

**NEW HANOVER COUNTY AIRPORT AUTHORITY  
REGULAR MEETING  
July 7, 2021**

**CALL TO ORDER**

The New Hanover County Airport Authority met on Wednesday, July 7, 2021, at Wilmington International Airport, 1740 Airport Boulevard, Wilmington, North Carolina. Airport Authority members and staff attended in person and public participation was permitted in person and remotely via Zoom. Chairman Girardot called the meeting to order at 5:02 p.m. Mr. Williams led the Authority in the pledge of allegiance. Chairman Girardot welcomed the public attending via zoom and outlined guidance and direction to all for the special measures being taken for this meeting.

Airport Authority members present were: Donna Girardot, Chairman; Spruill Thompson, Secretary; Tom Wolfe, Lee Williams, Julia Olson-Boseman; Jason Thompson and Wanda Copley, County Attorney. Also present were ILM staff Gary Broughton, Deputy Director; Granseur Dick, Facilities Director; Robert Campbell, Finance Director; Carol LeTellier, Business Development Director; and Rose Davis, Executive Assistant.

Harry Stovall, Vice Chairman and Nick Rhodes were absent from this meeting.

The public was able to join the meeting in person and remotely via zoom and approximately 16 people were present via zoom meeting. Guests present in person included Steve Bright and Eric Stumph, Talbert and Bright; Christina Haley O'Neal, Greater Wilmington Business Journal; and Gary Taylor, ILM Operations Manager. Public comments were accepted via email through 5 pm, July 6, 2021, to be read at the meeting.

**APPROVAL OF OUTSTANDING MINUTES**

The Authority has reviewed the minutes of the following meetings:

- Closed Session on May 6, 2020;
- Special Meeting on February 10, 2021;
- Closed Session on February 10, 2021;
- Closed Session on March 3, 2021;
- Closed Session on May 5, 2021;
- Special Meeting on June 8, 2021; and
- Closed Session on June 8, 2021.

Mr. Williams MOVED, SECONDED by Mr. Thompson to approve the minutes of the meetings as submitted and listed above. Upon vote, the MOTION WAS APPROVED. Mr. Stovall and Mr. Rhodes were absent.

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.

**APPROVAL OF CURRENT MINUTES**

The Authority has reviewed the minutes of the meeting on June 2, 2021. Mr. S. Thompson

MOVED, SECONDED by Mr. Wolfe to approve the minutes of the June 2, 2021 Airport Authority meeting as submitted. Upon vote, the MOTION WAS APPROVED. Mr. Stovall and Mr. Rhodes were absent.

### **FAREWELL**

Chairman Girardot recognized outgoing Authority member Harry Stovall and reviewed the highlights of the Authority's achievements during Mr. Stovall's four-year term on the Airport Authority, noting that Mr. Stovall has served a total of 12 years on the Authority.

### **WELCOME**

Chairman Girardot welcomed newly appointed Authority member, Jason Thompson, to the Authority. Mr. Thompson was sworn in prior to the meeting by Kym Crowell, Clerk to the New Hanover County Board of Commissioners.

### **ELECTION OF OFFICERS**

Mr. Wolfe, on behalf of the nominating committee recommended the following slate of officers: Donna Girardot, Chairman; F. Spruill Thompson, Vice Chairman; and Nick Rhodes, Secretary. There were no nominations from the floor. Upon vote, the MOTION WAS APPROVED. Mr. Rhodes was absent.

Mr. S. Thompson recognized Chairman Girardot for her leadership and service as Chair of the Authority for the 2020-2021 year.

Chairman Girardot asked the Authority members to review Committee assignments and notify her of their preference for the coming year.

### **FINANCE & HUMAN RESOURCES**

Mr. Campbell turned the floor over to Mr. Wolfe to present the first action item on behalf of the Finance committee. Mr. Wolfe recommended Mr. Broughton's appointment as Interim Airport Director and presented Mr. Broughton's contract for approval and signature by the Authority. This contract runs through December 31, 2021. Mr. Wolfe MOVED, SECONDED by Mrs. Olson-Boseman to approve the contract with Gary Broughton to serve as Interim Airport Director as presented. Upon vote, the MOTION WAS APPROVED. Mr. Rhodes was absent.

Mr. Campbell recommended the approval of a Professional Services Agreement with ADK Consulting & Executive Search to conduct a full-service search for a new Airport Director for a base amount not to exceed \$39,900.00. It was noted there may be ancillary charges in addition to this base amount. Mr. S. Thompson updated the Authority on the anticipated process, identified the search committee and discussion followed. Mr. S. Thompson presented the motion from committee to approve the Professional Services Agreement with ADK Consulting & Executive Search as recommended. Upon vote, the MOTION WAS APPROVED. Mr. Rhodes was absent.

Mrs. Olson-Boseman made the following statement: "I'm really glad we are moving forward with an agreement with this Executive Search team because I think having a nationwide search for a new Director is going to be incredibly important in helping us grow this airport into what I know it can be. We have to continue moving forward, looking and growing toward the future and

bring amazing innovation into this airport. We have a great staff in place, and I look forward to seeing who we can find to lead them and this airport.”

Mr. Wolfe reported that the finance committee would continue to work with staff on the review of the Employee Handbook.

Chairman Girardot thanked Mr. Wolfe and Mr. S. Thompson for their hard work over the last few months.

Mr. Campbell reviewed ILM’s May financial summary, financials and cash summary.

### **FACILITIES & TERMINAL EXPANSION**

Mr. Dick recommended the approval of a work authorization by Talbert & Bright for NTE \$109,320.00, pending positive IFE review, to perform design of renovations to the existing hold room and rental car lobby counters. The renovations, subject to Authority approval, will be performed through a contract change order with Monteith Construction and will update the early 2000’s appearance in these areas to be consistent with the new terminal construction and ticket lobby renovations, providing a consistent appearance throughout. Mr. Wolfe MOVED, SECONDED by Mr. S. Thompson to approve the work authorization by Talbert & Bright as recommended. Upon vote, the MOTION WAS APPROVED. Mr. Rhodes was absent.

Mr. Dick updated the Authority on the status of the Terminal Expansion project, the Runway 6 Ditch and Perimeter Fence Repair project, the Commercial Service Apron Expansion, the NC DOT Enhancement Project, Marathon Aviation/Aero Center Wilmington and the CRRSA Grant.

Mr. Dick also updated the Authority on the Parks Griffin memorial area and the committee’s input on what that area should look like.

Chairman Girardot asked if the terminal expansion project would be ready for tours in October for the Roundtable event that ILM is hosting and Mr. Dick indicated the project should be visually complete at that time and that tours may be possible.

Chairman Girardot also asked if it was possible to display the conceptual drawings of the new terminal so that waiting passengers will be able to see what the future of the airport is going to look like. Mr. Dick agreed to speak to Monteith about future signage to illustrate the final look of the project.

Mr. J. Thompson asked for clarification regarding the large amount of cash on hand and what the Authority’s policy is regarding the same and the airport’s investment options. Explanation and discussion followed.

### **BUSINESS DEVELOPMENT**

Ms. LeTellier recommended the approval of the following walk on items:

- a. Marathon Aviation Collateral Assignment of Lease with Live Oak Bank - approval of short- and long-term financing documents. Since this item involves Live Oak Bank, Mr. Williams asked to recuse himself. Mr. S. Thompson MOVED, SECONDED by Mr.

Wolfe to allow Mr. Williams to recuse himself from the discussion and vote of this item. Mr. Williams left the room. Following a brief discussion, Mr. S. Thompson MOVED, SECONDED by Mr. Wolfe to approve the Collateral Assignment of Lease documents between Marathon Aviation and Live Oak Bank as recommended. Upon vote, the MOTION WAS APPROVED. Mr. Rhodes was absent, and Mr. Williams did not vote.

- b. Eighth Amendment to the Circle K Lease extending the conditions precedent period thru August 10, 2021. Mr. Williams MOVED, SECONDED by Mr. Wolfe to approve the Eighth Amendment to the Circle K Lease as recommended. Upon vote, the MOTION WAS APPROVED. Mr. Rhodes was absent.

Ms. LeTellier updated the Authority on the Tailwind expansion in the new airside, showing renderings of their new areas; and reminded the Authority of the upcoming Airport Roundtable event being hosted by ILM in Wilmington, October 27-29, 2021.

Chairman Girardot asked for clarification of the exclusivity of the restaurant concession going forward. Ms. LeTellier noted that Tailwind would no longer be the exclusive food and beverage concession when the new lease is drafted.

Chairman Girardot asked if a timeline for selling advertising in the new terminal area had been determined. Mr. Dick responded that the process has been started and is ongoing. Ms. LeTellier stated staff is encouraging current advertisers to stay with ILM in order to get first rights on the new signage opportunities. Locations for new advertising are being identified and as soon as the area is more complete, staff will be able to show potential advertisers the future signage locations.

## **GOVERNMENT**

Chairman Girardot updated the Authority on the Congressional Infrastructure Legislation; the General Assembly Revenue Projections and the 2022-2023 General Assembly Aviation-specific Funding Request.

## **OPERATIONS & GENERAL AVIATION**

Mr. Broughton reviewed the total revenue passengers, fuel costs and fuel flowage for May 2021. Regarding the July 4<sup>th</sup> holiday, from July 1 – 6, 2021, the airlines were booked for 9,808 passengers and actually boarded 10,760, which was up 15% vs. 2019.

Mr. J. Thompson asked what the increase in fuel flowage was attributed to and Mr. Broughton noted it was primarily the hot refueling of the military aircraft due to their contract with Modern Aviation. Discussion followed.

Mr. S. Thompson updated the Authority on behalf of the General Aviation Committee and reviewed their report. Mr. S. Thompson noted the premise of the report was to respond to complaints from the general aviation community in hopes of addressing some of their concerns.

Mr. S. Thompson noted the two primary complaints from the GA community are: 1) price of hangar space at ILM; and 2) the price of fuel.

Regarding price of hangar space, Mr. S. Thompson summarized the report indicating that as a primary commercial service airport, ILM does not subsidize general aviation hangars in competition with its tenants. The committee offers one possibility of assisting in the price of hangars if the airport is able to allow the private sector to develop hangars on longer ground lease terms to allow more time to recover money so they can rent the hangars for less. Mr. S. Thompson reported that County Commissioner Chairman Olson-Boseman has stated if the airport is heading in the right direction with its leadership— both Authority level and director level - then the County would consider extending its lease terms with the Airport and this can be addressed as the requests to build hangars come to the Authority.

Regarding the cost of fuel (primarily Avgas), Mr. S. Thompson reviewed the primary reason Avgas is so expensive is because it contains lead and must be shipped differently than unleaded gas. Mr. S. Thompson noted that ILM is not in a position to subsidize the fuel costs with the FBOs.

Mr. Williams noted with 2 FBOs there should be a relief in the gas prices due to the competition.

Mr. J. Thompson noted that fuel prices shouldn't be a big issue, but hangars are, and he's interested to see what the new FBO does. Mr. J. Thompson questioned what the best use of ILM's money would be and if there was a better return if ILM owned the land and the hangar. He is interested in looking at alternatives and hopes the Authority is not driven by GA community demands but what makes sense for this operation and is best for the airport. Mr. J. Thompson said he was looking forward to being part of these discussions.

Mr. S. Thompson noted the General Aviation Committee report is being presented by the GA Committee for adoption by the Authority, with the corrections regarding tax values, # of jets on the tarmac and typos noted during the meeting. Upon vote, the MOTION WAS APPROVED. Mr. Rhodes was absent. (A copy of the General Aviation Committee Report is hereby incorporated as part of the minutes and are contained in Exhibit Book III, Page 217.)

### **DIRECTOR'S REPORT**

Mr. Campbell updated the Authority on the Routes America Air Service Conference he attended in June. Discussion followed about air service development.

Mr. Broughton reminded the Authority of the upcoming NCAA Conference in Pinehurst August 10-12, 2021.

### **PUBLIC COMMENTS**

Mr. Pawlik's noise complaint received on June 24, 2021, was read for the record. There were no further public comments received via email. No public comments by those attending in person.

### **UNFINISHED BUSINESS**

None.

### **NEW BUSINESS**

Chairman Girardot called for a motion for the Authority to enter a closed session to consult with

an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3) and to discuss matters relating to the expansion of industries or economic development pursuant to NCGS §143-318.11(a)(4). Mr. S. Thompson MOVED, SECONDED by Mr. Williams to enter closed session for the above referenced matters. Upon vote, the MOTION CARRIED. Mr. Rhodes was absent.

All persons not Authority members or ILM staff were asked to leave the meeting and the zoom meeting was ended at this time. The Authority went into closed session at 6:24 pm.

**OPEN SESSION**

The Authority returned to open session. Chairman Girardot reported that the Authority has completed its discussion of expansion of industries/economic development and consultation with attorney.

The Airport Authority agrees to pay Mrs. Wilsey \$315,000 in salary and benefits pursuant to the terms of her contract. The Authority thanks Mrs. Wilsey for her service and wishes her well. Mrs. Olson-Boseman MOVED, SECONDED by Mr. Williams to pay Mrs. Wilsey as stated above. Upon vote, the MOTION CARRIED. Mr. Rhodes was absent.

**ADJOURNMENT**

Mr. Williams MOVED, SECONDED by Mr. S. Thompson to adjourn the meeting. Upon vote, the MOTION CARRIED. There being no further business to come before the Board, Chairman Girardot adjourned the meeting.

Prepared by:  
Rose M. Davis

Respectfully Submitted:

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Nick Rhodes, Secretary

Date of Approval: August 4, 2021