

**NEW HANOVER COUNTY AIRPORT AUTHORITY
REGULAR MEETING
March 6, 2019**

CALL TO ORDER

The New Hanover County Airport Authority met on Wednesday, March 6, 2019, at Wilmington International Airport, 1740 Airport Boulevard, Wilmington, North Carolina. Chairman Girardot called the meeting to order at 5:00 p.m. and Mr. Thompson 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; Chief Gary Taylor, Operations Manager; Robert Campbell, Finance Director; Carol LeTellier, Business Development Director; Granseur Dick, Planning and Development Director; Rose Davis, Executive Assistant; and Wanda Copley, County Attorney.

Guests present included Steve Bright and Eric Stumph, Talbert & Bright, Inc.; Tamie Keel, Acting Facilities Manager; Chris Birkmeyer and Marty Wynn, Avcon, Inc.; Tom Goodwin; and, Floyd Price.

Mr. Lee Williams arrived at 5:30 pm and Mr. Gary Broughton, Deputy Director, was absent from this meeting due to an airport conference in Arizona.

APPROVAL OF MINUTES

The Authority has reviewed the minutes of the meeting on February 6, 2019. Mr. Wolfe MOVED, SECONDED by Mr. Lambeth, to approve the minutes of the February 6, 2019 Airport Authority meeting as submitted. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY. Mr. Williams was not present for this vote.

PUBLIC COMMENTS

None.

FACILITIES & TERMINAL EXPANSION

Mr. Dick removed the action item relating to the Parking Study reporting that the committee is still reviewing the 7 proposals received and will schedule interviews with the top 4 selected. A recommendation should be made at the April Authority meeting.

Mr. Dick recommended the approval of the following items:

- a) **Terminal Generator Control Panel Upgrade (FEMA/General)** – a contract to Gregory Poole Equipment Company NTE \$30,000.00 to upgrade the main terminal generator control panel. Following a brief discussion, Mr. Lambeth MOVED, SECONDED by Mr. Thompson to approve a contract with Gregory Poole Equipment Company as recommended above. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY.

Mr. Williams was not present for this vote.

- b) **Terminal Expansion – Contract 3 (AIP Funded)** - a Work Authorization to Talbert and Bright to perform subsurface utility investigation and physical survey for design of previously unidentified utility work in an amount NTE \$17,215.00. Mr. Thompson MOVED, SECONDED by Mr. Lambeth to approve the Work Authorization to Talbert and Bright as recommended above. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY. Mr. Williams was not present for this vote.
- c) **ILM North GA Ramp Development (NC STIP Grants)** – two Work Authorizations to Talbert and Bright to perform Construction Administration services, pending positive IFE review. Work Authorizations cover two schedules of work receiving separate grant funding. Work Authorization for Schedule 1 work is NTE \$209,805.00 and for Schedule 2 work is NTE \$63,190.00. Mr. Wolfe MOVED, SECONDED by Mr. Barber to approve Work Authorizations with Talbert and Bright as recommended above. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY. Mr. Williams was not present for this vote.
- d) **Commercial Service Apron Pavement Marking (General Fund)** - for Hasco Inc. to provide removal and restriping of ramp markings to accommodate re-arranged aircraft parking positions in advance of Contract 2 work, NTE \$70,000.00. Following a brief discussion, Mr. Barber MOVED, SECONDED by Mr. Thompson to approve Hasco Inc. to provide removal and restriping of ramp markings as recommended above. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY. Mr. Williams was not present for this vote.
- e) **Replacement Airport Vehicle (General Fund)** – a contract to purchase a 2019 Ford F-250 4x4 from Asheville Ford for NTE \$45,000.00. Mr. Wolfe MOVED, SECONDED by Mr. Barber to approve contract to purchase airport vehicle as recommended above. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY. Mr. Williams was not present for this vote.

Mr. Dick reported that the new American outbound baggage belt is installed and operational. The demolition of the United/Delta belt has occurred and the contractor is installing the replacement belts for those two airlines. The contractor is currently ahead of schedule.

Mr. Dick updated the Authority on Contract 2 noting that the contracts have been received from Montieth, reviewed by the County, and are ready for Authority signature. Mr. Dick noted, with the approval of Contract 2 to Monteith in February, ILM' portion of the NC Commercial Services Airport Appropriations are fully encumbered.

Mr. Dick advised that the advertisement for bids for the Hurricane Florence repairs should be posted by the week ending March 8th. There was some discussion regarding estimated costs for repairs, payment for repairs and potential reimbursement by FEMA and/or insurance proceeds. Mrs. Wilsey reported that staff is working to get things cleaned up and back to normal by summer. Mr. Dick noted that the contract for this rehabilitation work has the contractor working on the terminal first before any other campus buildings, with the priority being the public spaces.

Chairman Girardot inquired about the possibility of a digital sign to provide parking lot space information, which Mr. Campbell noted is on the Finance agenda to address. Mr. Thompson commented on the potential for sheetrock dust during the rehabilitation project to cause false positive readings for explosives in the TSA checkpoint and Mr. Dick responded that contractors would be instructed accordingly during the bid process.

FINANCE & HUMAN RESOURCES

Mr. Campbell reviewed ILM's January financial summary, financials and cash summary. Mr. Campbell noted that the parking lots are full and parking had its best January in ILM's history with exits up 14% over 2018. Mr. Campbell noted that landing fees and fuel flowage were up over last year which may be due, in part, to the ice storm in 2018.

Mr. Campbell noted that while expenses are over budget, \$105,000 of that was hurricane damage related payments made during the month. Mr. Campbell noted that there is an overage on the revenue side of \$240,000 due to an insurance check received in November. Mrs. Wilsey noted there will have to be a budget adjustment before the June meeting so that our budget is amended appropriately before we close out the fiscal year.

Mr. Barber asked why the advertising and marketing actuals were significantly lower than budgeted and Mr. Campbell responded it is his understanding there are a few agreements that are pending. Ms. LeTellier noted it was probably the digital billboard and the Airport Blvd. billboard. Mr. Barber noted the importance of marketing effectively and aggressively.

Chairman Girardot asked for an update on terminal advertisers and Ms. LeTellier responded they are coming back slowly and Ms. Lawler is doing a nice job of getting new advertisers under contract keeping the ones that we have in the program.

Mr. Williams arrived at 5:30 pm and was present for the remainder of the meeting.

Mr. Campbell recommended the approval of the following items:

- a) **Audit Contract** – for a 5 year term with Cherry Bekaert LLP beginning with the fiscal year ending June 30, 2019 for an amount not to exceed \$45,000. Following a brief discussion, Mr. Barber MOVED, SECONDED by Mr. Thompson to approve the audit contract with Cherry Bekaert LLP as recommended above. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY.
- b) **“Parking Spaces Available” Roadway Sign** – the purchase of “Parking Spaces Available” roadway sign from Southern Time at a cost not to exceed \$40,000. Following a brief discussion, Mr. Barber MOVED, SECONDED by Mr. Wolfe to purchase “Parking Spaces Available” roadway sign as recommended above. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY.

Mr. Campbell reported that staff continues to work closely with FEMA. Staff submitted paperwork for debris removal reimbursement and that payment is pending. As other items are completed staff will submit them for reimbursement.

BUSINESS DEVELOPMENT

Ms. LeTellier recommended the approval of the following items:

- a) **Enterprise Leasing Company-Southeast, LLC** – of a new lease with Enterprise Leasing Company-Southeast, LLC for Suite 150 of the Flex Building. Initial term is 63 months with three additional 3 year options to renew. Rent - \$23,760 with 3% annual increase PLUS 3.27 acres of vacant land on Gardner Drive & Hewlett. Land rent is \$28,488 with 3% annual increases. Mr. Stovall MOVED, SECONDED by Mr. Thompson to approve the lease with Enterprise Leasing Company-Southeast, LLC as recommended above. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY.

- b) **Superior Mechanical Incorporated** – of a new lease with Superior Mechanical Incorporated for Suite 140 of the Flex Building. Initial term is 50 months with one 4 year option to renew. Rent is \$22,320 with 3% annual increases. Mr. Thompson MOVED, SECONDED by Mr. Stovall to approve the lease with Superior Mechanical Incorporated as recommended above. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY.

GOVERNMENT

Chairman Girardot reported that Mrs. Wilsey would be attending the Washington DC Legislative Conference March 7-8. Mrs. Wilsey expressed her excitement at getting to take the American non-stop flight to DCA.

Chairman Girardot reminded the Authority of the NCAA Conference March 17-19 in Pinehurst, NC.

Chairman Girardot updated the Authority on ILM's letter of support for United's application for slots to Tokyo, Japan, noting that the Chamber, the Port, UNCW and GE-Hitachi also wrote letters of support.

Chairman Girardot reported that the legislation regarding the 10 commercial airports has been drafted. As written, it is open for interpretation and does not address the dedication of the rental car fees as requested by Senator Rabon. It can currently be interpreted that the 3 largest airports, in economic impact and passenger boarding, are capped out at an amount NTE 80%. Mrs. Wilsey is going to follow-up with the other airport directors while in Washington. Chairman Girardot recommended the best course of action to take is to redraft the legislation now to say what it is supposed to say versus leaving it up for interpretation.

OPERATIONS & GENERAL AVIATION

Chief Taylor, reporting for Mr. Broughton who is attending the Mead & Hunt Air Service Conference, reviewed the total revenue passengers, fuel costs and fuel flowage for January 2019.

Chief Taylor noted that January's total passenger count of 70,150 was a record month, up by 25%, or about 13,000 passengers, over January 2018.

DIRECTOR'S REPORT

Mrs. Wilsey shared a free air service report from Sixel, an Air Service Consultant, in the agenda packet and noted that in April, ILM staff will put out an RFP for Air Service Consultant services

for air service development that would be awarded in June for the next fiscal year.

Mrs. Wilsey reported that Mr. Broughton is currently at the Mead & Hunt Air Service Development Conference and met with American today and has appointments with United, Delta, Southwest and Allegiant on March 7th. Mr. Broughton shared that American is very happy with its performance at ILM. Our DCA flights could have more passengers. Otherwise American is pleased.

Mrs. Wilsey reviewed Mead & Hunt's slide show for the latest quarter showing ILM's progress through year end 2018.

Mrs. Wilsey reminded the Authority that the Global Entry interview event is scheduled for March 11-15th and that the Pender County Register of Deeds is now processing Passport Applications.

Mrs. Wilsey noted that the Transportation Panel is March 12th at the Power Breakfast which will touch on the ILM Terminal Expansion project and trends in transportation for our region.

Mrs. Wilsey reminded the Authority of ILM Employee Lt. Tony D'Erasmus, who we lost to cancer in 2017, reporting that his family went through the arduous process of proving he was a 9/11 responder at the Twin Towers in New York. Lt. D'Erasmus was certified and approved as an official line of duty death in 9/11. In March, the D'Erasmus family is traveling to New York City to be included in all of the 9/11 Ceremonies. Lt. D'Erasmus's wife, Beth, works for Delta at ILM.

Mrs. Wilsey shared that ILM Supervisor Keaghon Stark and his wife had a baby boy, about 7 weeks early, on March 3rd. The family was impacted by Hurricane Florence.

Mrs. Wilsey noted that the first Friday in March is employee appreciation day and staff is providing lunch for all employees/shifts to show our appreciation on March 8th.

Mrs. Wilsey reported that ILM staff is working with NCDOT and the prison regarding the landscaping at the entranceway to the airport across 23rd Street. DOT suggested that ILM talk with state legislators regarding an enhancement grant so that area can be completely replanted with new plant material, with ILM volunteering to maintain it over the next 10-15 years. Any plans would be submitted for review by the Facilities Committee. The Authority agreed to have Mrs. Wilsey proceed with securing an enhancement grant for the entranceway to the airport.

Mrs. Wilsey reviewed the calendars for March - May, 2019.

Mrs. Wilsey introduced Tamie Keel, Acting Facilities Manager, noting that Mrs. Keel is working to close out a lot of items before the end of the Fiscal Year. Mrs. Wilsey noted that 2 other staff members were temporarily elevated to fill Mrs. Keel's position as Shift Supervisor and also Mr. Stark's position while he is on paternity leave.

UNFINISHED BUSINESS

None.

NEW BUSINESS

None.

CLOSED SESSION

Chairman Girardot called for a motion for the Authority to enter into a closed session to consider personnel matters pursuant to G.S. § 143-318.11(a) (6). Mr. Barber MOVED, SECONDED by Mr. Wolfe to enter into closed session. The MOTION CARRIED. All persons not Authority members or specifically designated staff were asked to leave the conference room at this time. The Authority went into closed session at 6:10 pm.

OPEN SESSION

Chairman Girardot reported that the Authority has concluded consideration of personnel matters. The Authority has discussed the performance evaluation for the Airport Director and reconsiders the bonus compensation from 2% bonus originally awarded at February meeting to 5% bonus. Mr. Barber MOVED, SECONDED by Mr. Lambeth to approve the revised bonus amount of 5%. The MOTION CARRIED.

ADJOURNMENT

Mr. Williams MOVED, SECONDED by Mr. Lambeth to adjourn. There being no further business to come before the Board, Chairman Girardot adjourned the meeting at 6:40 p.m.

Prepared by:
Rose M. Davis

Respectfully Submitted:

Thomas C. Barber, II, Secretary

Date of Approval: April 3, 2019