New Hanover County
Airport Authority

REGULAR PUBLIC MEETING

Wednesday
September 7, 2016

5:00 PM
ILM Executive Conference Room

New Hanover County Airport Authority
Regular Public Meeting Agenda
September 7, 2016
5:00 PM

- Pledge of Allegiance
- Call to Order/Code of Ethics Clause
- Approval of Minutes - Tab 1
- Special Guest – Mr. Steve Hedges, AOPA
- Committee Reports
  - Facilities - Tab 2
  - Finance - Tab 3
  - General Aviation - Tab 4
  - Government & PGA Golf - Tab 5
  - Human Resources - Tab 6
  - Marketing - Tab 7
  - Planning & Development/Terminal Exp.- Tab 8
- Operations Report - Tab 9
- Director's Report - Tab 10
- Unfinished Business - Tab 11
- New Business
- Adjournment

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New Hanover County Airport Authority
Code of Ethics
Adopted 9/2/2015

In accordance with the New Hanover County Board of Commissioners Resolution Adopting a Code of Ethics, as adopted on January 5, 2015, it is the duty of all County boards and committees to respect and abide by the New Hanover County Code of Ethics in the performance of their duties.

More specifically all Airport Authority members should:

1. obey all applicable laws;
2. uphold the integrity and independence of the Authority;
3. avoid impropriety;
4. faithfully perform the duties of the office; and,
5. conduct the affairs of the Authority in an open and public manner.

It is further the duty of every Authority member to avoid both conflicts of interest and appearances of conflicts. Does any member have any known conflict of interest or appearance of conflict with respect to any matters coming before the Authority today? If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.

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Tab 1
Approval of Minutes

The Authority has been provided copies of the minutes for the August 3, 2016 Regular Public Meeting.

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Committee Reports

Committee	Airport Authority Member	Staff Member
Facilities/Tab 2	Carter Lambeth	Whitney Prease
Finance/Tab 3	Dan Hickman, Chair Jonathan Crane Carter Lambeth	Bob Campbell
General Aviation/Tab 4	Tom Barber, Chair Donna Girardot John Perritt	Gary Broughton Julie Wilsey
Government & PGA Golf/Tab 5	Donna Girardot, Chair John Perritt	Gary Broughton Julie Wilsey
Human Resources/Tab 6	Dan Hickman, Chair Jonathan Crane Tom Wolfe	Julie Wilsey
Marketing/Tab 7 **Planning & Development/Tab 8**	Tom Barber Donna Girardot Tom Wolfe	Carol LeTellier

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Tab 2
Facilities

• Action Items

a. **AIP 52 Grant Acceptance** – Approve Federal Grant AIP-52 in the amount of $2,276,656.00. The grant requires a 10% local match of $227,666.00.

b. **Schedule V North General Aviation Apron Pavement Rehabilitation & Stormwater Improvements** – Approve a Change Order (CO) with Trader Construction in the amount of $2,347,610.50 for the North Ramp rehabilitation and expansion project.

c. **North GA Hangar Taxilane –** Approve a Contract with Trader Construction in the amount of $484,707.00. for construction of the GA Hangar Taxilane located on the North Ramp.

d. **North GA Taxilane Work Authorization** – Approve a Work Authorization with Talbert & Bright for Construction Administration; Grant and Permit Compliance; Subconsultant Quality Assurance Testing Services and Part-Time Resident Project Representative (RPR) Services in the amount of $124,355.00. Approve work authorization contingent upon Independent Fee Estimate Review (IFE) and North Carolina Division of Aviation (NCDOA) acceptance.

e. **Runway 24 Ditch Project Work Authorization Amendment –** Approve Amendment No. 1 in the amount of $47,680.00 for Talbert & Bright Inc. This cost includes Additional Design/Construction Administration Services, Resident Project Representative (RPR) Services, Subconsultant QA Testing Services-S&ME and Subconsultant Services.

   Due to a small portion of the site that remains wet and unstable & creates difficulties for the airport to mow and maintain. The project was completed under budget and the additional work by the contractor will be within the contract amount and Grant budget.

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Tab 2
Facilities (cont.)

- ## Information Items

a. **North Ramp Schedule IV Pipe Installation -** Trader Construction began Schedule IV Pipe Project June 6, 2016 and completed September, 2016.

b. **Perimeter Fence Project (PFC Funded)** – The contractor will continue to move forward with the installation of new 8 ft. fencing to replace existing 6 ft.

c. **Live Oak Hangar** – Site work began August, 2016 and wooden piles installed and completed last week.

d. **Taxiway Lighting Rehabilitation Project** – A preconstruction meeting with Cedar Peaks was August 23, 2016. Notice to Proceed was August 30, 2016 and scheduled completion is November, 2016.

e. **Rental Car Maintenance Facility (CFC)** – Researching and planning for construction of a new rental car maintenance facility adjacent to existing rental car buildings on Hall Dr.

f. **84 Lumber** is adding a covered area on their existing leasehold.

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Tab 3
Finance

- **Monthly Financials**

  a. **July Cash Summary** (Agenda page 13)

  b. **July Financial Summary** (Agenda page 14)

  c. **July Financials** (Agenda pages 15-16)

- **Action Items - None**
- **Information Items - None**

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Cash Summary

Month End Account Balances		
Account Name	**Interest Rate**	**Month End Balance**
General Operating Checking	N/A	$ 9,650,231.77
Business Park Checking	N/A	14,195.37
Business Park Money Rate Savings	0.01%	250,557.56
Federal Projects	N/A	500.00
Money Rate Savings	0.01%	2,070,750.69
Investment Account	0.03%	3,692,066.86
PFC Money Rate Savings ***	0.01%	3,307,411.32
CFC Money Rate Savings ***	0.02%	2,741,244.44
CFC Checking ***	N/A	5,267.58
Live Oak CD, maturity date 8/29/16 ***	1.00%	249,741.98
Petty Cash	N/A	1,000.00
Total Cash		21,982,967.57
Less Restricted Use * **		6,303,665.32
Less Reserves:		
Maintenance & Development Reserve		2,740,435.96
Operational Reserve		4,000,000.00
Net Cash Available for Use		$ 8,938,866.29

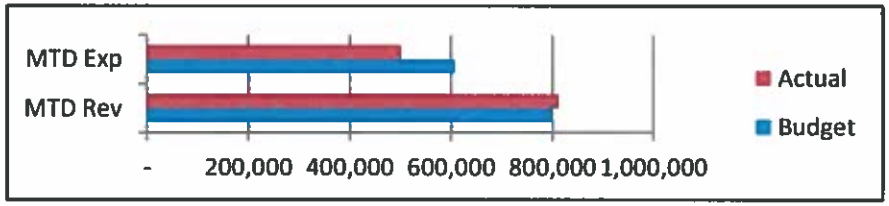
Monthly Cash Activity		
Beginning Balance		$ 9,177,154.42
Receipts		
General Operating	$ 877,663.17	
Business Park Operations Checking	-	
Business Park Money Rate Savings	86,405.47	
Federal Projects	844,686.36	
Business Park Money Rate Savings Interest	1.83	
Money Rate Savings Interest	17.54	
Investment Account Interest	989.84	
Total Receipts		1,809,764.21
Disbursements		
General Operatingt Accounts Payable	1,061,396.54	
General Operating Payroll	125,748.34	
Money Rate Savings Withdrawal	-	
Business Park Operations Checking Accounts Payable	6,221.10	
Business Park Money Rate Savings Accounts Payable	10,000.00	
Federal Projects Accounts Payable	844,686.36	
Total Disbursements		(2,048,052.34)
Ending Balance		$ 8,938,866.29

Wilmington International Airport

Monthly Financial Summary

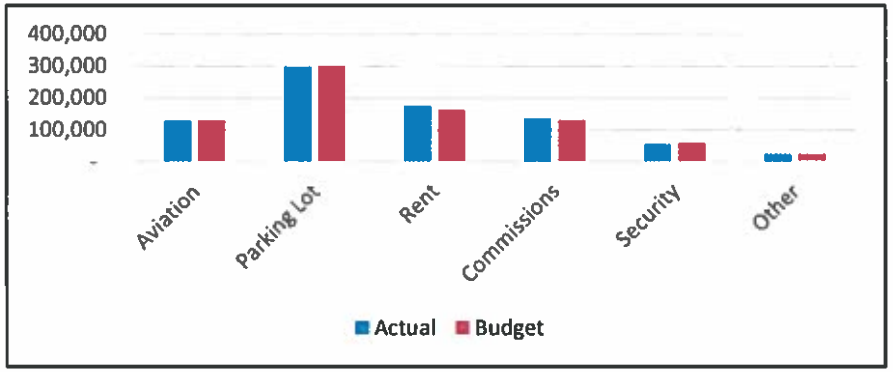
July

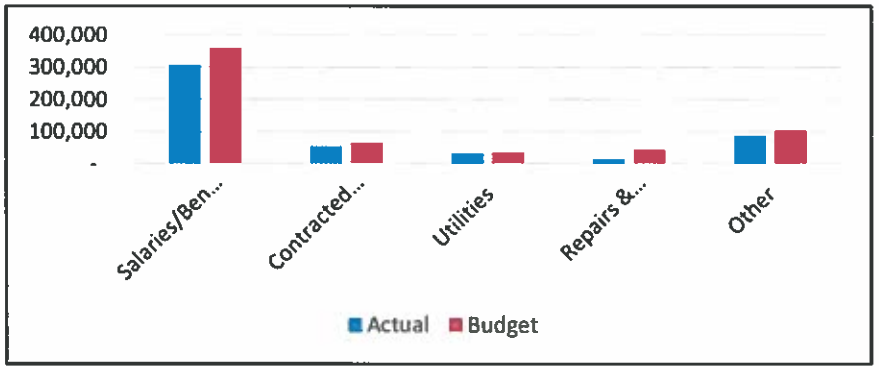
	Actual	Budget	Difference
MTD Rev	813,556	798,970	1.8%
MTD Exp	502,634	608,336	-17.4%
YTD Revenue	813,556	798,970	1.8%
YTD Expense	502,634	608,336	-17.4%



Revenue	Actual	Budget	Difference
Aviation	128,347	127,775	572
Parking Lot	295,856	297,000	(1,144)
Rent	173,867	161,000	12,867
Commissions	134,749	130,400	4,349
Security	54,583	58,243	(3,660)
Other	24,940	23,877	1,063

Expense	Actual	Budget	Difference
Salaries/Benefits	304,177	357,616	(53,439)
Contracted Services	53,916	64,996	(11,080)
Utilities	33,700	36,833	(3,134)
Repairs & Maint	15,180	44,192	(29,011)
Other	87,328	104,700	(17,372)





Explanation of Significant Budget to Actual Differences for the Month

Fuel Flowage fees less than budgeted by $5k. 169k gallons vs. 220k gallons budgeted. Downward trend may continue throughout the year.

Payroll lower than budgeted by $16k; should reverse as year progresses.

Health Benefits lower than budgeted by $15k due to lower increase in rates than anticipated. Will continue all year.

Repairs & Maint difference is is due to timing of projects. Trend should reverse as year progresses.

Tab 4
General Aviation

- ## Action Items

  Authorize Chairman to approve north ramp hangar construction lease.

- ## Information Items

a. If no agreement on north ramp hangar construction by Sept. 9, staff will be instructed to issue RFP for construction and operation of three north ramp hangars for GA community.

b. Seahawk Aviation to take possession of Signatech hangar on Oct. 1. Staff will assist with grand opening in late Oct. or early Nov.

c. FAA has approved engineers to modify tie-down locations for upcoming north ramp expansion to improve spacing and T&B will identify modification options on existing north ramp tie-downs as well.

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Tab 5
Government & PGA Golf

- **Action Items – None**

- **Information Items**

a. Update on NHC Special Use Permit (SUP)

b. Corps of Engineers Workshop

c. Regulation of UAVs by FAR Part 107 Started

d. PGA Committee Update (Gary Broughton)

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Tab 6
Human Resources

- **Action Items - None**

- **Information Items**

a. Staffing Update: We have a vacancy – ARFF responder.

b. BBNT Leadership Forum on Employee Development and Engagement (9/14/16)

Tab 7
Marketing/Aviation Day

- **Action Items – None**
- **Information Items**

a. North Carolina's Southeast Summer 2016 Compass Publication features an Investor Profile of Wilmington International Airport. (Agenda pages 21-26)

b. Boat Show tickets and Authority members parking passes available. Tickets are good for one day only.
   - Boat Show hours- September 9th, **Friday 12-6;** September 10th, **Saturday, 10 – 6;** September 11th, **Sunday 12 – 5.**
   - Boat Show location - Wilmington Convention Center, Battleship Park, Port City Marina, Pier 33.
   - VIP event is September 8, 6 – 9 PM at Pier 33.
   - Boat show video on ILM Facebook page.

c. Marketing for Aviation Day has begun and includes local schools.

d. Pandora advertising for radio and digital implemented.

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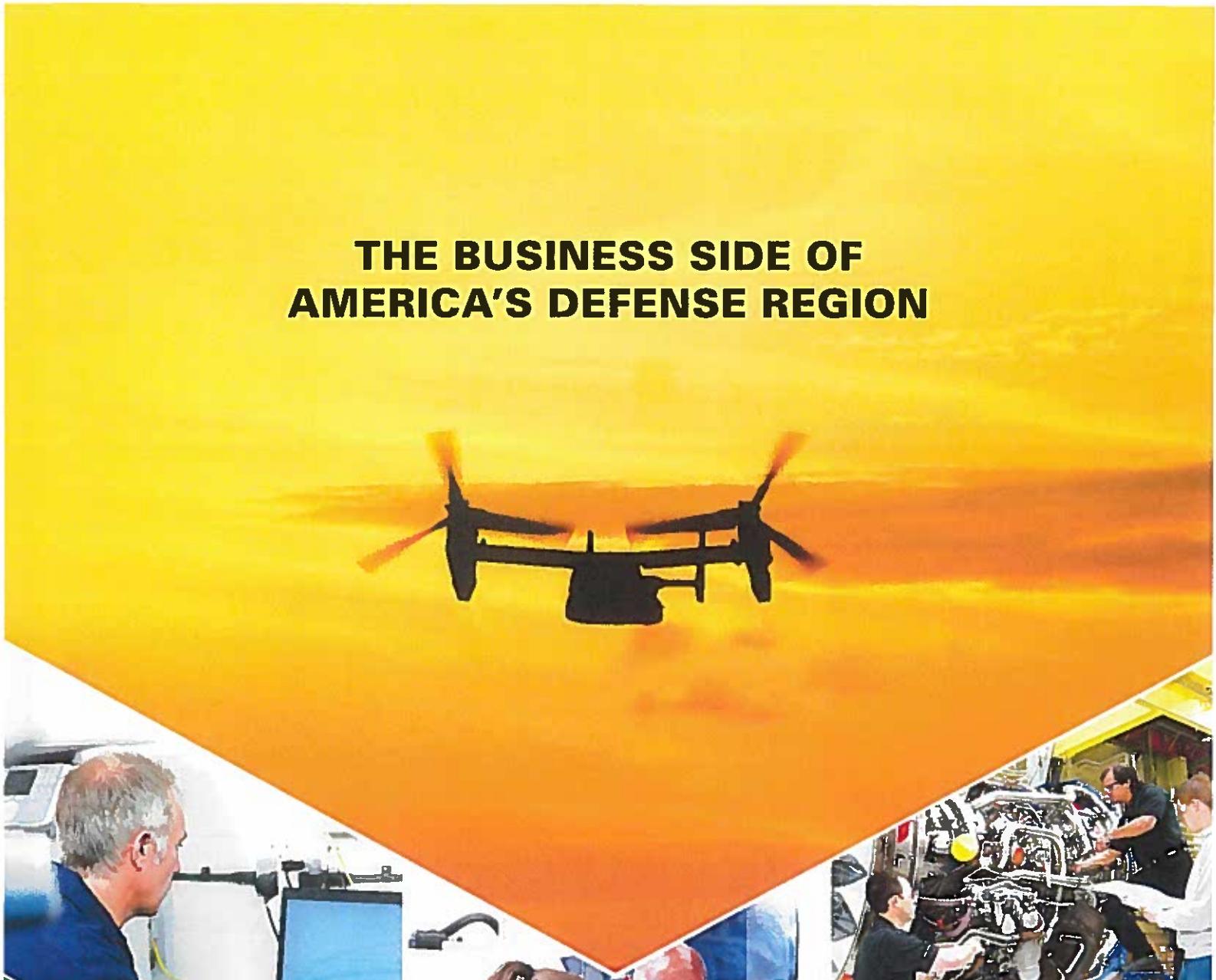
THE BUSINESS SIDE OF AMERICA'S DEFENSE REGION



NORTH CAROLINA'S SOUTHEAST

Regional Economic Development Partnership

THE SOUTHEAST COMPASS

THE SOUTHEAST COMPASS -SUMMER 2016

***Yost Remarks:* CSX Plans Will Further Globalize the Southeast**

Last month, Governor Pat McCrory joined officials from CSX Transportation in unveiling plans that will dramatically boost Southeastern North Carolina's connections to the global economy. The first part involves a $160 multimodal terminal in Rocky Mount, an inland cargo hub that will transfer 260,000 containers between trucks and trains each year. Read More.

Atlantic Coast Pipeline Plans Await Federal Approval

Partners in the Atlantic Coast Pipeline project, a 600-mile project that will cut across several Southeastern North Carolina counties, have now submitted 70,000 pages of documentation to the Federal Energy Regulatory Commission (FERC). Read More.

Southeast Developers Showcase Region at SelectUSA

James Wolfe knows the value of making international connections. In 2015, he attended the SelectUSA Investment Summit in Washington, DC, where he made contact with a foreign textile manufacturer that visited his county just a week later. "Companies there are not kicking tires," says Wolfe, economic development director for Duplin County. "They're ready to set up shop." Read More.

Region Takes its Message to Southern California

The high costs and heavy regulation faced by California businesses are yielding opportunities for Southeastern North Carolina. A group of local economic developers recently visited the Golden State, making the case for the region's affordability and pro-business climate. Read More.

Partnership Hosts State Developers

The Southeastern Partnership hosted a two-day gathering of representatives from the Economic Development Partnership of North Carolina (EDPNC). The meeting, held at Cape Fear Vineyard and Winery in June, was an opportunity for local economic developers to strengthen relationships with state project managers and showcase the region's economic assets. Read More.

Southeast Welcomes Two New Staff Members

In July, The Southeastern Partnership welcomed two new professionals to its staff. Read More.

Investor Profile: Wilmington International Airport

Wilmington International Airport (ILM) traces its history to the 1920s when it was known as Bluethenthal Field. Today, ILM is North Carolina's fourth largest commercial airport and a major economic asset for the Southeast Region. Read More

Investor Profile: Waste Industries

Waste Industries provides solid waste collection, transfer, recycling and disposal services in North Carolina and the mid-Atlantic U.S. Since the company's founding in 1970, it has been guided by the mission of providing the highest-quality waste

management in the industry. Read More

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ALSO IN THE SOUTHEAST COMPASS:

THE SOUTHEAST COMPASS - SUMMER 2016
THE SOUTHEAST COMPASS- WINTER 2016
THE SOUTHEAST COMPASS - SUMMER 2015
THE SOUTHEAST COMPASS - WINTER 2015
THE SOUTHEAST COMPASS- SUMMER 2014

DAVY WHITTINGTON, DIRECTOR OF LOGISTICS FOR FURNITURE BRANDS INTERNATIONAL, DISCUSSES THE PORT OF WILMINGTON

Davy Whittington

"This facility is the only one in the United States that manufactures the rubber gaskets for Victaulic sprinkler systems. We chose this location in Leland because of its strategic proximity for distribution access to the highway infrastructure and port of Wilmington."

Laura Fell
Human Resource Manager

THE SOUTHEAST COMPASS -SUMMER 2016

INVESTOR PROFILE: WILMINGTON INTERNATIONAL AIRPORT

Wilmington International Airport (ILM) traces its history to the 1920s when it was known as Bluethenthal Field. Today, ILM is North Carolina's fourth largest commercial airport and a major economic asset for the Southeast Region.

Two of the world's largest airlines – Delta and American – serve the airport with daily non-stop flights to Atlanta, Charlotte, New York-LaGuardia, Philadelphia and Washington, DC. Fixed Base Operations support general aviation aircraft with a full array of fueling, maintenance, cleaning, catering and more.

As an economic engine, ILM has more than doubled its impact during the past four years, according to a report by the Transportation Research and Education at North Carolina State University. In 2016, ILM will contribute $1.6 billion to the region's economy, the report estimates. The facility now directly and indirectly supports nearly 5,000 jobs.

ILM's economic potential is even greater when you consider the capacity of ILM Business Park, a shovel-ready 140-acre property primed with industry-grade utilities and multi-modal transportation access. Earlier this year, ILM Business Park became the nation's first international airport industrial park to earn a "fiber-ready" designation from AT&T. Companies locating at the park have ready access to the digital economy and the world's major business centers.

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ALSO IN THE SOUTHEAST COMPASS -SUMMER 2016:

DAVY WHITTINGTON, DIRECTOR OF LOGISTICS FOR FURNITURE BRANDS INTERNATIONAL, DISCUSSES THE PORT OF WILMINGTON

Davy Whittington

"West Fraser, Inc. Armour Sawmill is a Canadian-owned lumber mill located in Riegelwood, NC that employs 170 people and produces quality southern yellow pine dimension lumber and associated products. The raw material resources, reliable transportation routes, and the supportive economic development group serve as major business advantages to our location in Columbus County."

Peter Provencher
Mill Manager
West Fraser

CONTACT US

Joe Melvin
Director of Business Development

Unparalled military assets

NC's Southeast Region is home to five major military installations: Fort Bragg Army Base, Marine Corps Base Camp Lejeune, Seymour Johnson Air Force Base, Marine Corps Air Station New River, and Military Ocean Terminal at Sunny Point. With a presence this impressive, it should be no surprise that companies in the defense industry find NC's Southeast Region (NCSE) to be an excellent location for business. Consider the following:

- Fort Bragg is the largest army base in the world
- Marine Corps Base Camp Lejeune is the largest amphibious military base in the world
- Seymour Johnson Air Force Base is home to the 4th Fighter Wing of the Air Combat Command
- Military Ocean Terminal at Sunny Point is the largest munitions installation in the world
- The Department of Defense has an annual impact of $66 billion in North Carolina, making defense the state's second largest sector

$1.8B
annually spent by the DoD in NCSE

1 **Active Duty:** 52,280
Civilians: 8,757
Contractors: 3,516

2 **Active Duty:** 2,500
Civilians: 345

3 **Active Duty:** 4,600
Civilians: 1,000

4 **Active Duty:** 7,499
Civilians: 10,660

5 **Active Duty:** 45,622
Civilians: 5,857

6 **Active Duty:** 5
Civilians: 280

Skilled and experienced military workforce

Exiting military are sought after because of their skill sets, work ethic, and culture of training. Trailing spouses of military are another important component of the region's workforce. Together, these groups represent thousands of skilled workers entering the region every year.

- 112,000+ active duty military in the region (4th in the nation)
- 20,000 military exit the service every year
- 775,000 veterans in the state, 530,000 of which are employed in the region
- North Carolina for Military Employment (NC4ME) connects military talent to open jobs, education, and training
- DoD SkillBridge Program promotes civilian job opportunities available for transitioning military service members
- North Carolina has the 2nd lowest unionization rate in U.S.
- Three campuses of the University of North Carolina system, three private universities, and 13 campuses of the NC Community College System serve the region

775K
veterans call North Carolina home

Universities in North Carolina's Southeast Region	
Fayetteville State University	Public
Methodist University	Private
Saint Andrews University	Private
University of Mount Olive	Private
University of North Carolina Pembroke	Public
University of North Carolina Wilmington	Public

Unique military operations centers

NCSE is home to military leadership operations and units making the region unique. These special units lead to federal investment in the region, creating defense contracting opportunities.

- Joint Special Operations Command
- US Army Forces Command
- US Army Reserve Command
- 18th Airborne Corps & 82nd Airborne Division
- US Army Special Operations Command
- US Army JFK Special Warfare Center
- II Marine Expeditionary Force
- US Marine Corps Forces Special Operations Command
- Marine Corps Installations East
- F15 Strike Eagle Center of Excellence
- Naval Hospital, Womack Medical Center
- Center of Excellence for Strategic Deployment

18-hour
rapid deployment capability

Defense industry support resources

The military and defense industry are supported in North Carolina through state agencies, nonprofits, business alliances, and military related organizations

- North Carolina Military Business Center
- North Carolina Military Foundation
- North Carolina Defense Business Association
- Regional and Local Military Affairs Councils
- Center for Defense and Homeland Security
- North Carolina Department of Military and Veteran's Affairs
- Small Business and Technology Development Center – Procurement Technical Assistance Center
- 40 Army Reserve facilities
- Veteran's Business Outreach Center

MatchForce.org
This web portal connects NC businesses with federal contracting opportunities

Existing defense contractors

The Department of Defense spends $1.8 billion a year in NCSE. Total federal spending in the region is $1.9 billion. Raytheon, Lockhead Martin, and Booz Allen Hamilton are just a few of the contractors operating in the region. Others include:

- AAR Corp (Goldsboro): Develops tactical equipment and shelters for the U.S. military and produces cargo-loading systems for fixed and rotary wing aircraft
- HSM Machine (Leland): Manufactures landing gear components and assemblies for military and commercial applications
- Soffe (Fayetteville): Manufactures and assembles everything from physical training uniforms to vehicle armor

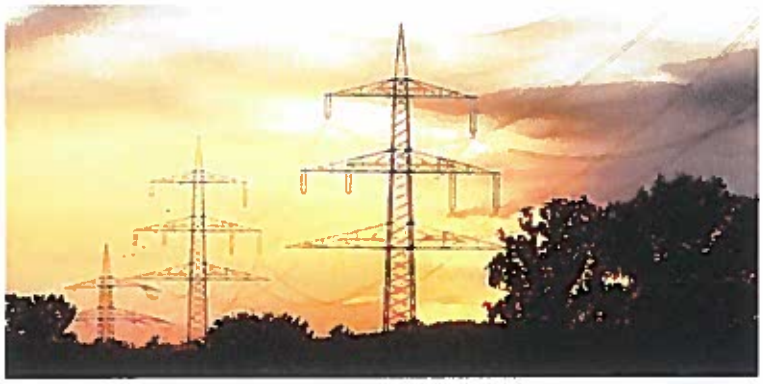
» When the President dials 911, it rings in NC's Southeast Region

Transportation advantage

Reach over one-half of the U.S. marketplace within a two-day truck drive from NCSE via the network of I-95, I-795, I-40, I-73, and I-74. Rail, port, and air service round out the region's transportation network to provide you a range of options.

- Daily direct flights to Washington, D.C.
- Interstates 95, 40, and 73/74 connect to over half of the U.S. consumer market
- Port at Wilmington offers terminal facilities serving container, bulk, and breakbulk operations
- CSX, Norfolk-Southern, and several short lines provide efficient rail connections
- Wilmington (ILM) and Fayetteville (FAY) offer regional air service with connections via Delta, United, and American Eagle. Jacksonville (OAJ-Ellis) offers daily flights to and from Charlotte and Atlanta via American and Delta Air Lines.

200 million
consumers within a two-day drive



Competitive cost

We know that every cost point matters. Operating in our region can have a positive impact on your bottom line.

- N.C. state corporate tax rate reduced to 5% over two years
- State and local incentives encouraging investment and job creation
- Qualified New Market Tax Credit census tracts
- Competitive wages – ranked 23rd in the U.S.
- Quality utility providers with expansion capacity
- 3rd lowest electric rates in the Southeast U.S.
- Eight advanced telecommunications providers

NORTH CAROLINA'S SOUTHEAST
Regional Economic Development Partnership

707 West Broad Street | PO Box 2556 | Elizabethtown, NC 28337
Phone (800) 787-1333 or (910) 862-8511 | Fax (910) 862-1482 | www.ncse.org

Produced in partnership with
ELECTRICITIES of NORTH CAROLINA, INC.
The energy behind public power

Tab 8
Planning & Development/ Terminal Expansion

- ## Action Items

a. **Request Approval for a Restaurant Lease** - Owned and operated by Tailwind Flex LLC to be located at the Flex Building, 1724 Gardner Rd., Suite 160, Wilmington, NC, 28405 for 5 years with 5 year extension option. Restaurant scheduled to open on or before January 1, 2017. Approval includes extending the Tailwind Food & Beverage in terminal concession to run concurrent with the Tailwind Flex LLC lease.

b. **Request Approval for a Tentative Office Lease** of a business owned by an international company that manages communications from paper to digital for 1724 Gardner Rd., Suite 100, Wilmington, NC 28405 for 4 years with a 4 year extension option. Rent payments begin December 1, 2016.

- ## Information Items

Met with Diane F. Durance, Director, UNCW - Center for Innovation and Entrepreneurship to strategize and plan UNCW student project, "Vision for ILM". Next planning meeting will be scheduled by Diane.

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Tab 9
Operations Report

- **Action Items - None**
- **Information Items**

a. PASSENGERS:

- Total revenue passengers for July were 77,734 up 4% bringing YTD revenue passengers to 462,102 up 7.4%
- July LF: 88%
- August enplanements are tracking up approximately 3.1%

b. JULY CAPACITY:

- 46,554 available seats…up 11% vs. 2015
- YTD – 278,380…up 11.2%

c. FUEL:

- Jet A: $4.53
  Foreflight: **Red**
- Avgas: $4.74
  Foreflight: **Amber**

d. FUEL FLOWAGE:

- July 2016: 165,609 gallons down 32% vs. July 2015

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Tab 10
Director's Report

- **Action Items – None**

- **Information Items**

a. Update on AT&T Fiber Contract
We are transitioning to AT&T and will be let out of the current contract.

b. Air Service Development Update

c. Chamber Visit to Richmond, VA 9/26-9/27

d. Historical Area and Museum Partnership

e. WILMA Leadership Accelerator (9/28/16)

f. GWBJ Power Breakfast (9/30/16)

f. September & October Calendars
(Agenda pages 30-31)

ILM

September

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1 10 am-Ambassadors' Quarterly Meeting	**2** GB-On Call	**3**
4	**5** LABOR DAY (Admin. Office Closed)	**6**	**7** 5 pm – AA Meeting	**8** 10 am-Tenants' Quarterly Meeting EMC (JW) 5:30 pm- VIP Event Boat Show- Pier 33 Cirque Italia	**9** WP-On Call Wilmington Boat Show Cirque Italia	**10** Wilmington Boat Show Cirque Italia
11 Wilmington Boat Show Cirque Italia	**12**	**13**	**14** 10 am - TCC (WP) BB&T Leadership Institute (JW)	**15** EMC (JW) 5:30 pm – United Way Kickoff Event - Airlie	**16** MF-On Call	**17**
18 Boyd Group Conference (GB)	**19** Boyd Group Conference (GB)	**20** 9 am UCC Mtg. (WP) Boyd Group Conference (GB)	**21**	**22** 8 am – United Way Board Meeting (JW)	**23** GT-On Call	**24**
25	**26** Intercity Leadership Meeting (JW)	**27** Intercity Leadership Meeting (JW)	**28** 12:30 pm WILMA Leadership Acceleration Event (JW/DG/CL/EM)	**29**	**30** JW-On Call 7:30 am – Power Breakfast – Governor Candidates	

2016

October

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3 United Way Golf Tournament	4	5 5 pm – AA Meeting	6	7 GB-On Call NCAA Board Meeting-Fayetteville (GB)	8 AVIATION DAY
S	10	11	12 10 am - TCC (WP)	13 1:30 pm - FAR 139 Mass Casualty Tabletop Exercise	14 WP-On Call	15
16	17	18	19	20	21 MF-On Call	22
23	24	25	26 3 pm – TAC (DG)	27 8 am – United Way Board Meeting (JW)	28 GT-On Call	29
30	31					

2016

Tab 11

- Unfinished Business
- New Business
- Adjournment

ILM