

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013**

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Short Title: Charlotte Douglas International Airport.

(Local)

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Sponsors:

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Referred to:

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February 14, 2013

A BILL TO BE ENTITLED

AN ACT TO CREATE THE CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT  
AUTHORITY.

The General Assembly of North Carolina enacts:

**SECTION 1.** This act shall be known and may be cited as the "Charlotte Douglas International Airport Authority Act."

**SECTION 2.** There is hereby created the Charlotte Douglas International Airport Authority, which shall be a body corporate and politic, having the powers, authority, and jurisdiction hereinafter enumerated and such other and additional powers and authority as shall be conferred upon it by future acts of the General Assembly.

**SECTION 3.** Unless the context requires otherwise, the following definitions apply throughout this act to the defined words and phrases and their cognates:

- (1) "Airport" means Charlotte Douglas International Airport in Mecklenburg County.
- (2) "Airport Facilities" means airport facilities of all kinds, including, but not limited to, landing fields, hangars, fixed base operations, shops, restaurants and catering facilities, terminals, buildings, automobile parking facilities, and all other facilities necessary, beneficial, and/or helpful for the landing, taking off, operating, servicing, repairing, and parking of aircraft, the loading, unloading, and handling of cargo and mail, express and freight, and the accommodation, convenience, and comfort of crews and passengers, together with related transportation facilities, all necessary, beneficial, and/or helpful appurtenances, machinery, and equipment, and all lands, properties, rights, easements, and franchises relating thereto and considered necessary, beneficial, and/or helpful by the Authority in connection therewith.
- (3) "Airport Property" means all the real property and improvements thereto designated as airport property on the Airport Layout Plan or Airport



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1 Development Plan of the Airport conditionally approved by the FAA on  
2 February 13, 2013.

3 (4) "Appointing Authorities" means the entities described in Section 4(a) of this  
4 act who are empowered to appoint Members of the Authority and referred to  
5 collectively as "Appointing Authorities" and individually as "Appointing  
6 Authority."

7 (5) "Authority" means the Charlotte Douglas International Airport Authority  
8 created by this act or, if such Authority is abolished or otherwise ceases to  
9 exist, the authority, board, body, commission, or other entity succeeding to  
10 the principal functions thereof.

11 (6) "FAA" means the Federal Aviation Administration or any successor agency.

12 (7) "Member" means an individual who is appointed to the Authority, as  
13 provided by this act.

14 (8) "Servants" means accountants, auditors, agents, contractors, design  
15 professionals, attorneys, and other persons and entities whose services may  
16 from time to time be deemed by the Authority to be necessary, beneficial, or  
17 helpful.

18 **SECTION 4.(a)** The Authority shall consist of 11 members appointed as follows:

19 (1) Two registered voters of the City of Charlotte appointed by the Mayor, at  
20 least one of whom shall be a resident of the west side of the City of  
21 Charlotte.

22 (2) Two registered voters of the City of Charlotte appointed by the City Council,  
23 at least one of whom shall be a resident of the west side of the City of  
24 Charlotte.

25 (3) One registered voter of Mecklenburg County appointed by the Mecklenburg  
26 County Board of Commissioners.

27 (4) One registered voter of Cabarrus County appointed by the Cabarrus County  
28 Board of Commissioners.

29 (5) One registered voter of Gaston County appointed by the Gaston County  
30 Board of Commissioners.

31 (6) One registered voter of Iredell County appointed by the Iredell County  
32 Board of Commissioners.

33 (7) One registered voter of Lincoln County appointed by the Lincoln County  
34 Board of Commissioners.

35 (8) One registered voter of Union County appointed by the Union County Board  
36 of Commissioners.

37 (9) One member appointed by the other 10 members.

38 In order to effectuate a seamless transfer of the Airport from the ownership and  
39 operation of the City of Charlotte to the ownership and operation by the Authority, and to give  
40 the Appointing Authorities time to consider candidates for and to appoint members as provided  
41 herein, the initial Members of the Authority from the time this act becomes law shall be the  
42 members of the Airport Advisory Committee of the City of Charlotte who shall serve only until  
43 six Members shall have been appointed by the Appointing Authorities and qualified by taking  
44 their oath of office. The powers of the Airport Advisory Committee serving as initial members  
45 shall be limited to ministerial acts, and no employment or management contracts shall be  
46 awarded or entered into by the initial Members, and any such contracts as the initial Members  
47 shall award or enter into shall not be effective or binding on the Members selected by the  
48 Appointing Authorities; provided, however, the initial Members may take such actions as are  
49 appropriate in accordance with Section 11 of this act. The Appointing Authorities shall appoint  
50 initial members no later than October 1, 2013. The Authority shall appoint the 11th member no

1 later than December 1, 2013. Members, when practical, shall have experience in aviation,  
2 logistics, construction and/or facilities management, law, accounting, and/or finance.

3 **SECTION 4.(a1)** No person may be appointed as a member who:

- 4 (1) Is employed by a Servant of the Authority as defined in Section 3 of this act;
- 5 (2) Is a tenant or employee of a tenant of an airport owned, operated, or  
6 controlled by the Authority, or other commercial user or employee of a  
7 commercial user of any airport operated by the Authority; or
- 8 (3) Has been convicted of a felony or a crime of moral turpitude.

9 **SECTION 4.(b)** Members shall serve four-year terms and may serve up to a total  
10 of two successive four-year terms. A member who has reached this limit may not be  
11 reappointed to the Authority except after a lapse of four years following the most recent term  
12 served. In the event a member is appointed to fill an unexpired term, and at least two years of  
13 the unexpired term remain to be served, such appointment shall be counted in applying the  
14 two-term limit; otherwise, it shall not be counted. In order to ensure that the terms of all members  
15 of the Authority do not expire at the same time, the initial terms of the members of the  
16 Authority, appointed by the Counties of Cabarrus, Gaston, Iredell, Lincoln, Mecklenburg, and  
17 Union, shall be for two years. All initial four-year terms expire December 31, 2017, and all  
18 initial two-year terms expire December 31, 2015.

19 **SECTION 4.(c)** Any vacancy occurring among the membership of the Authority  
20 shall be filled within 60 days after notice thereof by the appointment of a successor by the  
21 Appointing Authority of the previous member. Such successor member shall serve for the  
22 remainder of the unexpired term.

23 **SECTION 4.(d)** Members and their successors shall take and subscribe to an oath  
24 of office before an officer authorized to administer oaths, which oath shall be filed with the  
25 Authority.

26 **SECTION 4.(e)** Any member may be suspended or removed from office by that  
27 member's Appointing Authority or a majority vote of the other members for cause affecting  
28 that member's duties and responsibilities as a member; for misfeasance, malfeasance, or  
29 nonfeasance in office; or for conduct tending to undermine any decisions of the Authority, or  
30 for conduct exposing the Authority to liability for damages.

31 **SECTION 4.(f)** Except for malfeasance, members shall not be personally liable, in  
32 any manner, for their acts or omissions as members.

33 **SECTION 4.(g)** Each member may continue to serve until a successor has been  
34 duly appointed and qualified, but not for more than 60 days beyond the end of the term.

35 **SECTION 5.(a)** The organization and business of the Authority shall be conducted  
36 as provided in this act.

37 **SECTION 5.(b)** Members shall constitute the governing board of the Authority  
38 and may, among other things and from time to time, adopt suitable bylaws not inconsistent with  
39 the provisions of this act.

40 **SECTION 5.(c)** The Authority shall appoint from its members a chair, vice-chair,  
41 and such other officers as it may from time to time deem necessary, beneficial, and/or helpful  
42 for the orderly conduct of its business. The term of office of the chair and vice-chair is one  
43 year.

44 **SECTION 5.(d)** Each member, including the chair, shall have one vote. A majority  
45 of the members in office shall constitute a quorum, and, unless otherwise provided in this act,  
46 all actions of the Authority shall be determined by a majority vote of the members present and  
47 voting in a duly called meeting at which a quorum is present.

48 **SECTION 5.(e)** The Authority shall hold meetings at least monthly at such times  
49 and places as it from time to time may designate and at such other times on the call of the chair  
50 or by seven members of the Authority; provided a monthly meeting need not be held if it is

1 determined by the chair or seven members that such meeting is not required. Notice of  
2 meetings shall be provided as required by Article 33C of Chapter 143 of the General Statutes.

3 **SECTION 5.(f)** Members may receive payment or reimbursement for travel,  
4 lodging, and meal expenses incurred in transacting business on behalf of the Authority.  
5 Members may also receive free parking at any airport owned, leased, subleased, or controlled  
6 by the Authority, which members may use for official purposes during the respective member's  
7 term of office.

8 **SECTION 5.(g)** The fiscal year of the Authority shall begin on July 1 and end on  
9 June 30. On or before May 15 of each year, the Authority shall prepare and adopt a proposed  
10 budget for the next ensuing fiscal year and deliver copies of such proposed budget to the  
11 Cabarrus, Gaston, Iredell, Lincoln, Mecklenburg, and Union County Boards of Commissioners  
12 and the Charlotte City Council. In order to effectuate a seamless transfer of the Airport from the  
13 ownership and operation by the City of Charlotte to the ownership and operation by the  
14 Authority, the initial budget of the Authority shall be the budget established by the City  
15 Council of the City of Charlotte for the Airport for the period July 1, 2013, through June 30,  
16 2014, until the initial budget shall be revised by the Authority. The financial affairs of the  
17 Authority shall be governed by the Local Government Finance Act.

18 **SECTION 5.(h)** All meetings and closed sessions of the Authority shall be  
19 conducted in accordance with Article 33C of Chapter 143 of the General Statutes as it may be  
20 amended or in accordance with any successor statute.

21 **SECTION 6.(a)** The Authority shall constitute a body, both corporate and politic,  
22 and shall have the power and authority to do the following:

- 23 (1) Adopt and from time to time revise an official seal.
- 24 (2) Maintain an office or offices at such place or places as it may designate  
25 within Mecklenburg County only.
- 26 (3) Purchase, acquire, develop, establish, construct, own, control, lease, equip,  
27 improve, administer, maintain, operate, and/or regulate airports and/or  
28 landing fields for the use of airplanes and other aircraft and all facilities  
29 incidental thereto, within the limits of Mecklenburg County; and for any of  
30 such purposes, purchase, acquire, own, develop, hold, lease, sublease, and  
31 operate real and/or personal property comprising such airports.
- 32 (4) Purchase real and personal property.
- 33 (5) Sue and be sued in the name of the Authority.
- 34 (6) In addition to the powers granted by subdivision (3) of this subsection, (i)  
35 upon the consent of the governing bodies of such airports, to acquire by  
36 purchase or otherwise and to hold lands for the purpose of constructing,  
37 maintaining, and/or operating existing airports in Cabarrus, Gaston, Iredell,  
38 Lincoln, and Union Counties and (ii) upon the consent and agreement of the  
39 Board of county commissioners of Cabarrus, Gaston, Iredell, Lincoln, and  
40 Union Counties, to acquire land and construct, make improvement,  
41 extension, enlargement, or equipping of future airport facilities in such  
42 counties.
- 43 (7) Charge and collect fees, royalties, rents, and/or other charges, including fuel  
44 flowage fees, for the use and/or occupancy by persons of the airports and  
45 other property owned, leased, subleased or controlled by the Authority or for  
46 services rendered in the operation thereof.
- 47 (8) Make all reasonable rules and regulations, and policies as it may from time  
48 to time deem to be necessary, beneficial or helpful for the proper  
49 maintenance, use, occupancy, operation and/or control of any airport or  
50 airport facility owned, leased, subleased, or controlled by the Authority and  
51 provide and enforce civil and criminal penalties for the violation of such

1 rules, regulations and/or policies; provided that such rules, regulations,  
2 policies, and penalties are not in conflict with any applicable law, rules or  
3 regulation of the State of North Carolina, the United States, or any agency,  
4 department, or subdivision of either of them, including the rules and  
5 regulations of the FAA or the Transportation Security Administration.

6 (9) Sell, exchange, lease, sublease, or otherwise dispose of any property, real or  
7 personal, belonging to the Authority and not needed by the Authority to  
8 operate any airport owned or operated by it or to generate revenues to pay  
9 debt obligations of the Authority, or grant easements over, through, under, or  
10 across any real property belonging to the Authority, or donate to another  
11 governmental entity within North Carolina or to the United States any  
12 surplus, obsolete, or unused personal property; provided Article 12 of  
13 Chapter 160A of the General Statutes does not apply and is not applicable to  
14 any such sale, exchange, lease, sublease, grant, donation, or other  
15 disposition.

16 (10) Purchase such insurance and insurance coverages as the Authority may from  
17 time to time deem to be necessary, beneficial, or helpful.

18 (11) Deposit, invest, and/or reinvest any of its funds as provided by the Local  
19 Government Finance Act for the deposit or investment of unit funds.

20 (12) Issue revenue bonds and/or refunding revenue bonds pursuant to the State  
21 and Local Government Revenue Bond Act, Article 5 of Chapter 159 of the  
22 General Statutes.

23 (13) Purchase any of its outstanding bonds or notes.

24 (14) Operate, own, lease, sublease, control, regulate, and/or grant to others the  
25 right to operate on any airport premises owned, operated, or controlled by  
26 the Authority, general aviation terminal and fixed base operations, aircraft  
27 deicing equipments and systems, restaurants, snack bars and vending  
28 machines, food and beverage dispensing outlets, rental car services, catering  
29 services, novelty shops insurance sales, advertising media, merchandise  
30 outlets, motels, hotels, barber shops, automobile parking and storage  
31 facilities, automobile service stations, garage service facilities, motion  
32 picture shows, personal service establishments, and/or all other types of  
33 facilities, activities, and enterprises as may be directly or indirectly related  
34 to the maintenance and/or furnishing of public commercial service and/or  
35 general aviation airport facilities.

36 (15) Accept grants of money and/or materials or property of any kind for any  
37 existing or future airport facilities from the State of North Carolina, the  
38 United States, or any agency, department or subdivision of either of them,  
39 including the FAA or from any private agency, entity, or individual, upon  
40 such terms and conditions as may be imposed, and enter into contracts and  
41 grant agreements with the FAA and/or with the State of North Carolina or  
42 any of its agencies, departments or subdivisions, in the capacity of sponsor  
43 or cosponsor of any airport development project involving the acquisition,  
44 construction, development, reconstruction, improvement, extension,  
45 enlargement, or equipping of any existing or future airport facilities.

46 (16) Employ and fix the compensation of an Executive Director, who shall serve  
47 at the pleasure of the Authority or pursuant to the terms of an employment  
48 contract awarded by the Authority and who shall manage the affairs of the  
49 Authority under the supervision of the Authority.

50 (17) Employ, or provide for the employment of such employees, including law  
51 enforcement officers, as the Authority may from time to time deem to be

1 necessary, beneficial, or helpful. All such employees shall be employees at  
2 will, and no such employee shall have a defined or definite term of  
3 employment, an expectation of continued employment, or an expectation of  
4 continued indefinite employment.

5 (18) Employ, hire, retain, or contract with such Servants whose services may  
6 from time to time be deemed by the Authority to be necessary, beneficial, or  
7 helpful. In order to effectuate a seamless transfer of the Airport from the  
8 ownership and operation by the City of Charlotte to the ownership and  
9 operation by the Authority, the Authority will honor and be bound by all  
10 existing contracts between the City and such Servants as presently are  
11 engaged to assist the City with respect to the Airport.

12 (19) Make or cause to be made such surveys, investigations, studies, borings,  
13 maps, plans, drawings, and/or estimates of cost and revenues as the  
14 Authority may from time to time deem necessary, beneficial, or helpful and  
15 prepare and adopt a comprehensive plan or plans for the location,  
16 construction, improvement, and development of any project.

17 (20) Undertake and/or enter into leases, subleases, agreements, easements, and  
18 contracts, and/or grant concessions, with respect to alternative energy,  
19 energy conservation, energy reduction, and/or renewable energy activities,  
20 programs, projects, and/or ventures, and the administration, construction,  
21 development, enlargement, equipment, improvement, maintenance,  
22 management, operation, regulation, and/or repair thereof.

23 (21) Exercise the power of eminent domain, pursuant to Article 3 of Chapter 40A  
24 of the General Statutes to expand the boundaries of an airport already  
25 owned, operated, or controlled by the Authority or to comply with the  
26 requirements of the United States and the FAA with respect to such airport,  
27 but only for public use as a public airport purpose. For the purposes of  
28 Chapter 40A of the General Statutes, the Authority is a public condemnor  
29 under G.S. 40A-3(c). In the exercise of its authority of eminent domain for  
30 the acquisition of property to be used for public airports, the authority is  
31 authorized to use the procedure and authority prescribed in Article 9 of  
32 Chapter 136 of the General Statutes, as now written or hereafter amended.  
33 For the purposes of this paragraph, whenever a reference is made in Article 9  
34 of Chapter 136 of the General statutes to an official of the State of North  
35 Carolina, the Executive Director of the Authority shall be deemed to be such  
36 an official. The exercise of the power of eminent domain of the authority  
37 shall be restricted as follows:

38 a. No such power of eminent domain shall exist except as to property  
39 that is contiguous to property of an airport already owned, operated,  
40 or controlled by the Authority; provided that the contiguity of such  
41 property to existing airport property shall not be deemed to be  
42 interrupted by a railroad or public roadway or waterway running with  
43 or adjacent to the boundary of such existing airport property;

44 b. No such power of eminent domain shall be used for a purpose that is  
45 not necessary for the operation or expansion or to comply with FAA  
46 regulations or requirements for or provide protection from or to  
47 ameliorate noncompatible land uses of property that is contiguous to  
48 property of an airport already owned, operated, or controlled by the  
49 Authority;

50 c. No such power of eminent domain shall exist to condemn property  
51 for such uses as hotels, motels, restaurants, or industrial parks; and

1 d. No such power of eminent domain shall exist with respect to  
2 property already publically owned and dedicated to public use.

3 (22) Exercise all of the powers conferred by Chapter 63 of the General Statutes or  
4 any successor Chapter or law.

5 **SECTION 6.(b)** The Authority has the same exemptions with respect to payment  
6 of taxes and license fees as provided for municipal corporations by the laws of the State of  
7 North Carolina.

8 **SECTION 7.(a)** The Authority may acquire from the County of Mecklenburg and  
9 the City of Charlotte, by agreement therewith, and such County and City may grant and  
10 convey, either by gift or for such consideration as allowed by federal law and as it may be  
11 deemed wise, any real and/or personal property which it now owns or may hereafter acquire,  
12 and which may be necessary, beneficial, or helpful for the construction, development,  
13 operation, and/or maintenance of any airport or facilities of same located in the County of  
14 Mecklenburg. If any such airport ceases to operate or if the Authority is dissolved or otherwise  
15 ceases to exist, any applicable real property of the County of Mecklenburg or the City of  
16 Charlotte conveyed or transferred to the Authority under this act shall revert to the grantor.

17 **SECTION 7.(b1)** All right, title, and interest of the City of Charlotte in and to the  
18 Airport Property, Airport Facilities, and Charlotte Douglas International Airport shall be  
19 deemed to have been transferred to the Authority as a matter of law when this act becomes law,  
20 and no action by the City shall be necessary to effect such transfer nor be effective to prevent  
21 such transfer. Thereafter, this act shall serve as evidence of chain of title of the Authority to  
22 such Airport Property and Airport Facilities. The transfer is deemed to include the Airport  
23 Property, Airport Facilities, and all other property held or owned by the City of Charlotte with  
24 respect to the Airport, real or personal, tangible or intangible, and includes all cash and cash  
25 equivalents and checking, investment, and demand deposit bank accounts held by the City  
26 pertaining to or generated from revenues of the Airport, including, without limiting the  
27 generality hereof, amounts on deposit in or with respect to the Discretionary Fund, the Cannon  
28 Fund, the Revenue Fund, the Operating Fund, the Bond Funds, the Debt Service Funds, the  
29 Construction Funds, the Capital Projects Funds, the Discretionary Fund, Passenger Facility  
30 Charges, Contract Facility Charges, and all other funds and accounts of the City with respect to  
31 the Airport. Upon such transfer from the City to the Authority, the Authority will be and is  
32 hereby deemed to have assumed and become successor to the City of Charlotte, and is hereby  
33 deemed to have assumed and become successor to the City with respect to the FAA Part 139  
34 Certificate, the FAA Sponsor's Assurances entered into by the City with the FAA, and all  
35 liabilities of the City with respect to and arising out of its ownership and operation of the  
36 Airport, including the City's obligations to servants and employees of the Authority and  
37 bondholders of the City's General Airport Revenue Bonds, and including, without limiting the  
38 generality hereof, the obligations under the Revenue Bond Order adopted November 18, 1985,  
39 and all Series Resolutions issued under the Bond Order, the Special Facility Bond Order  
40 adopted May 11, 1987, and all Series Resolutions adopted under the Special Facility Bond  
41 Order, and the Taxable Special Facility Revenue Bonds (Consolidated Car Rental Facilities  
42 Project) Series 2011 General Trust Indenture and the Series Indenture, Number 1, both dated  
43 November 1, 2011, and all agreements and understandings with respect to trustee(s) or paying  
44 agent(s) of the City's airport revenue bonds, letters of credit or other credit facilities of the City  
45 with respect to airport revenue bonds, and all leases, licenses, options to purchase, and other  
46 encumbrances on the Airport Property and Airport Facilities, whether or not those  
47 encumbrances are recorded. Upon transfer of the Airport Property and Airport Facilities, the  
48 Authority assumes and becomes the successor to the City of Charlotte with respect to all rights,  
49 duties, and obligations of the City of Charlotte in any commercial or development agreements  
50 pertaining to or related to the Airport Property and Airport Facilities that are in effect at the  
51 time of the transfer, and any commercial agreements, development agreements, and other

1 contracts of the City of Charlotte pertaining to or related to the Airport Property and Airport  
2 Facilities that are in effect at the time of the transfer, including without limitation any contracts  
3 of insurance, shall remain in full force and effect after the transfer.

4 **SECTION 7.(b2)** In order to effectuate a seamless transfer of the Airport from the  
5 ownership and operation by the City of Charlotte to the ownership and operation by the  
6 Authority, the Authority shall initially:

- 7 (1) Honor and be bound by all pending or executory land or real property  
8 purchase contracts by the City of Charlotte with respect to property and  
9 lands to be acquired for and in connection with the Airport.
- 10 (2) Honor and be bound by all existing rules and regulations of the Aviation  
11 Department of the City of Charlotte with respect to the Airport, including the  
12 Airport Security Plan, until such rules and regulations shall be amended by  
13 the Authority in accordance with the provisions of this act.
- 14 (3) Honor and be bound by all existing contracts of the City of Charlotte with  
15 third-party concessionaires and management contractors with respect to the  
16 Airport.
- 17 (4) Honor and be bound by all existing contracts and grant agreements of the  
18 City of Charlotte with respect to the Airport.
- 19 (5) Be deemed as a matter of law to have appointed as its initial Executive  
20 Director the Aviation Director of the City of Charlotte as of February 14,  
21 2013, with initial compensation and benefits of the initial Executive  
22 Director, being the same compensation and benefits as were being received  
23 from the City of Charlotte on February 14, 2013, and the initial Executive  
24 Director shall be entitled as a matter of law to the continuation of the rights  
25 and benefits extended to him under the existing retirement system of the City  
26 of Charlotte.
- 27 (6) Be deemed as a matter of law to have adopted initially the employment and  
28 human resources policies of the Authority, such policies of the City of  
29 Charlotte as they apply to employees of the Airport, and the Authority shall  
30 be deemed to have adopted the current employee handbook of the City of  
31 Charlotte applicable to the Airport until the Authority adopt different  
32 policies or a different employee handbook.
- 33 (7) Honor and be bound by all existing contracts of the City with respect to the  
34 matters described in subdivision (20) of subsection (a) of Section 6 of this  
35 act.

36 **SECTION 7.(b3)** Upon the request of the Executive Director of the Authority, the  
37 City of Charlotte shall continue to provide such administrative services to the Authority as it  
38 currently provides and shall receive as compensation therefor from the Authority such amount  
39 as is appropriate for such services as provided by OMB Circular A-87 until the Authority shall  
40 direct the City to terminate such services.

41 **SECTION 7.(b4)** From the enactment of this act until December 31, 2013, unless  
42 earlier terminated by the agreement of the City and Authority (the "Employee Transition  
43 Period"), the City shall continue to employ, subject to the provisions of this subsection, the  
44 employees of the City's Aviation Department and under the direction of the Aviation Director  
45 as of the date of this act (the "Airport Employees"), and the Authority shall lease the Airport  
46 Employees from the City. The City shall provide the following services in support of the  
47 Authority's lease of the Airport Employees, upon the terms and compensation set forth in this  
48 section, and the following provisions of this section shall be applicable during the Employee  
49 Transition Period:

- 50 (1) During the Employee Transition Period, the Airport Employees shall be  
51 employees of the City and not of the Authority. The City shall be responsible



1 for all matters related to the payment of federal, State, and local payroll  
2 taxes, workers' compensation insurance or self-insurance under Chapter 97  
3 of the General Statutes, salaries, and benefits, including health care and  
4 retirement benefits, for Airport Employees. The Airport Employees shall be  
5 directed by the City to perform work in a manner that meets the standards  
6 established by the Authority and that conforms to the Authority's policies,  
7 procedures, practices, and rules with respect to the Airport's operation. The  
8 Airport Employees shall be subject to all of the City's employment-related  
9 policies, as in effect from time to time (such as policies relating to terms of  
10 employment and eligibility for employee benefits). The City, as the  
11 employer, shall have ultimate control over the Airport Employees during the  
12 Employee Transition Period, including, but not limited to, the right to  
13 terminate the employment of any Airport Employee. Notwithstanding the  
14 foregoing, the Authority may at any time request the removal of any specific  
15 Airport Employee if, in the good-faith judgment of the Authority, removal  
16 would be in the best interests of the operation of the Airport. In such event,  
17 the City will remove any such person within a reasonable time, subject to  
18 compliance with applicable personnel policies and procedures, applicable  
19 law, and the City's ability to secure a replacement reasonably acceptable to  
20 the Authority.

21 (2) The City shall process the payroll for the Airport Employees during the  
22 Employee Transition Period. As consideration for such service and the lease  
23 of the Airport Employees, the Authority shall compensate the City by  
24 reimbursing the City the cost of all salaries, wages, bonuses, and benefits,  
25 including health care and retirement benefits, of the Airport Employees for  
26 their time worked during the Employee Transition Period and as required by  
27 law, as well as administrative costs incurred in processing such payroll.  
28 Upon the City's request, the Authority shall transfer to and deposit with the  
29 City sufficient funds to process payroll for Airport Employees in advance of  
30 each payroll date during the Employee Transition Period. At the conclusion  
31 of the Employee Transition Period, the City shall then refund the Authority  
32 any portion of such advance payments not used to process the payroll for the  
33 Airport Employees.

34 (3) During the Employee Transition Period, the City shall continue to provide  
35 all employment benefits currently available to the Airport Employees,  
36 including, but not limited to, health care benefits, retirement benefits,  
37 disability insurance, life insurance, and accrued time off or leave, and the  
38 Authority shall promptly reimburse the City the costs of providing such  
39 benefits.

40 (4) During the Employee Transition Period, the City shall keep in full force and  
41 effect workers' compensation insurance, self-insurance under Chapter 97 of  
42 the General Statutes, and any other insurance policy concerning the Airport  
43 Employees, and the Authority shall promptly reimburse the City the costs of  
44 maintaining such insurance.

45 (5) The Authority shall indemnify, defend, and hold harmless the City from and  
46 against any and all losses and expenses incurred as a result of or in  
47 connection with any action or inaction taken by the Authority with respect to  
48 the Airport Employees during the Employee Transition Period, unless  
49 caused by the gross negligent action or willful misconduct of the City.

50 (6) On January 1, 2014, or upon the earlier termination of the Employee  
51 Transition Period as provided in this subsection, the City shall terminate the

1 employment of all Airport Employees, and the Authority shall be deemed to  
2 have hired the Airport Employees as of that date as the initial employees of  
3 the Authority. The initial terms of employment, compensation, and benefits  
4 of the Airport Employees under their employment with the Authority shall  
5 be the same as those provided or made available to them by the City of  
6 Charlotte as of December 31, 2013, or as of the earlier termination of the  
7 Employee Transition Period if terminated by agreement of the City and the  
8 Authority as provided in this subsection.

9 **SECTION 7.(c)** Property needed by the Authority for any airport, landing field, or  
10 facility may be acquired by the Authority by gift, devise, or purchase. Aviation easements  
11 needed by the Authority for any airport, landing field, or facility may likewise be acquired by  
12 gift, devise, or purchase.

13 **SECTION 7.(d)** Any lands acquired, owned, controlled, or occupied by the  
14 Authority shall and/or are hereby declared to be acquired, owned, controlled, and occupied for  
15 a public purpose.

16 **SECTION 7.(e)** The Authority is not authorized to levy any tax.

17 **SECTION 7.(f)** In consideration of the transfer of the Airport Property and Airport  
18 assets and liabilities to the Authority pursuant to Section 7(b1) of this act, and subject to the  
19 approval of the FAA, the Authority shall agree to pay to the City as compensation therefor, the  
20 amount equal to the unreimbursed or unrecovered cost to the City of acquiring the Airport  
21 Property that was not ultimately paid with Airport revenues or funds or the proceeds of federal,  
22 State, or private grants. Any amount to be paid by the Authority to the City pursuant to this  
23 subsection shall be paid from future revenues from the operation of the Airport by the  
24 Authority remaining after payment by the Authority in the year of such payment all costs and  
25 expenses of the Airport including the payment of principal installments and interest on all  
26 bonds outstanding and other indebtedness of the Authority with respect to the Airport. Upon  
27 entering into such agreement by the Authority any claim by the City of Charlotte on account of  
28 transfer of property to the Authority pursuant to Section 7(b) of this act or otherwise, is hereby  
29 extinguished.

30 **SECTION 8.** The Authority shall make annual reports to the Cabarrus, Gaston,  
31 Iredell, Lincoln, Mecklenburg, and Union County Boards of Commissioners and the Charlotte  
32 City Council setting forth a summary of its general operations and transactions conducted by it  
33 pursuant to this act.

34 **SECTION 9.** All rights, powers, and authority given to the counties and/or  
35 municipalities by the statutes of North Carolina, which may now be in effect, or which may be  
36 enacted in the future, relating to the development, operation, maintenance, regulation, and/or  
37 control of municipal or other governmental airports and the regulations of aircraft are hereby  
38 vested in the Authority.

39 **SECTION 10.** The Authority is hereby expressly authorized to make and enter into  
40 contracts, leases, subleases, conveyances, and other agreements with any political subdivision,  
41 agency, department, or instrumentality of this State; any agency, department, or subdivision of  
42 the United States; or any other legal entity or person for the purpose of carrying out the  
43 provisions of this act.

44 **SECTION 11.** The powers of the Authority created by this act shall be construed  
45 liberally in favor of the Authority. No listing of powers included in this act is intended to be  
46 exclusive or restrictive, and the specific mention of, or failure to mention, particular powers in  
47 this act shall not be construed as limiting in any way the general powers of the Authority as  
48 stated in Section 6(a) of this act. It is the intent of this act to grant the Authority full power and  
49 right to exercise all authority necessary for the effective operation and conduct of the  
50 Authority. It is further intended that the Authority should have all implied powers necessary or  
51 incidental to carrying out the expressed powers and the expressed purposes for which the

1 Authority is created. The fact that this act specifically states that the Authority possesses a  
2 certain power does not mean that the Authority must exercise such power unless this act  
3 specifically so requires.

4 **SECTION 12.** G.S. 66-58(a) shall not apply to the Authority or a lessee or  
5 sublessee of it.

6 **SECTION 13.** In its initial decisions, the Authority shall consider the consultant  
7 recommendations made to the City of Charlotte in 2013 concerning governance of the Airport.

8 **SECTION 14.** The Authority may make recommendations to the 2013 General  
9 Assembly prior to its reconvening in 2014 concerning amendments to this act as it deems  
10 advisable, and such recommendations shall be eligible for consideration as if it were a  
11 committee or commission.

12 **SECTION 15.** If any provision of this act or its application is held invalid, the  
13 invalidity does not affect other provisions or applications of this act that can be given effect  
14 without the invalid provisions or application, and to this end the provisions of this act are  
15 severable.

16 **SECTION 16.** This act is effective when it becomes law.