

**NEW HANOVER COUNTY AIRPORT AUTHORITY
REGULAR MEETING
June 7, 2023**

CALL TO ORDER

The New Hanover County Airport Authority met on Wednesday, June 7, 2023, at Wilmington International Airport, 1740 Airport Boulevard, Wilmington, North Carolina. Chairman S. Thompson called the meeting to order at 5:08 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; Lee Williams, Jason Thompson, Faison Gibson, and LeAnn Pierce. 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. Approximately 12 guests from the public attended the Authority meeting.

PUBLIC COMMENTS – None.

SPECIAL PRESENTATIONS

Chairman S. Thompson presented a plaque to Mr. Bourk of the Wilmington Biz Magazine Winter 2022 feature story "Gaining Altitude – Wilmington's Airport Readies for Its Next Phase" in recognition of Mr. Bourk's efforts to date and the great work going on at the airport.

Chairman S. Thompson and Mr. Bourk recognized Wanda Copley for her 38 years of service as the attorney for the Airport Authority. Mrs. Copley is retiring from New Hanover County at the end of June.

APPROVAL OF CONSENT AGENDA

The Authority having reviewed the items listed on the Consent Agenda in committee and requiring no further discussion, Chairman S. Thompson requested a motion to approve the Consent Agenda as presented.

Mr. J. Thompson MOVED, SECONDED by Mr. Wolfe, to approve the Consent Agenda as presented. Upon vote, the MOTION WAS APPROVED.

CONSENT AGENDA ITEMS

Approval of Minutes

The Authority approved the minutes of Airport Authority meeting on May 3, 2023.

The Authority approved the FY23 Budget Amendment to reallocate funds among accounts. Decrease Contracted Services (\$335,000), increase Vehicle Maintenance and Repair (\$45,000), increase Equipment Maintenance and Repair (\$5,000), increase Professional Services (\$150,000), increase Equipment Leasing (\$10,000), increase Utilities (\$35,000), increase Air

Service Development (\$10,000), increase Departmental Office Supplies (\$5,000), increase Dues and Publications (\$5,000), increase Insurance (\$40,000), increase Business Park Expenses (\$10,000), increase Aviation Event Expenses (\$20,000). There is no impact on the bottom line of the budget. (A copy of the FY23 Budget Amendment is hereby incorporated as part of the minutes and are contained in Exhibit Book III, page 222).

The Authority approved the FY24 Schedule of Fees, Rents and Charges. (A copy of the FY24 Schedule of Fees, Rents and Charges is hereby incorporated as part of the minutes and are contained in Exhibit Book III, page 223).

The Authority approved the Topsy ILM, LLC First Amendment to Lease adjusting the rent commencement date to align with the fiscal year beginning July 1, 2024.

The Authority approved the Irule ILM, LLC First Amendment to Lease adjusting the rent commencement date to align with the fiscal year beginning July 1, 2024.

FINANCE, MARKETING AND AIR SERVICE DEVELOPMENT

Mr. Campbell, on behalf of the Finance Committee, recommended approval of the FY24 Budget in the amount of \$38,059,319 (\$13,865,500 Operating; \$24,193,819 Capital). Mr. Rhodes MOVED, SECONDED Mr. Wolfe to approve the FY24 Budget as recommended. Upon vote, the MOTION WAS APPROVED. (A copy of the FY24 Budget is hereby incorporated as part of the minutes and are contained in Exhibit Book III, page 224).

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

Mr. Campbell reviewed the monthly activity and performance reports and updated the Authority on ILM marketing.

Mr. Williams asked if ILM is tracking leakage to other airports and Mr. Bourk responded that we are tracking that information, but it will take some time before we can translate the results into information we can use.

Mr. Campbell shared information about the current Beer Glasses and Boarding Passes promotional events.

OPERATIONS & FACILITIES

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

- a. Authorization for the NHCAA Chair to execute FAA grant agreements anticipated to be received in the upcoming 3-month period. These may include:
 - i. Environmental Planning Grants for General Aviation & Terminal Phase 5, TWY B and Associated Improvements
 - ii. Design Grant (Rwy Rehab and Terminal Curb/Road)
 - iii. FAA Part 150 Study

Mr. Wolfe MOVED, SECONDED by Mr. Williams, to authorize the NHCAA Chair to execute FAA grant agreements for the next 3 months as presented above. Upon vote the

MOTION WAS APPROVED.

- b. Approval of the following Work Authorizations for NEPA Environmental Assessments to Coffman & Associates:
 - i. General Aviation Improvements - \$37,822
 - ii. Terminal Phase 5, TWY B Improvements & Associated Improvements - \$245,923Mr. Williams MOVED, SECONDED by Mr. Wolfe, to approve the Work Authorizations for NEPA Environmental Assessments to Coffman & Associates as presented above. Upon vote the MOTION WAS APPROVED.
- c. Approval of Work Authorization for Talbert & Bright for design of the Rehabilitation of RWY 6-24 and blast pads at \$616,240. Mr. Wolfe MOVED, SECONDED by Mr. Rhodes, to approve the Work Authorizations for Talbert & Bright as presented above. Upon vote the MOTION WAS APPROVED.
- d. Approval of Supplemental Agreements #7A to Monteith Construction, in amount of \$294,292 for procurement of HVAC equipment to replace original air handlers for terminal atrium, baggage claim and ticket lobby. Mr. Rhodes MOVED, SECONDED by Mr. Wolfe to approve Supplemental Agreements #7A to Monteith Construction as presented above. Upon vote the MOTION WAS APPROVED.
- e. Approval of Contract for Base Bid NTE \$4,609,185 to Trader Construction, pending successful negotiations, for construction of a +/-650 Space Parking "November" Lot and a proposed Change Order NTE \$1,950,000 to expand lot by +/- 300 spaces for a total of 950 spaces. Slides were used to illustrate the proposed project design. Mr. Williams MOVED, SECONDED by Mr. Rhodes to approve the Contract and Change Order to Trader Construction as presented above. Upon vote the MOTION WAS APPROVED.

Mr. Dick provided an update on construction/terminal expansion and the parking projects. Mr. Dick reviewed the airport operations chart and updated the Authority on the landside temporary signage plan. A sample of one of the sign designs was on display in the conference room and on slides in the agenda.

BUSINESS DEVELOPMENT

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

- a. Modern Aviation Lease Amendment to adjust boundaries of leasehold to accommodate the new road and extension of lease for 10 years contingent upon \$4M improvements. Mr. Wolfe MOVED to approve the Modern Aviation Lease Amendment as presented. No second was required as this recommendation came from the Business Development Committee. Upon vote the MOTION WAS APPROVED.
- b. Airline Operating Permit for Avelo Airlines. Mr. Wolfe MOVED, SECONDED by Mr. J. Thompson, to approve the Airline Operation Permit for Avelo Airlines as proposed. Upon vote the MOTION WAS APPROVED.

- c. Airline Operating Permit for Sun Country Airlines. Mr. Wolfe MOVED, SECONDED by Mr. Rhodes, to approve the Airline Operation Permit for Sun Country Airlines as proposed. Upon vote the MOTION WAS APPROVED.

Items d through h on the Business Development agenda will be discussed during closed session and will be voted on upon the Authority's return to open session.

Ms. LeTellier reported that the Faber Concession Agreement has been fully executed and they are moving forward with plans for opening in early October.

DIRECTOR'S REPORT

Mr. Bourk updated the Authority on the terminal curb, road realignment and parking improvements projects and reviewed a tentative schedule for the project.

Mr. Bourk outlined the inaugural flights taking place in May and June and shared photos from those that have already launched – Delta to BOS and Sun Country to MSP.

Mr. Bourk reminded the Authority of the upcoming annual briefing to the County Commissioners on June 21, 2023, at 8:30 am and the changes in the Authority meeting schedule for July and August.

UNFINISHED BUSINESS - None.

NEW BUSINESS – Chairman S. Thompson 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. Rhodes MOVED, SECONDED by Mr. Wolfe, to enter into a closed session for the above referenced matters. 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 5:45 pm.

Mr. J. Thompson 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 6:48 pm. Chairman S. Thompson reported that the Authority completed its discussion relating to expansion of industries and economic development.

The public returned to the meeting room. The meeting resumed with the remainder of the Business Development agenda. Ms. LeTellier recommended, on behalf of the Business Development Committee, the following action items for approval:

- d. VCKH's Magnolia LLC, Airside Sublease of 7.5 acres on Gardner Drive. Mr. J. Thompson MOVED, SECONDED by Mr. Wolfe to approve the sublease as recommended. Upon vote, the MOTION WAS APPROVED.

- e. VCKH's Magnolia LLC, Landside Sublease of 16 acres on Airport Blvd. Mr. J. Thompson MOVED, SECONDED by Mr. Wolfe to approve the sublease as recommended. Upon vote, the MOTION WAS APPROVED.
- f. VCKH's Magnolia LLC, Entertainment Facility of 16.1 acres. Mr. J. Thompson MOVED to table item f. until a later date. SECONDED by Mr. Wolfe. Upon vote, the MOTION TO TABLE WAS APPROVED.
- g. VCKH's Magnolia LLC, Auto Wash/Bank of 2.7 acres. Mr. J. Thompson MOVED, SECONDED by Mr. Wolfe to approve the sublease as recommended. Upon vote, the MOTION WAS APPROVED.
- h. Cape Fear Coastal Aviation Sublease of 24.2 airside acres. Mr. J. Thompson MOVED, SECONDED by Mr. Wolfe to approve the sublease as recommended. Upon vote, the MOTION WAS APPROVED.

ADJOURNMENT

Mr. Williams MOVED, SECONDED by Mr. J. Thompson to adjourn the meeting. Upon vote the MOTION WAS APPROVED. There being no further business to come before the Board, Chairman S. Thompson adjourned the meeting at 6:50 pm.

Prepared by:
Rose M. Davis

Respectfully Submitted:

Thomas Wolfe, Secretary
Date of Approval: July 12, 2023