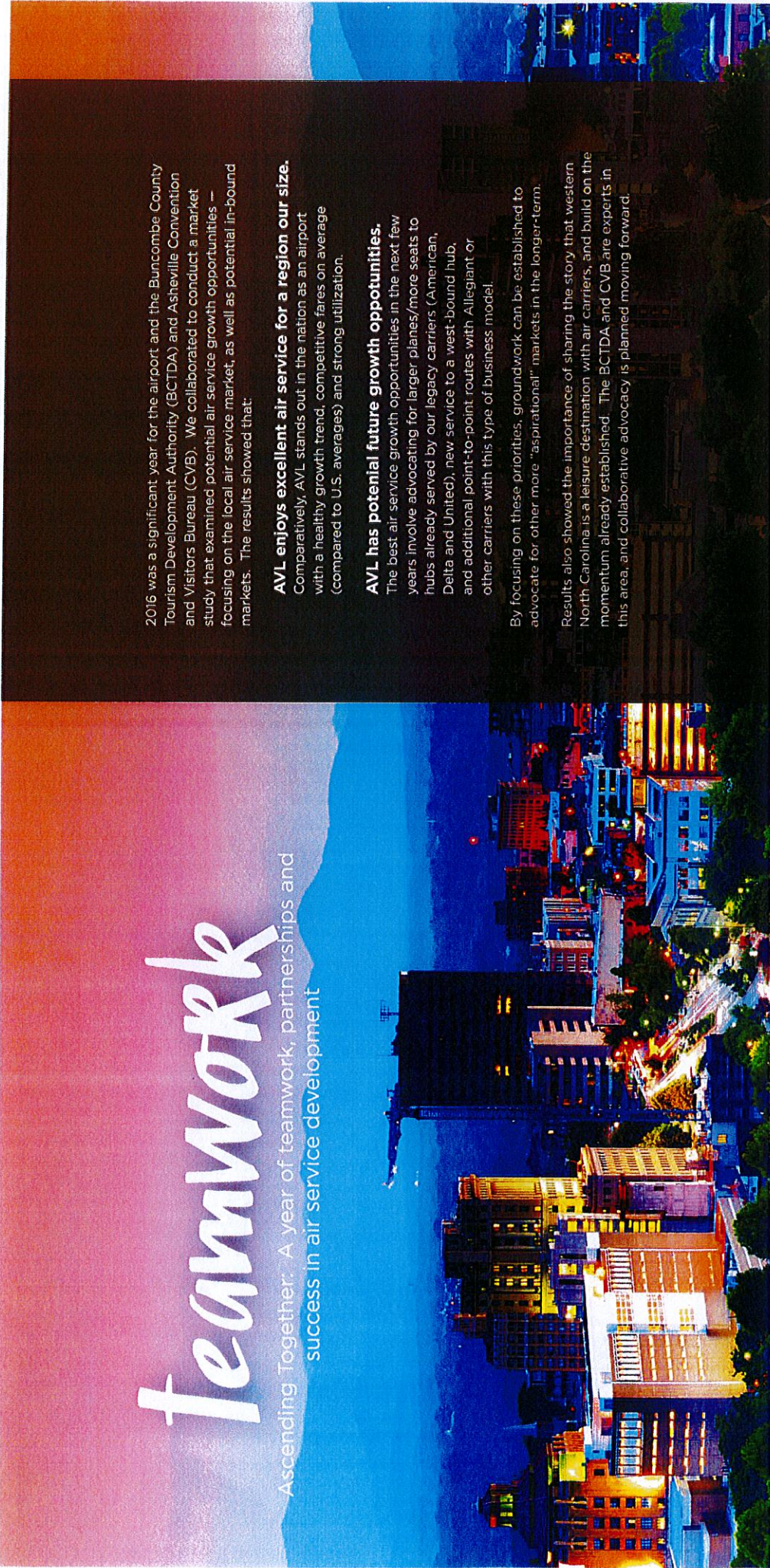
Comparatively, AVL stands out in the nation as an airport with a healthy growth trend, competitive fares on average (compared to U.S. averages) and strong utilization.

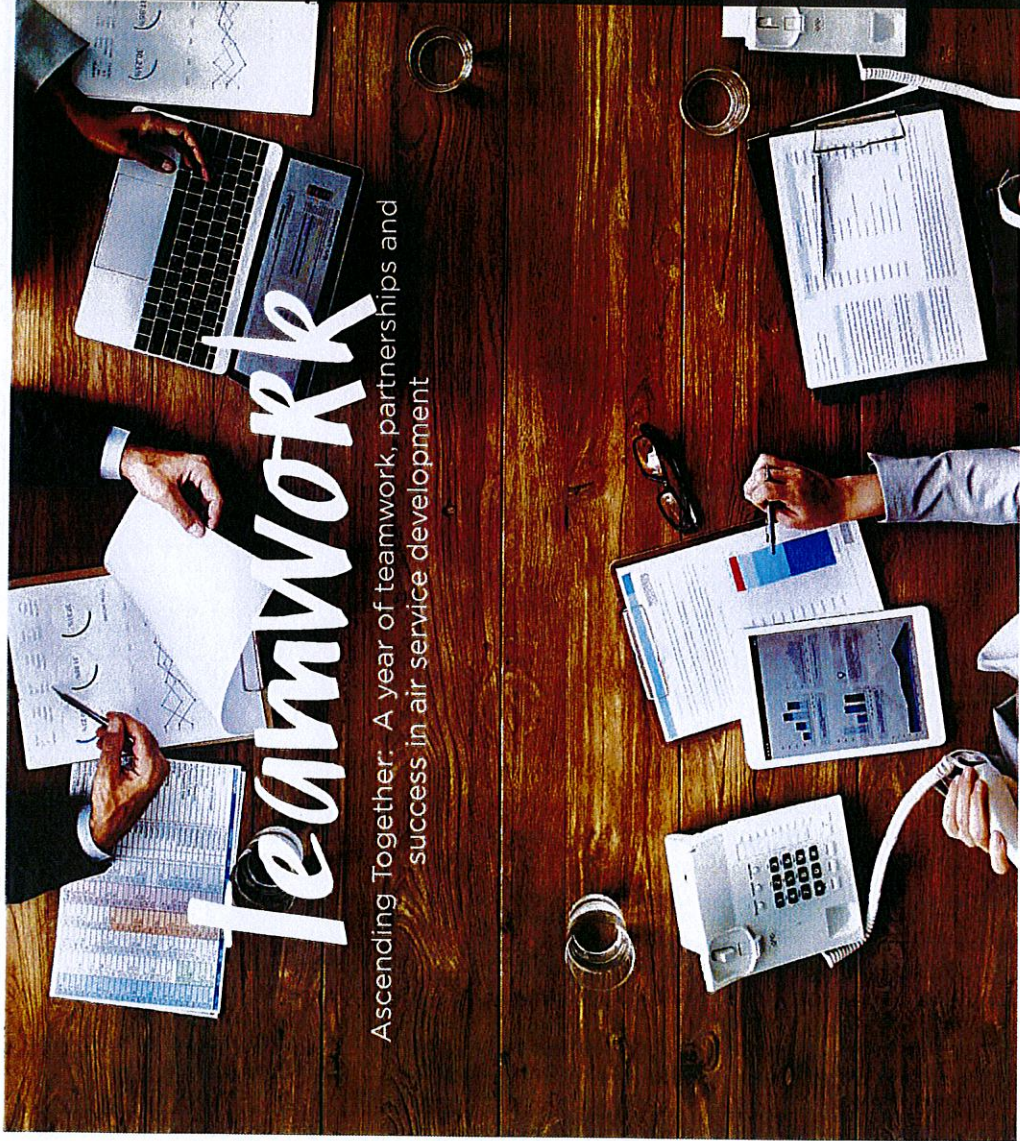
AVL has potential future growth opportunities.

The best air service growth opportunities in the next few years involve advocating for larger planes/more seats to hubs already served by our legacy carriers (American, Delta and United), new service to a west-bound hub, and additional point-to-point routes with Allegiant or other carriers with this type of business model.

By focusing on these priorities, groundwork can be established to advocate for other more “aspirational” markets in the longer-term.

Results also showed the importance of sharing the story that western North Carolina is a leisure destination with air carriers, and build on the momentum already established. The BCTDA and CVB are experts in this area, and collaborative advocacy is planned moving forward.





Teamwork

Ascending Together: A year of teamwork, partnerships and success in air service development

After the completion of the market study in early 2016, AVL, the BCTDA, and the CVB collaboratively:

- Shared results with stakeholders in the community;
- Hosted an Airport Roundtable — welcoming airline route decision-makers from Allegiant, Delta, Southwest and Spirit to Asheville for a three-day conference.
- Supported the success of new routes. Specifically, the CVB dedicated funds to Allegiant to market the new route to Asheville from the Washington, D.C. area — to complement their destination marketing — which boosted this route's success and resulted in an extended season of air service.
- Continued our engagement. The airport and the CVB are dedicated to working together to advocate for air service that will be successful for the airlines, the airport — and most important — our community.



Strategic plan completion

An airport strategic plan was completed in 2016, guiding the organization's annual work goals. The GARAA Board, senior staff and all airport employees were engaged in the process. The strategic plan is a blueprint to keep the organization focused on its core vision, mission and values, and focuses on these key priorities:

Financial Stability – Maintain the airport's good financial position in the face of change

Administration – Maintain an organization focused on education, growth and efficiency

Operations – Conduct airport operations to effectively deliver all services and complement all other goals

Facilities – Preserve and develop facilities that will be efficient to maintain and exceed customer expectations

Culture – Create a culture that is responsive to community, customer and employee needs

Business Development – Expand air service utilization and other business development opportunities

Safety – Prioritize safety for customers, visitors and employees

escalated

Escalated Plans: Airport planning and development

Completion of Phase 3 of the 4-phase Project SOAR: Significant Opportunity for Aviation and the Region

The completion of Phase 3 resulted in the final land preparation for the new 8,000-foot runway at AVL. When commissioned in 2017, the new runway will serve the aviation needs of the region for decades to come. The new west-side taxiway will open the west area of the airfield for future aeronautical development.

Five Story Parking Garage

Design of a five-story parking garage was completed in 2016, and construction began in October 2016. The parking garage — part of the airport's master plan — was implemented years sooner than originally targeted due to significant increases in passenger utilization at the airport. The parking garage, located directly in front of the main entrance to the terminal, is scheduled to be complete by fall 2017.

Department of Public Safety

The old Department of Public Safety building was demolished, opening more space for aeronautical development on the north end of the terminal and apron.

Smaller Renovations

Several smaller renovations took place in 2016. New office space was constructed in the main terminal area to accommodate growing information technology space needs, and a small conference room was enlarged. The Guest Services Welcome Center was updated.



Leadership

Rising to Lead: Industry leadership and awards



David Gantt, Board Member —
Buncombe County trial lawyer and former chair of the Buncombe County Commissioners, was appointed to the Greater Asheville Regional Airport Authority Board by Buncombe County.

Lew S. Bleiweis, A.A.E., Executive Director —
Completed a two-year term as chair of the Airports Council International - North America (ACI-NA) US Policy Board and board liaison to the ACI-NA Marketing Steering Committee; Current Board Member, ACI World Governing Board; Current Board Member, Buncombe County Economic Development Commission; Current Committee Member, Carolina West

Michael A. Reisman, A.A.E.,
Deputy Executive Director —
Board Member, Southeast Chapter of the American Association of Airport Executives and Chairman, Educational Foundation Scholarship Program

Tina Kinsey, A.A.E., Director of Marketing,
Public Relations & Air Service Development —
Elected to the Airports Council International-North America Marketing Steering Committee; Board Member, North Carolina Airports Association; Board Member, Henderson County Chamber of Commerce



awards

Rising to Lead: Industry leadership and awards

Project SOAR

Project SOAR was recognized by the Southeast Chapter of the American Association of Airport Executives as the "Commercial Airport Project of the Year" for the efficient and creative approach to building a new runway on a one-runway airfield.



Music on the Fly

Music on the Fly, a passenger appreciation program in partnership with Ashvegas.com, was awarded "Best Customer Service Program" for small airports at the Airports Council International - North America Marketing and Communications Conference in November. The program provides pop-up music concerts by local musicians for passengers in the terminal.



community

Lifting Up: Community connections were a priority



Aviation Education and Celebration

- The airport continued its sponsorship of the summer educational program "Take Flight!" offered by Hands On! - A Child's Gallery.
- The historic B-17 made a stop in Asheville in 2016, and we were proud to help the Experimental Aircraft Association sponsor this important educational event.

Honoring our Veterans

The airport was proud to be one of the many sponsors of the very first Blue Ridge Honor Flight, which brought World War II and Korean War veterans to visit the war memorials in Washington, D.C. in September 2016.

Wings for Autism

The event was hosted at the airport in February, complete with a Valentine's Day - themed party for participants. The event provided a practice flight experience — from check-in, to boarding the plane. We partnered with The Arc of Buncombe County, Allegiant, Worldwide Flight and the Transportation Security Administration to bring this event to our community.

Student Artwork Showcase

Student artists from Carolina Day School displayed their artwork in the inaugural Student Artwork Showcase in the spring of 2016, which kicked off this new annual program.

community

Lifting Up: Community connections were a priority



Music on the Fly

This monthly pop-up concert series was launched in 2016 as a co-sponsored event by the airport and local news outlet Ashwegas.com. Music on the Fly features local musicians who perform in the airport for passengers and visitors.

Sounds of the Holidays

The airport welcomed many local schools and other musicians into the airport during the holidays to perform and spread holiday cheer.

United Way

The airport is committed to United Way through employee giving campaigns, and we also participated in Days of Caring in the community.

Operation Medicine Drop

The airport's Department of Public Safety participated as a drop-off site for disposal of unwanted or unneeded prescription medications. Photo Credit: Substance Free Buncombe Youth

Numbers

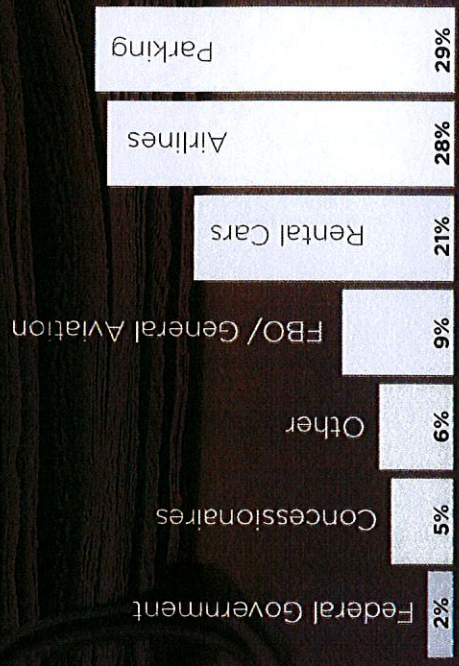
Trending Up: A glance at the numbers

Financial Overview

The Authority's assets exceeded liabilities by \$115,004,382 at June 30, 2016. That is an increase of more than \$16.7 million from 2015, and an increase of more than \$29.4 million from 2014.

115,004,382

Operating Revenue Sources



61 Terminal Drive, Suite 1, Fletcher, NC 28732
828.684.2226

flyavl.com |    

