# GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2013

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### SENATE BILL 380\* Agriculture/Environment/Natural Resources Committee Substitute Adopted 4/30/13 House Committee Substitute Favorable 7/25/13

Short Title: Charlotte Douglas Int'l Airport Commission.

(Local)

Sponsors: Referred to:

### March 21, 2013

#### A BILL TO BE ENTITLED 1 2 AN ACT TO CREATE THE CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT 3 COMMISSION UNDER THE CITY OF CHARLOTTE. 4 The General Assembly of North Carolina enacts: 5 **SECTION 1.** This act shall be known and may be cited as the "Charlotte Douglas" 6 International Airport Commission Act." SECTION 2. S.L. 2013-272 is repealed. 7 8 SECTION 3. Chapter 5 of the Charter of the City of Charlotte, being S.L. 2000-26, 9 is amended by adding a new Article to read: "ARTICLE III. CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT COMMISSION. 10 "Section 5.51. Charlotte Douglas International Airport Commission. 11 There is created the Charlotte Douglas International Airport Commission, which shall be an 12 agency of the City, having the powers, authority, and jurisdiction set out in this Article and 13 such other and additional powers and authority as shall be conferred upon it by future acts of 14 15 the General Assembly. 16 "Section 5.52. Definitions. 17 Unless the context requires otherwise, the following definitions apply throughout this 18 Article to the defined words and phrases and their cognates: 19 "Airport" means Charlotte Douglas International Airport in Mecklenburg (1)20 County. 21 "Airport Facilities" means airport facilities of all kinds, including, but not (2)22 limited to, landing fields, hangars, fixed-base operations, shops, restaurants and catering facilities, terminals, buildings, automobile parking facilities, 23 and all other facilities necessary, beneficial, and/or helpful for the landing, 24 25 taking off, operating, servicing, repairing, and parking of aircraft, the loading, unloading, and handling of cargo and mail, express and freight, and 26 the accommodation, convenience, and comfort of crews and passengers, 27 together with related transportation facilities, all necessary, beneficial, 28 29 and/or helpful appurtenances, machinery, and equipment, and all lands, properties, rights, easements, and franchises relating thereto and considered 30 necessary, beneficial, and/or helpful by the Commission in connection 31 32 therewith. 33 "Airport Property" means all the real property and improvements thereto (3)designated as airport property on the Airport Layout Plan or Airport 34



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1 2		Development Plan of the Airport conditionally approved by the FAA on February 13, 2013.	
3 4 5	(4)	"Appointing Authorities" means the entities described in Section 5.24 of this Charter who are empowered to appoint members of the Commission and referred to collectively as "Appointing Authorities" and individually as	
5 7	(5)	"Appointing Authority." "Commission" means the Charlotte Douglas International Airport	
	(5)	Commission created by this Article or, if such Commission is abolished or otherwise ceases to exist, the authority, board, body, commission, or other	
)		entity succeeding to the principal functions thereof.	
	(6)	"FAA" means the Federal Aviation Administration or any successor agency.	
	(7)	"Member" means an individual who is appointed to the Commission, as	
		provided by this Article.	
	(8)	"Servants" means accountants, auditors, agents, contractors, design	
		professionals, attorneys, and other persons and entities whose services may	
		from time to time be deemed by the Commission to be necessary, beneficial,	
		or helpful.	
		3. Membership; Terms.	
		Commission shall consist of 13 members appointed as follows:	
	(1)	Three registered voters of the City of Charlotte appointed by the Mayor, at	
		least one of whom shall be a resident of the west side of the City of	
	$\langle 0 \rangle$	Charlotte.	
	(2)	Four registered voters of the City of Charlotte appointed by the Council, at	
		least one of whom shall be a resident of the west side of the City of	
	(2)	Charlotte.	
	(3)	One registered voter of Mecklenburg County appointed by the Mecklenburg County Board of Commissioners.	
	(4)	One registered voter of Cabarrus County appointed by the Cabarrus County	
		Board of Commissioners.	
	(5)	One registered voter of Gaston County appointed by the Gaston County	
		Board of Commissioners.	
	(6)	One registered voter of Iredell County appointed by the Iredell County	
		Board of Commissioners.	
	(7)	One registered voter of Lincoln County appointed by the Lincoln County	
		Board of Commissioners.	
	(8)	One registered voter of Union County appointed by the Union County Board	
		of Commissioners.	
		der to effectuate a seamless start-up of the Commission, and to give the	
	Appointing Authorities time to consider candidates for and to appoint members as provided		
	,	I members of the Commission from the time this act becomes law shall be the	
		Airport Advisory Committee of the City of Charlotte who shall serve only until	
		shall have been appointed by the Appointing Authorities and qualified by	
	U	of office. The powers of the Airport Advisory Committee serving as initial	
	members shall be limited to ministerial acts, and no employment or management contracts shall		
	be awarded or entered into by the initial members, and any such contracts as the initial		
	members shall award or enter into shall not be effective or binding on the members selected by		
		Authorities; provided, however, the initial members may take such actions as accordance with Sections 5.59( $c$ )(5) and 5.62 of this Charter. The Appointing	
	are appropriate in accordance with Sections $5.59(c)(5)$ and $5.62$ of this Charter. The Appointing Authorities shall appoint initial members no later than October 1, 2013. Members, when		
		have experience in aviation, logistics, construction and/or facilities	
	-	v, accounting, and/or finance.	
_	management, lav	v, accounting, and/or mance.	

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1	(c) No person may be appointed as a member or serve during contin	uance in office on	
2	the Commission who:		
3	(1) Is employed by a servant of the Commission as defined	in Section 5.52 of	
4	this Charter;		
5	(2) Is a tenant or employee of a tenant of an airport ow	ned, operated, or	
6	controlled by the Commission, or other commercial user	or employee of a	
7	commercial user of any airport operated by the Commissio		
8	(3) Has been convicted of a felony or a crime of moral turpitud		
9	(d) Members shall serve four-year terms and may serve up to a total		
10	four-year terms. A member who has reached this limit may not be re-		
11	Commission except after a lapse of four years following the most recent term served. In the		
12	event a member is appointed to fill an unexpired term, and at least two years of the unexpired		
13	term remain to be served, such appointment shall be counted in applying the two-term limit;		
14	otherwise, it shall not be counted. In order to ensure that the terms of all members of the		
15	Commission do not expire at the same time, the initial terms of the		
16	Commission, appointed by the Counties of Cabarrus, Gaston, Iredell, Linco		
17	and Union, shall be for two years. All initial four-year terms expire Decembe	r 31, 2017, and all	
18	initial two-year terms expire December 31, 2015.	• • • • • • • • • • • • • • • • • • • •	
19	(e) Any vacancy occurring among the membership of the Commiss		
20	within 60 days after notice thereof by the appointment of a successor b		
21	Authority of the previous member. Such successor member shall serve for the	e remainder of the	
22 23	unexpired term.	of office before on	
23 24	(f) Members and their successors shall take and subscribe to an oath officer outborized to administer oaths, which eath shall be filed with the Com		
24 25	officer authorized to administer oaths, which oath shall be filed with the Com (g) Any member may be suspended or removed from office b		
25 26	Appointing Authority or a majority vote of the other members for car	-	
20 27	member's duties and responsibilities as a member; for misfeasance,	-	
28	nonfeasance in office; or for conduct tending to undermine any decisions of the		
20 29	for conduct exposing the Commission to liability for damages.		
30	(h) Except for malfeasance, members shall not be personally liable, i	n any manner. for	
31	their acts or omissions as members.	,	
32	(i) Each member may continue to serve until a successor has been d	uly appointed and	
33	qualified, but not for more than 60 days beyond the end of the term.	5 11	
34	"Section 5.54. Meetings; Reimbursement; Procedures.		
35	(a) The organization and business of the Commission shall be conduc	ted as provided in	
36	this Article.		
37	(b) Members shall constitute the governing board of the Commission	n and may, among	
38	other things and from time to time, adopt suitable bylaws not inconsistent w	ith the provisions	
39	of this act.		
40	(c) Each member, including the chair, shall have one vote. A majorit	ty of the members	
41	in office shall constitute a quorum, and, unless otherwise provided in this act		
42	Commission shall be determined by a majority vote of the members present	nt and voting in a	
43	duly called meeting at which a quorum is present.		
44	(d) The Commission shall hold meetings at least monthly at such tim		
45	from time to time may designate and at such other times on the call of the	•	
46	members of the Commission; provided, a monthly meeting need not be held	if it is determined	
47	by the chair or seven members that such meeting is not required.	,, <u>,</u> .	
48	(e) Members may receive payment or reimbursement for travel, l		
49 50	expenses incurred in transacting business on behalf of the Commission. M	•	
50	receive free parking at any airport owned, leased, subleased, or controlled by		
51	which members may use for official purposes during the respective member's	term of office.	

1 (f) All meetings and closed sessions of the Commission shall be conducted in 2 accordance with Article 33C of Chapter 143 of the General Statutes as it may be amended or in 3 accordance with any successor statute.

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# "Section 5.55. Officers and Funds.

5 The members of the Commission shall elect annually from their membership a (a) chair, vice-chair, and shall elect a secretary and such other officers as they deem appropriate 6 7 and otherwise provide for the efficient administration of the Commission's affairs; provided, 8 however, the Commission may provide by resolution that the finance officer of the City shall 9 by virtue of that office be also the finance officer of the Commission, and in such case shall 10 serve as such finance officer without additional compensation. All funds of the Commission 11 shall be kept by its treasurer in a separate bank account or accounts from other funds of the City 12 and shall be paid out only in accordance with procedures established by such Commission. 13 Ouarterly operating statements of the Commission and an annual audited statement shall be 14 presented to the Council. The Commission shall be deemed a "special district," as defined in 15 G.S. 159-7, for purposes of the Local Government Budget and Fiscal Control Act and shall 16 budget and administer its fiscal affairs according to the provisions of that act applicable to 17 special districts.

18 (b) The fiscal year of the Commission shall begin on July 1 and end on June 30. On or 19 before May 15 of each year, the Commission shall prepare and adopt a proposed budget for 20 the next ensuing fiscal year and deliver copies of such proposed budget to the Cabarrus, 21 Gaston, Iredell, Lincoln, Mecklenburg, and Union County Boards of Commissioners and the 22 Charlotte City Council. In order to effectuate a seamless start-up of operation of the airport by 23 the Commission, the initial budget of the Commission shall be the budget established by the 24 Council for the Airport for the period July 1, 2013, through June 30, 2014, until the initial 25 budget shall be revised by the Commission. The financial affairs of the Commission shall be 26 governed by the Local Government Finance Act. The Commission shall have full control of the 27 budget of the Airport.

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# "Section 5.56. Powers and Duties.

(a) The Commission shall operate the airport in a proper, efficient, economical, and
business-like manner, to the end that it may effectively serve the public needs for which it was
established at the least cost and expense to the City. To that end, the Commission shall have the
power and authority to do the following:

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- (1) Adopt and from time to time revise an official seal.
- (2) Maintain an office or offices at such place or places as it may designate within Mecklenburg County only.
  - (3) Exercise on behalf of the City within Mecklenburg County all the powers that the City has concerning airports under Chapter 63 of the General Statutes and any other provision of general law, this charter, or other provision of local act applicable to the City, except as limited by this Article.
  - (4) Operate the airport.
- 41 (5) Purchase, acquire, develop, establish, construct, own, control, lease, equip,
  42 improve, administer, maintain, operate, and/or regulate airports and/or
  43 landing fields for the use of airplanes and other aircraft and all facilities
  44 incidental thereto, within the limits of Mecklenburg County; and for any of
  45 such purposes, purchase, acquire, own, develop, hold, lease, sublease, and
  46 operate real and/or personal property comprising such airports.
- 47 (6) Purchase real and personal property.
- 48 (7) Sue and be sued in the name of the Commission.
- 49 (8) In addition to the powers granted by subdivisions (4) and (5) of this
  50 subsection, (i) upon the consent of the governing bodies of such airports, to
  51 acquire by purchase or otherwise and to hold lands for the purpose of

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1 2 3		constructing, maintaining, and/or operating existing Gaston, Iredell, Lincoln, and Union Counties and (ii) agreement of the Boards of County Commissioners	upon the consent and
4 5		Iredell, Lincoln, and Union Counties, to acquire land improvement, extension, enlargement, or equippin	and construct, make
6	( <b>0</b> )	facilities in such counties.	hanaaa inaludina fual
7 8	(9)	Charge and collect fees, royalties, rents, and/or other cl flowage fees, for the use and/or occupancy by person	
8 9 10		other property owned, leased, subleased, or controlled b for services rendered in the operation thereof.	1
10	(10)	Make all reasonable rules and regulations and policies a	e it may from time to
12	(10)	time deem to be necessary, beneficial, or helpful for the	-
12		use, occupancy, operation, and/or control of any airp	1 1
13		owned, leased, subleased, or controlled by the Commis	1
15		enforce civil and criminal penalties for the viola	-
16		regulations, and/or policies; provided that such rules,	
17		and penalties are not in conflict with any applicable law	
18		of the State of North Carolina, the United States, or any	
19		or subdivision of either of them, including the rules a	
20		FAA or the Transportation Security Administration.	C
21	(11)	With the approval of the City, sell, exchange, lease, s	ublease, or otherwise
22		dispose of any property, real or personal, belonging to	the Commission and
23		not needed by the Commission to operate any airport of	1 .
24		it or to generate revenues to pay debt obligations of	
25		grant easements over, through, under, or across any re-	
26		to the Commission, or donate to another governmenta	-
27		Carolina or to the United States any surplus, obsolete	-
28		property; provided Article 12 of Chapter 160A of the	
29 30		not apply and is not applicable to any such sale, exch	ange, lease, sublease,
30 31	(12)	grant, donation, or other disposition. Purchase such insurance and insurance coverages as	the Commission may
31	(12)	from time to time deem to be necessary, beneficial, or h	-
33	(13)	Deposit, invest, and/or reinvest any of its funds as pr	
34	(15)	Government Finance Act for the deposit or investment	-
35	(14)	Operate, own, lease, sublease, control, regulate, and/o	
36	()	right to operate on any airport premises owned, operation	-
37		the Commission, general aviation terminal and fi	· · · ·
38		aircraft deicing equipment and systems, restaurants, sn	ack bars and vending
39		machines, food and beverage dispensing outlets, rental	car services, catering
40		services, novelty shops, insurance sales, advertising	media, merchandise
41		outlets, motels, hotels, barber shops, automobile	parking and storage
42		facilities, automobile service stations, garage servi	
43		picture shows, personal service establishments, and/	• 1
44		facilities, activities, and enterprises as may be directly of	
45		the maintenance and/or furnishing of public comm	ercial service and/or
46	/ <b></b> .	general aviation airport facilities.	c 1, 1, c
47	(15)	Accept grants of money and/or materials or property	
48		existing or future airport facilities from the State of	
49 50		United States, or any agency, department, or subdivisitional states and the EAA or from any private agency, antity	
50 51		including the FAA or from any private agency, entity	-
51		such terms and conditions as may be imposed, and en	ter into contracts and

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		grant agreements with the FAA and/or with any of its agencies, departments, or subdivis or cosponsor of any airport development pr construction, development, reconstruction	sions, in the capacity of sponsor
		enlargement, or equipping of any existing or	-
	(16)	Employ and fix the compensation of an Exe	
		at the pleasure of the Commission or	
	(17)	employment contract awarded by the Commis affairs of the Commission under the supervis	sion of the Commission.
	(17)	Employ, or provide for the employment of su Director, including law enforcement officers	s, as the Commission may from
	(10)	time to time deem to be necessary, beneficial	· •
	(18)	Employ, hire, retain, or contract with such se	
		time to time be deemed by the Commission helpful. In order to effectuate a seamless to	•
		ownership and operation by the City of C	-
		operation by the Commission, the Commiss	
		all existing contracts between the City and	
		engaged to assist the City with respect to the	1 0
(b)	) As pr	ovided by general law, it shall be the responsil	1
its Co	uncil for a	ll issuance of revenue bonds and/or refunding	g revenue bonds pursuant to the
		Government Revenue Bond Act, Article 5	-
		ance of general obligation debt pursuant to th	
		apter 159 of the General Statutes, and all pur	
		The Commission shall keep the City Manager	and Council promptly appraised
•	of any future need for such actions. "Section 5.57. Eminent Domain.		
			t domain Any eminent domain
	The Commission may not exercise any powers of eminent domain. Any eminent domain with respect to acquisition of property for airport purposes shall be exercised by the City.		
		3. Exemptions; Taxes.	
		sion has the same exemptions with respect to p	ayment of taxes and license fees
		he City by the laws of this State. The Commiss	-
tax.			
"S		9. Funds and Property.	
(a)		Commission shall have control, on behalf of th	
-		s, and all other property held or owned by the	•
	-	or personal, tangible or intangible, and includ vestment, and demand deposit bank accounts l	-
	0,	revenues of the Airport, including, without	
		posit in or with respect to the Discretionary Fund	
	-	ting Fund, the Bond Funds, the Debt Service	
	-	ects Funds, Passenger Facility Charges, Contrac	
		ints of the City with respect to the Airport. T	
		s to servants and employees of the Commission	1
		Revenue Bonds, and including, without lim	
obliga	tions unde	er the Revenue Bond Order adopted Nover	mber 18, 1985, and all Series
	Resolutions issued under the Bond Order, the Special Facility Bond Order adopted May 11,		
1987,	1987, and all Series Resolutions adopted under the Special Facility Bond Order, and the		
	Taxable Special Facility Revenue Bonds (Consolidated Car Rental Facilities Project) Series		
	-	•	
2011	General Tr	Facility Revenue Bonds (Consolidated Car I rust Indenture and the Series Indenture, Num reements and understandings with respect to tru	ber 1, both dated November 1,

1 City's airport revenue bonds, letters of credit, or other credit facilities of the City with respect to 2 airport revenue bonds, and all leases, licenses, options to purchase, and other encumbrances on 3 the Airport Property and Airport Facilities, whether or not those encumbrances are recorded. 4 Any such payments shall be made by the City through the Commission under the terms of such 5 contracts first with funds under the jurisdiction of the Commission. This act does not affect the 6 title of any property. If the property was titled to the City of Charlotte prior to enactment of this 7 Article, that title remains with the City. 8 (b) The Commission acts on behalf of the City with respect to all rights, duties, and 9 obligations of the City in any commercial or development agreements pertaining to or related to 10 the Airport Property and Airport Facilities that are in effect at the time of the transfer, and any 11 commercial agreements, development agreements, and other contracts of the City pertaining to 12 or related to the Airport Property and Airport Facilities that are in effect on enactment of this 13 Article remain in effect. 14 (c) The Commission, on behalf of the City, shall: Honor and be bound by all pending or executory land or real property 15 (1)purchase contracts by the City with respect to property and lands to be 16 17 acquired for and in connection with the Airport. Honor and be bound by all existing rules and regulations of the Aviation 18 (2)19 Department of the City of Charlotte with respect to the Airport, including the 20 Airport Security Plan, until such rules and regulations shall be amended by 21 the Commission in accordance with the provisions of this Article. 22 (3) Honor and be bound by all existing contracts of the City with third-party 23 concessionaires and management contractors with respect to the Airport. 24 (4) Honor and be bound by all existing contracts and grant agreements of the 25 City with respect to the Airport. 26 (5) Be deemed as a matter of law to have appointed as its initial Executive 27 Director the Aviation Director of the City of Charlotte as of February 14, 28 2013, with initial compensation and benefits of the initial Executive Director 29 being the same compensation and benefits as were being received from the 30 City of Charlotte on February 14, 2013, and the initial Executive Director 31 shall be entitled as a matter of law to the continuation of the rights and 32 benefits extended to him or her under the existing retirement system of the 33 City. 34 Be deemed as a matter of law to have adopted initially the employment and (6) 35 human resources policies of the Commission, such policies of the City as 36 they applied to employees of the Airport on the effective date of this Article, 37 and the Commission shall be deemed to have adopted the current employee 38 handbook of the City applicable to the Airport until the Commission adopts 39 different policies or a different employee handbook. 40 "Section 5.60. Assistance by City. 41 Upon the request of the Executive Director of the Commission, the City shall continue to 42 provide such services to the Commission as it currently provides to the Airport Department and 43 shall receive as compensation therefor from the Commission such amount as is appropriate for 44 such services as provided by OMB Circular A-87 until the Commission shall direct the City to 45 terminate such services. 46 "Section 5.61. Employees. 47 The employees assigned to the City's Aviation Department or under the direction of (a) 48 the Aviation Director as of the date of enactment of this Article are administratively assigned to

49 the Commission and shall be employed in accordance with this Article as provided by Section 50 5.56 of this Charten and communicated by the Commission (the "Aimart Employees")

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1 2	(b) Following the time this bill becomes law, the Airport Employees shall continue to receive, until provided otherwise by the Commission through the adoption of new personnel		
$\frac{2}{3}$	policies as provided by this Article, all employment benefits currently available to the Airport		
4	Employees, including, but not limited to, health care benefits, retirement benefits, disability		
5	insurance, life insurance, and accrued time off or leave, and the Commission shall promptly		
6	reimburse the City the costs of providing such benefits.		
7	"Section 5.61A. Annual Reports.		
8	The Commission shall make annual reports to the Cabarrus, Gaston, Iredell, Lincoln,		
9	Mecklenburg, and Union County Boards of Commissioners and the Council setting forth a		
10	summary of its general operations and transactions conducted by it pursuant to this Article.		
11	"Section 5.62. Statutory Construction.		
12	The powers of the Commission created by this Article shall be construed liberally in favor		
13	of the Commission. No listing of powers included in this Article is intended to be exclusive or		
14	restrictive, and the specific mention of, or failure to mention, particular powers in this act shall		
15	not be construed as limiting in any way the general powers of the Commission as stated in		
16	Section 5.56 of this Charter. It is the intent of this Article to grant the Commission full power		
17	and right to exercise all authority necessary for the effective operation and conduct of the		
18 19	Commission. It is further intended that the Commission should have all implied powers		
19 20	necessary or incidental to carrying out the expressed powers and the expressed purposes for which the Commission is created. The fact that this Article specifically states that the		
20	Commission possesses a certain power does not mean that the Commission must exercise such		
22	power unless this Article specifically so requires.		
23	"Section 5.63. Initial Guidance.		
24	In its initial decisions, the Commission shall consider the consultant recommendations		
25	made to the City in 2013 concerning governance of the Airport."		
26	SECTION 4.(a) There is created as an agency of the City of Charlotte the		
27	Charlotte Douglas International Airport Oversight Committee (Committee), which shall consist		
28	of five members appointed as follows:		
29	(1) One by the Governor.		
30	(2) One by the President Pro Tempore of the Senate.		
31	(3) One by the Speaker of the House of Representatives.		
32	<ul> <li>(4) One by the Mayor of the City of Charlotte.</li> <li>(5) One by the City of Charlotte.</li> </ul>		
33	(5) One by the City Council of the City of Charlotte.		
34 25	<b>SECTION 4.(b)</b> The Committee shall monitor the actions of the Charlotte Douglas		
35 36	International Airport Commission (Commission) established by this act and make regular reports and recommendations, if needed (including, but not limited to, an interim report in June		
30 37	of 2014 and a final report in June of 2015) to the Mayor and City Council on the following		
38	points:		
39	(1) Whether the Charlotte Douglas International Airport (Airport) continues to		
40	be one of the best performing and lowest cost major hub airports.		
41	(2) Whether that Airport finances are completely separate from those of the		
42	State or of any local government.		
43	(3) Whether the Airport contracts and pays for only the services it needs and		
44	uses, including services from the State or from any local government.		
45	(4) Whether the Airport continues to have a compensation system that enables it		
46	to attract and retain top talent.		
47	(5) Whether the operations of the Commission comply with the provisions of		
48	this act.		
49 50	<b>SECTION 4.(c)</b> The initial meeting of the Committee shall be called by the		
50 51	mayoral appointee or by any three members. A quorum is three members. The Committee may		
51	adopt other rules of procedure that do not conflict with State law.		

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1 SECTION 4.(d) This section expires and the Committee terminates July 1, 2015. 2 SECTION 5. If any provision of this act or its application is held invalid, the 3 invalidity does not affect other provisions or applications of this act that can be given effect 4 without the invalid provisions or application, and to this end the provisions of this act are 5 severable. 6

**SECTION 6.** This act is effective when it becomes law.