

**NEW HANOVER COUNTY AIRPORT AUTHORITY
REGULAR MEETING
April 6, 2022**

CALL TO ORDER

The New Hanover County Airport Authority met on Wednesday, April 6, 2022, at Wilmington International Airport, 1740 Airport Boulevard, Wilmington, North Carolina. Airport Authority members, ILM staff, and public participation was in person. Chairman Girardot called the meeting to order at 5:00 p.m. Mr. J. Thompson led the Authority in 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; Spruill Thompson, Vice Chairman; Nick Rhodes, Secretary; Tom Wolfe, Lee Williams, Julia Olson-Boseman, Jason Thompson, and Kemp Burpeau, Deputy County Attorney. Also present were ILM staff Jeff Bourk, Airport Director; Granseur Dick, Facilities Director; Carol LeTellier, Business Development Director; Robert Campbell, Finance Director; and Rose Davis, Executive Assistant.

Approximately 14 guests from the public attended the Authority meeting.

APPROVAL OF MINUTES

The Authority reviewed the minutes of the Closed Session on March 2, 2022, during the meeting. Mrs. Olson-Boseman MOVED, SECONDED by Mr. J. Thompson to approve the minutes of the Closed Session on March 2, 2022, as submitted. Upon vote, the MOTION WAS APPROVED.

The Authority has reviewed the minutes of the meeting on March 2, 2022. Mr. S. Thompson MOVED, SECONDED by Mr. Wolfe to approve the minutes of the March 2, 2022, Regular meeting as submitted. Upon vote, the MOTION WAS APPROVED.

PUBLIC COMMENTS

None.

FACILITIES & TERMINAL EXPANSION

Mr. Dick, on behalf of the Facilities Committee, recommended the approval of the following action items:

a. **Terminal Expansion – Hold Room Renovation (FAA, PFC, NCDOT)** – approval of Supplemental Agreement #4 to Monteith Construction for renovation of the existing hold room to match finishes of the overall expansion project. The value of SA#4 is \$2,846,482 plus \$100,000 in owner's contingency allowance for a total of \$2,946,482. The supplemental scope of work will run concurrently with the current base contract and Supplemental Agreement #3, with work tentatively scheduled to complete by March 2023. Scope includes installation of new ceiling and lighting, terrazzo floors, carpet, new gate counters and back walls, new seating and new FIDS and advertising monitors. Mr. S. Thompson MOVED, SECONDED by Mr.

Wolfe to approve the Supplemental Agreement #4 to Monteith Construction as recommended. Upon vote, the MOTION WAS APPROVED.

b. **Airport Boulevard and Parking Improvements (General Capital Fund)** – approval of Work Authorization to AVCON, Inc. in the NTE amount of \$97,196 to perform topographic/physical survey and geotechnical testing in advance of and to be used in the design of a new revenue parking lot and future improvements to Airport Blvd. Following some discussion, Mr. J. Thompson MOVED, SECONDED Mr. Wolfe to approve the Work Authorization to AVCON, Inc. as recommended. Upon vote, the MOTION WAS APPROVED.

IT

Mr. Bourk reported on the status of the RFPs for Common Use System providers and Content Management/FIDS/Digital Display System noting that staff received a total of 4 Common Use System proposals and 8 Terminal Display/FIDS proposals. Staff is reviewing and preparing to make a final vendor selection for both and would like to recommend Authority approval of a NTE contract of \$250,000 for the Common Use System, and a NTE contract of \$350,000 for the FIDS system. Mr. Williams MOVED, SECONDED Mrs. Olson-Boseman to approve a contract for the Common Use System in an amount NTE \$250,000 and a contract for the Terminal Display System/FIDS in an amount NTE \$350,000 as recommended. Upon vote, the MOTION WAS APPROVED.

FINANCE & HUMAN RESOURCES

Mr. Campbell reviewed ILM's February financial summary, financials, and cash summary.

Mr. Campbell, on behalf of the Finance Committee, recommended the approval of the following action items:

- a. Airport Consultant hourly agreement with DKMG, and various subs, for services and fees specified in the contract through June 30, 2022. A long-term contract will be presented for approval of the Authority for the upcoming fiscal year at a future meeting. Mr. Rhodes MOVED, SECONDED Mr. S. Thompson to approve the Airport Consultant agreement as recommended. Upon vote, the MOTION WAS APPROVED.
- b. Increase in the spending limit for the Authority Chair up to \$90,000 and the Airport Director up to \$50,000 for items that are included in the approved budget. Mr. J. Thompson MOVED, SECONDED Mr. Williams to approve the spending limit increases as recommended. Upon vote, the MOTION WAS APPROVED.
- c. Extending the parking management contract beyond the October 31, 2022, termination date. The contract will continue under the same terms on a month-to-month basis until terminated, but not to extend beyond October 31, 2023. Mr. J. Thompson MOVED, SECONDED Mr. S. Thompson to approve the extension of the parking management contract as recommended. Upon vote, the MOTION WAS APPROVED.
- d. Increasing the maximum daily rate in the Main Daily Parking Lot from \$10 to \$12, the daily rate in the Premium Lot from \$14 to \$15, and the daily rate in the Economy Lot from \$8 to \$9, effective May 1, 2022. Following a brief discussion, Mr. Williams

MOVED, SECONDED Mr. S. Thompson to approve the parking lot daily rates as recommended. Upon vote, the MOTION WAS APPROVED.

Mr. J. Thompson shared a conversation he had with a Marine General recently about why the military doesn't use ILM for their military travel. The General shared that the military uses a formula which includes ticket price, parking and other fees. He noted that other airports offer a reduced rate for military parking while ILM does not, which may make a difference in the overall formula to attract military travel thru ILM in the future. Chairman Girardot asked the Finance Committee to follow-up on this matter.

Mr. Campbell shared a brief overview of the current proposed budget and reminded the Authority that the Budget is available for Authority review until the May meeting, at which time the Authority approves the budget for public comment period. Following the public comment period, the Authority will vote to approve the final budget at the June Authority meeting which goes into effect July 1, 2022.

Chairman Girardot and Mr. Bourk updated the Authority on a recent meeting at ILM with Kyle Sanders, Senator Tillis' Deputy Chief of Staff, where they discussed ILM's Capital Improvement Program (CIP) application. Mr. Bourk stated that ILM is applying for discretionary dollars and ILM will have a strong CIP program for the next 5 years if that gets funded. Mr. Bourk noted that Talbert and Bright engineers did a great job putting that application together with solid arguments why the FAA should fund those projects.

BUSINESS DEVELOPMENT

Ms. LeTellier, on behalf of the Business Development Committee, recommended the approval of the following action items:

- a. A two-year lease extension with a 90-day cancellation for Edge Landscaping, Inc., effective April 1, 2022. Annual rent is \$11,216.70 with 3% per year increases. Mr. S. Thompson MOVED, SECONDED by Mr. Wolfe to approve the lease extension for Edge Landscaping, Inc. as recommended. Upon vote, the MOTION WAS APPROVED.
- b. A month-to-month lease for Jetstar Aviation in the American Cargo Building. Mrs. Olson-Boseman MOVED, SECONDED by Mr. Williams to approve the month-to-month lease with Jetstar Aviation as recommended. Upon vote, the MOTION WAS APPROVED.

Ms. LeTellier updated the Authority on the status of the Tailwind Café opening, sharing photos of the opening crowds and retail displays.

Mr. Bourk reported that staff would be putting out an RFQ for a Business Park Consultant in April and will begin tree removal at front of Parcel 27 as well.

GOVERNMENT

Chairman Girardot reminded the Authority of the General Assembly Breakfast at ILM on Monday, April 11th at 8 am and noted that the County Commissioners will be meeting with the Authority at a date to be determined in May for their annual airport update.

Chairman Girardot noted the two major topics for the General Assembly breakfast would be asking for support of a one-time increase of the NC airport funding from \$75M to \$150M with the same distribution formula, and the new request for a one-time Air Service Development funding in the amount of \$17M. ILM will also report to the legislators how we have spent the State funds on projects at ILM.

Chairman Girardot reported that the Senate finally approved the FY2022 Omnibus bill for \$1.5T spending bill, which will provide funds for airports. The bill is on the President's desk for signing.

OPERATIONS & GENERAL AVIATION

Mr. Bourk reported that staff has the letter for Modern Aviation to update the military Giant Report and there is a pavement study analysis in the capital budget that may find additional improvements.

Mr. Bourk reported that the Eastside Hangar Development project was submitted to the FAA for partial funding in the CIP application.

Mr. Bourk reviewed the monthly operations reports and updated the Authority on fuel flowage for the month of February 2022. Mr. Bourk noted that increased fuel prices will have a major impact on the industry.

Mr. Bourk updated the Authority Cape Fear General Aviation Day event on April 30, 2022 at Rescue Base, and the status of the plans for a scholarship program for local youth to earn their pilot's license.

DIRECTOR'S REPORT

Mr. Bourk updated the Authority on Air Service Development and shared the two-minute marketing video which is targeted to the local population for use on social media and for local community presentations.

Mr. Bourk reported on the Tourism Development Authority's (TDA) approval of a Destination Marketing Incentive of \$125,000 per new route at their last meeting. This is a great addition to ILM's Incentive Program.

Mr. Bourk noted that the Small Community Air Service Development Grant was submitted to the DOT which, if approved, would provide funding for a new non-stop route from ILM to Miami or Ft. Lauderdale.

UNFINISHED BUSINESS

None.

NEW BUSINESS

Chairman Girardot called for a motion for the Authority to enter a closed session to discuss matters relating to the expansion of industries and economic development pursuant to NCGS §143-318.11(a)(4). Mr. S. Thompson MOVED, SECONDED by Mr. Wolfe to enter into closed session for the above referenced matter. Upon vote, the MOTION WAS APPROVED.

All persons not Authority members or ILM staff were asked to leave the meeting. The Authority went into closed session at 5:36 pm.

Mr. Rhodes MOVED, SECONDED by Mr. S. Thompson to return to open session. Upon vote, the MOTION WAS APPROVED.

OPEN SESSION

The Authority returned to open session at approximately 6:24 pm. Chairman Girardot reported that the Authority completed its discussion relating to expansion of industries and economic development.

Mr. Wolfe MOVED, SECONDED by Mr. J. Thompson to approve the hotel lease with ILM Airport Hotel Partners, LLC dba Flintlock as presented. Upon vote, the MOTION WAS APPROVED. Mrs. Olson-Boseman was not present for this vote.

Chairman Girardot advised the Authority that the press conference to announce the hotel approval is scheduled for Thursday, April 7th at 2 pm in the ILM Conference Room.

ADJOURNMENT

Mr. Rhodes MOVED, SECONDED by Mr. Williams to adjourn the meeting. Upon vote the MOTION WAS APPROVED. There being no further business to come before the Board, Chairman Girardot adjourned the meeting at 6:26 pm.

Prepared by:
Rose M. Davis

Respectfully Submitted:

Nick Rhodes, Secretary

Date of Approval: May 4, 2022