

**NEW HANOVER COUNTY AIRPORT AUTHORITY
REGULAR MEETING
October 3, 2018**

CALL TO ORDER

The New Hanover County Airport Authority met on Wednesday, October 3, 2018, at Wilmington International Airport, 1740 Airport Boulevard, Wilmington, North Carolina. Chairman Girardot called the meeting to order at 5:00 p.m. and Mr. Lambeth led the Pledge of Allegiance. Chairman Girardot asked Authority members if they had any conflict of interest pursuant to the Authority's Code of Ethics statement. No conflicts of interest or potential conflicts of interest were identified.

Airport Authority members present were: Donna Girardot, Chairman; Thomas Wolfe, Vice-Chairman; Tom Barber, Secretary; Carter T. Lambeth, Harry W. Stovall, and F. Spruill Thompson. Also present were Julie Wilsey, Airport Director; Robert Campbell, Finance Director; Carol LeTellier, Business Development Director; Granseur Dick, Planning and Development Director; Whitney Prease, Facilities Manager; Rose Davis, Executive Assistant; and Wanda Copley, New Hanover County Attorney.

W. Lee Williams and Gary Broughton, Deputy Director were absent from this meeting.

Guests present included Steve Bright, Amy McLane, and Eric Stumph, Talbert & Bright, Inc.; Tom Goodwin; Ann McAdams; Tony Wright and Jeff Farkas.

APPROVAL OF MINUTES

The Authority has reviewed the minutes of the Meeting on September 5, 2018. Mr. Wolfe MOVED, SECONDED by Mr. Lambeth, to approve the minutes of the September 5, 2018 Airport Authority Meeting as submitted. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY. Mr. Williams was absent.

PUBLIC COMMENTS

None.

FACILITIES & TERMINAL EXPANSION

Mr. Dick recommended the approval of a Change Order in the amount of \$4,121.03 to the Wet Detention Basin and Ditch Project (AIP-54) which takes the total contract value to \$1,025,841.93. This change order is additional work that the engineering contractor and the airport agreed would be of benefit to the final project. Mr. Wolfe MOVED, SECONDED by Mr. Lambeth to approve the Change Order as recommended. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY. Mr. Williams was absent.

Regarding the Lighting Rehab project, Mr. Dick noted that RWY 6-24, which was reopened prior to Hurricane Florence, still needs some work requiring nighttime closures for 4 nights to complete that work and that timeframe has not yet been scheduled.

Mr. Dick reported that the Avis Consolidated Rental Car Facility Certificate of Occupancy was received on October 1st.

Regarding Hurricane Florence repairs, Mr. Dick noted that there is still work in progress in the terminal to get it dried out and prepared for the next steps in the repairs.

Mr. Dick, using a slide show, presented the Parks L. Griffin Memorial Plaza plans and renderings to the Authority for review. Chairman Girardot thanked the staff for moving forward with these plans because Mr. Griffin was so committed and dedicated to this airport and helped ILM move forward at an early stage. Chairman Girardot recommended that the Authority make a motion to formally include this as part of the expansion project. Mr. Lambeth MOVED, SECONDED by Mr. Thompson to approve the plaza in honor of Parks L. Griffin. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY. Mr. Williams was absent.

Mrs. Wilsey noted that the announcement of the Parks L. Griffin Memorial Plaza would be held on Monday, October 15th at 11:30 am in the Executive Conference room of the terminal.

FINANCE & HUMAN RESOURCES

Mr. Campbell reviewed ILM's August financial summary, financials and cash summary. Mr. Campbell noted that August was the first month he found where ILM exceeded \$1M in revenue for the month.

Mr. Campbell recommended the approval of a contract with Service Master of Charleston for an amount not to exceed \$147,387.20. The scope includes mitigation of moisture in the main terminal building. Mr. Barber MOVED, SECONDED by Mr. Stovall to approve the contract with Service Master of Charleston as recommended. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY. Mr. Williams was absent.

In response to Chairman Girardot's question, Mr. Dick and Mr. Campbell both confirmed that staff is in the early stages of working with FEMA and the insurance company is going through their processes regarding estimates of damages to ILM property caused by Hurricane Florence. Staff is working closely with the County and the insurance adjusters and it is still unclear what insurance will be covering.

In response to Mr. Thompson's question regarding why it is Service Master of Charleston versus a local contractor, Mr. Campbell responded that staff did go through a local contractor who subcontracted the work to a team from Charleston.

Mr. Campbell noted that to-date ILM has about \$275,000 worth of invoices or estimates for the repairs but expect that number to grow significantly over the coming weeks. Mr. Campbell advised that total does not include any amounts for the roof or the fence repairs.

Regarding lost revenue, Mr. Campbell reported that ILM had no commercial service for 5 days and limited commercial service for a couple of days beyond that, noting that there were over 150 flights canceled for an estimated loss of \$17,000-\$18,000 in landing fees. Other estimated losses include: Rental car revenue - \$50,000; Food commissions - \$17,000; and, parking - \$160,000. Mr. Campbell noted an overall estimate of \$260,000 in lost revenue due to the Hurricane. Chairman Girardot noted she hoped that ILM can recoup some of these losses from FEMA.

Mr. Campbell reported that our non-exempt employees, along with many of the exempt employees, worked tirelessly during the course of this storm and the non-exempt employees had 581 hours of overtime at a cost of about \$17,000. Staff is looking to FEMA for reimbursement since they are law enforcement and emergency services employees.

BUSINESS DEVELOPMENT

Ms. LeTellier recommended the approval of the Amendment to the Ground Lease Agreement between New Hanover County, the New Hanover County Airport Authority, and Wilmington NC VA LLC for an extension of the prime lease for an additional 30 year term. Mr. Barber MOVED, SECONDED by Mr. Thompson to approve the Amendment to the Ground Lease Agreement between New Hanover County, New Hanover County Airport Authority and Wilmington NC VA LLC as recommended. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY. Mr. Williams was absent.

Ms. LeTellier advised the Authority that the Glass Doctor – Wilmington located at 2500 Blue Clay Road notified staff that they would be closing their business effective September 24th. Staff advised the owner to find a sub-tenant for the balance of their 5 year lease.

Ms. LeTellier reported to the Authority on ILM employee Jean Lawler's receipt of the Volunteer of the Year Award from the International Festival and Events Association for her years of volunteer service with the North Carolina Azalea Festival. Chairman Girardot asked that Mrs. Lawler be placed on the November agenda so that the Authority can recognize her for this achievement.

Ms. LeTellier noted that the Cape Fear Fair and Expo is scheduled for October 26-November 4th at ILM.

GOVERNMENT

Chairman Girardot reported that the Senate gave its final approval today for the FAA Reauthorization Bill, unfortunately, it is another continuation and not the permanent bill. Chairman Girardot noted this bill is good until September 2019 and it keeps the current funding levels, with no PFC increases in it, but it does have a number of permanent policy add-ons. It beefs up security at the airports around the country; it is supposed to ease long checkpoint lines and improve drone use; it will expand the TSAs pre-check program; and it will tighten the vetting of airport employees.

OPERATIONS & GENERAL AVIATION

Mrs. Wilsey reported on Operations and General Aviation, on behalf of Gary Broughton who attended the AAAE conference in Nashville, and reviewed the total revenue passengers, fuel cost and fuel flowage. Mrs. Wilsey noted that September enplanements are tracking down but that is most likely due to the 153 flights cancelled during Hurricane Florence. The last flight departure before the storm was Wednesday, September 12th at 6:20 pm and the first flight into ILM was Tuesday, September 18th at 7:30 am. Mrs. Wilsey reported that American ran a mainline only schedule to Charlotte the 11th and 19th so there were no small RJs flying out. Mrs. Wilsey noted that fuel flowage will most likely be up for September because of the military and emergency aircraft operating during the storm.

Using a chart to illustrate Mrs. Wilsey reported on the available fuel and operation counts at ILM during Hurricane Florence. Mrs. Wilsey noted that ILM's normal average operations per day is 159. The busiest day during the storm had 560 operations. Mrs. Wilsey stated that this is a good indicator and shows just how important aviation is during emergency events.

In response to Mr. Lambeth's question, Mrs. Wilsey responded that ILM did have temporary flight restrictions during the storm. The tower was not occupied for a while and when they came back, with limited controllers, they were opened 7:30 am – 7 pm. The ARS11 was down for a while so Washington was handling ILM's TRACON and they wrote a couple of NOTAMs that had TFRs that were meant to advise and caution general aviation traffic in the area but some people read it as if the private aircraft were not authorized to land. Staff had to talk with several pilots and educate them that they were allowed to come through the airport. Mrs. Wilsey noted ILM was not closed to anyone during that period.

Chairman Girardot thanked Mr. Wright for Air Wilmington being open during the storm and for all their employees who serviced the emergency flights. Mr. Wright advised that Air Wilmington had 5 employees that were on site 24 hours a day and that he was on site during the whole storm trying to keep the doors open and the lights on. Chairman Girardot noted that was very important to Wilmington as there was no other way into Wilmington.

Chairman Girardot, on behalf of her fellow Authority members, thanked all ILM employees who sheltered in place during Hurricane Florence; to all those who worked extra shifts when their fellow workers couldn't make it in to work; and who helped get ILM back online and operational so quickly following the storm. ILM was the only access point to the region for nearly 2 days. The dedicated employees of ILM put service to the community first when many were still without power, hot meals, clean clothes and had trees down on their homes. ILM allowed people to fly into or out of the area before many could drive. This was a job well done and we are fortunate and proud to have such a great team here at ILM.

Chairman Girardot asked that this be prepared in letter format and presented to the eligible ILM employees.

DIRECTOR'S REPORT

Mrs. Wilsey updated the Authority on the status of the Economic Impact Study noting that the official report is due out October 19th but unofficially we have been told that ILM's economic impact is \$1.752B per year.

Mrs. Wilsey, using a timeline presentation to illustrate, reviewed the process staff went thru in preparation for Hurricane Florence and in mitigation and cleanup after the storm.

Mrs. Wilsey expressed appreciation for the many groups that contributed through the storm: National Weather Service; World Central Kitchen; SEADOG; D. Thomas Roofing; Cedar Peaks; Air Wilmington; ILM Employees; Miles Bielec with USA Parking; Gregory Poole, III and Len Clark of Caterpillar; the RDU airport team; TSA travel team; Brian White and Jim Anderson at Duke Energy; Randy Eby at Waste Industries; Monteith Construction; Brian Binford at Evergreen Clearing; Matt Davis of Davis Fencing; Springer Eubanks; and, ILM Ambassadors.

Mrs. Wilsey advised that staff would be having an after action review to help improve for the future. There will be conversations regarding the generators and emergency evacuations and there will be sharing of information with the County, State EOC and SEADOG to see what they recommend.

Mr. Pickering of Mead & Hunt was rescheduled to the November meeting for an air service update.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

ADJOURNMENT

Mr. Wolfe MOVED, SECONDED by Mr. Stovall, to adjourn the meeting. There being no further business to come before the Board, Chairman Girardot adjourned the meeting at 6:00 p.m.

Prepared by:

Rose M. Davis

Respectfully Submitted:

Thomas C. Barber, II, Secretary

Date of Approval: November 7, 2018