

**NEW HANOVER COUNTY AIRPORT AUTHORITY  
REGULAR PUBLIC MEETING  
May 4, 2016**

**CALL TO ORDER**

The New Hanover County Airport Authority met on Wednesday, May 4, 2016, at Wilmington International Airport, 1740 Airport Boulevard, Wilmington, North Carolina. Chairman Crane called the meeting to order at 5:03 p.m. and read the Authority's Code of Ethics adopted September 2, 2015. Mr. Lambeth stated a known conflict with the Airpark Hangar item under Planning and Development and said he would abstain from voting on that matter.

Airport Authority members present were; Jonathan Crane, Chairman; Thomas Wolfe, Vice-Chairman; Carter Lambeth, Secretary; Tom Barber, Donna Girardot, Dan Hickman, and John Perritt. Also present were Julie Wilsey, Airport Director; Gary Broughton, Deputy Airport Director; Robert Campbell, Finance Director; Whitney Prease, Facilities Director; Carol LeTellier, Business Development Director; Caitlen Buffkin, Marketing & Accounting Assistant; Rose Davis, Executive Assistant; and Wanda Copley, New Hanover County Attorney.

Guests present included Steve Bright and Amy McLane, Talbert & Bright, Inc.; Elaine Mello, Bill Cherry, Eric Canup, Monte Coughlin, Ryan Evans, Desmond MacRae, Dave Rock and Tom Goodwin.

**APPROVAL OF MINUTES**

The Authority has reviewed the minutes of the Regular Public Meeting on April 6, 2016. Mr. Lambeth MOVED, SECONDED by Mrs. Girardot, to approve the minutes of the April 6, 2016 Regular Public Meeting as submitted. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY.

**PUBLIC COMMENTS**

Mr. MacRae addressed the Authority regarding the specifications of the grills that were mentioned previously and a potential donation of a swing set for the observation area. Mr. MacRae stated that people want to donate money and asked where it could be sent. Chairman Crane thanked him and referred him to coordinate with Mr. Prease to make sure everything is compliant with the rules, regulations and insurance.

Mr. Perritt commented that the last time it was proposed our insurance carrier did not like the swing set idea but we can look at that again. Mrs. Wilsey indicated that staff would need the specifications.

Mr. Prease asked Mr. MacRae to send the specifications to him for evaluation and that staff would be back in touch.

**MARKETING PRESENTATION**

Mrs. Buffkin, ILM Marketing and Accounting Assistant, gave an abbreviated version of her NCAA Conference presentation on using social media for business marketing. Mrs. Buffkin pointed out that since 2012, ILM has moved from traditional advertising to more digital advertising, having almost tripled the allocations in the marketing budget for digital advertising.

Mr. Barber asked about other social media we are using at ILM and Mrs. Buffkin stated that ILM has a Twitter, Instagram and YouTube account but she focuses on Facebook at this time, hoping that an intern this summer may be able to grow the other areas.

### **FACILITIES**

Mr. Prease recommended the approval of a grant amendment to AIP-51 in the amount of \$465,770 which is a 7% increase to the existing grant. ILM's match, NTE \$46,600, was approved by the FAA on May 4, 2016. Mr. Barber MOVED, SECONDED by Mr. Wolfe to approve the grant amendment as recommended above. The MOTION WAS APPROVED UNANIMOUSLY.

Mr. Prease recommended approval of a Change Order (CO) for Trader Construction to add Schedule IV (Trask Drive pipeline) in the amount of a net increase of \$565,691.39, which was approved by the FAA on May 4, 2016. Mr. Lambeth MOVED, SECONDED by Mr. Wolfe to approve the Change Order as recommended above. The MOTION WAS APPROVED UNANIMOUSLY.

Mr. Prease recommended the approval of a work authorization amendment for Schedule IV Construction Phase Services with Talbert & Bright for Construction Administration, Resident Project Representative (RPR) and Subconsultant Quality Assurance Testing Services. Staff recommends approval of \$138,845 contingent upon Independent Fee Estimate (IFE) and FAA review. Mr. Lambeth MOVED, SECONDED by Mr. Hickman to approve the work authorization with Talbert & Bright as recommended above. The MOTION WAS APPROVED UNANIMOUSLY.

Mr. Prease recommended approval NTE \$38,000 to purchase five IT Network Transceivers, four UPS's and labor from Fluid IT. The systems are outdated and not supported by the manufacturer. After some discussion, Mrs. Girardot MOVED, SECONDED by Mr. Barber to approve the purchase as recommended above. The MOTION WAS APPROVED UNANIMOUSLY.

Mr. Prease advised the Authority that he was notified that the CAT II ILS outage has been postponed until June 2016. Discussion followed about the process and the required flight check for restoration.

### **FINANCE REPORT**

Mr. Campbell reviewed ILM's March 2016 cash report, summary of accounts and financials.

Mr. Hickman recommended the approval of the FY2017 Budget of \$21,831,990 (\$7,447,650 Operating; \$14,384,340 Capital) as submitted for public review for 30 days. Mr. Hickman MOVED, SECONDED by Mr. Lambeth to approve FY2017 Budget for public review. The MOTION WAS APPROVED UNANIMOUSLY.

### **GENERAL AVIATION**

Mr. Wolfe reported on the meeting with the South Ramp tenants on April 14, 2016 to discuss their concerns. Mr. Lambeth asked about the long range plan for the South Ramp once general aviation is moved to the North Ramp and Mrs. Wilsey responded that the Master Plan shows a

SASO on the South Ramp; all aircraft rental, hangar rental or tie downs, will move to the North Ramp in accordance with the Master Plan and the site will be evaluated and assessed for other uses.

Mr. Broughton reported that security issues and lease obligations were discussed with the South Ramp tenants and everyone seemed to understand and agree that compliance is critical.

### **GOVERNMENT & PGA Golf**

Mrs. Wilsey, using a slide for illustration, reported that aviation has a \$31 B impact in the state of North Carolina overall, and ILM's individual impact climbed from \$641 M to \$1.6 B economic impact on this community. Employment numbers are up to 4,910; and property tax on aircraft based at ILM is \$616,100. Mrs. Wilsey shared a graph comparing the property tax values for airports neighboring ILM.

Mrs. Wilsey updated the Authority on the NC Aviation Task Force Report indicating one focus was on finding a sustainable funding source for aviation in the state. Mrs. Girardot reported that Senator Rabon has inserted in the Senate Short Term Budget \$35 M for the ports and \$21 M for all the airports, which he called the infrastructure bank. Mrs. Wilsey shared that between the Economic Impact Study and the NC Aviation Task Force Report and the system plan that was just done, NC Airports have 3 fabulous documents that are brand new to use to help secure funding for airports in the whole state.

Mrs. Girardot complimented Mr. Broughton and the NCAA on the conference being very well done and indicated that Solar Fields and UAVs were discussed and advised that she and Mrs. Wilsey will follow up and research this with the Planning Department.

Mr. Broughton updated the Authority on the upcoming PGA event, stating that Chief Taylor visited Charlotte to work with both the FBO and the main terminal during their event. Chief Taylor met with a Wells Fargo representative who discussed the procedures with him. Chief Taylor reported to Mr. Broughton that he was surprised to see many of the players coming in commercially as well as privately. One of the first hurdles ILM will face is the site for 200 Mercedes cars. Regarding the airlines, Chief Taylor reported the airlines really need to look at adding large mainline equipment for that period of time as they could be overwhelmed with service. Mr. Broughton shared that the Greater Wilmington Business Journal will be running an article called "One Year Out" about preparations for the PGA event.

### **HUMAN RESOURCES**

Nothing to report.

### **MARKETING**

Mr. Barber confirmed that staff would be highlighting the Economic Impact study on social media. Mrs. LeTellier added that the putting green in the terminal lobby was put in place in anticipation of the PGA event and that the kiosk was delivered today which could generate more advertising opportunities in that area to help reach staff's advertising goal of \$200,000 for the year.

### **PLANNING & DEVELOPMENT/TERMINAL EXPANSION**

Ms. LeTellier recommended the approval of Airpark Hangars, Inc.'s request for a 10 year land lease extension through 2030. After some discussion, Mr. Perritt MOVED, SECONDED by Mr. Hickman to approve the lease extension as recommended above. The MOTION WAS APPROVED. Mr. Lambeth abstained from this vote.

Ms. LeTellier recommended the approval of the Avis Budget Car Rental lease of 2610 N. 23<sup>rd</sup> Street effective May 1, 2016, for one year, and the extension of the concession agreement in order to accommodate that one year term. The concession agreement currently expires June 30, 2016 and will be extended to April 30, 2017 to coincide with the new lease. Mr. Wolfe MOVED, SECONDED by Mr. Barber to approve the lease as recommended above. The MOTION WAS APPROVED UNANIMOUSLY.

Chairman Crane pointed out that there has been a lot of great press about the Fiber Ready certification of the Flex Space Building.

### **OPERATIONS REPORT**

Mr. Broughton advised the Authority that as of May 2, 2016, Delta was adding approximately 60 more seats to their morning fleet launch by putting in a Boeing 717 and an Airbus 319. Mr. Broughton shared the concern with the dedicated TSA PreCheck lane taking us down to 1 lane for non PreCheck and the TSA is aware of the increased number of passengers that will be going through the checkpoint in the mornings.

In response to Mr. Perritt's concern about this exacerbating the morning peak, Mr. Broughton responded that staff would look at marketing and social media to stress how important it is to arrive 90 minutes early for flights.

### **DIRECTOR'S REPORT**

Mrs. Wilsey recommended the approval of a revised Air Service Incentive Policy which extends the 12 month waiver of lease fees and landing fees to 24 months. Mr. Lambeth MOVED, SECONDED by Mr. Perritt to approve the revised Air Service Incentive Policy as recommended. The MOTION WAS APPROVED UNANIMOUSLY.

Mrs. Wilsey proposed that the June Authority meeting be moved to June 8, 2016 due to the holiday weekend the Monday before the regular scheduled meeting of June 1, and the NCAA moving its Legislative Day to June 1<sup>st</sup>. Mrs. Wilsey stated it is important that staff be at the Legislative Day as Mr. Broughton is the President of the NCAA and the Chairman of the Legislative Committee and staff would like to be present to help close in some of the legislative issues with NC elected officials.

Regarding the NCAA Conference, Mrs. Wilsey shared that she believes everyone enjoyed downtown Wilmington and the venue. The weather was beautiful and getting a hotel adjacent to the conference center will definitely bring them back to Wilmington. Next year's conference will be in Pinehurst.

Mrs. Wilsey talked about the ACRP Report 58 provided to the Authority. This was a session held at the NCAA conference dealing with training the volunteer board and policy makers.

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Mrs. Wilsey reported that she has meetings with American, United, Southwest and Allegiant scheduled for the Jumpstart event in June and the Incentive Policy will be important to American and United.

**UNFINISHED BUSINESS**

None.

**NEW BUSINESS**

None.

**ADJOURNMENT**

There being no further business to come before the Board, Chairman Crane adjourned the meeting at 5:58 p.m.

Prepared by:

Rose M. Davis

Respectfully Submitted:

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Carter T. Lambeth, Secretary

Date of Approval: June 8, 2016