



ILM

WILMINGTON INTERNATIONAL AIRPORT

*New Hanover County
Airport Authority
Meeting*

*Wednesday
December 4, 2019*

5:00 PM

ILM Executive Conference Room



*New Hanover County Airport Authority
Meeting Agenda
December 4, 2019 - 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 November 6, 2019 regular meeting.

Copies of the November 6, 2019 Closed Session minutes will be available for review at the Authority meeting.

Staff Reports

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



Tab 2

Facilities & Terminal Expansion

- **Action Items - None.**
- **Information Items**
 - a. **ILM Third TSA Checkpoint Lane (General)** – Preliminary Review has been completed by TSA, ILM consultants are proceeding with design.
 - b. **ILM Roof Replacement (General, PFC, FEMA & Insurance)** – Masonry work is complete. New roof on hold room is complete. New roof installation continues on the main terminal. Atrium storefront (arched) window replacement was delayed until following Thanksgiving rush in favor of completing installation of rectangular windows. Total project completion is set for late January 2020.
 - c. **ILM Hurricane Dorian Repairs (General)** – Work continues with finishing work and painting in the hold room ahead of Thanksgiving. Finishing work in the main terminal building will begin after water testing of new windows.
 - d. **Terminal Expansion – Contract 2 (NC Leg. Appropriations)** – New roof and concrete ramp are installed. Masonry work is ongoing with the SW building face complete. Interior framing and sheathing is nearing completion. Interior upfits will continue through the holidays with a CO expected for the new airline offices at the end of December. Total project on schedule to be completed in June 2020.



Tab 2 Facilities & Terminal Expansion

- **Information Items (Continued)**

- e. **Transportation Study** – AVCON Final report is scheduled for delivery on December 12th. Their team of consultants will present their findings ahead of this final report at the December Authority meeting.
- f. **Terminal Expansion - Contract 3 (FAA, AIP, PFC, State, General)** – Consultants continue to refine a draft Work Authorization (WA) for construction administration services associated with the Contract 3 construction project. This WA may be presented as a walk-on agenda item at the December Authority meeting if completed. Any approval would be contingent on IFE approval.



Tab 3

Finance & Human Resources

- **Monthly Financials** - October Financial Summary, Financials and Cash Summary (Agenda pages 16-20)
- **Action Items**
 - a. **Recommend the approval of Interlocal Agreement with New Hanover County to borrow Fourteen Million Three Hundred Fifty Thousand Dollars (\$14,350,000) for a period of seven (7) years.**
 - b. **Recommend approval of a budget amendment to add One Hundred Fifty Thousand Dollars (\$150,000) to the Professional Services expense line item and Two Hundred Seventy-Five Thousand Dollars (\$275,000) to the Contracted Services expense line item.** This amendment accounts for the May 1, 2019 approval of the transportation study and the July 10, 2019 approval of the employee shuttle service that were not previously fully funded in the FY20 operating budget.
 - c. **Recommend approval of the budget amendment to reallocate Five Hundred Thousand Dollars (\$500,000) from the Salaries, Wages and Benefits expense line item to the Contracted Services expense line item.** This reallocation reflects the September 11, 2019 approval of the contract with the New Hanover County Sheriff's Office to provide law enforcement duties at Wilmington International Airport. The reallocation does not add to the overall budget, it simply moves funds from one expense line to another.



Tab 3

Finance & Human Resources

- **Action Items (continued)**

- d. **Recommend approval of the budget amendment to reallocate Two Hundred Forty-Five Thousand Dollars (\$245,000) from the Surface Parking Lot capital expense line item to the Parking Sign (\$55,000), Parking Lot Equipment (\$75,000), Parking Lot Shelter (\$18,000), Flex Building Upfit (\$51,000), and Passenger Stair (\$16,000) line items.** The reallocation does not add to the overall budget, it simply moves funds from one expense line to another.

- **Information Items**

- a. In January, staff will begin the process of hiring five new employees – three maintenance techs, a dispatcher, and an operations specialist. The move is in response to findings in the on-going manpower study. Early findings show that ILM is currently understaffed and filling these additional positions will allow staff to keep pace with the demands of increased passenger numbers, discontinue the temporary curb workers, significantly decrease overtime, and allow for adequate coverage during vacations.

- b. Report on the FY19 audit by Cherry Bekaert.

Wilmington International Airport

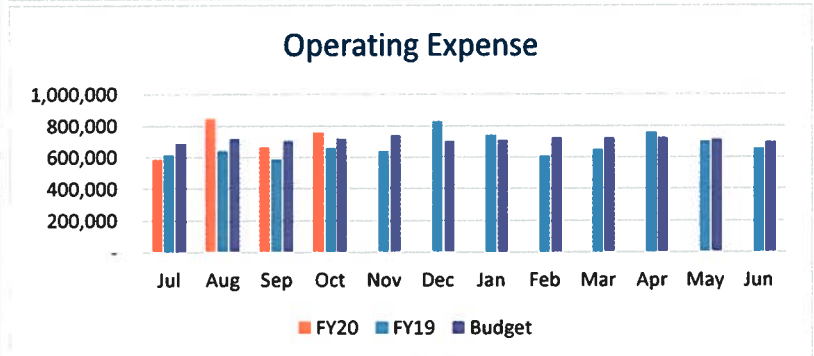
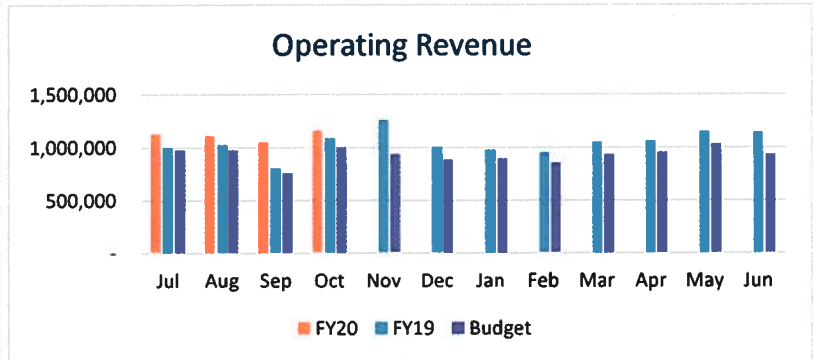
Monthly Financial Summary

October

Summary	Actual	Budget	Prior Year	Act vs. Bud	Act vs. PY
Monthly Revenue	1,162,844	999,806	1,091,389	16.3%	6.5%
Monthly Expense	754,574	711,298	658,660	6.1%	14.6%
YTD Revenue	4,450,988	3,706,779	3,921,689	20.1%	13.5%
YTD Expense	2,843,139	2,814,357	2,496,436	1.0%	13.9%

Revenue	Actual	Budget	Prior Year	Act vs. Bud	Act vs. PY
Aviation	154,948	122,979	123,517	26.0%	25.4%
Parking Lot	467,012	381,857	416,371	22.3%	12.2%
Rent	210,770	209,630	207,783	0.5%	1.4%
Commissions	188,082	202,318	207,156	-7.0%	-9.2%
Security	53,898	41,165	53,067	30.9%	1.6%
Other	29,817	23,857	25,768	25.0%	15.7%
Interest	58,316	18,000	57,727	224.0%	1.0%

Expense	Actual	Budget	Prior Year	Act vs. Bud	Act vs. PY
Salaries/Benefits	345,274	361,121	340,876	-4.4%	1.3%
Contracted Services	107,907	65,227	69,951	65.4%	54.3%
Utilities	34,150	39,166	34,062	-12.8%	0.3%
Repairs & Maint	70,901	80,016	113,822	-11.4%	-37.7%
Other	196,343	165,768	99,949	18.4%	96.4%



Summary of Significant Monthly Activity

Revenue	Expense
<p>Aviation - An increase in fuel flowage and number of landings helped to significantly increase aviation revenue over FY19.</p> <p>Parking - October was the highest gross parking revenue month on record for ILM. This is the result of the increase in passengers and prices.</p> <p>Commissions - Oct 2018 was one of the highest on record in terms of rental car commissions. This was due, in part, to the fact that many cars were rented and returned as a result of Hurricane Florence. The current months figure is well below the prior year, but high relative to other years.</p> <p>Interest - Excess cash still invested in interest bearing instruments.</p>	<p>Salaries/Benefits - We were short 1 maintenance employees and 2 officers for the month of Oct</p> <p>Contracted services - This line item includes temporary curb workers (\$7k) as well as payment for the employee shuttle service (\$22k) neither of which was included in the initial FY20 budget</p> <p>Repairs & maint - Expenditures for generator fuel related to the transformer incident offset by the fact that certain projects (airfield painting, airfield signage, and landside signage) have not been started</p> <p>Other - Transportation study (\$87k) underbudgeted in initial FY20 budget</p>

Cash Summary

Month End Account Balances		
Account Name	Interest Rate	Month End Balance
General Operating Checking	N/A	\$ 2,250,213.58
Business Park Checking	N/A	71,611.83
Business Park Money Rate Savings	0.90%	1,436,542.76
Federal Projects	N/A	500.00
Money Rate Savings	0.90%	414,122.36
Investment Account-Govt	1.96%	31,669.50
Investment Account-Term	2.03%	14,913,510.06
PFC BB&T Money Rate Savings ***	0.90%	2,154,689.50
PFC South State Money Rate Savings ***	2.07%	6,061,534.76
CFC Money Rate Savings ***	0.90%	2,569,074.54
CFC Checking ***	N/A	29,221.25
Safe Keeping ***	1.79%-2.58%	9,900,171.12
Petty Cash	N/A	1,000.00
Total Cash		<u>39,833,861.26</u>
Less Restricted Use ***		20,714,691.17
Less Reserves:		
Maintenance & Development Reserve		2,839,382.53
Operational Reserve		<u>4,000,000.00</u>
Net Cash Available for Daily Operations		<u><u>\$ 12,279,787.56</u></u>

Monthly Cash Activity		
Beginning Balance		\$ 12,402,101.11
Receipts		
General Operating	\$ 1,155,525.55	
GO Transfers In from NC Cap Mgmt	750,000.00	
Business Park Operations Checking	70,000.00	
Business Park Money Rate Savings	78,158.91	
Investment Account (Transfers In)	-	
Federal Projects	37,803.00	
Business Park Money Rate Savings Interest	1,176.79	
Money Rate Savings Interest	332.86	
Investment Account-Govt Interest	47.99	
Investment Account-Term Interest	25,507.88	
Total Receipts		<u>2,118,552.98</u>
Disbursements		
General Operating Accounts Payable	1,172,403.49	
General Operating Payroll	202,745.64	
General Operating Transfers to Investment Account	-	
Money Rate Savings Trf	-	
NC Cap Mgmt Trust Trf	750,000.00	
Business Park Operations Checking Accounts Payable	7,914.40	
Business Park Money Rate Savings Accounts Payable	70,000.00	
Federal Projects Accounts Payable	37,803.00	
Total Disbursements		<u>(2,240,866.53)</u>
Ending Balance		<u><u>\$ 12,279,787.56</u></u>

Wilmington International Airport
FY20 Budget

	Original	Amendments	Amended
Operating			
Revenue			
Aviation	\$ 2,021,490		\$ 2,021,490
Commission	1,935,000		1,935,000
Rental	1,568,500		1,568,500
Business Park	872,550		872,550
Expense Reimbursement	30,000		30,000
Miscellaneous	55,730		55,730
Interest	195,100		195,100
Parking Lot	4,222,000		4,222,000
Terminal Advertising	224,000		224,000
Total	\$ 11,124,370	\$ -	\$ 11,124,370
Expense			
Salaries, Wages and Benefits	\$ 4,457,000	\$ (500,000)	\$ 3,957,000
Building/Grounds Maint & Repair	587,200		587,200
Vehicle Maint & Repair	35,000		35,000
Equipment Maint & Repair	338,000		338,000
Contracted Services	793,750	775,000	1,568,750
Professional Services	569,500	150,000	719,500
Equipment Leasing	18,000		18,000
Utilities	415,000		415,000
Meetings & Education	161,000		161,000
Air Service Development	100,000		100,000
Advertising / Marketing	322,000		322,000
Departmental Office Supplies	24,800		24,800
Dues & Publications	18,000		18,000
Insurance	386,000		386,000
Uniforms	22,000		22,000
Business Park Expenses	155,000		155,000
Aviation Event Expenses	10,000		10,000
Provision for Doubtful A/R	1,500		1,500
Maint, Devel & Repair Reserve	100,000		100,000
Total	\$ 8,513,750	\$ 425,000	\$ 8,938,750
Net Income From Operations	\$ 2,610,620	\$ (425,000)	\$ 2,185,620

Capital

Projects			
Annual Projects			
Land Acquisition	\$ 300,000	\$ 30,000	\$ 330,000
Rental Car Service Center-Debt Service (County)	414,086		414,086
Prior Year Carryover Projects			
Lighting Vault / Runway Lighting Replacement (AIP 53)	100,000		100,000
North GA Redevelopment Project	1,140,000		1,140,000
North Ramp Pipe Ditches	333,330		333,330
Air Carrier Apron Expansion (EA Reimb, Survey, Geo Test)	250,000		250,000
Terminal Expansion Contract III (Design)	300,000		300,000
Air Carrier Apron Expansion (Design)	200,000		200,000
Current Year Projects			
Terminal Expansion Contract II	7,500,000		7,500,000
Terminal Expansion Contract III	16,000,000		16,000,000
Terminal Roof Replacement	2,500,000		2,500,000
Passenger Loading Bridges (two bridges)	1,900,000		1,900,000
Air Carrier Apron Expansion (Construction)	4,000,000		4,000,000
Storm Water Conveyance Parcel 1A (23rd Street)	350,000		350,000
Business Park Infrastructure Improvements	400,000		400,000
Additional Surface Parking Lot	400,000	(245,000)	155,000
Reconfigure / Repurpose Maintenance Storage Area	50,000		50,000
Demolish South Ramp Berm	60,000		60,000
Uplift of Remaining Space in Flex Building	50,000	51,000	101,000
Rehabilitation of PSO Paved Surface Road	80,000		80,000
Concrete Islands in Rental Car Return Lot	28,000		28,000
Parking Sign	-	55,000	55,000
Parking Lot Equipment	-	75,000	75,000
Employee Parking Lot Shelter	-	18,000	18,000
Equipment			
Vehicle (Replace Airport 8)	45,000		45,000
Forklift	50,000		50,000
Truck Mounted Passenger Stair	110,000	16,000	126,000
Pressure Washer	15,000		15,000
Retroreflectometer	25,000		25,000
Total Estimated Capital Cost	\$ 36,600,416	\$ -	\$ 36,600,416



Tab 4 Business Development

- **Action Items – None**

- **Information Item**
 - a. Superior Mechanical, Inc., Suite 140 of the Flex Building is now open for business. The Flex Bldg. is now fully leased.
 - b. New advertisers include Schumacher Homes and The Wilson Center.
 - c. Eblast was sent out to 5,762 subscribers. The e-blast focused on holiday travel tips and also included information on trip ideas and an update on the terminal expansion.
 - d. Airport Roundtable- ILM was selected by the Quotient Group and APAC (Ailevon Pacific Aviation Consulting) as a host for the Airport Roundtable series in the fall of 2021. At the roundtable, participants interact with industry counterparts and airline representatives. As a host, we will bring airline representatives to ILM and our community for an extended visit, allowing them to experience our community in a very intimate and engaging manner. This is a great opportunity to showcase our community and our airport; supporting air service development efforts.



Tab 5 Government

- **Action Items – None**

- **Information Items**
 - a. Federal Budget/ Continuing Resolution to avoid Federal Furlough.

 - b. FAA Part 13 Final Review Completed



Tab 6 Operations & General Aviation

- **Action Items – None**
- **Information Items**
 - a. **PASSENGERS:**
 - Total revenue passengers for October 2019 were 86,366 down 1.4% bringing YTD revenue passengers to 882,292 up 15%
 - November 2019 enplanements are tracking up approximately 5%
 - c. **FUEL:** Jet A: \$5.39 Avgas:.....\$5.69
 - d. **FUEL FLOWAGE:** October 2019: 299,449 gallons up 88% vs. October 2018
- **General Aviation - None**



Tab 7 Director's Report

- **Action Items – None**

- **Information Items**
 - a. Granseur Dick – Aviation Business Magazine 40 Under 40
 - b. Julia Olson-Boseman – Wilmington Business Journal Power Breakfast (12/12/19)
 - c. Donna Girardot and Julie Wilsey – Wilmington Business Journal Top 100
 - d. December, January and February Calendars (Agenda pages 25-27)

December 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3 7:30 am Economic Scorecard 2 pm Reroofing Meeting	4 11:30 am Lunch & Learn w/Seatech (JW) 5 pm AA Meeting	5 7 am Kiwanis Speaker (JW) 12 Ambassador Christmas Luncheon	6	7
8 Wanda Copley's & Spruill Thompson's Birthdays	9	10 2 pm Reroofing Mtg. 4:30 pm Business Journal 100 Event	11 10 am WMPO (GD) 2:30 Air Carriers Mtg.	12 7:30 am Power Breakfast 12 Tenant Christmas Luncheon	13 10:30 am NCAA Mtg. (JW) 6 pm ILM EE Christmas Party (Waterman's)	14
			NC Chamber Emeraina Leaders (RC)			
15	16	17 1 pm Contract 2 Mtg.	18	19 8 am United Way Bd. Mtg. (JW)	20	21
JW Vacation						
22	23	24 Admin Offices Closed	25 Admin Offices Closed	26	27	28
29	30	31				

JANUARY 2020						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
29	30	31	1 New Year's Day ADMIN Offices Closed	2	3	4
5	6	7	8 10 WMPO (GD) 2:30 pm Air Carrier Meeting 5 pm AA Mtg.	9	10	11
12	13	14	15	16 8 am United Way Board Mtg. (JW)	17	18
19	20 M L King Day ADMIN Offices Closed	21	22	23	24	25
26	27	28	29 3 pm WMPO Board Mtg. (GD)	30	31	1

FEBRUARY 2020

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
26	27	28	29	30	31	1
2	3	4	5 5 pm AA Meeting	6	7	8
9	10	11	12 10 am WMPO Mtg. (GD) 2:30 pm Air Carrier Mtg.	13	14 Valentine's Day	15
JW Vacation						
16	17 Presidents' Day	18	19	20 10 am Wildlife Hazard Management	21 Tom Wolfe's Birthday	22
JW Vacation						
23	24	25	26 10:30 am WILMA Workshop (JW) 3 pm WMPO (GD)	27 10 OLLI Presentation (GD) 11 CREW Awards (JW)	28 10 am Region One Meeting (JW)	29



Tab 8

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