



ILM

WILMINGTON INTERNATIONAL AIRPORT

*New Hanover County
Airport Authority
Meeting*

*Wednesday
July 11, 2018*

5:00 PM

ILM Executive Conference Room



*New Hanover County Airport Authority
Meeting Agenda
July 11, 2018- 5:00 PM*

- Pledge of Allegiance
- Call to Order/Code of Ethics Clause
- Approval of Minutes (June 6, 2018 and June 14, 2018) Tab 1
- Swearing-In of New Board Member – F. Spruill Thompson
- Hail and Farewell
- Nominating Committee Report
- Election of Officers & Pass the Gavel Tab 1A
- Recess
- 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 June 6, 2018 regular public meeting and the June 14, 2018 joint meeting with the New Hanover County Commissioners.



Tab 1A Election of Officers

In accordance with Article IX of the Authority's By-Laws, a **Chairman**, **Vice-Chairman**, and **Secretary** shall be elected to serve a one-year period or until "their successors are elected and qualified."

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 Tom Barber | Gary Broughton |
| Director's Report/Tab 7 | | Julie Wilsey |



Tab 2

Facilities & Terminal Expansion

- **Action Items**

- a. **ILM Wet Detention Basin and Ditch Project, Phase 2 (Future AIP)** - Recommendation of approval of a Construction Contract to S&L Contracting, Inc. for \$1,205,241.25, contingent upon FAA AIP Grant Approval. This work is for the construction of the second phase of this project.
- b. **ILM Wet Detention Basin and Ditch Project, Phase 2 (Future AIP)** - Recommendation of approval of a Work Authorization for Construction Phase Services to Talbert & Bright, Inc, for a NTE fee of \$116,123.00, pending positive review by an Independent Fee Analysis.

- **Information Items**

- a. **Airport Blvd. and Parking Lot Lighting Replacement with LED (Building Maintenance & Repair Account)** – Work on lighting fixtures is complete. Staff is reviewing all parking and pedestrian areas to verify adequate light coverage.
- b. **Runway 17-35 Lighting Rehabilitation (AIP-53)** – Contractor is in construction. Runway 17-35 work & closure expected to be complete before end of July.



Tab 2

Facilities & Terminal Expansion (cont.)

- **Information Items (cont.)**

- c. **ILM Wet Detention Basin and Ditch Project (AIP-54)** –FAA repairs of Runway 17-35 glide slope will begin July 9th with scheduled flight check July 11th.
- d. **AVIS Consolidated Rental Car Facility (CFC Fund)** – Contractor is paving the site, work anticipated complete in August.
- e. **Gate 1 Jet Bridge (NC Legislative Funds)** – The bridge will be shipped July 5th from the factory and installation will begin around July 11th and last approximately 10 days. The PC Air unit is under repair and will be ready for operation at time of bridge installation.
- f. **Terminal Expansion Update** – Review of updated finish schemes for new terminal expansion.





Tab 3

Finance & Human Resources

- **Monthly Financials**

May Financial Summary, Financials and Cash Summary (Agenda pages 21-24)

- **Action Items**

Recommend approval of the audit contract with RSM US, LLP for an amount not to exceed \$44,100. With the exception of the fee, which increased \$2,100 over last year, all other terms and conditions are consistent with prior years.

- **Information Items- None**

Wilmington International Airport

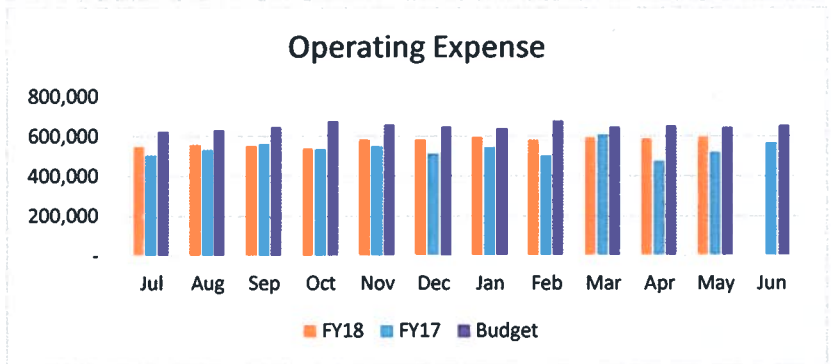
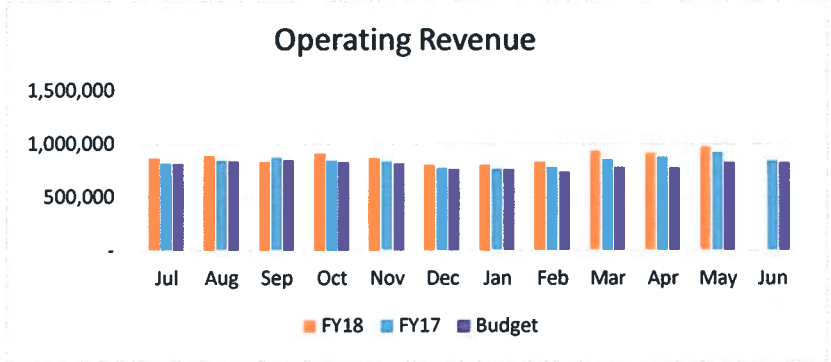
Monthly Financial Summary

May

| Summary | Actual | Budget | Prior Year | Act vs. Bud | Act vs. PY |
|-----------------|-----------|-----------|------------|-------------|------------|
| Monthly Revenue | 971,498 | 820,494 | 922,453 | 18.4% | 5.3% |
| Monthly Expense | 596,139 | 641,358 | 520,645 | -7.1% | 14.5% |
| YTD Revenue | 9,637,788 | 8,830,027 | 9,189,970 | 9.1% | 4.9% |
| YTD Expense | 6,301,656 | 7,111,027 | 5,842,432 | -11.4% | 7.9% |

| Revenue | Actual | Budget | Prior Year | Act vs. Bud | Act vs. PY |
|-------------|---------|---------|------------|-------------|------------|
| Aviation | 145,692 | 113,933 | 152,025 | 27.9% | -4.2% |
| Parking Lot | 380,047 | 337,000 | 338,817 | 12.8% | 12.2% |
| Rent | 189,634 | 184,620 | 187,675 | 2.7% | 1.0% |
| Commissions | 157,950 | 110,583 | 155,027 | 42.8% | 1.9% |
| Security | 53,340 | 47,083 | 58,243 | 13.3% | -8.4% |
| Other | 25,976 | 26,110 | 27,856 | -0.5% | -6.7% |
| Interest | 18,860 | 1,165 | 2,811 | 1518.9% | 570.9% |

| Expense | Actual | Budget | Prior Year | Act vs. Bud | Act vs. PY |
|---------------------|---------|---------|------------|-------------|------------|
| Salaries/Benefits | 344,674 | 372,835 | 314,367 | -7.6% | 9.6% |
| Contracted Services | 70,497 | 68,969 | 61,195 | 2.2% | 15.2% |
| Utilities | 24,601 | 31,668 | 25,217 | -22.3% | -2.4% |
| Repairs & Maint | 77,495 | 57,299 | 27,993 | 35.2% | 176.8% |
| Other | 78,871 | 110,587 | 91,873 | -28.7% | -14.2% |



Summary of Significant Monthly Activity

| Revenue | Expense |
|--|--|
| <p>Aviation - Landing fees were up due to more landing by AA in May 2018. Fuel flowage was also up, but an accounting correction in the prior year overstates the FY17 figure.</p> <p>Parking lot - May 2018 is one of the best months on record at ILM. Increased passenger traffic has positively impacted parking revenue.</p> <p>Commissions - Increased passenger traffic has positively impacted both the food commissions and rental car commissions.</p> | <p>Salaries/Benefits - This expense will be under budget for the remainder of the year due to the fact that the estimated increase in benefits did not materialize.</p> <p>Contracted services - Increase over prior year due to a one-time payment for the new accounting software.</p> <p>Repairs & maintenance - the LED lighting project is well underway and impacted this account approximately \$17k; additional one-time expenses include fire truck rental (\$6k), runway clearing (\$11k), software license (\$6k)</p> |

Cash Summary

| Month End Account Balances | | |
|--|---------------|--------------------------------|
| Account Name | Interest Rate | Month End Balance |
| General Operating Checking | N/A | \$ 4,215,904.35 |
| Business Park Checking | N/A | 6,489.12 |
| Business Park Money Rate Savings | 0.55% | 868,901.37 |
| Federal Projects | N/A | 500.00 |
| Money Rate Savings | 0.55% | 1,428,852.26 |
| Investment Account-Govt | 1.57% | 29,774.25 |
| Investment Account-Term | 1.91% | 10,217,609.10 |
| PFC Money Rate Savings *** | 0.55% | 5,802,212.09 |
| CFC Money Rate Savings *** | 0.55% | 3,103,043.39 |
| CFC Checking *** | N/A | 367,607.55 |
| Live Oak CD, maturity date 8/29/18 *** | 1.30% | 250,000.00 |
| BB&T CD-United *** | | 200,000.00 |
| Safe Keeping *** | 1.69%-2.42% | 9,964,467.50 |
| Petty Cash | N/A | 1,000.00 |
| Total Cash | | <u>36,456,360.98</u> |
| Less Restricted Use *** | | 19,687,330.53 |
| Less Reserves: | | |
| Maintenance & Development Reserve | | 2,697,721.53 |
| Operational Reserve | | 4,000,000.00 |
| Net Cash Available for Daily Operations | | <u><u>\$ 10,071,308.92</u></u> |

| Monthly Cash Activity | | |
|---|-----------------|--------------------------------|
| Beginning Balance | | \$ 4,073,777.14 |
| Receipts | | |
| General Operating | \$ 7,818,041.35 | |
| GO Transfers In from MR (to Trf out to NC Cap Mgmt) | \$ 2,500,000.00 | |
| Business Park Operations Checking | - | |
| Business Park Money Rate Savings | 88,917.45 | |
| Investment Account (Transfers In) | 8,500,000.00 | |
| Federal Projects | 615,694.92 | |
| Business Park Money Rate Savings Interest | 381.47 | |
| Money Rate Savings Interest | 1,194.63 | |
| Investment Account-Govt Interest | 1,244.49 | |
| Investment Account-Term Interest | 6,470.56 | |
| Total Receipts | | 19,531,944.87 |
| Disbursements | | |
| General Operating Accounts Payable | 1,685,580.61 | |
| General Operating Payroll | 206,635.26 | |
| General Operating Transfers to Investment Account | 8,500,000.00 | |
| Money Rate Savings Trf | 2,500,000.00 | |
| Business Park Operations Checking Accounts Payable | 3,502.30 | |
| Business Park Money Rate Savings Accounts Payable | 23,000.00 | |
| Federal Projects Accounts Payable | 615,694.92 | |
| Total Disbursements | | (13,534,413.09) |
| Ending Balance | | <u><u>\$ 10,071,308.92</u></u> |



Tab 4

Business Development

- **Action Items**
- **Information Items**
 - a. E-blast distributed to list of 5,000. Highlights were new air service on United and American, and announcement of new tenant, Glass Doctor at 2500 Blue Clay Road.
 - b. ILM currently has 27 long term tenants on its' campus.
 - c. Jean Lawler, who sells advertising for ILM, will be given the 2018 Volunteer of the Year Award for her 58 years of volunteerism by the International Festival and Arts Association (IFEA). She will be flown to San Diego, California for the annual IFEA Convention where she will attend an awards luncheon in her honor (October). She will also be the recipient of local and national media releases, featured in their magazine and on their website.



Tab 5 Government

- **Action Items – None**
- **Information Items**
 - a. 2018 General Assembly Session – Airport funding unchanged for FY19. We will work to make the funding recurring for FY20 and FY21.
 - b. Waters of the US Definitions



Tab 6 Operations & General Aviation

- **Action Items – None**
- **Information Items**
 - a. **PASSENGERS:**
 - Total revenue passengers for May 2018 were 85,701 up 16.4% bringing YTD revenue passengers to 344,869 up 7.3%
 - June enplanements are tracking up approximately 15%.
 - c. **FUEL:** Jet A: \$5.30 Avgas:.....\$5.69
 - d. **FUEL FLOWAGE:** May 2018: 307,084 gallons up 53% vs. May 2017
- **General Aviation**
ID Badge Requirement



Tab 7

Director's Report

- **Action Items**
- Approve a contract with Mead & Hunt for Air Service consulting for FY19. The contract amount is not to exceed \$ 65,000.

- **Information Items**
 - a. Special Report: TSA Checkpoint Wait Times →
 - b. Air Service Status Report: Jumpstart Reports and Small Community Air Service Grant (United).
 - c. Chamber Intercity Visit to Greenville-Spartanburg, SC (8/26-8/28)
 - d. July, August, and September Calendars (Agenda pages 34-36)

| July 2018 | | | | | | |
|-----------|-------------|---|--|--|---------------|----------|
| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
| 1 | 2 | 3 | 4 Admin Offices Closed Independence Day | 5 | 6 JW on Call | 7 |
| 8 | 9 | 10 10 am NCAA Mtg. (JW) | 11 5 pm AA Meeting EMC Meetings (JW) | 12 | 13 GB on Call | 14 |
| 15 | 16 | 17 7:30 am UW Campaign Kickoff 1 pm Terminal Expansion Progress Meeting | 18 8 am WILMA Training Event (JW) | 19 Harry Stovall's Birthday NCAir TAPS (GD/GT) 11:30 am Naval Aviators Luncheon Speaker (JW) | 20 RC on Call | 21 |
| | RC Vacation | | | | | |
| 22 | 23 | 24 | 25 3 pm FAA Strategic Planning Meeting (GD) | 26 Lee Williams' Birthday 8 am United Way Board Meeting (JW) | 27 WP on Call | 28 |
| | CL Vacation | | | | | |
| 29 | 30 | 31 | | | | |
| | | | | | | |

| August 2018 | | | | | | |
|-------------|-------------------|---|--------------------------|--------------------------------------|---|-----------|
| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
| | | | 1 5 pm AA Meeting | 2 | 3 GD on Call | 4 |
| | FY18 Audit Begins | | | | | |
| 5 | 6 | 7 1 pm Terminal Expansion Progress Mtg. | 8 | 9 | 10 CL on Call | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 GT on Call 10 am – FTPC Board Meeting (CL) | 18 |
| | GB Vacation | | | | | |
| 19 | 20 | 21 9 am – UCC Mtg. (WP) | 22 | 23 8 am UW Board Mtg. (JW) | 24 JW on Call | 25 |
| 26 | 27 | 28 | 29 | 30 | 31 GB on Call | |
| | | | | | | |

| September 2018 | | | | | | |
|----------------|--|-----------|------------------------------|--|--|----------|
| Sunday | Monday | Tuesday | Wednesday | Thursday | Friday | Saturday |
| | | | | | | 1 |
| 2 | 3 Admin Offices Closed Labor Day | 4 | 5 5 pm AA Meeting | 6 10 am Ambassadors Meeting | 7 RC on Call | 8 |
| 9 | 10 | 11 | 12 | 13 10 am Tenants Meeting | 14 WP on Call | 15 |
| | | | EMC Meetings (JW) | | | |
| 16 | 17 | 18 | 19 | 20 11:30 am GE Retirees Speaker (JW) 3:30 pm UW Campaign Cabinet Btg. (JW) | 21 GD on Call 10:30 am NCAA Mtg. (JW) | 22 |
| 23 | 24 | 25 | 26 | 27 8 am– United Way Board Mtg. (JW) | 28 CL on Call | 29 |
| | | | Chamber Intercity Visit (JW) | | | |
| 30 | | | | | | |



Tab 8

- **Unfinished Business**
- **New Business**
- **Adjournment**