

**NEW HANOVER COUNTY AIRPORT AUTHORITY
REGULAR MEETING
May 4, 2022**

CALL TO ORDER

The New Hanover County Airport Authority met on Wednesday, May 4, 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 5:02 p.m. Mr. S. 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, Julia Olson-Boseman, Jason Thompson, and Wanda Copley, 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.

Mr. Williams was absent from this meeting.

Approximately twelve guests from the public attended the Authority meeting.

APPROVAL OF MINUTES

The Authority has reviewed the minutes of the meeting on April 6, 2022. Mr. S. Thompson MOVED, SECONDED by Mr. Wolfe to approve the minutes of the April 6, 2022, Regular meeting as submitted. Upon vote, the MOTION WAS APPROVED. Mr. Williams was absent.

The Authority reviewed the minutes of the Closed Session on April 6, 2022, during the meeting. Mr. Wolfe MOVED, SECONDED by Mr. J. Thompson to approve the minutes of the Closed Session on April 6, 2022, as submitted. Upon vote, the MOTION WAS APPROVED. Mr. Williams was absent.

The Authority has reviewed the minutes of the Special meeting on April 11, 2022. Mr. S. Thompson MOVED, SECONDED by Mr. Wolfe to approve the minutes of the April 11, 2022, Special meeting as submitted. Upon vote, the MOTION WAS APPROVED. Mr. Williams was absent.

PUBLIC COMMENTS

Mr. Tom Goodwin addressed the Authority noting the many accomplishments of the Authority over the last 5 months, including the business park development, new airline, general aviation event and aviation scholarship and thanked the Authority for the direction of the board and the board's attitude towards general aviation.

At Mr. J. Thompson's request, Mr. Goodwin also explained the importance of the FAA W.I.N.G.S safety training held at the general aviation event to local pilots and the general aviation community as a whole.

FACILITIES & TERMINAL EXPANSION

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

- a. **Apron Expansion – Phase 2– (PFC, NCDOT)** –a Work Authorization Amendment No. 2 in the amount of \$265,720 to Talbert and Bright for Additional Construction Phase Services related to the additional areas of ramp expansion. The scope of work will include testing, documentation and inspection service. Mr. J. Thompson MOVED, SECONDED by Mr. S. Thompson to approve Work Authorization Amendment No. 2 to Talbert and Bright as recommended above. Upon vote, the MOTION WAS APPROVED. Mr. Williams was absent.
- b. **Stormwater Permitting Assistance – (General Capital Fund)** –a Work Authorization in the amount NTE \$49,600 to Talbert and Bright to provide up to 280 hours of assistance in managing permitting of various tenant developments, DEQ Permit accounting and ILM Stormwater Masterplan Permit planning updates. Mr. Rhodes MOVED, SECONDED by Mr. Wolfe to approve Work Authorization to Talbert and Bright as recommended above. Upon vote, the MOTION WAS APPROVED. Mr. Williams was absent.
- c. **Airport Boulevard and Parking Improvements (General Capital Fund)** –a Work Authorization to AVCON, Inc pending final IFE review, NTE \$492,082 to perform environmental assessment, preliminary design of an expanded route for Airport Blvd, and final design of a new surface parking lot. Mrs. Olson-Boseman MOVED, SECONDED by Mr. S. Thompson to approve Work Authorization to AVCON, Inc. as recommended above. Upon vote, the MOTION WAS APPROVED. Mr. Williams was absent.

Mr. Dick recommended approval of the following walk-on action item:

Air Carrier Expansion Phase 1- Change Order # 1 –in the amount of \$10,085.83 to Trader Construction related to conditions found in the field with existing sub-drains that need to be replaced. The change order reflects the extra materials involved to replace these sub-drains and the expense of additional concrete removal required plus the deletion of some materials. Discussion followed regarding this discovery. Mr. S. Thompson MOVED, SECONDED by Mr. J. Thompson to approve the Change Order #1 to Trader Construction as recommended above.

Mr. Dick updated the Authority on the status of the terminal expansion project now underway in the bag claim area and the upcoming Stormwater planning meeting with new tenant developers.

IT

Mr. Bourk reported to the Authority that ILM staff selected Amadeus Airport IT Americas, Inc. as the Common Use System provider. The Common Use System will be in place with temporary solutions prior to the Avelo launch date of June 30th and with full implementation by August/September 2022, with the 3 legacy carriers on the system as well, so the system can be used during the renovations of the existing hold room. The Authority approved a contract with a to be determined vendor in the NTE amount of \$250,000 at the April 6 Authority meeting. Discussion followed about service and support with Amadeus noting most of it will be remote

since the system is cloud based. ILM facilities personnel will be handling any hardware issues at ILM but it is anticipated that an IT staff person will be needed at ILM once a second low cost carrier comes in.

Mr. Bourk updated the authority on the status of the selection for the Terminal Display System/FIDS provider noting that contract was also approved at the April 6 Authority meeting in an amount NTE \$350,000 with a vendor to be determined following further review by staff.

FINANCE & HUMAN RESOURCES

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

Mr. Campbell reviewed the proposed budget and several adjustments as suggested by the Finance Committee.

Mr. Campbell, on behalf of the Finance Committee, recommended approval of the FY23 Proposed Budget in the amount of \$44,152,800 (\$11,728,600 Operating; \$32,424,200 Capital) to be made available for public review for a period of 25 days. Mr. Wolfe MOVED, SECONDED Mr. J. Thompson to approve the FY23 Proposed Budget for public review as recommended. Upon vote, the MOTION WAS APPROVED. Mr. Williams was absent.

BUSINESS DEVELOPMENT

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

A two-year lease extension through August 31, 2024 for KBT Realty Services, Inc., Flex Building tenant, Suites 120 and 130. Mr. Rhodes MOVED, SECONDED by Mr. Wolfe to approve the lease extension for KBT Realty Services, Inc. as recommended. Upon vote, the MOTION WAS APPROVED. Mr. Williams was absent.

Ms. LeTellier shared the new In-Terminal Advertising Plan with the Authority and requested the Authority approve the new In-Terminal Advertising Plan as presented. Mr. Bourk noted the advertising plan is a work in progress and will continue to be developed in partnership with the airport consultant and the aviation marketing group to upgrade the pricing and include the digital options once the Terminal Display System/FIDS vendor is selected. Following a brief discussion, Mr. S. Thompson MOVED, SECONDED by Mr. Rhodes to approve the new In-Terminal Advertising Plan as recommended. Upon vote, the MOTION WAS APPROVED. Mr. Williams was absent.

Ms. LeTellier updated the Authority on the status of the Tailwind Restaurant opening; the RFP for 2 Cargo buildings; tree removal at Parcel 27; upcoming TRC and Board of Adjustment meetings regarding hotel height and CIL project; and proposed realtor meetings.

GOVERNMENT

Chairman Girardot initiated a discussion about the Authority meeting schedule noting the proximity of the July and September meetings to holidays to see if the Authority would prefer to move those meetings at this time. It was the consensus of the Authority to move the July meeting to July 13 but leave the September meeting as scheduled for September 7th.

Chairman Girardot reported on follow-up conversations with the General Assembly delegates noting positive comments and reviews regarding the information provided and the input from the Authority at the recent breakfast meeting. All seem to be in support of the funding request.

Chairman Girardot updated the Authority on the May 25th date for the Authority breakfast with New Hanover County Commissioners.

OPERATIONS & GENERAL AVIATION

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

Mr. Bourk updated the Authority on ILM's annual FAA 139 inspection which was March 7-9 and the Compliance Letter from the FAA dated March 16th. Mr. Bourk recognized Tamie Keel and Keathon Stark and noted they both have done a great job of maintaining the airfield and performing the duties related to the 139 annual requirements. Mr. Bourk reported that this year's Compliance Letter had a total of ten findings, which is more than ILM has had in previous years. Three of the ten findings were closed the day of the inspection.

Mr. Bourk stated that ILM Staff took a proactive approach to identify and fix compliance issues. Staff has since received an email from the FAA closing out six of the remaining findings leaving one, which is related to grading issues on the airfield and drainage ditches adjacent to the runway that have been that way for the life of the airport. The standards for these areas have not changed in a long time.

Staff has submitted an action plan to the FAA and could use grant funds to fix those issues so that item will remain open while a detailed plan and procurement process for the work is completed. The rest of the items have been closed out. Mr. Bourk complimented the ILM team on their work.

Mr. Bourk pointed out that staff's approach is to find things that need to be fixed period. Mr. S. Thompson asked if that one item would be resolved before the next inspection and Mr. Bourk reported that it may, but that Mr. Dick and the FAA are working on an action plan to resolve this matter. Mr. Bourk explained in more detail the issues involved in correcting this finding and noted that FAA funds may be used to fix the matters. Hopefully we can close out by November 1st.

Mr. Wolfe asked how many of the findings were a year old or older, and Mr. Bourk noted he believed seven were more than a year old. Mr. Bourk noted that all findings were correct and accurate and things that needed to be fixed, and that the ILM team had several of the items (paint and signs) already identified and POs written to correct the matters and submitted those items to the inspector at the start of the inspection knowing that they were not compliant.

Mr. J. Thompson commented, as the newest Authority member that he finds it refreshing that staff proactively found things, and he noted, out of this list of 10, that 7 findings belonged to past administrations, but staff owns them and is going to fix them.

Mr. J. Thompson noted that it is important to say that these items did not all happen in the last 2 or 3 months, and he appreciates staff identifying the problems and fixing them versus trying to hide them or hope the inspector will not see them. Mr. J. Thompson noted he does not know that any of that happened in the past or not, but he likes the proactive approach and commends the staff for doing that. Mr. Bourk pointed out that Ms. Keel and Mr. Stark are the ones that brought things to his attention, and they worked together with Mr. Dick to get things fixed asap.

Mr. J. Thompson initiated a discussion with staff about alternative options to fixing the grading and drainage problems. Mr. Bourk explained the possibility of using AIP funding for this new project, but he believes we could just fix the grading and perimeter road/drainage without using FAA AIP funding.

Mr. Bourk shared the new sketch of the East Ramp Hangar development noting that this has been submitted to the FAA for approval/funding in 2023/2024.

DIRECTOR'S REPORT

Mr. Bourk recognized Mr. Campbell with an official plaque for his A.A.E. designation.

Mr. Bourk shared the new route map and promotional materials for Avelo noting the \$20 off ILM code for round trip tickets purchased and used before August 31, 2022.

Mr. Bourk shared a picture slideshow of the following events: Avelo announcement; the Honor Flight; and the Cape Fear Aviation Day event. Mr. Bourk reported that the PR value from these three events was \$4.5M.

Mr. Bourk updated the Authority on the status of the SCASDG noting that there were only 2 applications from North Carolina and ILM was the only one with an Airline Support Letter and legislative support letters.

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. Wolfe MOVED, SECONDED by Mr. Rhodes to enter into closed session for the above referenced matter. Upon vote, the MOTION WAS APPROVED. Mr. Williams was absent.

All persons not Authority members or ILM staff were asked to leave the meeting. The Authority went into closed session at 5:55 pm.

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

OPEN SESSION

The Authority returned to open session at approximately 6:35 pm. Chairman Girardot reported

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that the Authority completed its discussion relating to expansion of industries and economic development.

ADJOURNMENT

Mr. Rhodes MOVED, SECONDED by Mr. Wolfe to adjourn the meeting. Upon vote the MOTION WAS APPROVED. Mr. Williams was absent. There being no further business to come before the Board, Chairman Girardot adjourned the meeting at 6:36 pm.

Prepared by:
Rose M. Davis

Respectfully Submitted:

Nick Rhodes, Secretary

Date of Approval: June 1, 2022