

**NEW HANOVER COUNTY AIRPORT AUTHORITY  
REGULAR MEETING  
July 12, 2023**

**CALL TO ORDER**

The New Hanover County Airport Authority met on Wednesday, July 12, 2023, at Wilmington International Airport, 1740 Airport Boulevard, Wilmington, North Carolina. Chairman S. Thompson called the meeting to order at 5:04 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; Faison Gibson, LeAnn Pierce, Jason Thompson, and Lee Williams. Wanda Copley, former County Attorney, and Kemp Burbeau, Senior Deputy County Attorney were 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 13 guests from the public attended the Authority meeting.

**APPROVAL OF MINUTES**

The Authority has reviewed the minutes of the regular meeting on June 7, 2023, and the Closed Session on June 7, 2023. Mr. Wolfe MOVED, SECONDED by Mr. J. Thompson to approve the minutes of the June 7, 2023, regular meeting and Closed Session as submitted. Upon vote, the MOTION WAS APPROVED.

The Authority has reviewed the minutes of the Special meeting on June 21, 2023. Mr. Wolfe MOVED, SECONDED by Mr. Rhodes to approve the minutes of the June 21, 2023, special meeting as submitted. Upon vote, the MOTION WAS APPROVED.

**ELECTION OF OFFICERS**

Mr. Wolfe, on behalf of the nominating committee, recommended the following slate of officers: Spruill Thompson, Chairman; Nick Rhodes, Vice Chairman; and Jason Thompson, Secretary. There were no nominations from the floor. Ms. Gibson MOVED to accept the slate of officers as proposed. No second was required as this recommendation came from the Nominating Committee. Upon vote the MOTION WAS APPROVED.

**FAREWELL**

Chairman S. Thompson recognized outgoing Authority member Thomas Wolfe, highlighting the Authority's achievements during his 9-year tenure on the Airport Authority.

**WELCOME**

Chairman S. Thompson welcomed newly appointed Authority member, Wanda Copley, to the Authority. Mrs. Copley was sworn in prior to the meeting by Kym Crowell, Clerk to the New Hanover County Commissioners.

Chairman S. Thompson welcomed Kemp Burpeau, Senior Deputy County Attorney to the Authority. Mr. Burpeau will be taking Mrs. Copley's place as attorney for the Airport Authority.

The Authority took a brief 5-minute recess before the meeting resumed.

### **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. Williams, to approve the Consent Agenda as presented. Upon vote, the MOTION WAS APPROVED.

### **CONSENT AGENDA ITEMS**

The Authority approved the following items:

Purchase of parking lot equipment from Designa Southern Time for an amount not to exceed \$166,000.

Purchase of interim signs from Capital Signs Solutions for an amount not to exceed \$150,000.

Amendment to Talbert & Bright Work Authorization for design of the Rehabilitation of RWY 6-24 and blast pads project for \$42,744 for additional design scope associated with Runway Safety Area improvements.

Work Authorization for Talbert & Bright for continued Construction Phase Services of the Terminal Expansion Project, including newly added project elements, through September 15, 2023, for \$157,720.

Contract to Pteris Global for \$380,000 to modify the existing inbound baggage belt to accommodate 4 bag drop zones.

Purchase Order to Coastal Carolina Resource Group for \$92,960 for work related to grading, cleaning and vegetive repairs to ILM stormwater facilities.

### **FINANCE, MARKETING AND AIR SERVICE DEVELOPMENT**

Mr. Campbell, on behalf of the Finance Committee, recommended approval of a one-year extension of the air service development agreement with Ailevon Pacific Aviation Consulting for \$108,000. Mr. Williams MOVED, SECONDED Mr. J. Thompson the extension of the agreement with Ailevon Pacific Aviation Consulting as recommended. Upon vote, the MOTION WAS APPROVED.

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

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

### **OPERATIONS & FACILITIES**

Mr. Bourk used slides to provide details of the overall plan and schedule for the terminal curbside, parking lots and Airport Blvd. improvements project, as well as to explain the Construction Manager at Risk (CMAR) selection process for this project. Mr. Bourk reviewed a summary of the 3 proposals received from Balfour Beatty, Civil Works Contracting/McKinley Building Corporation and Monteith and the collaborative scoring sheet with the staff recommendation to award the CMAR project to Monteith.

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

- a. Terminal Curb and Airport Blvd. Improvements project:
  - i. Accept recommendation of Monteith as the Construction Manager at Risk. Mr. J. Thompson MOVED, SECONDED by Mr. Rhodes to accept Monteith as the Construction Manager at Risk as recommended. Upon vote the MOTION WAS APPROVED.
  - ii. Authorize Authority Chairman to execute Construction Manager contract based on CMAR Term Sheet. Mr. Rhodes MOVED, SECONDED by Mr. Williams, to authorize the Chairman to execute the Construction Manager contract based on the CMAR Term sheet as recommended. Upon vote the MOTION WAS APPROVED.
- b. Procurement of Professional Services Firm(s) for Program Manager Services:
  - i. Approval of Master Services Agreement for 3-year term to Vasey Aviation Consultants, Inc.
  - ii. Approval of Work Authorization NTE \$350,000 for tasks related to management of planning, design and construction administration of initial phases of capital projects identified in 2023 Vision Plan, pending IFE, to Vasey Aviation Consultants, Inc.

Mr. J. Thompson MOVED, SECONDED by Mr. Rhodes, to approve the Master Services Agreement and Work Authorization for Program Manager Services as recommended above. Upon vote the MOTION WAS APPROVED.

- c. Approval of Work Authorization, pending IFE review, to WK Dickson for \$251,146 to provide design and bidding services associated with new water and sanitary sewer services for the East Side Development Area. Mr. J. Thompson MOVED, SECONDED by Mr. Williams to approve the Work Authorization to WK Dickson as recommended above. Upon vote the MOTION WAS APPROVED.

Mr. Dick reviewed the airport operations chart and updated the Authority on the terminal expansion project, the Parks Griffin plaque final installation, and the landside temporary signage plan.

## **BUSINESS DEVELOPMENT**

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

- a. VCKH's Magnolia LLC, Entertainment and Parking Sublease of 16.1 acres. Slides were presented showing the location and term sheet. This matter was tabled at the June Authority meeting and in the interim staff reviewed height restrictions on the site.

Discussion followed regarding the location of this parcel. Mr. Williams noted he would consider this project in other locations on the property but not this location due to its proximity to airport operations now or in the future. Mr. Williams noted his support of the other projects by this company, as well as his support of this project, if in another location. Chairman Thompson acknowledged these were valid concerns but expressed his support of the project and noted the potential risk of losing the entire revenue stream of all projects by this company, if this project is not approved.

Chairman Thompson asked the Authority members for their thoughts on the matter. Mr. J. Thompson noted he reached out to Mr. Baker following the last meeting to gauge the possibility of moving the entertainment facility to another location but the visibility of this location was important to them. Mr. J. Thompson stated he does not share in the concerns regarding the location and asked for staff input regarding future expansion needs in 10-20 years, including more gates and parking. Mr. Bourk reviewed potential future parking in the current parking improvement area, if a 4 level parking deck was added to all parking lots, that would provide more than enough for parking for 3.8M enplanements which would be well above any projected expansion at ILM. Mr. Bourk noted gate expansion would continue towards Martin Luther King Blvd. in line with the existing terminal. Discussion followed regarding future growth and expansion potential.

Mr. Bourk noted, in response to feedback from Mr. Williams, Ms. Gibson and Mrs. Copley, the addition to the lease of language giving the Authority the right to relocate this project, at the Authority's expense, under certain conditions.

Mr. Williams reiterated that his concern is with the contiguous nature of this site versus the project itself. In response to Ms. Pierce's request for details of the sublease terms, Mr. Bourk reviewed the proposed term sheet and explained how the ground lease rates were determined.

Ms. Gibson asked if the Authority could hold that property in hopes of someone paying a higher lease rate or hold it for future development. Mr. Bourk noted that a consultant in January recommended as part of the vision plan that the Authority set some acres aside for use as needed. Mr. Bourk pointed out a location near the rental car prep area that could be used for this purpose. Mr. Bourk noted that the property is listed in the master plan today for use as Business Park development/non-aeronautical.

Mr. Rhodes expressed reservations and is in agreement with Mr. Williams that this is prime property and once it is gone, it is gone.

Mrs. Copley noted her understanding of the point of looking at the future but the need to consider the quality and past performance of this company and the risk of losing the other projects is important.

Ms. Gibson noted that she would most likely be the Authority member dealing with this in the future and she would like to at least give the company the chance to complete due diligence.

Chairman Thompson called for a Motion. Mr. J. Thompson MOVED, SECONDED by Ms. Gibson to approve the sublease of 16.1 acres to VCKH's Magnolia LLC, Entertainment and Parking as presented. Upon vote, the MOTION WAS APPROVED with Mr. S. Thompson, Mr. J. Thompson, Ms. Gibson and Mrs. Copley voting in favor and Mr. Williams, Mr. Rhodes and Ms. Pierce voting against.

- b. Airpark Hangars, Inc. consolidated lease of 1.94 acres and release of the former Airpark Hangars, Inc., Airpark Hangars Two, Inc. and Airpark Hangars Three, Inc. leases. Mr. Bourk outlined the details of the consolidated lease. Mr. Williams MOVED, SECONDED by Mr. Rhodes, to approve the release of the former Airpark Hangars, Inc., Airpark Hangars Two, Inc. and Airpark Hangars Three, Inc. leases and approve the consolidated lease with Airpark Hangars, Inc. as proposed. Upon vote the MOTION WAS APPROVED.

Ms. LeTellier reported that the Faber Concession renderings have been received and reviewed by staff and the project is out for bid and due July 18<sup>th</sup>. Ms. LeTellier shared renderings of the designs for the new concessions. Ms. LeTellier also reported that Tailwind will be adding Port City Java, both pre and post security, as well as two branded bar locations at each end of the terminal for Flying Machine Brewing Co.

### **DIRECTOR'S REPORT**

Mr. Bourk reviewed photo slides from the recent inaugural flights for Delta, Avelo and Sun Country. Mr. Bourk noted we have added 9 new non-stops and updated the Authority on Air Service Development events attended by Mr. Campbell, Mrs. McNally and himself which are critical to air service.

Mr. Bourk reported on the success of the recent Beer Glasses & Boarding Passes advertising campaign noting that ILM employees supported and attended the events but were not eligible for the prizes at the event. Mr. Bourk asked the Authority to pull a winner from the employees that attended the events and Mr. Burpeau pulled Kenny Smith's name as the winner of 2 round trip tickets to one of the 17 non-stop destinations on one of the 5 airlines serving ILM.

Mr. Bourk shared photo slides of the ILM team cookouts noting the next lunch is July 19<sup>th</sup>.

**UNFINISHED BUSINESS** - None.

**NEW BUSINESS** – None.

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**ADJOURNMENT**

Mr. Williams MOVED, SECONDED by Mr. Rhodes 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 6:07 pm.

Prepared by:  
Rose M. Davis

Respectfully Submitted:

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Jason Thompson, Secretary

Date of Approval: September 6, 2023