



ILM

WILMINGTON INTERNATIONAL AIRPORT

***New Hanover County
Airport Authority
Meeting***

***Wednesday
February 1, 2023***

5:00 PM

ILM Executive Conference Room



New Hanover County Airport Authority
Meeting Agenda
February 1, 2023- 5:00 PM

- Call to Order
- Pledge of Allegiance
- Code of Ethics Clause
- Welcome – LeAnn Pierce
- Public Comments (Limited to 3 Minutes)
- Consent Agenda Tab 1
- Staff Reports
 - Finance, Marketing & Air Service Development Tab 2
 - Operations & Facilities Tab 3
 - Business Development Tab 4
 - Director’s Report Tab 5
- Unfinished Business/New Business/Adjournment Tab 6



New Hanover County Airport Authority
Code of Ethics
Adopted 9/2/2015

In accordance with the New Hanover County Board of Commissioners Resolution Adopting a Code of Ethics, as adopted on January 5, 2015, it is the duty of all County boards and committees to respect and abide by the New Hanover County Code of Ethics in the performance of their duties.

More specifically all Airport Authority members should:

1. obey all applicable laws;
2. uphold the integrity and independence of the Authority;
3. avoid impropriety;
4. faithfully perform the duties of the office; and,
5. conduct the affairs of the Authority in an open and public manner.

It is further the duty of every Authority member to avoid both conflicts of interest and appearances of conflicts. Does any member have any known conflict of interest or appearance of conflict with respect to any matters coming before the Authority today? If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.



Tab 1

Consent Agenda

1. Approval of Regular Meeting Minutes – December 7, 2022

Staff Reports

Committee	Airport Authority Member	Staff Member's
Finance, Marketing & Air Service – Tab 2 <ul style="list-style-type: none"> • Monthly Financial Report • Monthly Activity and Performance Report • Marketing & Air Service Development Report • HR Report 	Lee Williams Tom Wolfe	Bob Campbell/Jeff Bourk
Operations and Facilities – Tab 3 <ul style="list-style-type: none"> • Construction/Expansion Report • Facilities/IT Report • Operations Report • General Aviation Report 	Jason Thompson Nick Rhodes	Granseur Dick/Jeff Bourk
Business Development - Tab 4 <ul style="list-style-type: none"> • Business Park Development Report • Airside & Terminal Development Report • Phase 2 Business Park Report • Advertising Report 	Faison Sutton LeAnn Pierce	Carol LeTellier/Jeff Bourk
Executive Committee <ul style="list-style-type: none"> • Legislative Priorities (consult with LeAnn Pierce as necessary) • Capital Budget Planning (beyond 1 year to 5 years) • General Update 	Spruill Thompson Nick Rhodes Tom Wolfe	Jeff Bourk
Director's Report – Tab 5	Will include updates from Executive Committee as necessary	



Tab 2

Finance, Marketing and Air Service Development

- **Action Item – None.**
- **Information Items**
 - Monthly Financials
 - Monthly Activity and Performance Reports
 - Marketing & Air Service Development Report
 - HR Report



Wilmington International Airport

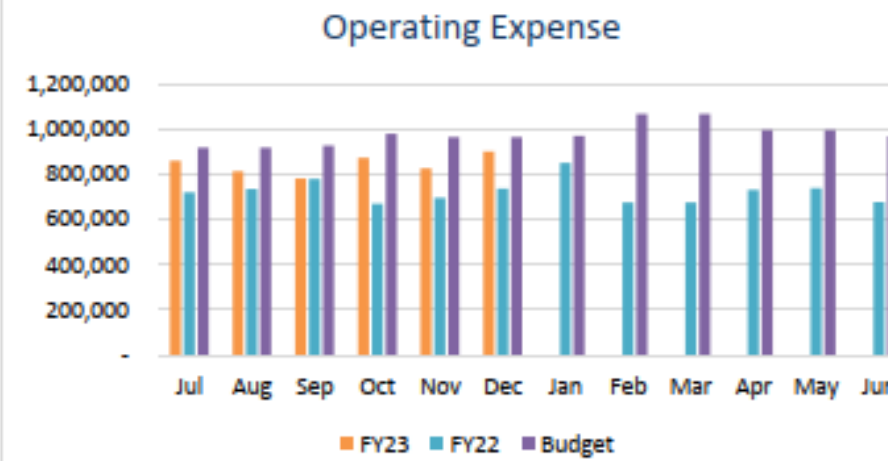
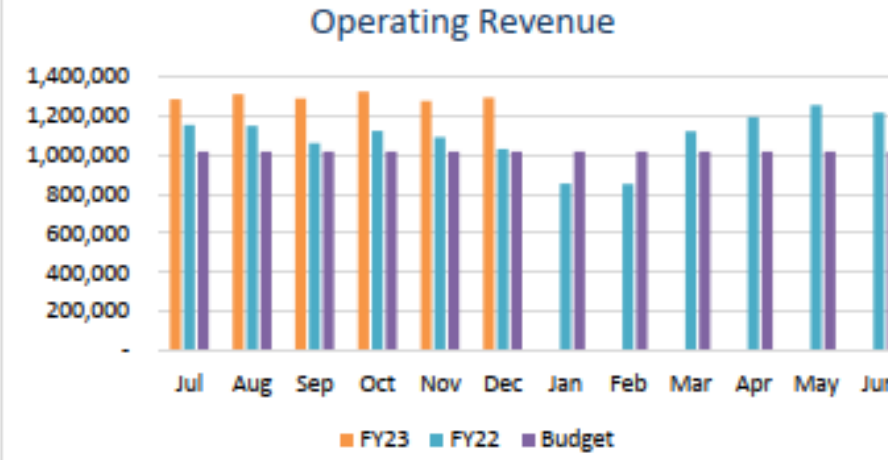
Monthly Financial Summary

December

Summary	Actual	Budget	Prior Year	Act vs. Bud	Act vs. PY
Monthly Revenue	1,293,974	1,018,242	1,030,720	27.1%	25.5%
Monthly Expense	901,229	963,130	735,809	-6.4%	22.5%
YTD Revenue	7,717,732	6,109,452	6,611,556	26.3%	16.7%
YTD Expense	5,051,708	5,665,780	4,331,779	-10.8%	16.6%

Revenue	Actual	Budget	Prior Year	Act vs. Bud	Act vs. PY
Aviation	175,612	136,225	156,939	28.9%	11.9%
Parking Lot	509,630	378,250	370,381	34.7%	37.6%
Rent	250,240	243,749	240,118	2.7%	4.2%
Commissions	187,432	172,750	149,718	8.5%	25.2%
Security	53,566	49,583	57,313	8.0%	-6.5%
Other	45,258	26,852	51,126	68.5%	-11.5%
Interest	72,236	10,833	5,125	566.8%	1309.3%

Expense	Actual	Budget	Prior Year	Act vs. Bud	Act vs. PY
Salaries/Benefits	423,829	426,499	375,494	-0.6%	12.9%
Contracted Services	139,929	181,582	158,905	-22.9%	-11.9%
Utilities	70,374	57,083	48,177	23.3%	46.1%
Repairs & Maint	69,115	59,833	29,600	15.5%	133.5%
Professional Svc	14,582	26,416	1,030	-44.8%	1315.1%
Advertising/Mktg	58,111	91,333	19,633	-36.4%	196.0%
Insurance	59,191	55,458	42,508	6.7%	39.2%
Business Park	10,791	22,250	14,944	-51.5%	-27.8%
Other	55,306	42,676	45,517	29.6%	21.5%



Summary of Significant Monthly Activity

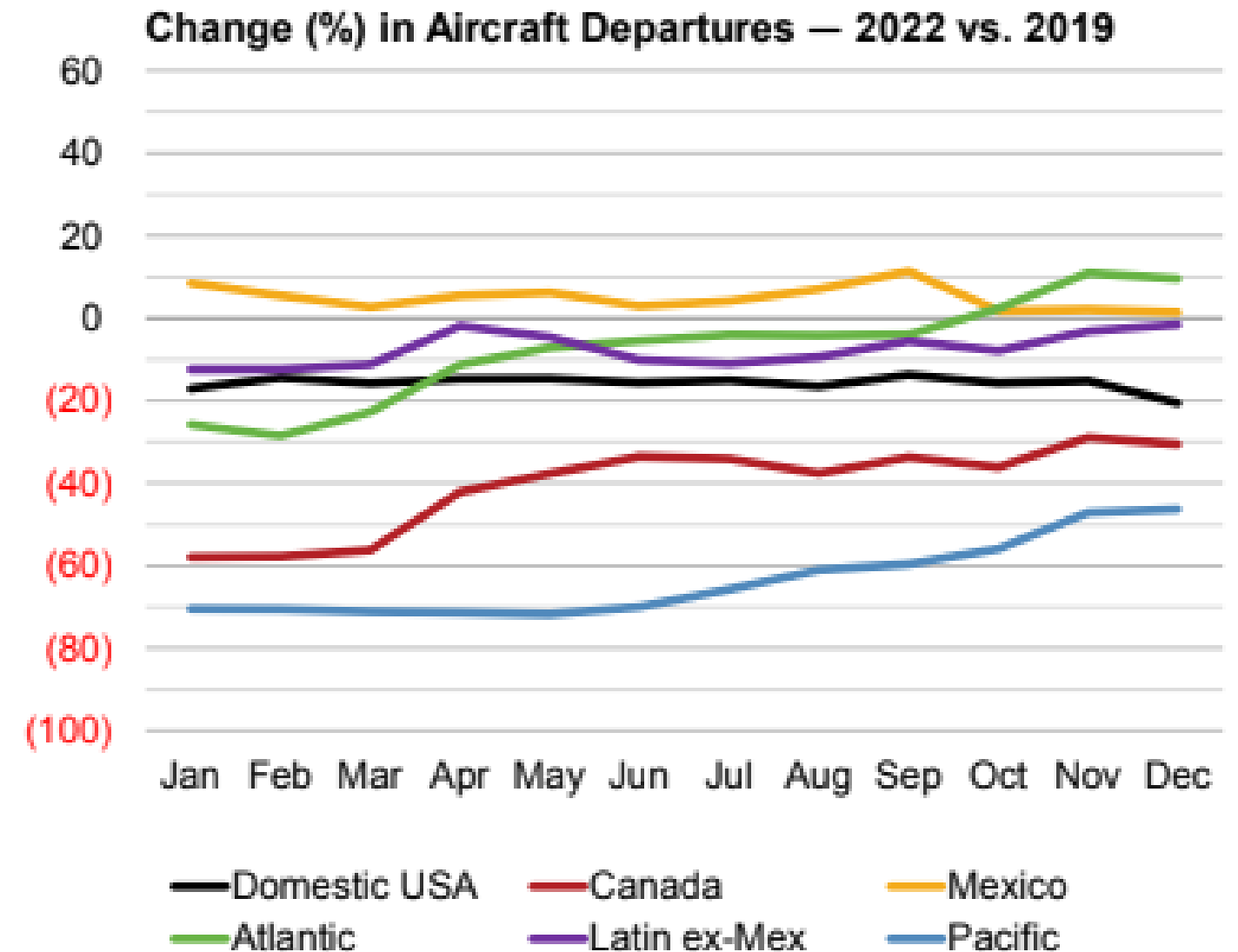
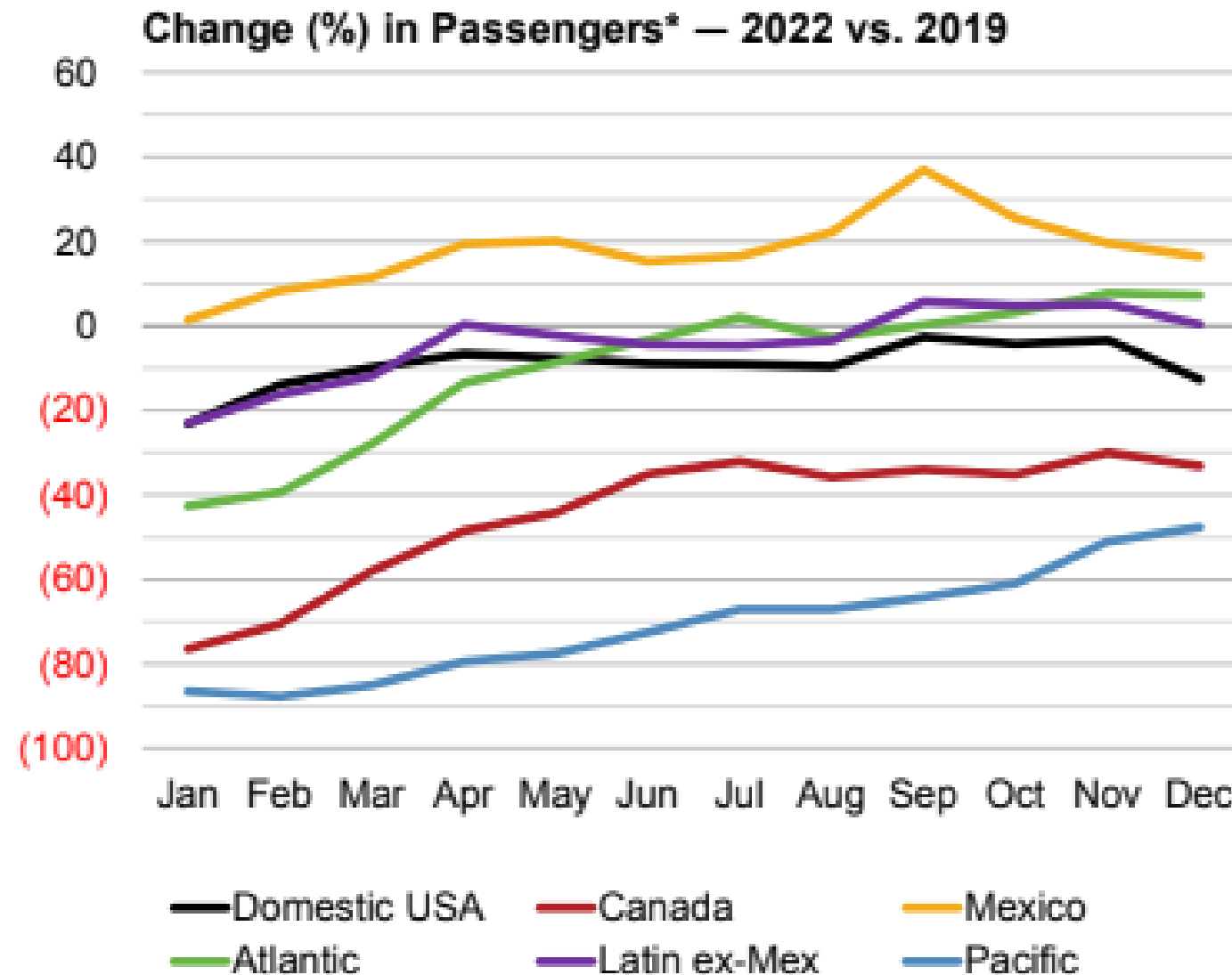
Revenue				Expense	
December was a solid month all around. This was the best December on record in terms of enplanements, parking revenue, and concession revenue.				Salaries/Benefits were in line with the budget for the month of December. We still have seven open positions (three of which were filled in January), but the monthly expense is high because December's payroll included year end adjustments.	
	Dec 22	vs. Nov 22	vs. Dec 21	Contracted Services - includes a full month of the employee shuttle service put in place for the holiday travel season.	
Landing fees	118,774	13.1%	21.9%	Utilities - Water/Sewer rate increase combined with a usage increase has caused our monthly expense to jump significantly compared to last year.	
Fuel flowage fees	31,993	8.8%	-14.6%	Repairs & Maint includes the cost of 26 new airfield signs.	
Rental car comm	133,456	-11.9%	10.7%	Marketing costs were low in December, but a new campaign will be introduced shortly after the new year.	
Food commission	48,164	3.6%	90.6%	Insurance - policies finalized after budget approval; may need to amend budget.	
Parking	509,630	-3.0%	37.6%	Other - includes equipment leasing and air service development.	
Interest income	72,236	33.1%	1309.3%		
Enplanements	49,663	3.2%	25.8%		



Cash Summary

Month End Account Balances		
Account Name	Interest Rate	Month End Balance
Truist General Operating Checking	N/A	\$ 1,013,474.29
South State General Operating Checking	N/A	\$ 795,906.49
South State Money Rate Savings	0.15%	6,819,356.67
NCCMT Investment Account-Govt	4.00%	14,707,576.67
South State PFC Money Rate Savings ***	0.15%	6,666,329.04
South State CFC Money Rate Savings ***	0.15%	3,953,171.19
Truist Safe Keeping	1.750%	14,735,005.28
South State Investment Services	2.000%	11,007,205.55
Petty Cash	N/A	1,000.00
Total Cash		59,699,025.18
Less Restricted Use ***		10,619,500.23
Less Reserves:		
Maintenance & Development Reserve		3,156,036.53
Operational Reserve		4,000,000.00
Unrestricted		\$ 41,923,488.42

Dec. 2022: A4A Airline Passenger Volumes 12% Below 2019, Departures 19% Lower

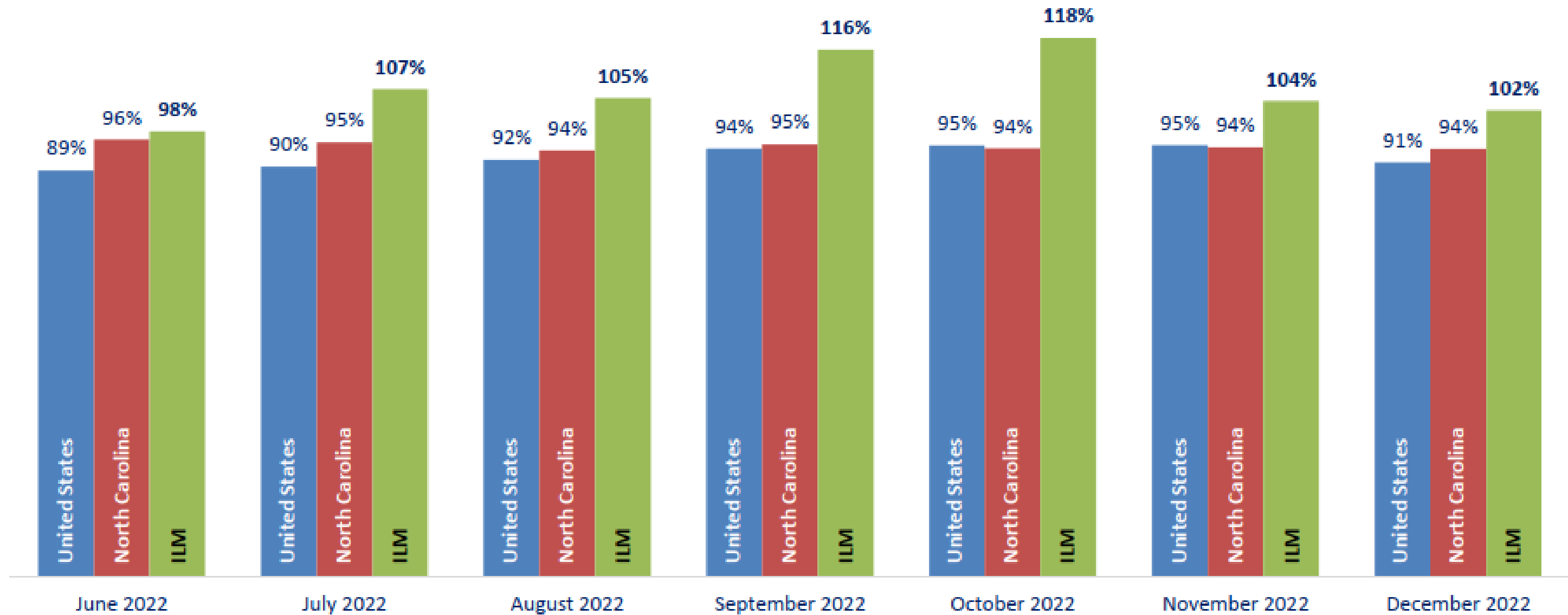


Source: A4A member passenger airlines (Alaska/American/Delta/Hawaiian/JetBlue/Southwest/United) and branded code share partners

* Onboard ("segment") passengers



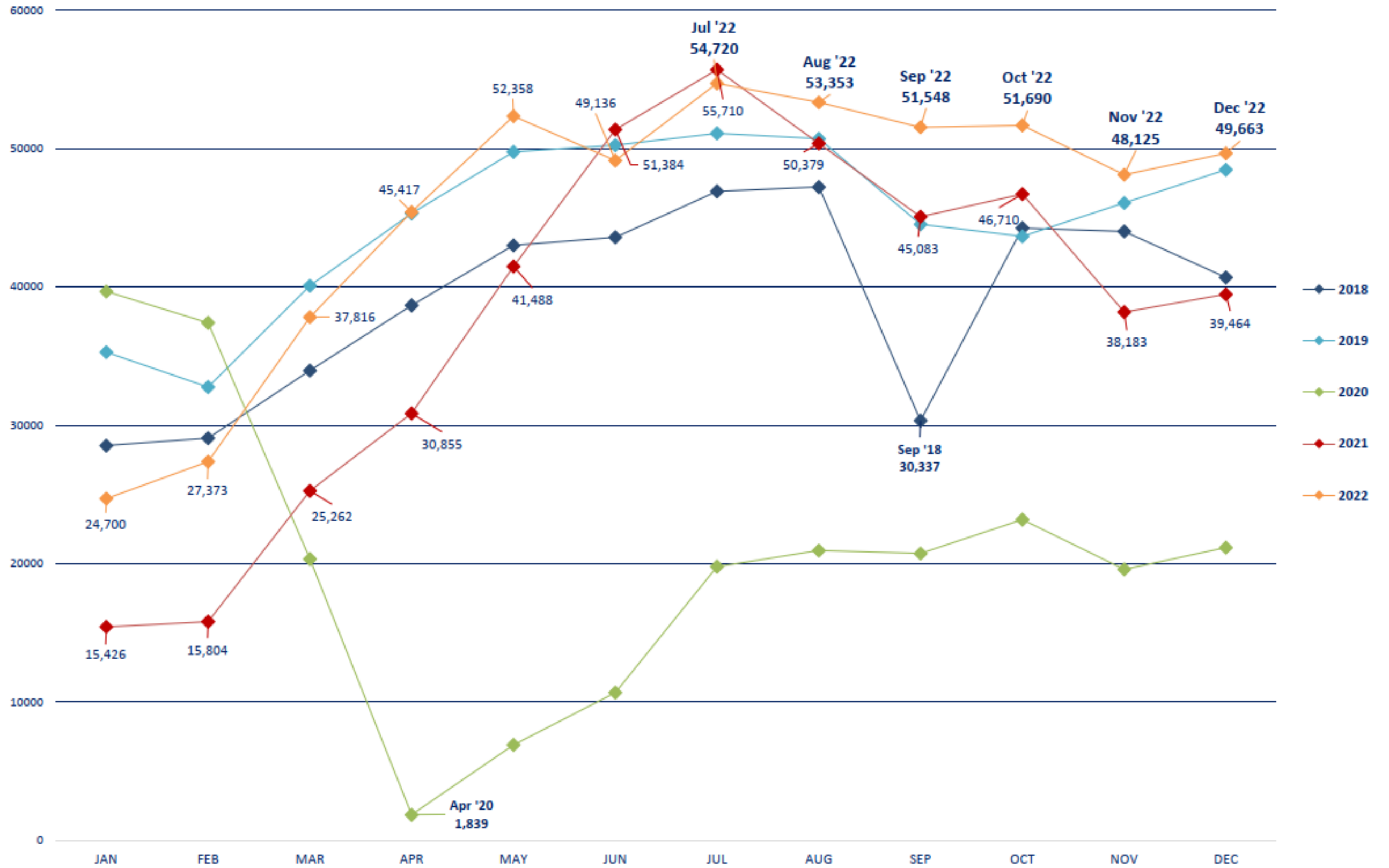
PASSENGER ENPLANEMENTS OVER PAST 7 MONTHS
Percent compared to pre-Pandemic



Source: DOT T-100 data via Diio Mi and Transportation Security Administration; Ailevon Pacific Aviation Consulting analysis



MONTHLY PASSENGER ENPLANEMENTS 2018 - 2022



Source: Airline Passenger Statistics; ILM Airline Station Managers



SEAT CAPACITY January-June 2019-2023

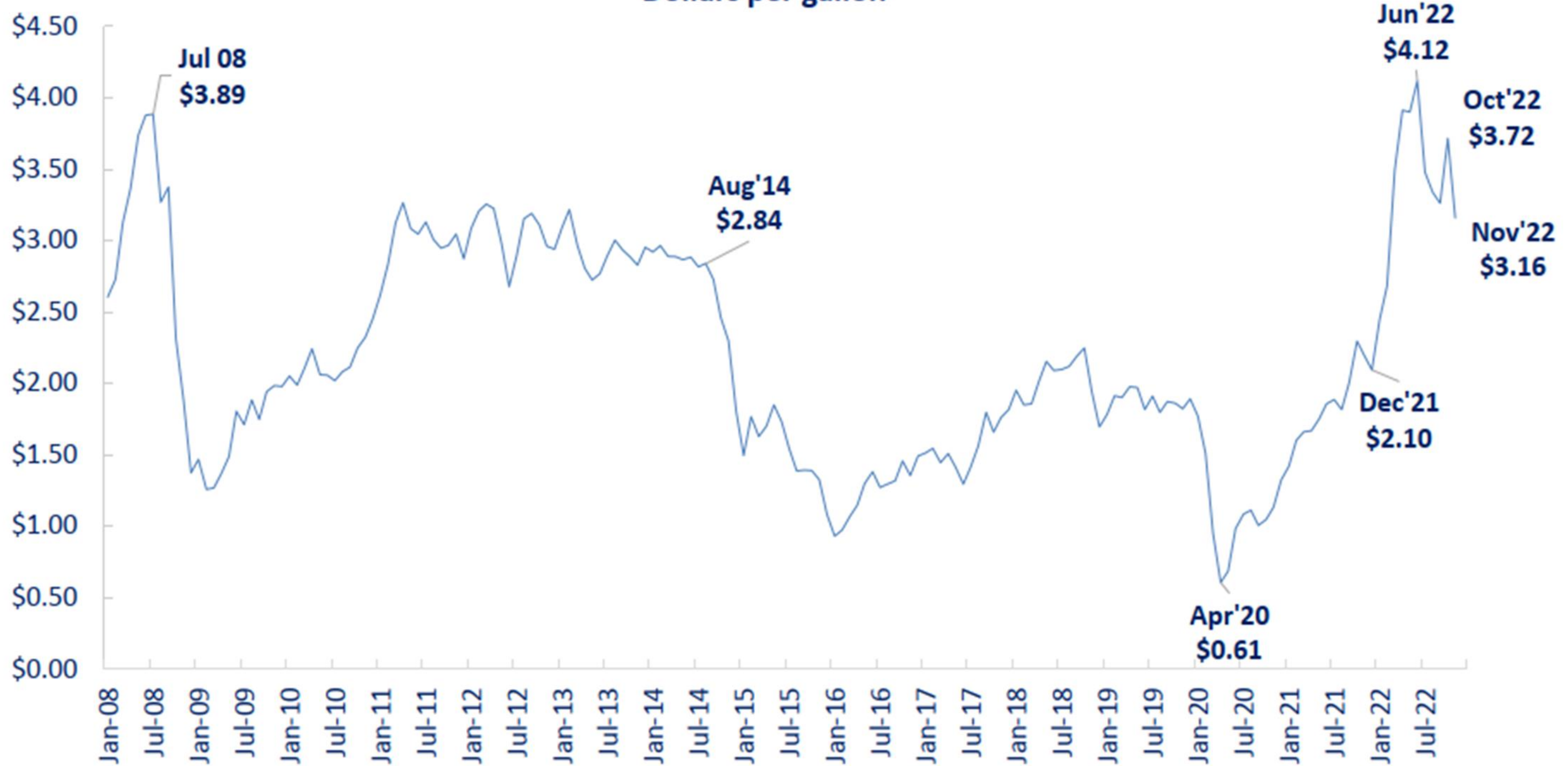
Thousands of total seats (inbound and outbound)



Source: DiiMi; Ailevon Pacific Aviation Consulting analysis



U.S. GULF COAST KEROSENE-TYPE JET FUEL SPOT PRICE FOB Dollars per gallon



Source: U.S. Energy Information Administration; Ailevon Pacific Aviation Consulting analysis



Tab 3

Operations & Facilities

- **Action Items**

- **Talbert & Bright Work Authorization** - Recommendation to approve a Work Authorization to Talbert & Bright for \$93,140 to design and bid a blast fence located along the SW edge of the new air carrier apron.
- **Expansion Project Change Order** – Recommendation to approve a project Change Order in the amount of NTE \$500,000 to Monteith Construction for the upfit of Airport Operations space, Common Use Airline Operations space, and associated electrical and HVAC upgrades.
- **Approval of Airfield Painting Contractor** – Recommendation to approve a contract to the lowest qualified bidder for four (4) years of airfield painting and crack sealing. (Contract Value Provided after Bid opening, Jan. 26th.)



Tab 3

Operations & Facilities

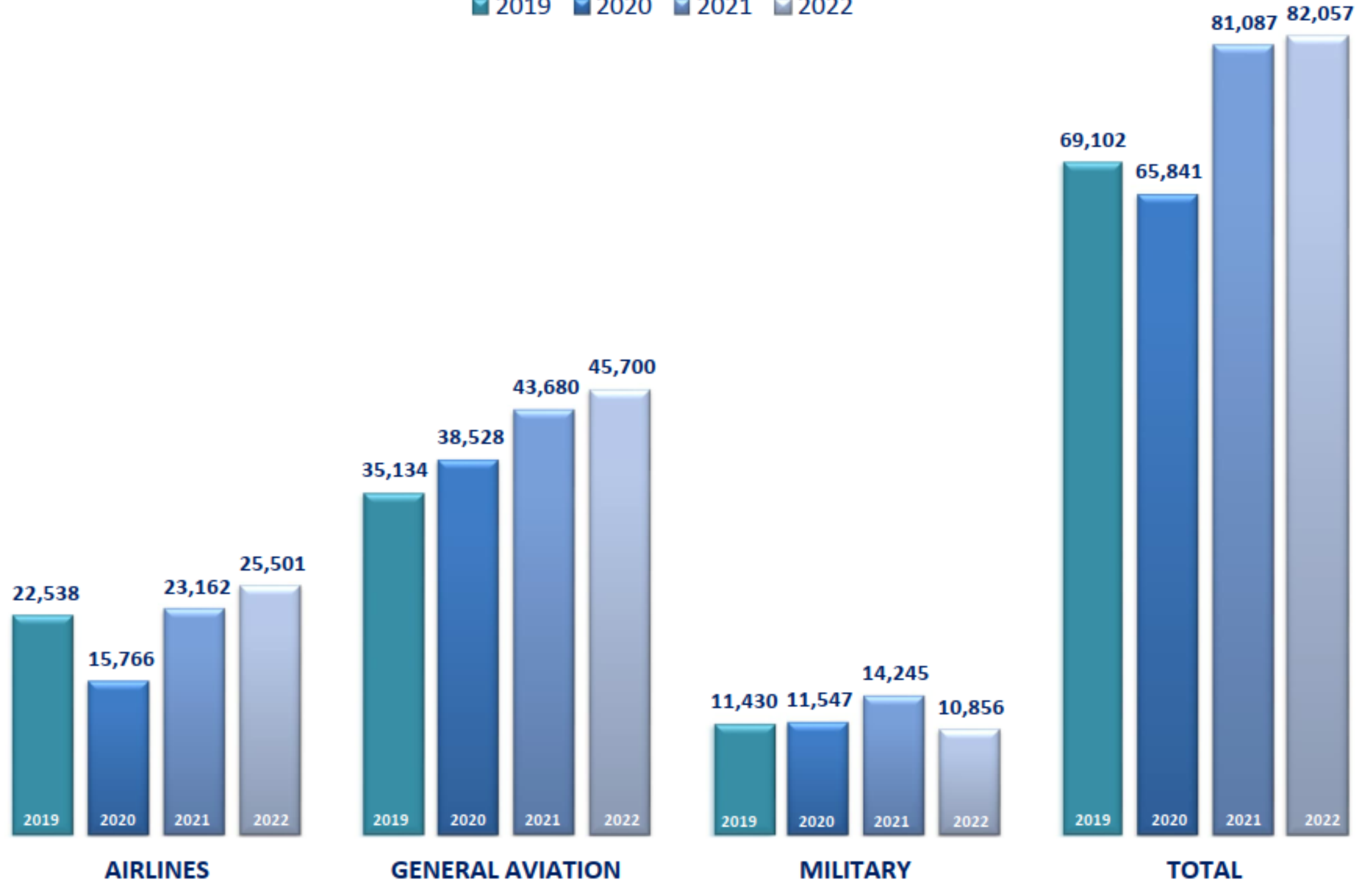
- **Information Items**
 - Construction/Expansion Report
 - American Airlines Operating at Gate 1 as of Jan. 25th
 - New concourse areas and restrooms opened mid-January
 - Gates 2, 4 & 6 Renovation started Feb. 1st
 - Facilities/IT Report
 - Amadeus, ACS Update
 - Operations Report – Airport Operations Chart
 - General Aviation Report
 - Next GA Event (Rusty Pilot Seminar) tentatively scheduled for April 22nd
 - Other
 - Temporary Parking Update



AIRPORT OPERATIONS JANUARY - DECEMBER

Calendar YTD Cumulative Total

2019 2020 2021 2022



Source: ILM ATCT



Tab 4

Business Development

- **Action Items**

- Recommend approval of the following items:
 - a. Assignment and Assumption of the All-American Aviation Services, Inc. Hangar Lease to Marathon FBO Partners ILM, LLC, a Florida Liability Company (Assignee) for the premises located at 1501 John Morris Road, Wilmington, NC.
 - b. CIL ILM, LLC Airside Lease Agreement pertaining to:
 - 3rd Amendment to Ground Sublease
 - Ground Lease Non-Disturbance and Attornment Agreement

- **Information Items**



Tab 5

Director's Report

- **Action Item**
- **Information Items**
 - Update on Chamber Intercity visit to Ft. Lauderdale
 - Update on FAA visit
 - Authority Vision Planning Session follow up
 - NCAA Legislative Priorities for 2023 (handout) and Other Priorities
 - New Hanover County Board of Commissioners Code of Ethics January 2023 (handout)
 - ILM Annual Summary 2022 (handout)

February 2023						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 Authority Meeting	2 Speaker UNCW RCITE Mtg. (JB)	3	4
5	6	7	8	9	10	11
	Finance & Administration Conference (RC)					
12	13	14 Valentine's Day	15	16 CREW Award presentation (JB)	17	18
19	20 President's Day	21 Tom Wolfe's Birthday	22 NCSE Bd. Mtg. (JB)	23	24	25
26	27	28				



Tab 6

- **Unfinished Business**
- **New Business**
- **Adjournment**