

**NEW HANOVER COUNTY AIRPORT AUTHORITY  
REGULAR PUBLIC MEETING  
September 7, 2016**

**CALL TO ORDER**

The New Hanover County Airport Authority met on Wednesday, September 7, 2016, at Wilmington International Airport, 1740 Airport Boulevard, Wilmington, North Carolina. Chairman Wolfe called the meeting to order at 5:05 p.m., led the Pledge of Allegiance, and 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, Jonathan Crane, 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.

Guests present included Steve Bright and Amy McLane, Talbert & Bright, Inc.; Bill Cherry, Bruce Chappell, Vince Tryer, Ron McGrath, RJ Hogan, Michael Scheeringa, Josh Lopez, Steve Hedges, Chris Stevens, Mark Ledermann, Tony Karafas, Chris Ellis, Butch Truelove, Tom Goodwin, Monte Coughlin, and Dave Rock.

**APPROVAL OF MINUTES**

The Authority has reviewed the minutes of the Regular Public Meeting on August 3, 2016. Mr. Lambeth MOVED, SECONDED by Mrs. Girardot, to approve the minutes of the August 3, 2016 Airport Authority Meetings as submitted. Upon vote, the MOTION WAS APPROVED. Dr. Crane abstained from this vote as he was not present at the August 3, 2016 meeting.

**SPECIAL GUEST PRESENTATION**

Mr. Steve Hedges, with the AOPA, addressed the Authority identifying himself as the Southeast Regional Manager for the Aircraft Owners and Pilots Association. Mr. Hedges thanked Monte Coughlin, Airport Support Member Volunteer, who set up a series of meetings with local pilots, and who helped explain the changes that are going on at ILM. Mr. Hedges stated that he heard a lot of different opinions during these meetings. Mr. Hedges also thanked Bill Cherry for meeting with him to talk about his FBO and ILM staff for the tour of the airport North Ramp project. Mr. Hedges also thanked the pilots for meeting with him and sharing their concerns about the airport and the Authority for letting him speak and for welcoming him at ILM. Mr. Hedges stated that he would continue to look at the airport's issues and keep the AOPA informed.

Mr. Hedges indicated that the issues involving the expansion of ILM and the GA community are not uncommon and that he runs into it quite a bit. Mr. Hedges stated that there are a lot of changes taking place at airports and the AOPA understands the viability an airport needs to continue and just wants general aviation to be a big part of a viable airport like Wilmington's.

**FACILITIES**

Mr. Prease, having met with the Facilities committee, recommended the approval of the following Facilities action items:

- a. Federal Grant AIP-52 in the amount of \$2,276,656. The grant requires a local match of \$353,000, making the total of \$2,629,656. ILM's local match increased due to no FY16 discretionary funds being available. The FAA confirmed in the meeting on August 4, 2016 that ILM can use FY17 entitlement funds, if needed and when available next year, to cover the shortfall.
- b. A Change Order (CO) with Trader Construction in the amount of \$2,347,610.50 for the North Ramp rehabilitation and expansion project;
- c. A contract with Trader Construction in the amount of \$484,707 for construction of the GA Hangar Taxilane located on the North Ramp;
- d. A North GA Taxilane 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, contingent upon Independent Fee Estimate Review (IFE) and North Carolina Division of Aviation (NCDOA) acceptance.
- e. Approval of Runway 24 Ditch Project Work Authorization Amendment No. 1 in the amount of \$47,680 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.

Mr. Hickman MOVED, SECONDED by Dr. Crane to approve the facilities items as recommended above. The MOTION WAS APPROVED UNANIMOUSLY.

Mr. Prease shared slides of both the upcoming and ongoing North Ramp projects, showing lay down areas and impact areas of those projects, to include: the Stormwater Phase IV Pipe Project, with a start date of June 2016 and completion in September 2016; Schedule V, the Ramp Expansion and Rehab, with an estimated start date of October 2016 and estimated completion in March of 2017; the Corporate Hangar Taxilane Project, with an estimated start date of November 2016 and completion in March 2017; and, the Live Oak Bank Hangar Project, being constructed by Montieth Construction, which started in August 2016 with a completion scheduled for June 2017.

Chairman Wolfe asked what the cost was of the completed Stormwater Phase IV Pipe Project, excluding the lay down area, and Mr. Prease indicated it was right at \$1M. Mrs. Wilsey asked for the estimated cost of the Stormwater part of the Corporate Taxilane project and Mrs. McLane stated the entire project was estimated at \$650,000 - \$700,000 with the Stormwater piece alone for the taxilane estimated at about \$80,000 - \$100,000.

Mr. Prease, using slides for illustration, updated the Authority on the taxiway lighting project timelines and closures. Mr. Prease reported that the entire project has 7 phases which will

impact different areas but the schedules were put together to minimize operational impacts on ILM tenants.

### **FINANCE REPORT**

Mr. Campbell reviewed ILM's July 2016 cash summary and monthly activity, monthly financial summary and July Financials.

### **GENERAL AVIATION**

Mr. Broughton reported on the information items regarding negotiations with a private entity for the construction of 3 hangars on the North Ramp, indicating that at this point the parties have not reached an agreement but will continue to negotiate until the October Authority meeting, at which time, if no agreement has been met, the GA Committee will likely set a schedule for an RFP to be issued for the construction of at least 3 hangars on the North Ramp.

Dr. Crane initiated a discussion with staff and the GA Committee regarding the terms being negotiated and what policies ILM has in place for individuals interested in building hangars. Chairman Wolfe clarified that the GA Committee would continue to investigate and work with this individual and the next GA Committee meeting is scheduled for Tuesday, September 13<sup>th</sup> at 2 pm.

Dr. Crane asked for clarification from Mr. Chappell of his understanding of the terms offered to him and Chairman Wolfe agreed to give Mr. Chappell his 3 minutes for public comment at this time. Mr. Chappell addressed the Authority thanking everyone for working with him in his efforts to build hangar(s) at ILM. Mr. Chappell stated he did not understand from the Friday meeting that he had an option to build one hangar with a 10 year lease, with two 10 year renewal options for one building, indicating that he wants to build all three but due to the costs and requirements associated with the building code on an airport, he isn't certain of the demand. Mr. Chappell asked for the option to build one first, stating he would know immediately if the demand was there, and he would go right to the second one, and his anticipation is that he'd build all three to start with but needs the flexibility to build one.

It was agreed that the GA Committee would meet on September 13, 2016, and make a recommendation.

### **GOVERNMENT & PGA Golf**

Mrs. Girardot updated the Authority on the status of the Special Use Permit indicating the Planning Board hearing is scheduled for September 8<sup>th</sup>.

Mrs. Girardot reported on the Corps of Engineers workshop stating that the Clean Water Act is still on hold. This workshop also focused on approved JDs vs. preliminary JDs; coastal permitting and new listed species.

Regarding regulations of UAVs, Mrs. Girardot reported that the new regulations for small commercial unmanned drones were just released and there could be as many as 600,000 registered during this first year. The rules restrict users from operating beyond the remote pilot's line of site, operating at night, and operating over people.

Mr. Broughton reported that there were no updates from Wells Fargo on the PGA tournament at this time.

### **HUMAN RESOURCES**

Mrs. Wilsey advised the Authority that staff is hiring an ARFF responder. Mrs. Wilsey reported that she is attending the BB&T Leadership Forum on Empowerment and Employee Engagement on September 14<sup>th</sup>.

Mrs. Wilsey shared a comment from the Star-News regarding the State's pension plan so that the Authority is aware, referring any questions or comments on that to Mr. Campbell.

### **MARKETING**

Ms. LeTellier shared the quarterly newsletter for North Carolina's Southeast which featured ILM. Ms. LeTellier advised the Authority on details regarding the upcoming Wilmington Boat Show.

Ms. LeTellier reported that marketing for Aviation Day, October 8<sup>th</sup>, has begun and the postcard flyer was shared. These postcards will be distributed to local schools, particularly those close to the airport.

Ms. LeTellier advised that the new commercials are rolling on TV now and several Authority members reported that they looked good and had good air times.

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

Ms. LeTellier recommended the approval of 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. The Planning & Development Committee recommends the approval of this lease as recommended above.

In response to Dr. Crane's question regarding term and exclusivity, Ms. LeTellier explained this includes a 5 year extension of the in-terminal concession with an option to renew for an additional 5 years, and at that time, it will become a non-exclusive option.

Following discussion about the up-fit involved, the MOTION WAS APPROVED UNANIMOUSLY.

Ms. LeTellier recommended the approval of 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 to begin December 1, 2016. The Planning & Development Committee recommends the approval of this lease as recommended above. The MOTION WAS APPROVED UNANIMOUSLY.

Chairman Wolfe congratulated Ms. LeTellier on a job well done putting these two leases together. Ms. LeTellier responded it was a team effort and thanked the staff for their help.

### **OPERATIONS REPORT**

Mr. Broughton stated there were no action items. He stated an FAA 139 inspector recently telephoned to inform us that it had come to their attention that ILM had never had a “surveillance” inspection, which basically is a relook at any issues, comments, recommendations and discrepancies from the previous year’s report to determine whether those issues actually have been addressed. In follow-up, Jim Price, an FAA 139 inspector, is here tonight/tomorrow to conduct a surveillance inspection, and he will do an exit interview Friday morning. Mr. Broughton said he is confident all issues have been corrected.

### **DIRECTOR’S REPORT**

Mrs. Wilsey advised that the AT&T fiber contract for internet services was signed, and the existing provider is still in place during the transition. Upon completion of the transition, the current contract with the existing provider will be discontinued.

Mrs. Wilsey reported that there was somewhat of a shake-up in the United Airlines leadership - Mr. Kirby, from American Airlines, joined United Airlines. Mr. Pickering, Mead & Hunt Air Service Consultant, will attend the November Authority meeting and provide an update on the industry and impact of personnel changes.

Mrs. Wilsey reminded Authority members that RSVPs were needed for the Power Breakfast on September 30.

Mrs. Wilsey informed Authority members that she would be traveling to Raleigh on September 12<sup>th</sup> to meet with Secretary Skvarla, the NC Aerospace and Aviation Association (an extension of the NC Aviation Task Force), and the Director of the NextGen office, to discuss the state of aviation and the aerospace industry, and how the NC Aerospace and Aviation Association can help develop a strategic path forward for the future of aviation and the aerospace industry in NC.

Mrs. Wilsey recognized ILM’s Operations Manager, Gary Taylor, who was selected as a Port City Heroes and featured on their Facebook Page. Also, she recognized Operations Specialist Tamie Keel, who spearheaded the Adopt-a-Cop Program in our 3-county area, and as a result, many law enforcement officers have been adopted and received gifts and tokens of appreciation. All of ILM’s officers were adopted with the program and received gifts.

Mrs. Wilsey remarked that with the anniversary of 9/11 coming up this weekend, it is important to recognize the risks and sacrifices our law enforcement officers and first responders make every day.

In follow-up to a request from one of the Authority members to discuss aviation statistics over the past five years, Mrs. Wilsey used ILM’s Monthly Activity Reports (statistics), the 2015 NC System Plan, the FY2015-2035 FAA Aircraft Forecast, and the 2012 MIT Study on GA Activity to research the factual data for this discussion and shared a PowerPoint presentation. In conclusion, Mrs. Wilsey stated that ILM is doing better than most small and non-hub airports; our enplanements are strong, the commercial side is very strong, and the corporate side is growing. She believes ILM’s private general aviation will continue to struggle, but we’re trying to do everything possible to help bolster general aviation.

In response to Mrs. Girardot's question, Mr. Prease confirmed that staff applied for the \$1.5M received from the General Assembly, and explained that the \$1.5M would be used to put in a general aviation wash pad; a state-of-the-art vehicle access electronic gate with security camera availability, a badge in/out access, and a walk-through gate with a code/card access to the ramp; a storm drainage pipe on the North side of the corporate Taxi Lane Project; and a general aviation parking lot that has access directly off of Trask Drive.

In reference to the most recent Terminal Capacity Study, Mrs. Wilsey provided copies of the study, requested Authority members review it, and stated that staff would be available for questions. Mrs. Wilsey reported that the FAA revised their Terminal Area Forecast for Enplanements and approved ILM's 2012 forecast when they approved the study; the FAA lowered the forecast in FY13 and just updated the FY16 forecast which is above FY13 but below FY12, which shows that ILM is tracking in the right direction and supports the need to proceed with the Terminal Expansion.

**UNFINISHED BUSINESS**

None.

**NEW BUSINESS**

None.

**PUBLIC COMMENTS**

Chris Stevens addressed the Authority regarding his concerns for the small general aviation community and changes happening at ILM. Tom Goodwin addressed the Authority sharing FAA tower counts for the southern region and hangar costs in comparison to ILM.

**ADJOURNMENT**

There being no further business to come before the Board, Mr. Lambeth MOVED, SECONDED by Dr. Crane, to adjourn the meeting. The MOTION WAS APPROVED UNANIMOUSLY and the meeting was adjourned at 6:23 p.m.

Prepared by:

Rose M. Davis

Respectfully Submitted:

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Dan Hickman, Secretary

Date of Approval: 10/5/2016