

**NEW HANOVER COUNTY AIRPORT AUTHORITY
REGULAR MEETING
September 6, 2023**

CALL TO ORDER

The New Hanover County Airport Authority met on Wednesday, September 6, 2023, at Wilmington International Airport, 1740 Airport Boulevard, Wilmington, North Carolina. Chairman S. Thompson called the meeting to order at 5:03 p.m. Mr. J. Thompson 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; Jason Thompson, Secretary; Faison Gibson, and LeAnn Pierce. Kemp Burpeau, Senior Deputy 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 14 guests from the public attended the Authority meeting.

Mrs. Copley and Mr. Williams were absent from this meeting. Ms. Pierce arrived at approximately 5:07 pm.

EMPLOYEE RECOGNITION

Kenny Smith, Operations Manager, and Mr. Bourk recognized and congratulated Matt Johnson, Operations Supervisor, who earned his AAAE Airport Certified Employee certification.

APPROVAL OF MINUTES

The Authority has reviewed the minutes of the regular meeting on July 12, 2023. Mr. J. Thompson MOVED, SECONDED by Mr. Rhodes to approve the minutes of the July 12, 2023, regular meeting as submitted. Upon vote, the MOTION WAS APPROVED. Mrs. Copley, Mr. Williams, and Ms. Pierce were absent.

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 at the meeting.

Mr. J. Thompson MOVED, SECONDED by Ms. Gibson, to approve the Consent Agenda as presented. Upon vote, the MOTION WAS APPROVED. Mrs. Copley, Mr. Williams, and Ms. Pierce were absent.

CONSENT AGENDA ITEMS

The Authority approved the following items:

1. One-year agreement with Turo, Inc.

2. Digital display and technology for Ops building control room and Conf Room in an amount NTE \$200K
3. 1-year land Lease Extension for Intercoastal Land Maintenance, Inc. through August 21, 2024.
4. 3-year Lease Extension for Toshiba Business Solutions, Inc. for Suite 100 of the Flex Building through November of 2026.
5. Assignment and Assumption of KBT Realty Services, Inc. lease to 1st Class Real Estate Coastal Choice through August 31, 2024, for Suites 120 and 130 of the Flex Building.

Ms. Pierce arrived and joined the meeting at approximately 5:07 pm.

PUBLIC COMMENTS – None.

FINANCE, MARKETING AND AIR SERVICE DEVELOPMENT

Mr. Campbell, on behalf of the Finance Committee, recommended approval of a one-year professional services agreement with DKMG Consulting LLC for an amount not to exceed one hundred forty thousand dollars (\$140,000.00). Mr. J. Thompson MOVED to approve a one-year professional services agreement with DKMG Consulting LLC as recommended. No second was required as this recommendation came from the Finance Committee. Upon vote, the MOTION WAS APPROVED. Mrs. Copley and Mr. Williams were absent.

Mr. Campbell reviewed ILM's July 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. Dick recommended, on behalf of the Operations and Facilities Committee, approval of the following items:

- a. Approval of Supplemental Agreement 7B & C for Monteith Construction to perform additional terminal expansion work related to Atrium Lobby renovations and installation of new HVAC equipment for NTE \$2,307,486. A portion of this work will be covered under AIP 58 Grant Funds. Mr. J. Thompson MOVED, SECONDED by Mr. Rhodes to approve Supplemental Agreement 7B & C for Monteith Construction as recommended. Upon vote the MOTION WAS APPROVED. Mrs. Copley and Mr. Williams were absent.
- b. Approval of a two-year Contract NTE \$400,000 with Remac, Inc. for airfield marking and painting. This contract will cover full airfield marking for Runways 17-35, all taxiways and cleaning of RWY 6-24 in year 1 and full cleaning and touch-up markings performed in Year 2. All work will be warrantied for 12 months from the date of performance. Mr. J. Thompson MOVED, SECONDED by Mr. Rhodes to approve the two-year Contract with Remac, Inc. as recommended. Upon vote the MOTION WAS APPROVED. Mrs. Copley and Mr. Williams were absent.

- c. Approval of Supplemental Agreement #8 for Monteith Construction to furnish new HVAC equipment to furnish TSA outbound bag screening area for NTE \$515,000 Ms. Gibson MOVED, SECONDED by Mr. Rhodes to approve Supplemental Agreement #8 for Monteith to furnish TSA HVAC as recommended. Upon vote the MOTION WAS APPROVED. Mrs. Copley and Mr. Williams were absent.

Mr. Dick updated the Authority on the terminal expansion project and reviewed the airport operations chart. Mr. Dick reported that the RFQ for on call airside Engineer and Architectural services has been advertised and staff should have a recommendation by the October Authority meeting. Mr. Dick advised that there were no damages due to Tropical Storm Idalia, but it was a great training operation for staff.

BUSINESS DEVELOPMENT

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

FAA Air Traffic Control Tower lease effective October 1, 2024, through September 30, 2044.

Mr. J. Thompson MOVED, SECONDED by Ms. Gibson, to approve the FAA Air Traffic Control Tower lease as recommended. Upon vote the MOTION WAS APPROVED. Mrs. Copley and Mr. Williams were absent.

Ms. LeTellier presented the next action item involving a new term sheet for VCKH's Magnolia LLC entertainment complex sublease. This project was approved at the July 12, 2023, Authority meeting under different terms.

In regard to the proposed location for the VCKH's Magnolia LLC entertainment complex, Mr. Bourk shared slides showing the current parking project detailing the number of parking spaces available in the current plan and the number that could be available in the future within that loop road. Additional slides showed the potential terminal expansion options that would be necessary to fill that future parking space.

Ms. LeTellier presented for approval VCKH's Magnolia LLC entertainment complex 30-year sublease for 16.1 acres. Mr. J. Thompson MOVED, SECONDED by Ms. Pierce, to approve the new terms for a 30-year sublease as presented. Upon vote the MOTION WAS APPROVED. Mrs. Copley and Mr. Williams were absent. Mr. Williams, at the Finance Committee meeting, noted for the record that the new terms do not change his objection to this project location.

Ms. LeTellier reported that several leases are in the due diligence process and staff has requested they update the Authority. CIL will be presenting an update in October and the hotel, 84 Lumber, Irule and Topsy will be presenting an update in November.

Ms. LeTellier updated the Authority on Faber concessions and the Tailwinds Port City Java location.

DIRECTOR'S REPORT

Mr. Bourk recommended the approval of a change to the Authority meeting schedule, moving the November meeting to the 2nd Wednesday of the month to allow for renovation of the

Administration Conference Room. Mr. Rhodes MOVED, SECONDED by Mr. J. Thompson to approve the change to the Authority meeting schedule as recommended. Upon vote the MOTION WAS APPROVED. Mrs. Copley and Mr. Williams were absent.

Mr. Bourk recommended the approval of establishing a goal of reducing the Airport Rates and Charges to a CPE at or below \$4.50 in the coming years. Following a brief discussion, Mr. J. Thompson MOVED, SECONDED by Ms. Pierce, that the Authority establish a goal of reducing the Airports Rates and Charges to a CPE (Cost per Enplanement) of \$4.00. Additional discussion followed the motion. Upon vote the MOTION WAS APPROVED. Mrs. Copley and Mr. Williams were absent.

Mr. Bourk updated the Authority on recent air service development meetings in Atlantic City; the County Commissioner update on August 21st; and shared slides reviewing the latest design of the terminal curb and parking project.

Mr. Bourk noted the annual tenant meeting is coming up October 5th, which includes meetings with the rental car corporate and airline corporate teams. Mr. Campbell explained about the PFC (Passenger Facility Charge) meeting with the airlines, which includes money for purchasing a new firetruck that will be needed as our enplanements increase.

Mr. Dick updated the Authority on the upcoming full-scale simulated emergency drill coming up on October 28, 2023. The drill will start at 9 am and end by noon.

Mr. Bourk shared a photo slide from the Chamber Career Development Leadership Academy that was held at ILM on September 6, 2023.

UNFINISHED BUSINESS - None.

NEW BUSINESS – None.

ADJOURNMENT

Mr. Rhodes 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 5:56 pm.

Prepared by:
Rose M. Davis

Respectfully Submitted:

Jason Thompson, Secretary
Date of Approval: October 4, 2023