REQUEST FOR BOARD ACTION

HENDERSON COUNTY
BOARD OF COMMISSIONERS

MEETING DATE: August 5, 2024

SUBJECT: Asheville Regional Airport Update

PRESENTER: Lew Bleiweis, President and CEO

ATTACHMENTS: Yes
1. 2023 Annual Report

SUMMARY OF REQUEST:

Lew Bleiweis, President and CEO of the Asheville Regional Airport, will provide the annual update to the Board of Commissioners.

BOARD ACTION REQUESTED:

No specific Board Action is requested, this item is for informational purposes only.

Suggested Motion:

No motion suggested.

Asheville
REGIONAL AIRPORT

AVLFORWARD

2023



A REVIEW OF THE PAST

PROPELLING INTO THE FUTURE



A LETTER FROM THE **PRESIDENT**

"Growth" and "change" have been consistent themes at Asheville Regional Airport for years, and 2023 was an important year for our region's airport. We, once again, experienced unprecedented passenger growth, major milestones and historic changes. Of specific note this year, the airport broke ground on two historic infrastructure projects: a new air traffic control tower and a new airport passenger terminal. Both projects represent a historic leap forward in our infrastructure development.

This year, we also shattered previous records for passenger volume and reached the huge milestone of serving more than 2 million annual passengers. Surpassing the 2 million passenger mark adds to the story of the exponential growth happening at AVL — we continue to see double-digit percentage growth year after year, and it is incredible to look back just five short years ago when we served 1 million annual passengers for the first time. Think about that — in just five years, utilization at AVL has grown by more than 100% (and it would have only taken two years had Covid not occurred). Extraordinary.

As both air travel and the western North Carolina region continue to grow, AVL is committed to evolving alongside them. Our prevailing theme for the year — *AVL Forward* — encapsulates our dedication to providing enhanced facilities, services and experiences for passengers and the community.

The new terminal will be 150% larger than the current airport and will offer amenities like a spacious and bright grand lobby, state-of-the-art ticketing and baggage claim areas, an inviting concessions plaza and thoughtfully designed gate areas to enhance passenger comfort and experience, all while highlighting the natural beauty of our region. It is our hope that this new terminal will signify the promise of economic growth and prosperity for our community and create an environment that facilitates air travel and elevates the overall passenger experience.

We invite you to join us on our journey of growth, change and forward momentum. It is a tale of dedicated employees, a supportive community and the transformation of dreams into reality. On this journey forward, we remember AVL's storied past while also planning for the future. There are amazing things in store for our airport, and we thank you for being a part of history in the making.

Blue skies,

Lew Bleiweis, A.A.E.
President & CEO



PLEASE EXCUSE THE **MOON DUST**

This has been a year of unprecedented growth and huge milestones for AVL. Let's take a look at the substantial progress we have made this year on our mission to build a new airport terminal and add more space for you.

AIR TRAFFIC CONTROL TOWER GROUNDBREAKING

Asheville Regional Airport started the year with a once-in-decades historic event. On January 25, 2023, AVL broke ground on the new air traffic control tower (ATCT). The new ATCT will replace the existing 62-year-old tower (currently located within the airport terminal), which is one of the oldest operating in the country. The new ATCT is a $55 million project ($44 million construction and $11 million for equipment and technology) and will be located on the west side of the airport, across the runway from the airport terminal.

The groundbreaking was held on Taxiway Bravo near the site of the future tower. The new ATCT was designed by architects at Pond and Company and is being constructed by J. Kokolakis Construction. The project is slated for completion in 2025.



AVL FORWARD GROUNDBREAKING

A historic groundbreaking event was hosted at Asheville Regional Airport on August 11, 2023, marking the beginning of the biggest infrastructure project in AVL's history.

This ceremony kicked off the three-phase construction project that will result in a new airport passenger terminal that will be the vital next step in serving the western North Carolina community's travel needs. The groundbreaking ceremony included airport stakeholders, community leaders, and local, regional and national elected officials, who witnessed the end of an era and the beginning of the future when a section of the 62-year-old airport terminal was torn down.

Embracing the AVL Forward theme, the event featured a "space-themed" experience for invited guests, emphasizing that MORE SPACE is coming! The event tent, positioned on the building site for the new north concourse, had a clear view of the terminal, offering a spectacular vantage for photos of the iconic moment when the demolition of the building commenced. A day for our airport's history books, for sure.

Special commemorative gifts included "then and now" images of the airport, as well as small acrylic boxes filled with literal pieces of the original terminal building, harvested just prior to the ceremonial groundbreaking.

The end of an era. The beginning of the future.



PLEASE EXCUSE THE **MOON DUST**



CENTRAL ENERGY PLANT (CEP)

One of the prominent examples of the construction around the airport is the central energy plant. This is the building which will house equipment that will provide utilities, such as heating and cooling, for the new terminal as part of the AVL Forward project. Construction started in the spring, and everyone was able to watch the progress as this area changed from a parking lot to the building's steel frame, to an almost completed building by the end of the year. As of December 2023, interior finishing was continuing as well as underground utility connection work.



TEMPORARY GATES

One of the first steps in the actual terminal construction process was the closure of gates 4-7 and the opening of the temporary gate area. The temporary gate area is a modular building, adjacent to the south end of the terminal, and seats 200+ passengers as they await boarding. This gate area has restrooms, vending and Aletitude, a food and beverage outlet. Passengers board their aircraft by exiting this gate area to an outdoor covered walkway that leads to parked planes.



DEMOLITION OF NORTH CONCOURSE

After the relocation of the gates to the temporary gate area and the removal of the jet bridges, the north concourse was ready for demolition. The first pieces of the concourse were demolished with great fanfare during the AVL Forward groundbreaking event. The demolition was completed in November of 2023 and structural steel is expected to go up in the beginning of 2024.

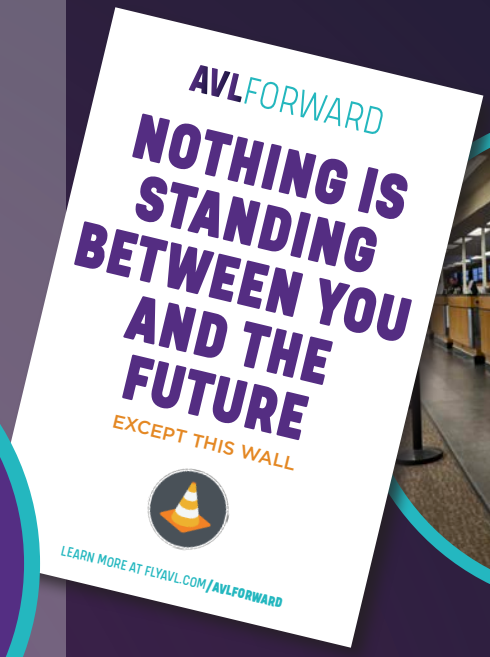


SHUTTLE LOT SOUTH

A welcome new addition to AVL's parking options was added just in time for the holiday travel season. On November 17, 2023 AVL opened the new Shuttle Lot South. This parking lot, designed to provide 600 additional public parking spaces, is continuously serviced by airport shuttles. The lot is located south of the terminal, on Highway 280, across the street from the WNC Ag. Center. The second phase of construction is scheduled to be completed in late spring 2024, which will include an added access road off Terminal Drive and a new location for ground transportation services.



Skye, the AVL Space Explorer





TICKET COUNTER CONSTRUCTION

In December of 2023, major changes took place at AVL's airline ticket counters. Walls went up in the ticket counter area to make way for demolition and new construction. New self-service kiosks were installed, and the airline offices were relocated.

LAND DEVELOPMENT

There was an exciting announcement this year regarding land development at AVL. Sheetz Inc. entered into a period of due diligence to explore the possibility of adding a convenience store with fuel services on airport property, with a total investment of more than $7 million. If the project moves forward, the new convenience store will be located across the street from the main entrance of the airport on Airport Road/ Highway 280 and will provide annual non-aeronautical revenue to the airport — an important strategy for long-term financial stability.

Work towards a new four-diamond hotel at Broadmoor Golf Links, located on airport property, continued. A groundbreaking is expected in 2024.

The airport saw significant changes during 2023, and all of the construction projects, both large and small, moved *AVL Forward*. Infrastructure expansion was certainly a huge focus during the year, simultaneously, many other successful projects like land development and master planning were completed.



MASTER PLAN UPDATE

The Master Plan process continued in 2023 and will result in a strategic document that will help guide future growth at the airport. A public open house was held on October 26, 2023, and allowed members of the community to learn about the airport's ongoing master plan study and provide comments concerning the project and the airport's future direction. More information about this process can be found at flyavl.com/masterplan.

AVLFORWARD

GROWTH IS TAKING OFF

CELEBRATING RECORD-BREAKING PASSENGER NUMBERS IN 2023!

2.2 MILLION & BEYOND



PASSENGERS

AVL has taken a huge leap forward and made history yet again. In 2023, Asheville Regional Airport surpassed 2 million passengers for the first time in its history, with a total of 2,246,411 annual passengers.

That wasn't the only passenger record the airport set this year; in June, AVL surpassed 200,000 monthly passengers for the first time (226,839) then broke the record in July (244,504) — then proceeded to experience 200K+ passenger months for five consecutive months. The growth is extraordinary, which has kept AVL on the list as one of the fastest growing airports in the country for the past seven years.



EMPLOYMENT

With all of the growth the airport has seen over the past year, it makes sense that the AVL team is also growing. For the 2023/2024 fiscal year AVL is budgeted for 98.5 FTEs (Full Time Equivalents), which includes the addition of 15 new positions. With more growth on the horizon, the AVL team continues to work hard to serve passengers in our community.

AMENITIES

With the opening of the temporary gate area, AVL was able to unveil its newest food and beverage outlet: *Aletitude*. On May 17, 2023, AVL held a grand opening event to cut the ribbon on this new amenity. *Aletitude*, operated by Paradies Lagardère, offers a grab-and-go concession area and bar, which serves a selection of on-tap and bottled beer and wine, and grab-and-go salads and sandwiches. There is a seating area where passengers can enjoy their food and drinks while they wait for their flights to board.

FLIGHTS ARE **FULL SPEED AHEAD**

ALLEGIANT
ADDED TWO NEW
DESTINATIONS
PHOENIX
& ORLANDO

On May 26, 2023, AVL held an inaugural flight event for Allegiant's newest destination: Phoenix, Arizona. Amid brightly colored and cactus-themed food and decorations, Allegiant took off for the Southwest. This nonstop flight from AVL to Phoenix Sky Harbor International Airport (PHX) operates twice weekly and was AVL's twenty-sixth unique nonstop destination.

In November of 2023, Allegiant announced a new nonstop flight from AVL to Orlando International Airport (MCO) beginning in May of 2024. This marks AVL's twenty-seventh unique nonstop destination.





UNITED
ADDED DAILY
DENVER
SERVICE

On September 29, 2023, AVL held an inaugural flight event for United's new flight to Denver International Airport (DEN). With refreshments boasting United's iconic colors, the ribbon was cut on this convenient and exciting daily flight option.



AMERICAN
ADDED FLIGHTS
CHARLOTTE &
D.C.

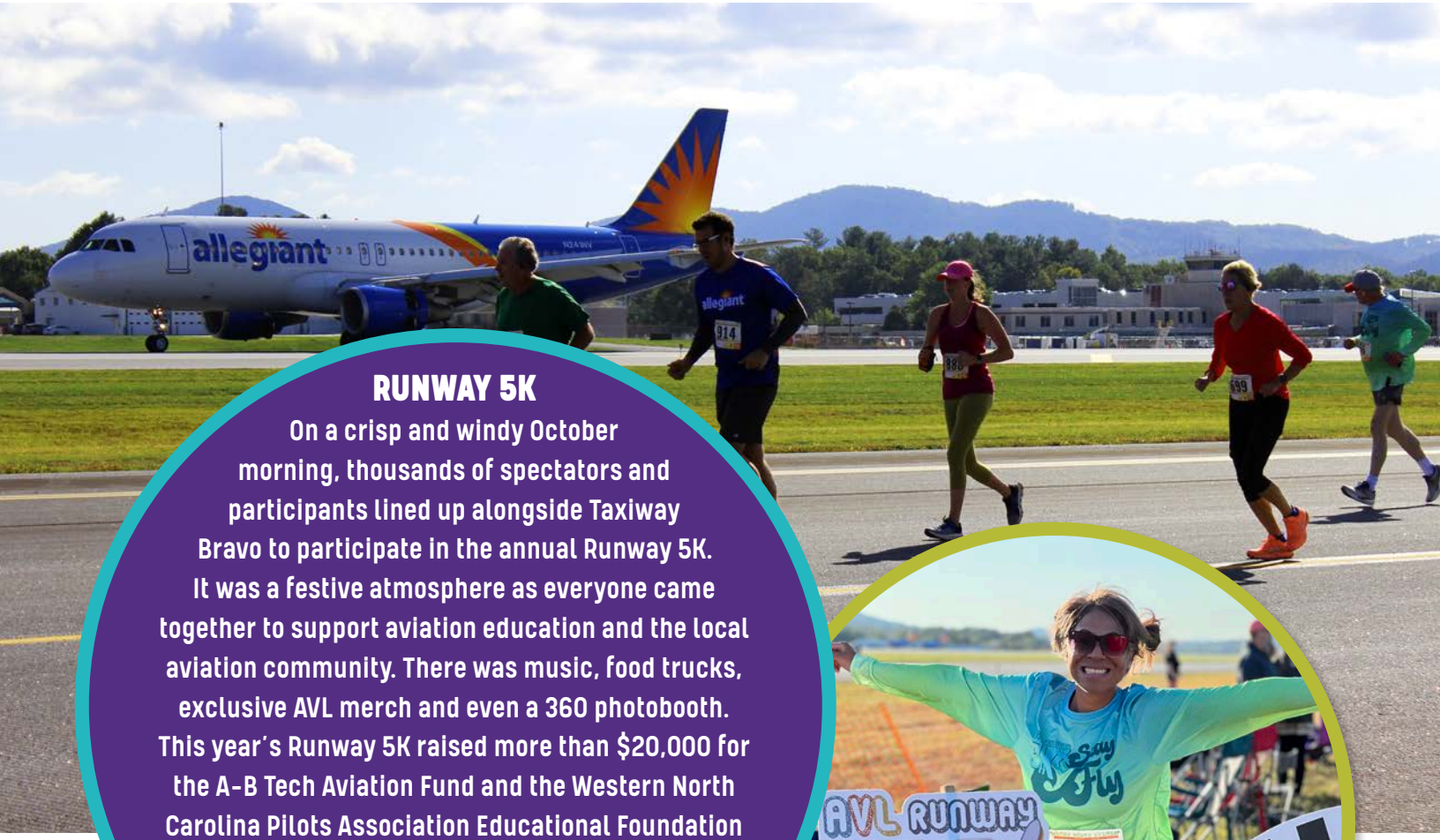
American Airlines added even more convenience to travelers by offering more daily frequencies to Charlotte, and a second daily nonstop flight to Washington, D.C.

DELTA
ADDED FLIGHTS
MINNEAPOLIS
/ST. PAUL

Delta Air Lines increased to three flights per week to Minneapolis/ St. Paul, with plans to increase to daily service in 2024.



A STELLAR COMMUNITY



RUNWAY 5K

On a crisp and windy October morning, thousands of spectators and participants lined up alongside Taxiway Bravo to participate in the annual Runway 5K. It was a festive atmosphere as everyone came together to support aviation education and the local aviation community. There was music, food trucks, exclusive AVL merch and even a 360 photobooth. This year's Runway 5K raised more than $20,000 for the A-B Tech Aviation Fund and the Western North Carolina Pilots Association Educational Foundation in partnership with sponsors Hensel Phelps, Hunter Subaru, Paradies Lagardère, WLOS, Star 104.3, HCA Healthcare/Mission Health, AVCON, Gresham Smith, Pond, S&ME and CHA.



BLUE RIDGE HONOR FLIGHT

The local nonprofit once again sponsored flights for veterans to see their memorials in Washington, D.C. Flying from AVL, Blue Ridge Honor Flight charters flights for WWII, Korea and Vietnam veterans, and hosted welcome home celebrations at the Signature Aviation hangars. The two flights in 2023 took place in April and October, and the community gathered to support these deserving veterans. AVL is proud to provide support for these events each year.

AVL TEAM GENEROSITY

AVL is a vital part of the local community, and its team works hard to give back. This year AVL continued to support The Blood Connection by hosting and promoting blood drives at the airport. The AVL team **gave approximately $7,000** to airport-sponsored charities through the AVL Gives program, as well as many thousands more to nonprofit organizations throughout the region. The team capped off the year by partnering with Crossnore Communities for Children, a local non-profit, to provide gifts for the holidays to twelve local children.

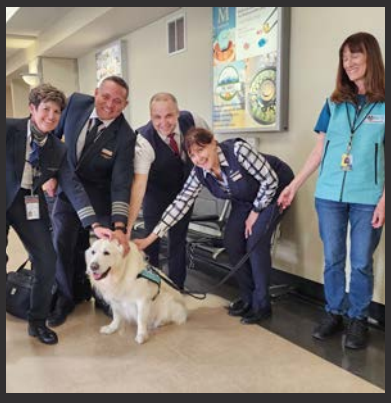
A STELLAR **COMMUNITY**

PASSENGER EXPERIENCE PROGRAMS

PAWS FOR PASSENGERS

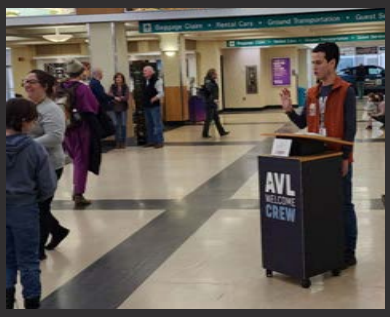
Therapy dog programs are growing across the country, especially in airports. AVL's Paws for Passengers program also experienced growth this year. The program now includes 32 teams with the addition of 10 new teams this year. The ambassa-dogs were able to bring cheer to passengers through events like "Smooches from Pooches" kissing booth on Valentine's Day, the "Paws Lemonade Stand" in May, the "Red, White and Paws Hotdog stand" in June and the "Pooches' Pumpkin Patch" in November.

Another exciting milestone for the Paws program was the unveiling of new locally-made uniforms for the dogs and their handlers. You can now look for your favorite furry friends proudly wearing matching blue vests.



AVL WELCOME CREW

A growing program, the AVL Welcome Crew is a team of volunteers on the autism spectrum who volunteer their time at AVL welcoming passengers and helping to answer questions and give directions. Traveling can be overwhelming, and having someone give you a friendly welcome can make a huge difference.



ART IN THE AIRPORT

The Art Gallery held two exhibitions in 2023. The annual Student Artwork Showcase featured art from talented local students at three different schools. The spring exhibit, EDGE, showcased a variety of art in different styles from five local artists. The Art Gallery temporarily closed in July, due to construction. A new art gallery space will open when the new north concourse is completed in 2025.

AVL AMBASSADORS

The AVL Guest Services team offers friendly assistance to travelers, and the volunteer ambassadors at AVL are important members of the team. There are currently 13 Ambassadors in the program.
To show appreciation for the airport volunteers, AVL held a Picnic in the Park for the Ambassadors and Paws members. The picnic featured barbeque, ice cream and music as everyone socialized and enjoyed a beautiful June evening.



MUSIC IN THE AIRPORT

The Music in the Airport program once again brought the joy of music to passengers as they traveled and included pianists, a violinist and a jazz trio.

Sounds of the Holidays returned for 2023, with local school choirs spreading holiday cheer through performances in the terminal.

AN OUT-OF-THIS-WORLD TEAM

TEAM ACCOMPLISHMENTS AND MEMBERSHIPS



John Coon, A.A.E.
VICE PRESIDENT - OPERATIONS + MAINTENANCE

VICE PRESIDENT
North Carolina Airports Association Executive Board



Alexandra Ingle
BRAND + EXPERIENCE DESIGNER

MEMBER
Marketing, Communications and Customer Experience Steering Group

CO-CHAIR
Marketing Working Group - Airports Council International - North America



David King
GUEST SERVICES + ADVERTISING MANAGER

VICE CHAIR
Ambassador Group - Henderson County Chamber of Commerce

MEMBER
Customer Experience Working Group - Airports Council International - North America



Tina Kinsey, A.A.E.
VICE PRESIDENT - MARKETING PR + AIR SERVICE DEVELOPMENT

VICE CHAIR
Air Service Committee, American Association of Airport Executives

MEMBER
Marketing and Air Service Working Groups, Airports Council International - North America

FINALIST
Best Airport Partner, Cranky Flier Awards 2023



Samuel Sales, A.M.F., ACE
PUBLIC SAFETY CHIEF

ACE LEO - Law Enforcement Officer
American Association of Airport Executives - Airport Certified Employee (ACE LEO) Designation

MEMBER
Blue Ridge Honor Flight Board



Kelly Smith, ACE
PUBLIC SAFETY CAPTAIN

CERTIFICATION

Advanced Law Enforcement
State of North Carolina



Angela Wagner, MSHR, SHRM-SCP
VICE PRESIDENT - ADMINISTRATION + HUMAN RESOURCES

VICE PRESIDENT
Western Carolina University Masters of Human Resources Advisory Board

STRATEGIC PLANNING

This full-team project resulted in a comprehensive strategic road map for airport priorities during the next three-to-five years and included new mission and vision statements.

Our mission: *to champion exceptional experiences and economic vitality*

Our vision: *to be an authentic and convenient gateway for business and adventure*

The full strategic plan will be unveiled in 2024.

SHOOTING FOR THE **STARS**

FIRST PLACE AWARD PUBLIC RELATIONS PROGRAM IN NORTH AMERICA

BEST PUBLIC RELATIONS PROGRAM

AMONG SMALL AIRPORTS

IN NORTH AMERICA

– ACI-NA, 2023

The AVL Forward public relations campaign won an international award from Airports Council International-North America (ACI-NA) during the 2023 Excellence in Airport Marketing, Communications, and Customer Experience Awards. The space-themed campaign, created in-house by the AVL Marketing and PR Department, was recognized with the award for the best public relations program among all small airports in North America. According to ACI-NA: "The winner in this category best demonstrates how a public relations program can be a planned effort to improve the airport's image in the public eye."

GRANT FUNDING

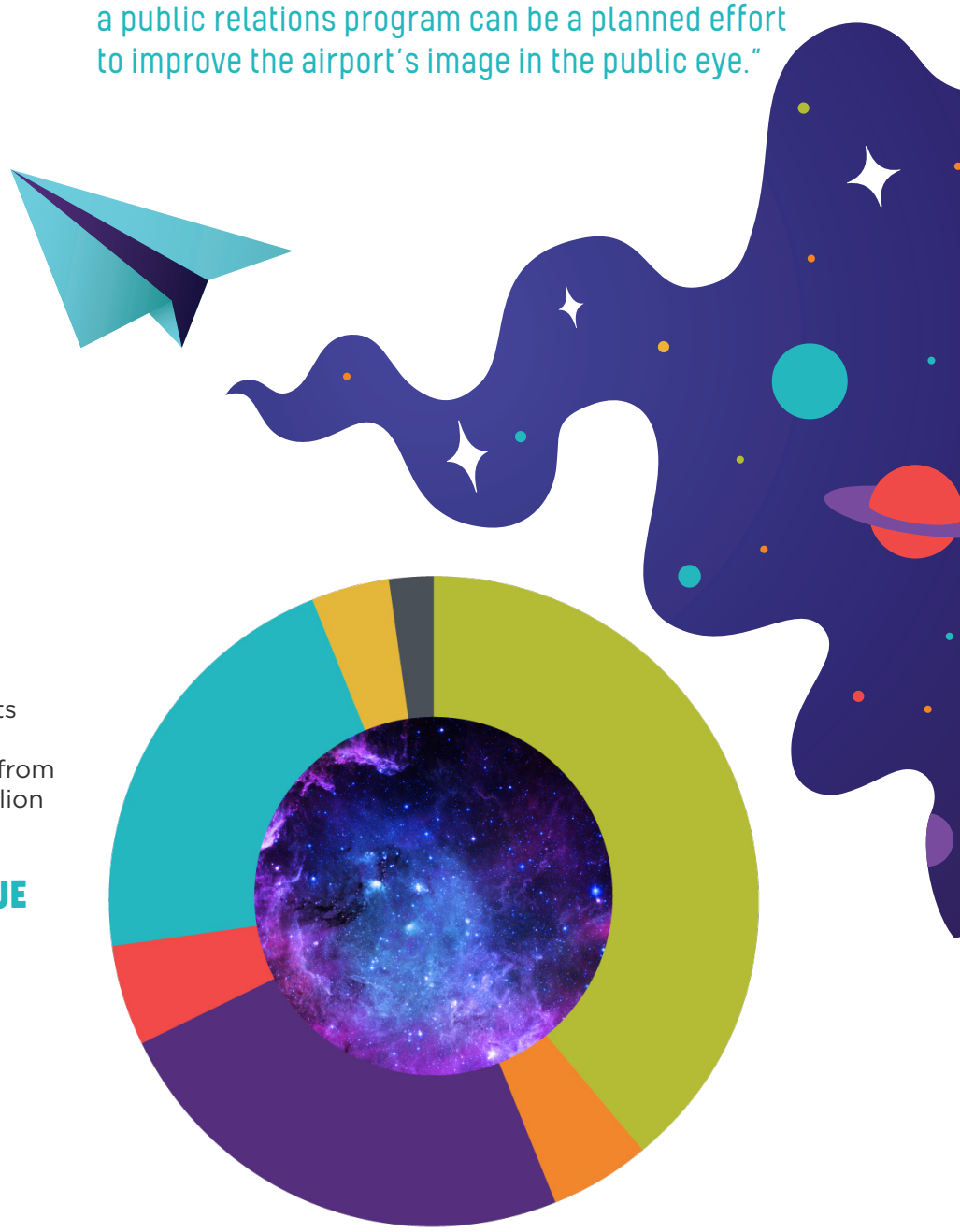
During the 2023 calendar year the airport was able to secure funding via grants for parts of the AVL Forward terminal construction project and the ATCT project. $21,694,819 was secured through Airport Improvement Program (AIP) Entitlement funds, NC State NCAIP Program funds and Bipartisan Infrastructure Law (BIL) funds for the terminal project. An additional $10,000,000 was secured for the ATCT project through AIP and BIL funds.

FINANCIALS

At June 30, 2023, the Authority's assets exceeded liabilities by $273,598,878. That is an increase of over $37 million from 2022 and an increase of over $67.6 million from 2021.

SOURCES OF AUTHORITY REVENUE

PARKING	39%
AIRLINES	24%
RENTAL CARS	21%
FBO/GENERAL AVIATION	5%
CONCESSIONAIRES	5%
OTHER	4%
FEDERAL GOVERNMENT	2%



We've embraced an "outerspace" theme for our public relations campaign to keep you informed about the historic AVL Forward project. Makes sense, right? Our construction is all about MORE SPACE for you!

As the airport grows and undergoes the years-long construction process to build a new terminal, our main goal is to provide more space for our passengers to better serve our community. We will continue to look forward to the future, which is filled with endless possibilities for exploration as AVL expands and offers more nonstop flights than ever before.

AVL FORWARD IS ALL ABOUT

MORE SPACE

AVL FORWARD WEBSITE

As part of this new campaign, a special AVL Forward website was created (flyavl.com/AVLForward). This website features a timeline to keep everyone up to date on construction, special looks at the new terminal and its features, news, social media content and a FAQ section. You can also view an educational video that showcases space themed AVL Forward graphics and shares vital information about the new terminal and the terminal construction project.



SKYE THE SPACE EXPLORER

With the introduction of the AVL Forward theme, a mysterious space explorer began making appearances on social media and around the airport. The space explorer was introduced as AVL's new mascot, and a contest was held to name the newest member of our team. **Introducing SKYE the AVL Forward Space Explorer!** Be sure to stay tuned to social media for special appearances by Skye, who will help guide our AVL Forward journey.

As AVL and its passengers continue forward on this journey to a new terminal, we would like to thank everyone for their enthusiasm and patience. Asheville Regional Airport is dedicated to serving the local community and providing the best service possible. This project and the bright future of AVL wouldn't be possible without the support of the community and passengers. 2023 was an astronomical year and we are looking forward to exploring the future and continuing to move AVL Forward for you.

THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

BOARD



Brad Galbraith
CHAIR
Appointed By: City of Asheville



Britt Lovin
VICE CHAIR
Appointed By: GARAA Board



Susan Russo Klein
MEMBER
Appointed By: City of Asheville



Gene Bell
MEMBER
Appointed By: Buncombe County



Laura Leatherwood
MEMBER
Appointed By: Henderson County



Nathan Kennedy
MEMBER
Appointed By: Henderson County



Carl H. Ricker, Jr.
MEMBER
Appointed By: Buncombe County

