

**NEW HANOVER COUNTY AIRPORT AUTHORITY  
REGULAR MEETING  
December 4, 2019**

**CALL TO ORDER**

The New Hanover County Airport Authority met on Wednesday, December 4, 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. Dick 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; Carter T. Lambeth, Julia Olson-Boseman, Spruill Thompson and Lee Williams. Also present were Julie A. Wilsey, Airport Director; Gary Broughton, Deputy Director; Robert Campbell, Finance Director; Carol LeTellier, Business Development Director; Granseur Dick, Planning and Development Director; Rose Davis, Executive Assistant; and Kemp Burpeau, Deputy County Attorney.

Thomas Wolfe and Harry Stovall were absent from this meeting.

Guests present included Steve Bright and Eric Stumph, Talbert & Bright, Inc.; Chris Birkmeyer, and Janus Moose, AVCON; Dustin Wolfe and Bud Hank, Mead & Hunt; Eddie Burke and Linda Suggs, Cherry Bekaert; Adrienne Cox, Steve Moore, Nick Loder, Peter Hughes, Zachary Piech, Tom Goodwin, Tony Wright, Moshe Lieblich, Fred Meyers, and Michael Scheeringa.

Chairman Girardot congratulated Authority member Julia Olson-Boseman on her election as the Chairman of the New Hanover County Commissioners.

**APPROVAL OF MINUTES**

The Authority has reviewed the minutes of the CLOSED SESSION on November 6, 2019. Mr. Lambeth MOVED, SECONDED by Mrs. Olson-Boseman to approve the minutes of the November 6, 2019 CLOSED SESSION as submitted. Upon vote, the MOTION WAS APPROVED. Mr. Wolfe and Mr. Stovall were absent.

The Authority has reviewed the minutes of the meeting on November 6, 2019. Mr. Lambeth MOVED, SECONDED by Mr. Thompson to approve the minutes of the November 6, 2019 Airport Authority meeting as submitted. Upon vote, the MOTION WAS APPROVED. Mr. Wolfe and Mr. Stovall were absent.

**PUBLIC COMMENTS**

Rabbi Moshe Lieblich addressed the Authority asking for consideration in displaying a menorah in the airport for the holiday of Hanukkah.

**AUDITOR REPORT/PRESENTATION**

Mr. Campbell introduced Eddie Burke and Linda Suggs with the audit firm, Cherry Bekaert. Mr. Burke used a slide show to introduce the firm to the Authority, to review the audit process and present ILM's FY19 audit results.

Chairman Girardot suggested that the auditors move up ILM's completion date so that the final report comes to the Authority for review and approval in a public meeting before going to New Hanover County. Mr. Burke agreed that would happen for FY20 audit.

### **TRANSPORTATION STUDY PRESENTATION**

Mr. Dick introduced Chris Birkmeyer and Dustin Wolff with consultants, AVCON and Mead & Hunt, for presentation of the final recommendations as a result of the master plan transportation study. Mr. Birkmeyer and Mr. Wolff presented selected alternatives for parking and ground transportation improvements at ILM. AVCON's final draft report is due December 12, 2019.

### **FACILITIES & TERMINAL EXPANSION**

Mr. Dick thanked Mr. Birkmeyer and Mr. Wolff for their presentation.

Mr. Dick reported that staff is waiting on an IFE for the Work Authorization for construction administration services associated with the Contract 3 construction project and anticipate that Work Authorization will be on the January Authority agenda for approval.

### **FINANCE & HUMAN RESOURCES**

Mr. Campbell reviewed ILM's October financial summary, financials and cash summary. Mr. Campbell noted that ILM's revenue was over \$1.1M, up 6.5% over October 2018, driven mainly by increased fuel sales, as well as parking revenue. Parking had the single highest revenue month on record at ILM in October at \$467,000. Mr. Campbell reported that expenses were also up and exceeded the budget of the prior year by 14% due mainly to payment for the Transportation Study, as well as payment for the Employee Shuttle, both of which will be addressed in action item b) below.

Mr. Campbell recommended the approval of the following items:

- a) **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.** Following a brief discussion, Mr. Thompson MOVED, SECONDED by Mr. Lambeth to approve the Interlocal Agreement with New Hanover County as recommended. Upon vote, the MOTION WAS APPROVED. Mr. Wolfe and Mr. Stovall were absent.
- b) **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. Mrs. Olson-Boseman MOVED, SECONDED by Mr. Thompson to approve the budget amendment as recommended above. Upon vote, the MOTION WAS APPROVED. Mr. Wolfe and Mr. Stovall were absent.
- 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. Mrs. Olson-Boseman MOVED, SECONDED by Mr. Thompson to approve the budget amendment as recommended above. Upon vote, the MOTION WAS APPROVED. Mr. Wolfe and Mr. Stovall were absent.

- 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), Land Acquisition ((\$30,000) and Passenger Stair (\$16,000) line items.** The reallocation does not add to the overall capital budget, it simply moves funds from one expense line to another. Mrs. Olson-Boseman MOVED, SECONDED by Mr. Thompson to approve the budget amendment as recommended above. Upon vote, the MOTION WAS APPROVED. Mr. Wolfe and Mr. Stovall were absent.
- e) **Recommend approval of a purchase order for Monteith Construction in the amount of \$216,000 to replace the electrical feeders damaged in the transformer incident.** Some discussion followed regarding reimbursement of this expense by the insurance company for the vendor causing the damage to the transformer. Mrs. Olson-Boseman MOVED, SECONDED by Mr. Lambeth to approve the purchase order as recommended above. Upon vote, the MOTION WAS APPROVED. Mr. Wolfe and Mr. Stovall were absent.
- f) **Recommend approval of the budget amendment to reallocate Two Hundred Sixty Thousand Dollars (\$260,000) to the Building Grounds Maintenance and Repair line item to cover the expense associated with the transformer incident.** Mr. Lambeth MOVED, SECONDED by Mrs. Olson-Boseman to approve the budget amendment as recommended above. Upon vote, the MOTION WAS APPROVED. Mr. Wolfe and Mr. Stovall were absent.

Mr. Campbell reported to the Authority that staff would begin the hiring process in January for five new employees as recommended by the consultant in the ongoing manpower study.

### **BUSINESS DEVELOPMENT**

Ms. LeTellier reported that the Flex Building is completely leased and all of the tenants are open and operating, with Superior Mechanical being the last tenant to receive their Certificate of Occupancy.

Ms. LeTellier showed the Authority pictures of new terminal advertisers – Schumacher Homes and The Wilson Center.

Ms. LeTellier reported that ILM was chosen by the Quotient Group and Ailevon Pacific Aviation Consulting (APAC) to host the Airport Roundtable series in the fall of 2021. This will bring about 25-50 aviation professionals to ILM and the community for an extended visit and is a nice marketing initiative that fits well in the timing of our terminal expansion.

## **GOVERNMENT**

Regarding the Federal Budget, Chairman Girardot reported that there is a continuing resolution (CR) that expires on December 20<sup>th</sup>. Congressman Rouzer informed Chairman Girardot that congress' intention is to pass a second CR that will extend to the middle of February so there shouldn't be any government furloughs at this time.

Chairman Girardot reported that ILM received favorable news from the FAA, after a thorough investigation of the Part 13 Complaint, that ILM has not violated its grant assurances. Chairman Girardot noted that staff has sent copies of the FAA response and our cover memorandum to all parties that were copied on the original Part 13 Complaint (dated February 2019), including our congressional delegation, our general assembly delegation and our local county commissioners.

Mrs. Wilsey advised the Authority of an ongoing situation that has led to conversation with both Senator Tillis and Congressman Rouzer's offices during the afternoon and during the Authority meeting. Around 3 pm today, the FAA Part 139 Certification Inspection section out of Atlanta notified ILM that a brand of aircraft firefighting foam (AFFF), the Fire Aid Brand, was no longer allowed to be used. If the airport had that brand in its truck, we were to take it out immediately and get new foam. The manufacturer is overnighting new foam but the earliest it will arrive is Friday morning. Staff requested a reasonable amount of time from the FAA to get new foam on site but the FAA required ILM to immediately issue a NOTAM that our aircraft fire rescue equipment was out of service. Which means technically the airlines could cancel flights in and out of ILM until staff gets that truck back in operation with the new foam.

Mrs. Wilsey noted that staff was able to find foam at the Myrtle Beach airport. Myrtle Beach airport agreed to loan the foam to ILM and ILM employees are on their way to pick it up. ILM employees will have to empty our truck and refill it immediately.

Mrs. Wilsey reported that she had been talking to Senator Tillis' office and Congressman Rouzer's office in Washington and there is currently a big meeting going on in the FAA headquarters with the DOD experts on this particular brand of foam.

Mrs. Wilsey advised that for now, ILM had to obey the FAA Certification Office to put the NOTAM out. The airfield is still open. We can still take corporate aircraft and private aviation. The commercial carriers may choose to stop flying at any time because ILM doesn't meet our ARFF index for commercial airline operations until we get the foam from Myrtle Beach.

Mr. Broughton reported that ILM's 3 airlines were notified and are working with their corporate offices. Historically, if a NOTAM is out that the airport doesn't have firefighting capability, the airlines won't fly due to liability of a crash.

Mrs. Wilsey reported that staff was on this immediately to source the foam, get the foam here, and was doing what they could do to get extra time from the FAA.

## **OPERATIONS & GENERAL AVIATION**

Mr. Broughton reviewed the total revenue passengers, fuel costs and fuel flowage for October 2019. Mr. Broughton noted that fuel flowage is up 88% as a result of the military not flying as much in 2018 and the airlines taking on additional fuel purchases in 2019.

Mr. Broughton reported that the Request for Proposals for a second FBO closed Monday, December 2<sup>nd</sup> at 5 pm and staff received 2 proposals. One from AVFlight, out of Ann Arbor, MI and the other from Marathon FBO Partners, out of Marathon, FL. The selection committee will review the proposals and report their findings to Mrs. Wilsey no later than December 20<sup>th</sup> to be brought to the Authority at the January 8<sup>th</sup> Authority meeting for approval.

Mr. Broughton commended ILM emergency responders and operations employees for the handling of an emergency landing on Friday, November 29<sup>th</sup>. A Moony with 3 souls on board landed on RWY 35 with gear up and closed that RWY for 2.5 hours. There were no injuries. Our staff jumped into action to get a wrecker service on site to load the airplane and move it to SeaHawk Aviation. RWY 24 remained open the entire time so the airport was open and there was no other impact to aviation.

Mr. Broughton advised that Air Wilmington has informed staff that they will be rebranding in January 2020 to Modern Aviation, the company that owns them, to be consistent with their other locations nationwide.

### **DIRECTOR'S REPORT**

Mrs. Wilsey pointed out copies of the Airport Business article: 40 Under 40, featuring ILM's own Granseur Dick, noting it is a first for ILM to have a staff member featured.

Mrs. Wilsey reminded the Authority of the Power Breakfast on December 12<sup>th</sup> featuring Authority board member and County Commissioner Chair Julia Olson-Boseman as one of the speakers, along with Commissioner Woody White.

Mrs. Wilsey noted that Chairman Girardot and she will be attending the Greater Wilmington Business Journal Top 100 ceremony on December 10<sup>th</sup>. Honorees will be featured in the next WilmingtonBiz Magazine.

Mrs. Wilsey noted ILM had a busy Thanksgiving and preliminary statistics are in. As Mr. Lamb likes to say "this little staff punches well above its weight." The Sheriff's handled their first Thanksgiving on staff and transitioned into that role well. USA Parking and their small team handled the overage in parking for the 108 cars we didn't have spaces for. Mrs. Wilsey noted how Mr. Broughton's holiday travel tips pointed out that parking was going to be tight and to check the website before leaving for the airport. The advice helped prepare passengers.

Mrs. Wilsey reported that Mr. Lamb worked to get ILM a headquarters visit with United in Chicago for December 9<sup>th</sup> to talk about their service to Chicago and the hiatus in January-February of 2020. Staff has letters from PPD, UNCW Chairman Sartorelli and we are working on one from GE because their 3<sup>rd</sup> most used non-stop is Chicago. Mrs. Wilsey noted it was staff's number one concern to keep Chicago a daily flight 12 months out of the year.

Mrs. Wilsey reviewed the calendars for December 2019 - February 2020.

### **UNFINISHED BUSINESS**

None.

New Hanover County Airport Authority

December 4, 2019

Page 6

**NEW BUSINESS**

None.

**ADJOURNMENT**

There being no further business to come before the Board, Chairman Girardot adjourned the meeting at 6:14 pm.

Prepared by:  
Rose M. Davis

Respectfully Submitted:

---

Harry W. Stovall, Secretary

Date of Approval: January 8, 2020