

**NEW HANOVER COUNTY AIRPORT AUTHORITY  
REGULAR PUBLIC MEETING  
August 3, 2016**

**CALL TO ORDER**

The New Hanover County Airport Authority met on Wednesday, August 3, 2016, at Wilmington International Airport, 1740 Airport Boulevard, Wilmington, North Carolina. Chairman Wolfe called the meeting to order at 5:02 p.m., led the Pledge of Allegiance, and then read the Authority's Code of Ethics adopted September 2, 2015. No conflicts of interest or potential conflicts of interest were identified at that time.

Airport Authority members present were; Thomas Wolfe, Chairman; Carter Lambeth, Vice-Chairman; Dan Hickman, Secretary; Tom Barber, Donna Girardot, 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; Rose Davis, Executive Assistant; and Wanda Copley, New Hanover County Attorney.

Jonathan Crane was absent.

Guests present included Steve Bright and Amy McLane, Talbert & Bright, Inc.; Eric Canup, Ryan Evans, Monte Coughlin, Tom Goodwin, Beth Doliboa, and Desmond MacRae.

**APPROVAL OF MINUTES**

The Authority has reviewed the minutes of the Regular Public Meeting on July 6, 2016. Mr. Barber MOVED, SECONDED by Mr. Hickman, to approve the minutes of the July 6, 2016 Airport Authority Meetings as submitted. Upon vote, the MOTION WAS APPROVED UNANIMOUSLY. Mr. Crane was absent.

**PUBLIC COMMENTS**

Monte Coughlin addressed the Authority confirming that Steve Hedges, the SE Regional Director for AOPA, will be giving a presentation at the September Authority meeting.

**FACILITIES**

Mr. Prease reported that the Corporate Taxilane Project bids will be opened on August 17 and the pre-bid meeting was held earlier today with 4 interested parties.

**FINANCE REPORT**

Mr. Campbell reviewed ILM's June 2016 cash report, summary of accounts and financials. Mr. Campbell presented a quick summary of the unaudited year end results for FY16 using charts for illustration, pointing out that operating revenues were up 12.3% over last year, with over half of that increase being due to parking rate increases over the previous year and security fees charged to the airlines. Landing fees and business park revenue were both up about \$100,000 over the previous year. Operating expenses were up about 2.7% over the previous year. Wages and benefits were up about 2% and maintenance charges and contract services were also up but most were offset by decreases in insurance and business park expenses.

Mr. Barber asked if the parking rate increases resolved the issue of the short term parking lot filling up on peak days and Mrs. Wilsey responded that it did not, especially this time of year with the thunderstorms and business travelers, with it peaking on Wednesday and then starting to empty out Thursday and Friday. Discussion followed.

### **GENERAL AVIATION**

Mr. Broughton reported that the RFP for a second FBO on the North Ramp should be ready to go out on or about September 15, 2016 with a response date of December 15, 2016. Mr. Broughton also reported that the Seahawk Aviation lease has been signed and Seahawk will relocate and take possession of the Signatech Hangar on October 1, 2016, with a grand opening tentatively planned for the end of October/beginning of November. Mr. Broughton also stated that staff has just received the appraisal on the South Ramp hangars and it is pending staff review.

Mr. Perritt asked for clarification as to what was appraised and Mr. Broughton confirmed that it was the land, the maintenance hangar and the box hangars that were appraised.

### **GOVERNMENT & PGA Golf**

Mrs. Girardot reported to the Authority that the Inflation Adjustment Act, which raises all civil penalties from Federal Agencies, goes into effect August 1<sup>st</sup>, and the civil penalties will continue to be reviewed annually.

Regarding the DEQ Stormwater permitting, there are new rules passed by the EMC and Mrs. Wilsey reported that the proposed rules are going to the rules review committee now, then they are published. If there are 10 or more letters of objection, then the implementation will be delayed until the legislature acts on them. If not, they could be effective around February 2017. Mrs. Wilsey also reported there will be a rewrite to the Best Management Practice (BMP) Manual that the DEQ uses to implement those rules and NCDOT Aviation has agreed to fund a consultant to participate in the rewrite version of the BMP Manual for aviation. Mrs. Wilsey noted that NCDOT Aviation helped write letters and was part of the conversation in Raleigh. They will continue to play a key role with DEQ to form as many relationships as possible to help airport permitting.

Mrs. Girardot reported that she has heard that they are expected to run into difficulty at the rules review committee and that there is a near certainty that they will get the 10 letters to push it into the General Assembly next year.

On the Economic Impact presentation, Mrs. Girardot turned it over to Mr. Prease who attended on behalf of ILM. Mr. Prease reported that he gave a 10 minute presentation regarding the airport at the TAC meeting and the conclusion is that the airport is 6<sup>th</sup> out of 6 priorities for review, with the direct flight to hubs and Emirates from ILM to LA being the focus.

Mr. Broughton reported for the PGA Committee that they contacted Gwen Crow, Player Services Director, to confirm that there has been no change of plans or venue and she assures us that there will not be.

### **HUMAN RESOURCES**

Mrs. Wilsey updated the Authority on the August 11<sup>th</sup> start date for Erin McNally, the new

Marketing Specialist. Mrs. Wilsey reported that the UNCW intern, Chris Yon, has done a fabulous job and really stepped into a very big role in the gap.

### **MARKETING AND AVIATION DAY**

Ms. LeTellier reported that she has Boat Show tickets for the Authority members to share and that she would try to get more if they are available. Ms. LeTellier reported that staff is already planning and is excited to have new staff members on for this event.

Ms. LeTellier advised that she has the new ILM commercial available for viewing and it was agreed to watch that at the end of the meeting.

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

Mr. Barber reported that the committee has discussed the possibility of a student project since there was so much success with Chris Yon on the marketing side and it is a good opportunity for the students also.

### **OPERATIONS REPORT**

Mr. Broughton reported that the enplanements for July are tracking at 5.5% up from this time last year and fuel is holding steady in the amber on Foreflight. Mr. Lambeth reported flying recently on American through Chicago to Oshkosh and back and every single flight he was on was full on every leg of every flight. Mr. Broughton pointed out that the load factor in June was 86% and it is running at least that for July, even with 25 cancellations in July.

### **DIRECTOR'S REPORT**

Mrs. Wilsey recommended the approval of a 36 month contract with AT&T for 20 Mbps fiber to replace the current internet provider. Cost NTE \$9,500 per year or \$28,500 for contract term. The contract approval is contingent upon release from the current vendor that is not performing. After some discussion, Mr. Lambeth MOVED, SECONDED by Mr. Perritt to approve the AT&T Fiber Contract as recommended. The MOTION WAS APPROVED UNANIMOUSLY. Mr. Crane was absent.

Mrs. Wilsey briefly discussed the 2016/FY17 Goals for ILM that were included in the agenda packet.

Mrs. Wilsey confirmed that Mr. Hedges, Southern Region Manager for the AOPA will be speaking at the September Authority meeting and that staff would like to tentatively schedule Joseph Pickering to present at the November meeting on Air Service Development.

Mr. Barber asked that at some meeting in the near future, staff schedule a briefing on the terminal capacity study for the benefit of the new members or share the study document with the Authority members.

Mrs. Wilsey reviewed a slide comparing ILM's air service statistics to other Southeast Region airport averages showing that ILM is ranked 36 in the region noting that ILM is on the positive side on all the numbers: our passengers are up; our average fare is up 2%; our yield is up 1%. Mrs. Wilsey pointed out at bigger airports like Raleigh and Myrtle Beach, their fares and yields are down because of some of the new low fare carriers and new service they have. Then the

smaller airports below us are down in terms of passengers and revenue and their fares are going up while their yield is either flat or going up.

**UNFINISHED BUSINESS**

None.

**NEW BUSINESS**

Mr. Lambeth shared an overview of his trip to Oshkosh for the EAA Air Venture stating it was an impressive air show this year since it was the 100<sup>th</sup> anniversary of Boeing.

**PUBLIC COMMENT**

Mr. MacRae addressed the Authority stating he had recently observed an American 170 sitting at ILM for 30 min waiting for gate space and asked why a jet bridge wasn't put on gate 2? Mrs. Wilsey responded that Gate 2 is too narrow to get an aircraft in there to dock a jet bridge. It is easier for them to stairwell load out of Gate 4. In response to Mr. MacRae's question if Gate 1 was still usable, Mrs. Wilsey responded that gate 1 still has the stairs and is used as needed during peak periods.

Ms. LeTellier announced that the new commercial would be featured on ABC, NBC, Fox, CBS and cable. The new ILM commercial was shown.

**ADJOURNMENT**

There being no further business to come before the Board, Chairman Wolfe adjourned the meeting at 5:42 p.m.

Prepared by:

Rose M. Davis

Respectfully Submitted:

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Dan Hickman, Secretary

Date of Approval: September 7, 2016