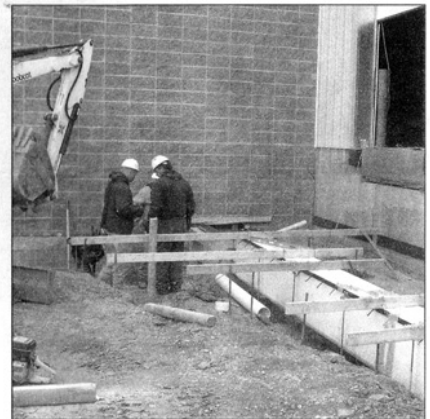


Construction of DHL Service Center Nears Completion at Charlotte Douglas



RON CHEPESIUK – The Charlotte/Triangle Construction News Special Feature

The construction of DHL's largest U.S. airport service center at the Charlotte Douglas International Airport is near completion. The new 80,200 square foot facility will serve the Carolinas and handle a wide variety of shipments, including domestic and international parcels, as well as container freight.

The project is part of DHL's \$1.2 billion investment program begun last year, which so far has seen the completion of a West Coast distribution facility, seven new Regional Sort Centers, and an expanded primary air and ground hub in Wilmington, Ohio.

"The new center fully underscores our commitment to increase efficiencies, enhance network connectivity and improve the DHL customer experience," said Mike Parra, DHL's Senior Area Vice President for Operations. "It will enable us to provide our growing customer base in Charlotte and surrounding area with a higher quality of service to meet its shipping and logistic needs."

Once the DHL facility is completed, Charlotte Douglas will accommodate all of the world's major express and deliver and logistics companies. "Charlotte is strategically located, therefore making cargo development a natural fit," said Haley Gentry, Public Affairs Manager for the Charlotte International Airport. "We have built a number of custom facilities for clients and DHL is our latest such project. The Charlotte area and its airport offers DHL a strong opportunity for growth."

Owned and operated by the city of Charlotte, Charlotte Douglas Airport averages 600 daily departures and more than 28 million passengers annually. A recent study has shown that the airport contributes nearly \$10 billion to the local economy and directly and indirectly, contributes more than 100,000 jobs to the region.

DHL Service Center

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Construction on the DHL service center began in late September 2005. Southside Constructors, is on schedule and projected to finish in April 2006 as required.

Derek Jones, Construction Superintendent of Southside Constructors in Belmont, North Carolina, describes the job as a "turnkey project." "The airport had a site contractor put down four inches of stone and grade the site off, then we came in," Jones recalled. "When we get done, we will give DHL the keys to the building and walk away." As the project's general contractor, Southside Constructors works with the Charlotte Airport and Turner Construction, the project's coordinator.

The crew has put in lot of overtime to meet the schedule, Jones noted. "There was a drought when we began," he explained. "Then came a mini monsoon season in which we were drowning. The



drought actually helped us by giving us the time to get in our footings. The rain cost us a few days, but we haven't had any issues since then, so we have been able to make the time up."

Interestingly, airport security has not been an issue. "The airport has been very good to work with," Jones explained. "It let us do our work, and when we need special access, airport security accompanies us."

The facility, which will operate six days a week and employ 175 workers, will have a handling capacity of

15,000 letter and parcel shipments per hour and will increase DHL's throughput capacity in the Charlotte region by 15 percent. DHL is investing \$6 million in the new facility with the goals of improving the efficiencies of its Southeast operations, bettering its service delivery times and providing a later pickup service offering for Charlotte region customers. For its investment DHL will also get a 10 year lease, with two five year renewal options, capital improvements and the payment of

airport related costs.

"We see this project as a win-win situation," Gentry explained. "It will enhance airport services and give our community another option, while giving DHL the opportunity to grow its global customer base."

DHL is expected to spend \$452,398 in annual rents, a figure that's based upon the amount of the city's investment, recovered with interest over twenty-five years. The DHL Air Cargo building is one part of a major building expansion at Charlotte Douglas that includes gate expansion, a new runway, additional parking, corporate hangars and various FBO (Fixed Base Operator) amenities. Here are some of the highlights:

* The airport built a parking deck last year, but within one month it was

filled to capacity. A new parking deck will include 3000 spaces. "We are really focused on expanding our parking," Gentry revealed. "With increased air traffic comes automobiles."

* Last March, the airport opened a renovated corporate air terminal, the Wilson Air Center. Wilson is a third party operator and it manages the airport's corporate/private aviation area.

* Concourse E was built several years ago, with the regional airlines in mind. "Most airlines have gotten into the regional jet business," Gentry said. "When the regional's started out they had 40 seat airplanes. Today, they are up to 90 seats. Concourse E now has 20

gates, but we are working to add up to 50."

* A new runway is being built that Charlotte Douglas management says will reduce the time airplanes will have to sit on the runway before takeoff. "It's going to make it much more favorable to operate an airline in Charlotte," Gentry said.

* The airport is working on developing a rail yard on site in conjunction with the new runway. "If you can take something off a ship at the port of Charleston (South Carolina) in the morning, deliver it to Charlotte in the afternoon and then put it on a plane to somewhere, Charlotte Douglas will truly be a multimodal facility," Gentry said.

The good news—The DHL Service Center will be a major asset to the Charlotte Douglas International Airport and the local region. Meanwhile, the airport's expansion means more work for the Charlotte area construction industry.

Note: Bids for construction work at the Charlotte Douglas International Airport are posted at the airport's web site. Please go to www.charlotteairport.com/

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