

**NEW HANOVER COUNTY AIRPORT AUTHORITY
REGULAR MEETING
September 7, 2022**

CALL TO ORDER

The New Hanover County Airport Authority met on Wednesday, September 7, 2022, at Wilmington International Airport, 1740 Airport Boulevard, Wilmington, North Carolina. Chairman S. Thompson called the meeting to order at 5:00 p.m. Mr. Rhodes led the Authority in the pledge of allegiance. Chairman S. Thompson 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 Spruill Thompson, Chairman; Nick Rhodes, Vice Chairman; Tom Wolfe, Secretary; Julia Olson-Boseman, and Faison G. Sutton. Wanda Copley, County Attorney was also present. ILM staff present included Jeff Bourk, Airport Director; Granseur Dick, Deputy Airport Director; Robert Campbell, Deputy Airport Director; Carol LeTellier, Business Development Director; and Rose Davis, Executive Assistant.

Lee Williams and Jason Thompson attended the meeting and voted via zoom. Approximately 14 guests from the public attended the Authority meeting.

APPROVAL OF MINUTES

The Authority has reviewed the minutes of the meeting on August 3, 2022. Mr. Wolfe MOVED, SECONDED by Mr. Rhodes to approve the minutes of the August 3, 2022, regular meeting as submitted. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.

The Authority reviewed the minutes of the closed session on August 3, 2022, during the meeting. Mr. Rhodes MOVED, SECONDED by Mr. Wolfe to approve the minutes of the closed session on August 3, 2022, as submitted. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson, attending the meeting remotely, did not review the closed session minutes and did not vote on their approval.

PUBLIC COMMENTS - None.

SPECIAL PRESENTATION

Mr. Dick, Ms. Keel and Mr. Bourk recognized ILM Aircraft Rescue Fire Fighter Scotson Jenkins who recently earned his Airport Master Fire Fighter certification.

FINANCE, MARKETING AND AIR SERVICE DEVELOPMENT

Mr. Campbell presented, as recommended by the Finance Committee, the following action items for Authority approval:

- a. Airport Consultant –contract with DKMG for an amount not to exceed \$150,000. Mr. Rhodes MOVED, SECONDED by Mrs. Olson-Boseman to approve the contract with DKMG as presented. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.

- b. Budget Amendment –to add \$52,300 to capital equipment to cover the cost of equipment needed in the Customs building. Mrs. Olson-Boseman MOVED to approve the budget amendment to capital equipment for equipment needed in Customs building as presented. No second was required as this recommendation came from the Finance Committee. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.
- c. Budget Amendment –to add \$250,000 to capital equipment to cover the cost of the infrastructure improvements (ACUS/FIDS) that was approved by the Authority at the August meeting. Mrs. Olson-Boseman MOVED to approve the budget amendment to capital equipment for infrastructure improvements as presented. No second was required as this recommendation came from the Finance Committee. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.
- d. NHC Sheriff’s Office (NHSO) Contract – amendment to New Hanover County Sheriff’s agreement increasing the “not to exceed” limit to \$695,000. Mrs. Olson-Boseman MOVED to approve the amendment to the NHSO agreement as presented. No second was required as this recommendation came from the Finance Committee. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.
- e. Budget Amendment –to move \$110,000 from Contracted Services to Salaries & Benefits to cover the cost of two new Operations Specialist I positions. Mr. Wolfe MOVED to approve the budget amendment moving money from Contracted Services to Salaries & Benefits as presented. No second was required as this recommendation came from the Finance Committee. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.

Mr. Campbell shared the 2022 Honor Flight Photo Book commemorating the most recent Honor Flight and thanked the Authority and staff on behalf of the event President, Ruth Smith. The next Honor Flight is scheduled for April 29, 2023.

Mr. Campbell reviewed ILM’s July financial summary, financials, and cash summary. Mr. Campbell reported that July’s operating revenue was a single-month record at ILM.

Mr. Bourk reviewed the monthly activity and performance reports. Mr. Bourk updated the Authority on the website and social media analytics which show ILM’s most recent marketing efforts are paying off in increased traffic to the ILM website and the airlines’ websites.

Mr. Bourk shared with the Authority that ILM’s October seats in the market, compared to October 2019 (pre-pandemic) seats in the market, put ILM #1 ahead of all other NC airports in terms of recovery. This may not mean ILM will be #1 in terms of enplanements but our airlines here believe that capacity is going to be there. Mr. Bourk noted that nationally ILM is 33 out of 150 airports in terms of seat recovery.

OPERATIONS & FACILITIES

Mr. Dick presented, as recommended by the Operations and Facilities Committee, the following action items for Authority approval:

- a. Contract Manager at Risk (CMAR) Request for Qualifications (RFQ) for Terminal Curb improvements –provide consensus for ILM staff to pursue a CMAR RFQ for the Terminal Curb. Mrs. Sutton MOVED to approve and consent for ILM staff to pursue a CMAR RFQ as presented. No second was required as this recommendation came from the Operations and Facilities Committee. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.
- b. Fee for TBI for design and bidding administration of additional terminal enhancements to include: (i) the Lobby HVAC and atrium renovation, in an amount NTE \$320,000, pending IFE review; and (ii) the Oversize baggage belt and TSA HVAC, in an amount NTE \$245,000, pending IFE review. Mr. Wolfe MOVED to approve Fee for TBI for design and bidding administration as presented. No second was required as this recommendation came from the Operations and Facilities Committee. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.
- c. Memorandum of Agreement with New Hanover County, Stormwater Services Department, for stormwater access off Old Winter Park Road and Kerr Avenue - approval and consensus for ILM to allow easement to New Hanover County for stormwater access off Old Winter Park Road and Kerr Avenue. Mr. Rhodes MOVED to approve the stormwater easement as presented. No second was required as this recommendation came from the Operations and Facilities Committee. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.

Chairman S. Thompson noted for the record that while it may appear to the public that these items are being rubberstamped with unanimous votes, they are being fully vetted in the committee process prior to the Authority meeting and all these expenditures are independently verified by someone not associated with the projects. Mr. Dick further explained the Independent Fee Estimates (IFE) review process noting our contract value needs to be below or within 10% above the IFE calculated amount.

Mr. Dick updated the Authority on the status of the terminal expansion; apron expansion; and IT infrastructure improvements. Mr. Dick reviewed the airport operations chart. Mr. Bourk noted the next Cape Fear Aviation Day is scheduled for October 22, 2022. Mr. Dick updated the Authority on the taxi lane marking at Live Oak Bank and an update on the Eshelman Ventures hangar project.

BUSINESS DEVELOPMENT

Ms. LeTellier presented, as recommended by the Business Development Committee, the following action items for approval:

- a. Lease Amendment- New Hanover County extension of Airport Authority Master Lease with New Hanover County to 60 years – August 21, 2082. Mrs. Olson-Boseman MOVED to approve the amendment to the Airport Authority Master Lease as presented. No second was required as this recommendation came from the Business Development Committee. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.

- b. Assignment of land lease from CIL ILM, LLC to CIL ILM 2, LLC. Following a brief discussion, Mr. Wolfe MOVED to approve the assignment of the land lease from CIL ILM, LLC to CIL ILM 2, LLC as presented. No second was required as this recommendation came from the Business Development Committee. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.
- c. Lease Amendment– ILM Hotel Partners, LLC lease to add two, one-year extension options. Mrs. Olson-Boseman MOVED to approve the lease amendment to ILM Hotel Partners, LLC as presented. No second was required as this recommendation came from the Business Development Committee. Upon vote, the MOTION WAS APPROVED Mr. Williams and Mr. J. Thompson voted via zoom.
- d. Four Lease Amendments for CIL ILM, LLC landside; airside; Lease 2; and, Lease 3; adding additional extension provisions permitting the lease term to be extended, if certain criteria are met, but in no case shall the lease extensions go beyond 50 years; and, reducing CIL ILM, LLC's exclusivity payment from \$1M to \$750,000 due to their commitment to invest additional money on the properties. Mr. Wolfe MOVED to approve the lease amendments to the four CIL ILM, LLC leases as presented. No second was required as this recommendation came from the Business Development Committee. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.

Ms. LeTellier updated the Authority on the status of the RFP for Concessions, noting that staff is waiting for the FAA passenger forecast to be updated before finalizing and publishing the RFP. Mr. Bourk noted that ILM has already met the numbers for 2022 forecast with 4 months left in the year. ILM's numbers for 2023 should be greater than originally forecast and that information will help increase interest in ILM and the RFP.

DIRECTOR'S REPORT

Mr. Bourk presented, as recommended by the Executive Committee, the following action items for approval:

- a. SCASDP Grant Award in the amount of \$1.1M to enhance air service to south Florida. Mr. Wolfe MOVED to approve the SCASDP Grant Award as presented. No second was required as this recommendation came from the Executive Committee. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.
- b. State Grant Award which increased from \$5.1M to \$6.75M. Mrs. Sutton MOVED to approve the State Grant Award as presented. No second was required as this recommendation came from the Executive Committee. Upon vote, the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom.

Mr. Bourk updated the Authority on the recent Global Entry interview event at ILM; the Parks Griffin Memorial Plaza plaque and future installation; the Aviation scholarship; National Aviation Day luncheon and the upcoming Annual Tenant Meeting on October 6, 2022.

Mr. Dick, on behalf of the ILM staff, shared recognition of ILM employees who received the

Digicast Excellence Award for Airport Training in 2021.

Mr. Bourk shared that Aero Center Wilmington's grand opening event is scheduled for Thursday, September 8th and the Authority is invited to attend.

Chairman S. Thompson noted a change to Authority committees to add Julia Olson-Boseman to the Business Development Committee. In order to prevent a quorum at those committee meetings, Chairman S. Thompson and Mr. Wolfe will alternate attending those meeting and brief the other as needed.

UNFINISHED BUSINESS - None.

NEW BUSINESS – None.

ADJOURNMENT

Mr. Rhodes MOVED, SECONDED by Mr. Wolfe to adjourn the meeting. Upon vote the MOTION WAS APPROVED. Mr. Williams and Mr. J. Thompson voted via zoom. There being no further business to come before the Board, Chairman S. Thompson adjourned the meeting at 5:58 pm.

Prepared by:
Rose M. Davis

Respectfully Submitted:

Thomas Wolfe, Secretary

Date of Approval: October 5, 2022