



ILM

WILMINGTON INTERNATIONAL AIRPORT

*New Hanover County
Airport Authority
Meeting*

*Wednesday
February 7, 2018*

5:00 PM

ILM Executive Conference Room



*New Hanover County Airport Authority
Meeting Agenda
February 7, 2018- 5:00 PM*

- Pledge of Allegiance
- Call to Order/Code of Ethics Clause
- Approval of Minutes Tab 1
- Public Comments (Limited to 3 Minutes)
- Staff Reports
 - Facilities & Terminal Expansion Tab 2
 - Finance & Human Resources Tab 3
 - Business Development Tab 4
 - Government Tab 5
 - Operations and General Aviation Tab 6
 - Director's Report Tab 7
- Unfinished Business/New Business/Adjournment Tab 8



New Hanover County Airport Authority
Code of Ethics
Adopted 9/2/2015

In accordance with the New Hanover County Board of Commissioners Resolution Adopting a Code of Ethics, as adopted on January 5, 2015, it is the duty of all County boards and committees to respect and abide by the New Hanover County Code of Ethics in the performance of their duties.

More specifically all Airport Authority members should:

1. obey all applicable laws;
2. uphold the integrity and independence of the Authority;
3. avoid impropriety;
4. faithfully perform the duties of the office; and,
5. conduct the affairs of the Authority in an open and public manner.

It is further the duty of every Authority member to avoid both conflicts of interest and appearances of conflicts. Does any member have any known conflict of interest or appearance of conflict with respect to any matters coming before the Authority today? If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.



Tab 1
Approval of Minutes

The Authority has been provided copies of the minutes for the December 6, 2017 meeting.

Staff Reports

Committee	Airport Authority Member	Staff Member
Facilities & Terminal Expansion/Tab 2	Donna Girardot Tom Wolfe	Granseur Dick Whitney Prease
Finance & Human Resources/ Tab 3	Dan Hickman Lee Williams	Bob Campbell
Business Development/Tab 4	Tom Barber Harry Stovall	Carol LeTellier
Government/Tab 5	Donna Girardot	Julie Wilsey
Operations & General Aviation/Tab 6	Carter Lambeth	Gary Broughton
Director's Report/Tab 7		Julie Wilsey



Tab 2

Facilities & Terminal Expansion

- **Action Items**

ILM Wet Detention Basin and Ditch Project (AIP 54) – Approve Change Order Request #1 in the amount of \$30,427.62 for Wells Brothers Construction. CO is required for the relocation of an existing control cable to the RWY 6 Glide Slope that conflicts with the proposed grading in the Schedule 2 work area. Work will include installation of a new conduit and cable, junction box and splicing of the new cable into the old.

- **Information Items**

- ILM Runway 24 Wildlife Hazard & NAVAID Critical Area Mitigation (AIP 50)** – Project is completed and working on closeout documents.
- Perimeter Fence Project (PFC)** – The contractor is continuing to replace 6' fence with 8' perimeter fencing.
- ILM Wet Detention Basin and Ditch Project (AIP 54)** – Project is proceeding with Pond A work complete. Work for Pond B is still in progress. Schedule 3 work (including installation of pipe and regrading ditch east of RWY 35 approach is scheduled to begin February 6, 2018. The RWY 35 glideslope will be inoperable beginning February 6th for 3 days. The localizer approach for RWY 35 will still be available.



Tab 2

Facilities & Terminal Expansion (cont.)

- **Information Items (cont.)**

- d. **Runway Lighting Project (AIP 53)** – A \$16,500 contract with ADB Safegate Americas, LLC was approved during the September 6, 2017 Authority meeting to update the Airfield Lighting Control Monitoring System (ALCMS) as part of the Runway Lighting Rehabilitation project (AIP-53). The Airport intends to seek reimbursement of these funds using the FAA AIP-53 grant at 90% (\$14,850). This amount is covered in the AIP-53 budget.
- e. **AVIS Consolidated Rental Car Facility (CFC)** – A NTP was given on January 25th and the contractor has located the construction office trailer on site. The final negotiated price of \$2,249,000 includes Base Bid and Bid Alternate #1 and is below the \$2,300,000 NTE contract approved in December 2017.
- f. **Runway & Taxiway Marking (General)** – HASCO Inc. is scheduled to begin in Mid-February.
- g. **Delta Radio** – Will be relocated from the Ground Support Building to the Terminal in January or February. The old antenna will be out of service beginning summer 2018.
- h. **Demolition of Borneman House (PFC)** – House was demolished before Christmas. A trailer was removed from additional airport property on Old Wrightsboro road.
- i. **Terminal Expansion Design (Future AIP)** - Design team is working through the pre-design stage of the project and are analyzing various outbound baggage and TSA systems that are best suited for ILM operations. The design team and ILM will begin having regular design progress meetings beginning February 6th.



Tab 3

Finance & Human Resources

- **Monthly Financials**

December Cash Summary, Financial Summary and Financials (Agenda pages 15-18)

- **Action Items**

Approve the purchase of a 2018 Ford Expedition 4 x 4 in an amount not to exceed \$43,000 from Capital Ford. This purchase will replace Airport 19 which is a 2002 Ford Expedition.

- **Information Items - None**

Cash Summary

Month End Account Balances		
Account Name	Interest Rate	Month End Balance
General Operating Checking	N/A	\$ 5,319,764.86
Business Park Checking	N/A	6,558.58
Business Park Money Rate Savings	0.55%	713,852.42
Federal Projects	N/A	500.00
Money Rate Savings	0.55%	2,072,331.63
Investment Account-Govt	0.09%	28,404.78
Investment Account-Term	1.00%	1,701,994.92
PFC Money Rate Savings ***	0.55%	5,131,273.25
CFC Money Rate Savings ***	0.55%	3,591,371.99
CFC Checking ***	N/A	6,754.37
Live Oak CD, maturity date 8/29/18 ***	1.30%	250,000.00
BB&T CD-United ***		200,000.00
Safe Keeping ***	1.15%-1.84%	9,931,324.44
Petty Cash	N/A	1,000.00
Total Cash		<u>28,955,131.24</u>
Less Restricted Use ***		19,110,724.05
Less Reserves:		
Maintenance & Development Reserve		2,656,056.53
Operational Reserve		<u>4,000,000.00</u>
Net Cash Available for Daily Operations		<u><u>\$ 3,188,350.66</u></u>

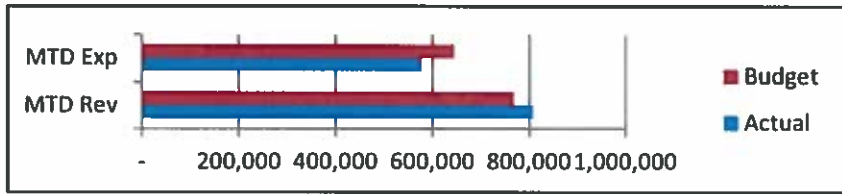
Monthly Cash Activity		
Beginning Balance		\$ 2,788,380.77
Receipts		
General Operating	\$ 1,128,946.80	
Business Park Operations Checking	10,000.00	
Business Park Money Rate Savings	86,249.30	
Federal Projects	68,882.50	
Business Park Money Rate Savings Interest	320.18	
Money Rate Savings Interest	967.80	
Investment Account-Govt Interest	1,882.96	
Investment Account-Term Interest	25.71	
Total Receipts		<u>1,297,275.25</u>
Disbursements		
General Operating Accounts Payable	641,781.45	
General Operating Payroll	136,989.11	
Money Rate Savings Withdrawal	-	
Safe Keeping Investment	-	
Business Park Operations Checking Accounts Payable	16,652.30	
Business Park Money Rate Savings Accounts Payable	33,000.00	
Federal Projects Accounts Payable	68,882.50	
Total Disbursements		<u>(897,305.36)</u>
Ending Balance		<u><u>\$ 3,188,350.66</u></u>

Wilmington International Airport

Monthly Financial Summary

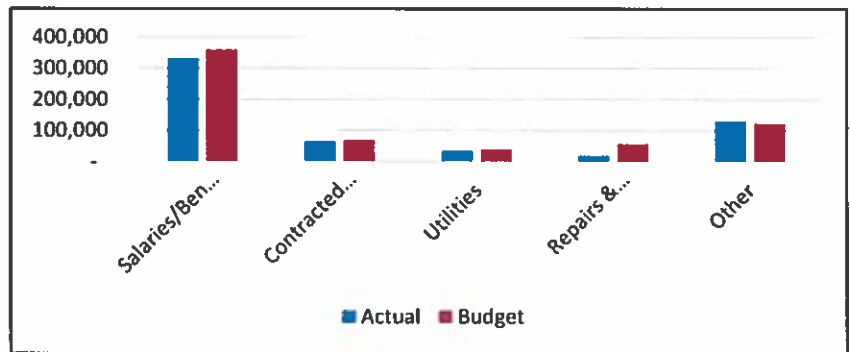
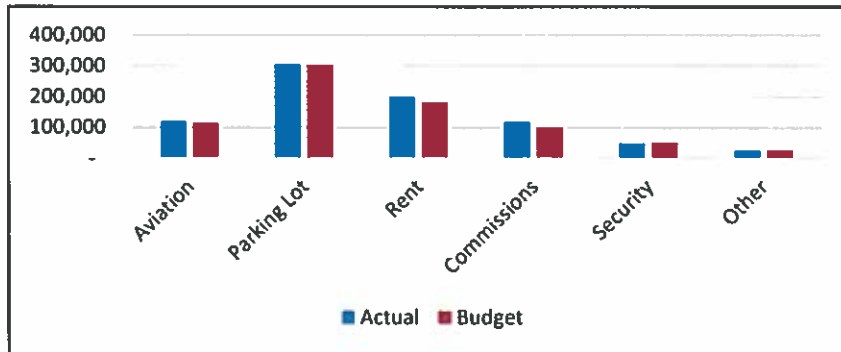
December

	Actual	Budget	Difference
MTD Rev	808,709	768,994	5.2%
MTD Exp	578,480	645,486	-10.4%
YTD Revenue	5,178,037	4,935,814	4.9%
YTD Expense	3,355,606	3,865,716	-13.2%



Revenue	Actual	Budget	Difference
Aviation	118,148	113,633	4,515
Parking Lot	302,977	302,000	977
Rent	196,455	181,120	15,335
Commissions	116,243	97,583	18,660
Security	47,293	50,003	(2,710)
Other	23,855	23,990	(136)

Expense	Actual	Budget	Difference
Salaries/Benefits	329,930	356,843	(26,913)
Contracted Services	64,792	68,965	(4,172)
Utilities	35,020	40,833	(5,813)
Repairs & Maint	19,517	57,292	(37,775)
Other	129,220	121,553	7,667



Explanation of Significant Budget to Actual Differences for the Month

Aviation - Landing fee shortfall outweighed by increase in fuel sales
 Parking - exits flat, but revenue down compared to prior year
 Rent - Airline leases include \$6k not budgeted; new BP tenant.
 Commissions - rental car commissions continue to be strong. Uber fees now collected monthly based on number of trips. Revenue continues to track higher than last year's fee.

Benefits continue to be well under budget as previously noted.
 Repairs & Maint - difference due to timing of airfield pavement and LED projects.
 Other - final invoice received for prior year financial feasibility study
 Also received a 'correcting' invoice for FY16 workers comp coverage



Tab 4 Business Development

- **Action Items**

Request approval for a Buy-Out of the Lease Agreement with Segars Enterprises, Inc. (known as Ron's Fireside) for the building located at 2500 Blue Clay Rd., conditioned upon Segars restoring the building to its' original condition (at its own expense), plus \$15,000 to off-set the cost of releasing the building. Building to be turned over to ILM on March 1, 2018.

- **Information Items**

- a. ILM's announcement of United Airline's new non-stop service to IAD (Washington Dulles) and ORD (Chicago O'Hare) was one of *Greater Wilmington Business Journal's* top 10 stories of the year.
- b. The Small Community Air Service Development Grant marketing plan was developed and supported by United. Implementation has begun.
- c. ILM is hosting a meet and greet reception for Grant Whitney prior to the Chamber of Commerce's annual event on February 8th.
- d. ILM's "Coast On In. Coast on Out." 30 second TV commercial will run (100 spots) during the Olympics.



Tab 5 Government

- **Action Items – None**
- **Information Items**
 - a. Meeting with Cong. Rouzer at Chamber 1/23/18
 - b. State of the City Address 1/29/18
 - c. MPO/TAC Meeting 2/28/18 – Mention of a feasibility study for light rail between ILM and Multi-Modal Facility
 - d. AAEE Legislative Conference in Washington 3/20/18 and 3/21/18



Tab 6

Operations & General Aviation

- **Action Items – None**
- **Information Items**
 - a. **PASSENGERS:**
 - Total revenue passengers for December were 65,701 up 2% bringing YTD revenue passengers to 836,589 up 2.3% and a new record!
 - January enplanements are tracking up slightly.
 - b. **FUEL:**
 - Jet A: \$4.85
 - Avgas: \$5.28
 - c. **FUEL FLOWAGE:**
December 2017: 211,532 gallons down 17% vs. December 2016
YTD up 14%
 - d. **JANUARY WINTER STORM GRAYSON →**
 - e. **WAVE TRANSIT 6 MONTH REVIEW**



Tab 6 Operations & General Aviation (cont.)

General Aviation

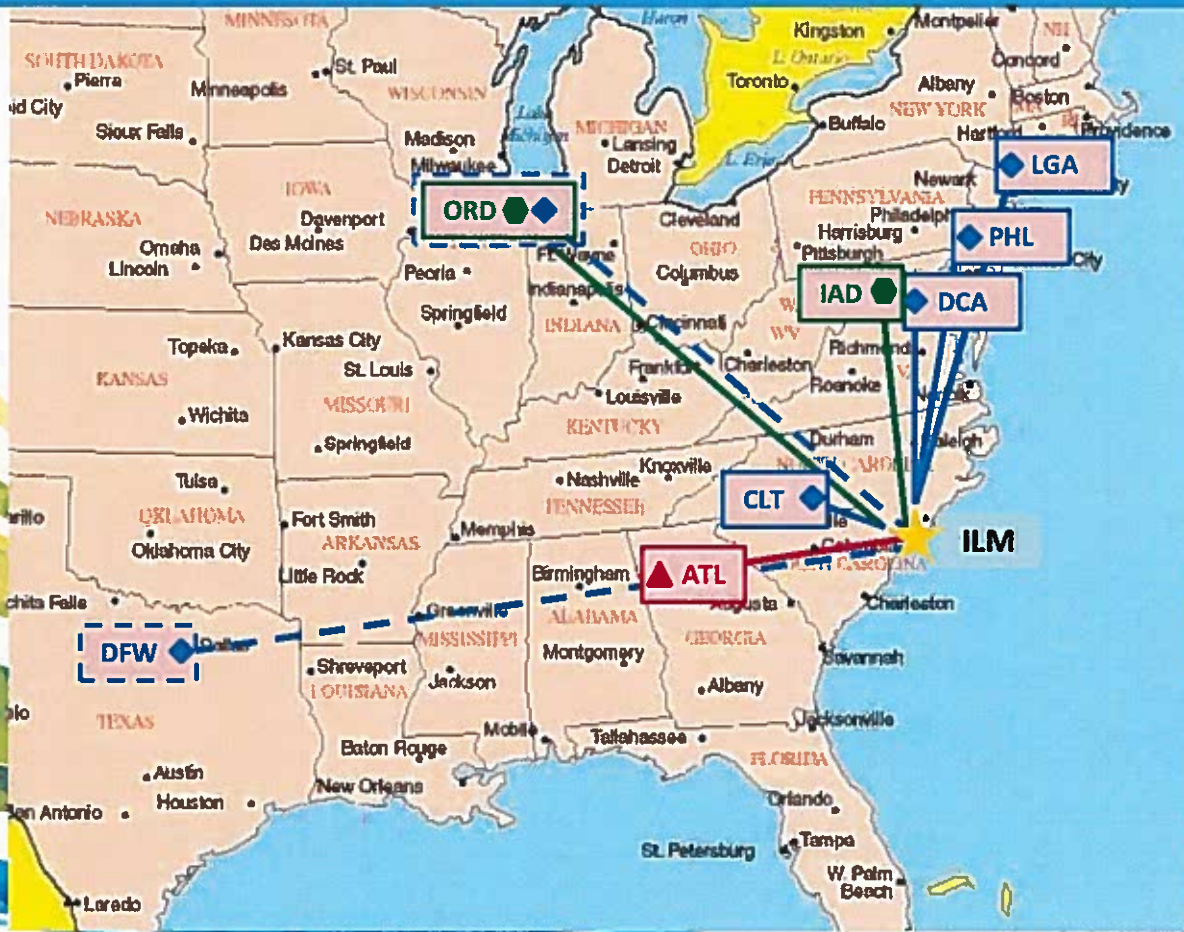
- **Action Items – None**
- **Information Items**
 - a. Congratulations to SeaHawk for the purchase of Boggs Avionics
 - b. Sale in Airpark Three of hangar unit #5



Tab 7 Director's Report

- **Action Items - None**
- **Information Items**
 - a. Recent Air Service Announcements and Schedules (Agenda pages 24-27) →
 - b. SCASD Grant Extension Approved by USDOT (through 1/13/19)
 - c. Business and Travel Group will meet 2/9/18 with Mr. Grant Whitney
 - d. Draft 2018 Goals for ILM (Agenda page 28)
 - e. February, March & April Calendars (Agenda pages 29-31)

Current Air Service



3 network airlines:

- 8 non-stop destinations
- 7 hubs
- 6 international gateways

Legend:

- American 
- Delta 
- United 
- Seasonal 

UNITED



NEW United Flights Starts April 9, 2018

Destination	Departure	Arrival	Seats
ORD	11:35 am	1:04 pm	50
ORD	6:30 pm	7:59 pm	50
IAD	10:15 am	11:30 am	50
IAD	7:45 pm	9:00 pm	50

American Airlines



NEW American Flights Starts May 3, 2018

Destination	Departure	Arrival	Seats
DCA	9:50 am	11:30 am	50
Seasonal Saturday Only Starts May 3 – October 3, 2018			
DFW	3:25 pm	5:34 pm	76
Seasonal Daily Starts June 3 – September 4, 2018			
ORD	1:30 pm	2:44 pm	70

Top 10 O&D Markets



Rank	Destination	O&D Passengers	O&D Revenue (\$)	Average Fare (\$)	YOY % Change		
					Pax	Rev	Fare
1	New York, NY (LGA)	42,797	8,204,601	192	1%	(4%)	(4%)
2	Philadelphia, PA	32,002	6,056,995	189	3%	(0%)	(3%)
3	Atlanta, GA	31,925	5,608,386	176	5%	(3%)	(7%)
4	Boston, MA	26,053	4,266,796	164	9%	2%	(6%)
5	Chicago, IL (ORD)	24,568	4,316,223	176	8%	6%	(2%)
6	Newark, NJ	19,944	2,918,302	146	15%	(2%)	(14%)
7	Denver, CO	18,064	3,781,619	209	3%	5%	2%
8	Dallas, TX (DFW)	17,772	3,574,854	201	6%	1%	(5%)
9	Los Angeles, CA	16,504	4,671,977	283	4%	1%	(3%)
10	Orlando, FL (MCO)	16,368	2,770,692	169	5%	2%	(2%)

2018 Priorities and Goals for ILM Airport

Special Areas of Emphasis for 2018:

1. Terminal Expansion – Complete Design (Phases 1a and 1b) and start construction (1a) in 2018.
2. Support our airline partners with marketing and operational efficiencies to facilitate success of the new flights and added capacity to/from ILM.
3. Fill Flex Space; Research and target new stand-alone tenants and FTZ candidates. Identify strategies that will showcase our growing ILM Business Park.
4. Look for opportunities to support GA events.
5. Staff Training, Succession Planning, and Retention.
6. Increase Concession Revenues: Parking, Ground Transportation, and Concessions.

Goals for 2018:

1. Exceed revenue enplanements, cargo enplanements, and other key metrics from CY17.
Exceed CY17 revenue enplanements of 416,018 (best year).
Exceed CY17 total passenger of 836,589 (best year).
Exceed CY17 operations of 57,814.
Increase Based Aircraft above 106 (2016 level).
2. Develop/achieve favorable budgets for FY18 and FY 19. Specifically be plus or minus 8% for operating expenses and revenue.
3. Increase terminal advertising revenue by 5% (over \$220,500); Increase terminal commissions by 10%.
4. Increase tenants and revenue in ILM Business Park.
 - Maintain 95% or higher occupancy in landside facilities.
 - Fill the 10,000 SF flex building.
 - Open one new tenant facility and secure another landside tenant in the development pipeline.
5. Implement innovative measures to increase efficiency, improve customer satisfaction, ensure safety/security, or reduce operating costs.
6. Maintain a strategic plan for capital investments for all airport facilities.
 - Develop projects to complete in the FY19 Capital Budget.
 - The terminal expansion is one of the components of the capital plan, but we must maintain a high level of service and facility appearance throughout the phases of construction.
7. Create a workplace culture to ensure optimal customer service across all employee groups.

February 2018

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 10:30 am NCAA Board Meeting (GB)	2 GT on Call	3
4	5	6	7 10 am EMC Spec. Comm. Mtg (JW) 5 pm AA Meeting	8 5:30-8 pm Chamber Annual mtg	9 JW on Call 9 am BTG Meeting Tom Barber's Birthday	10
11	12	13	14 10 am TCC Presentation (GB/GD) Valentine's Day	15	16 GB on Call	17
JW Vacation						
18	19 President's Day	20	21 Tom Wolfe's Birthday	22	23 RC on Call 10 am NCDOT Aviation Mtg. (GB)	24
JW Vacation						
25	26 4 pm Carolina Bay Speaker (JW)	27	28 TAC Presentation of Summer Flights (JW)			
2018 Airport Planning, Design & Construction Symposium - GD						

March 2018

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	FAR 139 Inspection This Month			1 10 am Ambassadors Meeting	2 WP on Call Donna Girardot's Birthday 12-Speaker /JW/	3
			2018 Airport Planning, Design & Construction Symposium - GD			
4	5	6	7 7:30 am Power Breakfast 5 pm AA Meeting	8 10 am Tenants Meeting	9 GD on Call	10
AAAE Airport Finance & Administration Conference – RC, JM				Mead & Hunt Air Service Conference - JW		
11 Daylight Savings Time Begins	12	13	14	15	16 CL on Call	17
				JW Vacation		
18	19	20	21	22 8 am United Way Board Mtg. (JW)	23 GT on Call	24
		AAAE Legislative Conference – DG/JW				
25	26	27	28	29	30 JW on Call Admin Offices Closed Good Friday	31
	NCAA Annual Conference – Asheville, NC (GB, GD, DG, TW)					
AAAE Airport Economic Development Conference - CL						

April 2018

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 Easter	2 FAA Southern Regional Mtg - GD	3	4 5 pm AA Meeting	5 Wilmington Biz Expo Luncheon	6 GB on Call	7
8	9 First Flight United	10	11	12	13 RC on Call	14 Azalea Festival Weekend
15	16 Tax Day	17	18	19	20 WP on Call	21 AAAE Annual Conference - JW
22	23	24	25 Dan Hickman's Birthday	26 8 am UW Board Mtg (JW) 11:30 am Speaker - USNA Alumni (JW)	27 GD on Call	28
29	30					



Tab 8

- **Unfinished Business**

- **New Business**
 - **Closed Session**
 - Consultation with Attorney (G.S. §143 -318.11(a)(3))
 - Airport Director Evaluation (G.S. §143-318.11(a)(6))

- **Adjournment**