

**NEW HANOVER COUNTY AIRPORT AUTHORITY
REGULAR MEETING
August 16, 2017**

CALL TO ORDER

The New Hanover County Airport Authority met on Wednesday, August 16, 2017, at Wilmington International Airport, 1740 Airport Boulevard, Wilmington, North Carolina. Chairman Lambeth called the meeting to order at 5:00 p.m. Mr. Hickman led the Pledge of Allegiance, and Chairman Lambeth read the Authority's Code of Ethics statement. No conflicts of interest or potential conflicts of interest were identified at that time.

Airport Authority members present were: Carter Lambeth, Chairman; Dan Hickman, Vice-Chairman; Donna Girardot, Secretary; Tom Barber, Harry W. Stovall, W. Lee Williams, and Thomas Wolfe. Also present were Julie Wilsey, Airport Director; Gary Taylor, Operations Manager; Robert Campbell, Finance Director; Whitney Prease, Facilities Director; Carol LeTellier, Business Development Director; Rose Davis, Executive Assistant; and Wanda Copley, New Hanover County Attorney.

Gary Broughton, Deputy Director, was absent.

Guests present included Steve Bright and Amy McLane, Talbert & Bright, Inc.; Bill Cherry and Tom Goodwin.

APPROVAL OF MINUTES

The Authority has reviewed the minutes of the Regular Meeting on July 12, 2017. Mr. Barber MOVED, SECONDED by Mr. Stovall, to approve the minutes of the July 12, 2017 Airport Authority Meeting as submitted. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY.

PUBLIC COMMENTS

None.

FACILITIES & TERMINAL EXPANSION

Mr. Prease recommended the approval of the following action items:

- a. **Contract for DK Consultants LLC** – Approve a contract with DK Consultants in the amount of \$50,000.00. This will provide Design, Procurement Support and Construction Management Consulting Services. The project will replace the existing Gate 1 Passenger Boarding Bridge (PBB) with a new PBB, including a new Pre-Conditioned Air Unit (PCAir) and a 400Hz Ground Power Unit (GPU). Project funded by new state funding as a grant. After some discussion, Mr. Barber MOVED, SECONDED by Mr. Stovall to approve the contract with DK Consultants in the amount of \$50,000.00. The MOTION WAS APPROVED UNANIMOUSLY.
- b. **Wet Detention Basins and Open Ditches Mitigation Impacts** – Approve a cost NTE \$64,000.00 for Wetland Impacts of 0.30 acres, Stream Impacts of 124 lf. The FAA will reimburse the airport 90% of the cost. Mrs. Girardot MOVED, SECONDED by Mr.

Wolfe to approve the Wet Detention Basins and Open Ditches Mitigation Impacts as recommended. The MOTION WAS APPROVED UNANIMOUSLY.

- c. Recommended approval for the Authority Chairman to accept and approve all Federal Grants, which include entitlements and discretionary grants, that may be received between August 17, 2017 and September 6, 2017, the date of the next Authority meeting. Mr. Stovall MOVED, Mr. Wolfe SECONDED to allow the Chairman to accept and approve all Federal Grants received between August 17 and September 6, 2017. The MOTION WAS APPROVED UNANIMOUSLY.

FINANCE & HUMAN RESOURCES

Mr. Campbell reviewed ILM's June 2017 cash summary, monthly financial summary and June financials, as well as Comparative Year End Results – FY17 vs. FY16.

Mr. Campbell reported that he has completed the last requirement necessary to open an investment account with BB&T and money should be invested within the next two weeks. The Finance committee has discussed exploring other options in terms of maximizing returns on free cash.

Mr. Campbell, reviewing the monthly financial summary, reported that ILM had a solid year of operating income, with about 2/3 of that income being put back into the airport in terms of capital improvements and the other, approximately \$1M, being added to our cash balance in preparation for the terminal expansion.

Mr. Campbell reported that WSP's findings indicated that ILM should be able to complete Phases I and II of the terminal expansion project and should be able to borrow up to \$62M without significantly increasing our cost per enplaned passenger. These findings are based on the cost estimates in the 2014 terminal study.

Mr. Campbell advised that Marvin Foster, Facilities Manager, has announced his retirement after 22 years with ILM, effective September 29th. While ILM will experience the loss of his knowledge and experience, from a financial perspective his retirement will not impact ILM negatively.

Mrs. Girardot expressed an interest in sending a copy of ILM's final audit report to the County Commissioners since ILM is looking so strong for the last fiscal year.

Mr. Barber and Chairman Lambeth expressed an interest in the Authority presenting Mr. Foster with a plaque at the September Authority meeting to acknowledge his years of service with ILM. Mrs. Wilsey advised that all are invited to a drop-in reception for Mr. Foster on September 29th.

BUSINESS DEVELOPMENT

Ms. LeTellier updated the Authority on the Summer E-blast that was recently sent to interested subscribers. Ms. LeTellier reported that Scratch on 23rd catered a Chamber event which was very well received. Ms. LeTellier advised that Saturday, August 19th is National Aviation Day and Ambassadors will be giving out airplane pens at the information desk and Ms. McNally has contests planned on ILM's social media accounts.

Mrs. Girardot asked about the possibility of having a monument sign erected for the Flex Building that can be seen as you drive onto the airport property so that people will know that the businesses are there. Mrs. Girardot shared that the fear of potential tenants is that no one will know they are there. Ms. LeTellier noted that there are several monument style green ILM signs placed strategically around the property directing traffic to the Business Park and the Flex Building's tenants as a means to stay consistent with airport signage and that research indicated that the monument sign would be cost prohibitive at this time. Ms. LeTellier shared that current tenants, like Scratch on 23rd and KBT Realty, will be attracting a lot of foot traffic which will increase awareness.

GOVERNMENT

Mrs. Wilsey reported on her meeting with Congressman Rouzer's new Legislative Correspondent, Perry Chappell, and Congressman Rouzer's public meeting with the County. Mrs. Wilsey stated staff has had contact with both Senators' and Representatives' offices recently about legislation pertaining to the PFC cap so they are all aware that ILM is in favor of raising the cap on the PFC.

Mrs. Girardot reported on her luncheon with Senator Burr, who talked about the decade of disruption starting in the next 5-10 years because of the lithium ion battery and how it is going to totally revolutionize business and our way of life. Senator Burr suggested that all businesses, including aviation, need to assess business plans and get ahead of it.

Regarding the DOT funding bill currently before Congress, Mrs. Girardot reported that funding from DOT ends September 30th. Mrs. Girardot shared that the House and Senate bills are totally different with the House bill including FAA privatization, which the Senate is opposed to, however, the Senate passed a bill to increase PFCs and the AIP. Mrs. Girardot stated the DOT funding bill would go to conference and that it is predicted that there will be no privatization of the FAA; that PFCs will not pass but AIP funding will be increased but anything could happen between now and then.

Regarding the infrastructure bill, Senator Burr advised Mrs. Girardot that probably wouldn't happen this year but probably the first of next year and it will move quickly.

Mrs. Girardot suggested, since we had so much support from the General Assembly this year, that we have a breakfast with our General Assembly delegation sometime in October or early November for a review of the 2017 session and a preview of the short session coming up next year, and Authority members agreed.

OPERATIONS & GENERAL AVIATION

Chief Taylor updated the Authority on the total revenue passengers; capacity; fuel prices and fuel flowage.

Chief Taylor reported on the TSA Comprehensive Security Inspection noting one discrepancy with a Letter of Investigation.

Chief Taylor added the Marine Corps harriers experienced some engine damage due to Foreign Object Debris (FOD) several weeks ago from an undetermined source, so they are concerned

with all of the airports they visit, including ILM. Representatives from the Marine Corps visited ILM and inspected the taxiways and runways and were impressed with ILM's FOD program. The representatives had a couple of concerns that ILM staff have addressed and will return to ILM August 18th with Rolls Royce engine representatives.

Chief Taylor shared that ILM has received for 2016 the Airport Award for Training Excellence for a small hub airport from AAAE Airport News and Training Network (ANTN) Digicast. ILM employees far exceeded the required minimum for a small hub airport of 500 videos viewed. ILM actually met the requirements for a large hub airport with 1,648 videos viewed. This is the third year in a row that ILM has received this award.

Mr. Wolfe questioned whether moving the Authority meeting to midmonth would help with Finance and Operations reporting on more current information or actuals and it was determined that it would not be beneficial at this time.

DIRECTOR'S REPORT

Mrs. Wilsey shared that ILM has a table of 8 at the UNCW Economic Impact Panel meeting October 5th and asked anyone interested in attending to let us know. Mr. Pickering will be attending this meeting as well.

Mrs. Wilsey shared that Mr. Broughton, Mr. Campbell and Ms. LeTellier went to Charlotte recently for the SMART Airport Conference where they heard about new technology and what it will do for airports. This conference was important for the Business Park and the Terminal Expansion design and also a good opportunity to network with Charlotte airport staff.

Mrs. Wilsey reported that Erin McNally, ILM's Marketing Specialist, is a WILMA Woman to Watch for Public Service and was also accepted to the Chamber's Leadership Wilmington Class of 2017.

Mrs. Wilsey shared that Lara Bair, Dispatcher, created a Facebook page in support of local small businesses in Brunswick County/Leland area.

Mrs. Wilsey advised that several of ILM's ARFF responders went to the Fayetteville Pit Fire for training and the Airport Director from Rocky Mount/Wilson airport complimented the speed, teamwork, and technical expertise of the ILM team.

Mrs. Wilsey reported that operations staff have spent a lot of time on the airfield inspecting for FOD. The team spent extra time on the field, looked at things a little differently, and will modify a few things. We will probably buy a piece of equipment – a FOD Boss, to pull behind a vehicle to remove FOD.

Mrs. Wilsey reminded the Authority that the Mass Casualty Exercise is in October in lieu of Aviation Day. There are 10 new employees within the last 6 months and it is really important to focus on our mass casualty exercise which is required every 3 years. Our inspector may be here to watch and observe and will provide feedback for us.

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UNFINISHED BUSINESS

Mrs. Girardot reported that New Hanover County has just hired a new Planning Director, Wayne Clark.

NEW BUSINESS

None.

ADJOURNMENT

There being no further business to come before the Board, Chairman Lambeth adjourned the meeting at 5:34 p.m.

Prepared by:

Rose M. Davis

Respectfully Submitted:

Donna Girardot, Secretary

Date of Approval: September 6, 2017