

2010 Year-in-Review

Raleigh-Durham Airport Authority





Table of Contents

Reflection	3
Direction	4
Celebration	5
Innovation	6
Distinction	7
Inspiration	8
Participation	9
Commendation	10
Preparation	11
Connection	12
Expansion	13
Anticipation	14
Evaluation	15
Completion	16
Interaction	17
Administration	18
The Numbers	19

Reflection

For Raleigh-Durham International Airport, 2010 was a year of growth and progress. After dealing with the effects of the worldwide economic downturn in 2009, RDU in 2010 saw small increases in both passengers and cargo and the completion of its first new passenger terminal in almost 25 years.

First, 2010 was a year of celebration. After nearly a decade of preparation and construction, Terminal 2 moved steadily toward final completion. Throughout the year, large sections of the terminal's second phase were opened. As 2011 arrived, the building was nearly ready, with only a few finishing touches remaining. On January 23, 2011, Terminal 2 reached its culmination with the final section opening. That same day a new USO Center operating 24 hours a day to serve the men and women of our armed forces opened in the building and was dedicated on March 15, 2011.

We also saw airlines increasing their connections between the Research Triangle Region and the world, especially in the year's final quarter. In addition to the return of Midwest Airlines, now Frontier, in March, Delta alone added more than a dozen new flights in November. Growth in available passenger seats resumed late in the year after more than three years of decline and allowed the number of airline passengers to increase to 9.1 million in 2010.

When the National Hockey League announced in June that Raleigh would host the 2011 All-Star Game, we quickly decided to advance construction of Terminal 2 so it would be fully open in time for that event on January 30, 2011. In addition to collaborating with the community on this exciting event, we were proud to host two Flights of Honor to Washington, DC for World War II veterans, with three in April-May 2011.

Looking ahead, the Airport Authority has embarked on preparations for tomorrow. Given the Triangle Region's strong economic vitality, we know we must be ready for future growth. To that end, we're making sure that everything from facilities such as Terminal 1 to the land surrounding the airfield are prepared to accommodate more people, cargo shipping and flight activity in the years to come.

We are certainly pleased with the great accomplishments that were made during 2010 and look forward to continued growth in 2011. As always, we take great pride in serving the air service needs of the Triangle Region, as well as those of central and eastern North Carolina.

Regards,

Robert D. Teer, Jr.
Chairman, Airport Authority

John Brantley
Airport Director

Direction

Raleigh-Durham International Airport is governed by the Raleigh-Durham Airport Authority, an eight-member board. The cities of Durham and Raleigh and the counties of Durham and Wake appoint two members each to the Airport Authority Board for two-year terms. The Airport Authority is a governmental body responsible for the development, operation and maintenance of the airport.

2010 Airport Authority Board Members:

- Robb Teer Jr., Chairman, City of Durham
- Terry K. Yeargan, Vice Chairman, Wake County
- Kim D. Frazier, Secretary, City of Raleigh
- Tonita F. Lipscomb, Treasurer, City of Durham
- Geoff Elting, City of Raleigh
- Craigie D. Sanders, Durham County
- Tommy Hunt, Durham County
- Michael A. Weeks, Wake County

RDU's Vision

To be the best airport in the world known for its uncompromising service as judged by our customers, employees and owners.

(left to right) Raleigh-Durham Airport Authority Board members Lipscomb, Elting, Weeks, Yeargan (top), Teer (center), Hunt, Frazier, Sanders

Celebration

By New Year's Eve 2010, Terminal 2's large, light-filled atrium was already welcoming passengers. Small partition walls were all that separated passengers from the new ticketing and bag claim areas, which were receiving final touch-ups before the building's opening.

On Sunday, January 23, 2011, Concourse D and the completed Terminal 2 officially opened to the public. Continental Airlines and US Airways launched their first flights from the new facility and passengers were able to enjoy a wealth of restaurants, shops and art.

The completed terminal marks a milestone in the development of transportation infrastructure for the Research Triangle Region. The new facility offers an expanded international arrivals area, more gates, improved passenger amenities and state-of-the-art technology. Terminal 2 will serve the travel needs of a growing region.

To celebrate the opening, the Airport Authority hosted an evening ribbon-cutting. The festivities were themed after a grand old-Hollywood debut, complete with the big band sounds of the Casablanca Orchestra, hors d'oeuvres and roaming celebrity impersonators.



Former Airport Authority Board Member Dillard Teer cuts a ceremonial ribbon to open Terminal 2 as Vice Chairman Terry Yeagan (left), Tommy Hunt (center) and Chairman Robb Teer (right) look on.

Innovation

Capturing the spirit of the region was a key factor in the design of Terminal 2. Fentress Architects of Denver chose glass, steel and wood as the primary elements of the building. These elements reflect the structure's theme of handmade and mind-made, which refer to the region's history of craft along with the state-of-the-art industry for which the area is known.

- Glass and steel represent the high-tech innovation that has come to define the world-renowned Research Triangle Park
- Wood trusses bring the region's history of arts and crafts into the building
- The undulating roofline mimics North Carolina's rolling hills

Combined, these elements tell visitors the Research Triangle Region's story.

Technology

Innovative technology is the backbone of Terminal 2. The facility is the first in the nation to be designed and built after Sept. 11, 2001. As a result, the building incorporates post-9/11 screening and security requirements behind the scenes. This combined with in-line screening and common-use technology allows:

- Bulky luggage screening equipment to be removed from the ticketing lobby
- Passengers to clearly find their way through the building with the use of LCD screens
- The assignment of gate, ticketing positions and bag claims on an as needed basis



Distinction

The more than 40 premium shops and restaurants that comprise The Shops of RDU go far beyond standard airport fare. From local wines to the latest fashions, the airport's award-winning collection of dining and retail establishments combines local flavors from North Carolina with nationally-recognized brands. Our shops also feature high-tech gadgetry, duty-free items, gifts and more.

A Taste of North Carolina

Passengers traveling through Terminal 2 can feast on some of the region's most popular and acclaimed restaurants. At 42nd St. Oyster Bar, customers enjoy one of Raleigh's finest seafood establishments with fresh menu items transported from the coast daily. Carolina Ale House, one of the region's favorite sports bar, offers an extensive food and bar menu.

No North Carolina gateway would be complete without North Carolina BBQ. Brookwood Farms Barbecue offers a variety of the state's favorite comfort food, while Carolina Vintages introduces travelers to North Carolina-produced wines and southern favorites such as fried green tomatoes.

The Bookstore Experience

Unique to RDU, 2nd Edition Book Sellers is a highly acclaimed local purveyor of rare and out-of-print books. The store has become a favorite among the airport's frequent travelers and a destination in and of itself.



Inspiration

Amid the soaring ceilings of Terminal 2 are seven commissioned works of art that inspire travelers and tell the story of the region's history, influences and people.

Regional History

Ellen Driscoll's *Wingspun* spans nearly 800 feet along the concourse and the international arrivals corridor. The glass mural illustrates North Carolina's rich history by showing many of the people over the centuries who have arrived in the Research Triangle Region and called it home.

High-Tech Influences

Triplet's use of wood, dichroic glass and LED lighting marry the region's history of craftsmanship with its reputation as a high-tech innovator. Designed by artist Ed Carpenter, this sculpture is suspended over the building's central atrium. Its ever changing look mirrors the nature of travel, while its triangular forms suggest the community's identity.

Natural Environment

Welcome, Robert Kushner's stone and glass tile mosaic, reflects the beauty of central North Carolina's natural environment by showcasing the natural grasses found in the meadows of this area. The piece is located along the domestic arrivals corridor.

Symbols of Home

Lydia Rubio captures some of North Carolina's most treasured attributes in *Gate of Earth* and *Gate of Air*. Representative of the state from the mountains to the sea, the two sculptures are made from steel and aluminum. They're located in the terminal's entry areas and feature a dogwood tree, cardinal, seashell and the words of favored son Thomas Wolfe, "A Stone, A Leaf, A Tree."

Ed Carpenter's *Triplet*, © 2008;
Terminal 2, Raleigh-Durham International Airport.

Participation

In early 2010, the National Hockey League awarded the Carolina Hurricanes and the city of Raleigh the 2011 NHL All-Star Game. Ice hockey's premier event, the All-Star game annually brings together players, fans and media from teams across the U.S. and Canada for several days of competition, fan exhibitions and celebration.

Soon after the city was awarded the game, the largest sporting event to be held in our region, the Airport Authority voted to advance the completion of Terminal 2 to have it open in time to welcome those traveling to Raleigh for the event.

The Airport Authority played a key role on the regional steering committee that planned transportation of the athletes to ensure an excellent fan experience in Raleigh.

At the airport, RDU staff worked with the larger steering committee and NHL planners to ensure athletes and other visitors were taken care of upon arrival. The airport also helped provide a warm, welcoming atmosphere by working with the NHL to install all-star game banners and signs throughout the terminals and the airport property. In addition, RDU Law Enforcement provided security at the airport for athletes and dignitaries attending the game.



Photo by Bryan Regan: Courtesy GRCVB/visitRaleigh.com

Commendation

In Fall 2010, the Airport Authority partnered with the N.C. Automobile Dealers Association to host two Triangle Flights of Honor. These special flights took World War II veterans to Washington, D.C. to see the memorials built in their honor.

At 6 a.m. on flight day, the first veterans began arriving at RDU. Airport staff provided a dedicated unloading area outside the terminal, as community volunteers assisted veterans into the terminal and through the check-in process. RDU worked with the Transportation Security Administration to make the security screening process as smooth and easy as possible.

As the flight prepared for takeoff, RDU Emergency Services gave a water arch salute for their commendable service to our nation. Dozens of family members, friends, the general public and media watched this salute from atop the airport's parking garage.

More than 2,000 people greeted each flight with a celebration in the airport's parking garage as the veterans returned home from a long, yet exciting day touring Washington, D.C. Airport staff assisted the veterans off the flights and to the garage as they were led in a heroes' welcome parade by a bagpiper.





Preparation

As a major international airport, RDU must always be ready for emergency situations. Training and preparation are essential to success. In 2010, we partnered with local and federal first responders on three very different training exercises.

Every three years, airports are required to conduct a full-scale emergency drill. In March, RDU along with responders from Wake and Durham counties, the American Red Cross and JetBlue Airlines, held a simulated aircraft incident on the airfield to exercise its emergency response procedures.

In June, soldiers from the N.C. National Guard (NCNG) made RDU their temporary home for a week. Each year the NCNG conducts terrorism training at facilities around the state. While at RDU, they practiced responses to a series of terrorism incidents. While there were no impacts to travelers, passengers saw guards in the terminals, parking facilities and patrolling the airport grounds.

Also in the summer, the airport tested its ability to receive medical evacuees through the National Disaster Medical System. In the event of major disasters, NDMS evacuates hospital patients and victims to unaffected areas. Through the U.S. Department of Health and Human Services, the NDMS drill allowed RDU staff and other responders to hone their skills in case of a real event. RDU last received NDMS patients during Hurricane Katrina.

Connection

Developing new air service, including new airlines, non-stop destinations and frequencies to cities, is critical to our region's business and economic success. Therefore, RDU completed a comprehensive air service study in 2010. This helped determine a focus for the Airport Authority's air service development efforts, taking into consideration changes to the aviation industry after the recent worldwide economic downturn.

Factors such as where passengers travel, where they connect and the location of regional businesses and industries were considered. The study determined a list of 10 cities to focus on for mainline (large jet) and regional (small jet) service.

International Service

The study determined that any future, viable international route should include a city that would allow connections to additional destinations such as Africa and the Middle East. The most feasible cities for new service include Paris, Frankfurt and Munich. The Caribbean was also noted as an opportunity for international development.

Future Mainline Service Goals

1. San Francisco
2. San Diego
3. Los Angeles
4. Kansas City
5. San Juan
6. Seattle
7. Fort Myers, Fla.
8. New Orleans
9. Salt Lake City
10. Portland

Future Regional Service Goals

1. San Juan
2. Kansas City
3. West Palm Beach, Fla.
4. Fort Myers, Fla.
5. Buffalo, N.Y.
6. New Orleans
7. Albany, N.Y.
8. San Antonio/Austin
9. Omaha, Neb.
10. Syracuse, N.Y.

Expansion

From Milwaukee to Ft. Myers, Fla., airlines greatly expanded non-stop service from RDU in 2010. This growth helped contribute to more than 9 million passengers traveling through RDU during the year.

Frontier

RDU welcomed Midwest Airlines to RDU in March 2010. The airline, now Frontier Airlines, provides two daily non-stop flights to its hub in Milwaukee.

Delta Air Lines

In November, Delta became the airline with the most flights at RDU. It launched 10 new flights to five destinations and four new flights to three cities it already served. In addition, later in the month, the airline added weekly service to Ft. Myers and Miami, Fla. Also, Delta operated daily non-stop service to Los Angeles from June through the fall. That service resumes in Spring 2011.

JetBlue and Southwest

In May, JetBlue and Southwest also added service from RDU. JetBlue added two daily flights to Boston while Southwest launched service to St. Louis.



Anticipation

As the Airport Authority completed Terminal 2, in 2010 it took steps toward the future. Plans were put into motion for several studies and projects that would anticipate future regional growth and ensure that the airport's infrastructure could support the region's air service needs for years to come.

Terminal 1

The largest of these projects was the advancement of plans for a comprehensive renovation of Terminal 1. The main section, built in the early 1980s, will undergo significant changes beginning in early 2012. Once completed, Terminal 1 will serve Southwest Airlines and other low-cost carriers.

More than 40 changes are planned for the building including consolidating operations to the central portion of Terminal 1. The ticketing lobby, bag claim area, concourse and concession spaces will receive a major upgrade. Also, passenger traffic flow between the ticketing area and security checkpoint will be simplified.

In September, the Airport Authority moved forward with the selection of a Construction Manager at Risk for Terminal 1. A joint venture between Balfour Beatty Construction and D.H. Griffin Construction was selected with both contractors based in the Research Triangle Region.

Pre-construction work for the \$60 million project begins in 2011 as all tenants and spaces in the main section of Terminal 1 will be moved. Construction will begin in early 2012 with construction expected to take about 18 months.

Evaluation

Only a quarter of RDU's 5,000-acre property is developed, leaving a broad ring of untouched landscape surrounding the airport's runways and terminals. In 2010, the Airport Authority commissioned a study of this land to help determine future development possibilities.

In evaluating five large tracts of land, the study is also tasked with finding the right location for a future Consolidated Rental Car Center; however, the study is not limited to commercial development. The Airport Authority is investigating all possible uses including managed timber areas, parks and undeveloped tracts.

JDavis Architects is working with RDU during the first phase of the study. This portion will include looking at each of the tracts and evaluating the feasibility of roadway connections, utilities and other essential infrastructure items.

Airport Club

With US Airways' move to Terminal 2, there is no longer an airline club in Terminal 1 — for now. During 2010, RDU worked to plan an airport-operated club for the former US Airways club space. The Club at RDU will provide travelers with a place to get away, with premium business amenities.

Passengers will be able to purchase a yearly membership or pay a daily rate to use the club, which will have a bar and free snacks and light beverages. The Club at RDU will also have free Wi-Fi, quiet working spaces and spacious seating and waiting areas, along with other amenities typically found in an airline club.

During a recent customer service survey, passengers indicated interest in an airport-operated club in Terminal 1. The Club at RDU is set to open in Spring 2011. Based on its success, the airport will incorporate an airport-operated club in the renovated section of Terminal 1.

Completion

In 2010, RDU completed a major environmental initiative, saving energy, maintenance costs and manpower. The airport became the first U.S. airport to changeover traditional airfield lighting to all FAA-approved LED lighting.

The nearly \$12 million project involved changing thousands of lights on the airport's runways and taxiways from traditional quartz lighting to LEDs. The change will both significantly reduce maintenance costs and improve energy efficiency. The project also included the replacement of guidance signage and touchdown area lighting.

The project was funded with a \$5.8 million Federal Aviation Administration grant as part of the American Recovery and Reinvestment Act of 2009. The N.C. Department of Transportation also provided a \$2.5 million state grant toward the project.

USO

Nearly 20,000 military members and their dependents traveled through RDU in 2010. The Airport Authority worked with the USO of North Carolina Center and its Terminal 2 project team to complete a more than 4,000 square-foot facility in Terminal 2. The new center opened in January 2011 relocating from Terminal 1.

Before its opening, the Airport Authority again partnered with Archer Western Contractors, the Terminal 2 General Contractor, to open a temporary holiday USO facility in the terminal's ticketing lobby. This space served hundreds of service members during the holiday season.

Interaction

RDU is known for excellent customer service. In 2010, the airport expanded its interaction with customers, stakeholders and the general public through a variety of ways.

Social Media

Following the success of the airport's Twitter account, @rdairport, in 2009, the Airport Authority launched a presence on several other social media networks including Facebook, YouTube and Flickr.

By the end of 2010, well over 1,000 people followed the airport's Twitter Feed and nearly 200 were fans of the new Facebook page. Posts to both YouTube and Flickr were being viewed regularly. Plans call for increasing the use of these tools as a way to connect with customers and stakeholders.

Other Customer Engagement

During the summer, The Shops of RDU held The First Friday Series. Each first Friday of the month from June through August included entertainment, coupons and giveaways on the concourse of each terminal. Giveaways, coupons and other activities helped provide passengers a memorable and positive experience at RDU.

In addition to the annual holiday music series, RDU also provided free, live music in the terminals throughout the summer and fall travel seasons. The well-received entertainment was meant to provide passengers an unexpected gesture of kindness and stress-relief as they traveled through the airport during a busy time of year.

Administration

Throughout 2010, the Airport Authority maintained its commitment to fiscal responsibility. Conservative budgeting and proper planning helped the Airport Authority weather the economic downturn that affected the airport in 2008 and 2009, helping it to emerge in a solid financial position.

As 2010 progressed, airlines began adding flights, which caused an increase in the amount of revenue collected by landing fees. More private aircraft flew in 2010 than the previous year, also causing a slight bump in general aviation income. The largest increase however, was in terminal rents as 2010 was the first full year of new rental rates in Terminal 2.

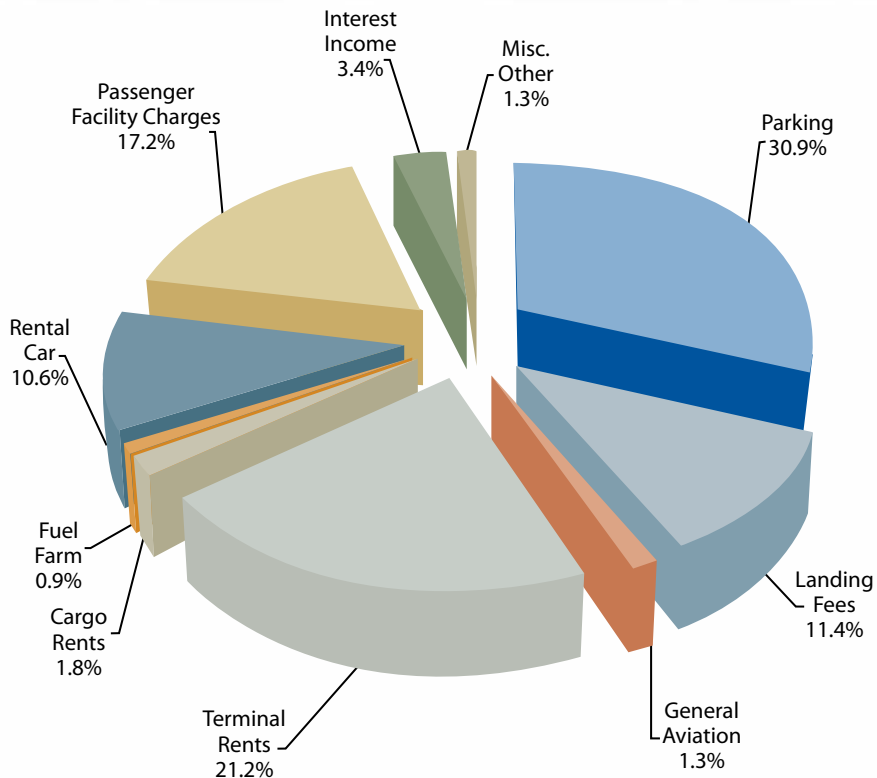
Indicators show that slow, steady growth is forecast in the future, which is reflected by the 2011-2012 budget passed by the Airport Authority Board. Another increase in terminal rent revenue is expected as tenants shift from Terminal 1 to Terminal 2.

Airport Authority Revenues

Parking continued to be the leading revenue stream in 2010, with 30 percent of the share. Terminal rents, which include tenants such as concessionaires, airlines and government agencies, are the second largest share at 21.2 percent. Passenger facility charges, at 17.2 percent are number three.

The adjacent chart shows the complete breakdown of airport revenues.

Total 2009–2010 Actual Revenues: Operating and Non-Operating



The Numbers

Operating Statistics

More than 9 million passengers traveled through RDU in 2010. Even though the number of flights during the year was slightly less than in 2009, load factors (or the percentage of filled seats) were higher. Several new destinations launched in 2010 including Los Angeles, St. Louis, Hartford and Columbus, Ohio. Also, Midwest Airlines returned with daily service to Milwaukee. The airline was later rebranded into Frontier Airlines.

Airline Passengers: 9,101,870 passengers
24,937 passengers per day
1.4 percent increase over 2009

Aircraft Operations: 198,295 takeoffs/landings
543 operations per day
(air carriers, general aviation and military operations)
-1.7 percent decrease over 2009

Air Cargo: 52,139.15 tons
142.8 tons per day
1.9 percent increase over 2009

Public Parking: 1,741,664
4,772 vehicles per day
-1.3 percent decrease over 2009

Outbound Taxi Trips: 241,258 trips
623 trips per day
10.8 percent increase over 2009

RDU Employees: 4,700





Raleigh-Durham Airport Authority • 1000 Trade Drive • PO Box 80001 • RDU Airport, NC 27623
www.rdu.com • (919) 840-7700