RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES
APRIL 17, 2014

Chair Hunt presided. Present: Ali, Elting, Kane, Teer, Thompson, and Yeargan. Staff present included: President and CEO Landguth, Vice Presidents Damiano, Legan, McFall, and Powell, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

I. APPROVAL OF AGENDA
Motion by Kane to approve the agenda; Second by Thompson
ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES
Motion by Ali to approve the minutes of the March 13, 2014, and March 20, 2014 meetings of the Raleigh-Durham Airport Authority Board, including the committee minutes incorporated therein; Second by Teer
ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS
1. New hires recognized
2. Service awards recognized
3. Congratulations and appreciation expressed to all employees for the years of work on Terminal 1 and its recent re-opening
4. Special Olympics Plane Pull is Saturday, April 26th; all are welcome to participate or come out and support RDU’s two teams

IV. OLD BUSINESS
1. Operations Committee Report – Elting reported the Operations Committee met on April 17, 2014 and discussed the following item(s):
   a. Consideration of Fiber Optic Cable Access Agreement with SAS Institute, Inc.
      The Committee recommends approval of the Fiber Optic Cable Access Agreement with SAS Institute, Inc., and authorization for the President & CEO to execute the agreement.
      Member Yeargan recused himself from the Fiber Optic Cable Access Agreement with SAS Institute, Inc. motion due to potential appearance of a conflict of interest.
      Motion by Elting to adopt the Staff’s recommendation; Second by Ali
      ADOPTED BY UNANIMOUS VOTE

2. Land and Development Committee Report – Teer reported the Land and Development Committee met on April 17, 2014 and discussed the following item(s):
a. Consideration of NCDOT Wayfinding Feature and Memorandum of Understanding
   The Committee recommends Board come to a consensus opinion on the Feature, provide
direction to Staff, and approve a Memorandum of Understanding that reflects the Board’s
wishes, with authorization for the President & CEO to execute that Memorandum.

   Motion by Teer to adopt the Committee’s recommendation; Second by Elting

   ADOPTED BY UNANIMOUS VOTE

b. Consideration of Bid and Recommendation of Award - Airport Pavement & Drainage
   Improvements - 2014
   The Committee recommends award of the contract to Cedar Peaks Enterprises in the amount
of $719,516.50, and requests authorization for the President & CEO to execute the contract.

   Motion by Teer to adopt the Committee’s recommendation; Second by Kane

   ADOPTED BY UNANIMOUS VOTE

3. Law and Personnel Committee Report – Elting reported the Law and Personnel Committee met
   on April 17, 2014 and discussed the following item(s):
   a. Consideration of an Agreement with the Institute of Lifestyle and Weight Management for
      Services for the Raleigh-Durham Airport Authority’s Wellness Program under its
      Healthcare Benefit Management Policy
      The Committee recommends approval of a 2 year agreement with the Institute of Lifestyle
      and Weight Management, Inc. with authorization for the President & CEO to execute the
      Agreement.

   Motion by Elting to adopt the Committee’s recommendation; Second by Thompson

   ADOPTED BY UNANIMOUS VOTE

4. Finance Committee Report – Thompson reported the Finance Committee met on April 17, 2014
   and discussed the following item(s):
   a. Consideration of a Contract for Professional Audit Services for FY 2014 (April 1, 2013-
      March 31, 2014
      The Committee recommends approval of the selection and retention of Cherry Bekaert, LLP
      to provide audit services for FY 2014, approval of an agreement for those services in the
      maximum amount of $43,500, and authorization of the execution of the form contract from
      the Local Government Commission by the appropriate parties.

   Motion by Thompson to adopt the Committee’s recommendation; Second by Kane

   ADOPTED BY UNANIMOUS VOTE

   b. Consideration of the Proposed FY14-15 Internal Audit Plan
      The Committee recommends acceptance of the FY14-15 Internal Audit Plan.

   Motion by Teer to adopt the Committee’s recommendation; Second by Kane

   ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

VI. GENERAL COUNSEL’S REPORT
   No items were reported.
VII. MEMBER COMMENTS

1. Member Yeargan expressed his gratitude to all employees for their hard work in re-opening Terminal 1; all members expressed thanks
2. Member Teer thanked all for their support of the USO

VIII. PRESIDENT AND CEO’S REPORT

Early Sunday morning, the first flight departed Terminal 1 at 6 a.m. The entire Authority team should be proud of this accomplishment. Many staff members stayed throughout the night overseeing the TSA’s move, getting the checkpoint set up and making sure everything was working and ready to go for the first day of operation. Throughout the day, customers complimented the art, the shops and restaurants and the overall beauty of the terminal. The authority broke ground on this project almost 2 years ago, and it was wonderful to see the first customers deplane. The Authority thanks everyone from the team who played a role in the modernization of Terminal 1, from facilities development to business development, communications, operations, baggage handling, traffic control, law enforcement and more. A special note of thanks to Southwest and AirTran airlines, the Authority’s concession partners and others who have worked closely with the Authority to help create a new travel experience RDU’s customers.

Prior to the opening of the building, two winners from the social media contest were toured through Terminal 1 and were very grateful for the opportunity. One of the winners was one of American Airline’s first employees at RDU.

This month, the number of passengers departing RDU rose 2.2 percent compared to the same month last year. The number of passengers arriving at RDU rose 3.4 percent compared to March of last year. The reason for the rise is a year to year increase in the number of seats and flights available.

IX. ADJOURNMENT

Motion by Ali to adjourn; Second by Thompson

ADOPTED BY UNANIMOUS VOTE
RALEIGH-DURHAM AIRPORT AUTHORITY
LAND AND DEVELOPMENT COMMITTEE MEETING MINUTES
APRIL 17, 2014

Teer presided. Present: Ali, Elting, Hunt, Kane, Thompson, and Yeargan (via conference call). Staff present included: President and CEO Landguth, Vice Presidents Damiano, Legan, McFall, and Powell, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. Consideration of NCDOT Wayfinding Feature and Memorandum of Understanding: Upon a motion by Teer and second by Thompson, the Committee recommends Board come to a consensus opinion on the Feature, provide direction to Staff, and approve a Memorandum of Understanding that reflects the Board’s wishes, with authorization for the President & CEO to execute that Memorandum.

   Presented by Mr. Don Lee, NCDOT - The North Carolina Department of Transportation has approached the Authority regarding the placement of a Wayfinding Feature (the “Feature”) on Airport property at two locations adjacent to Aviation Boulevard, within NCDOT’s existing right of way. Initially, the Feature will include a reference to the 2014 US Open (NCDOT has proposed “The Road to the US Open”). Following the completion of the US Open, the Feature will be adjusted to generally reference golf tourism (NCDOT has proposed “Golf is Welcome Here”). The proposed plans for the Feature include a mock putting surface including fringe and sand, all made from artificial turf. The Feature is similar to other features at various anticipated locations across the state, including Charlotte-Douglas International Airport, Piedmont-Triad International Airport, US 1, and I-73/74. NCDOT has proposed that it split the costs of the Feature with the Authority, with each paying $5,750. NCDOT would arrange the design and installation of the Feature, and the Authority would provide mowing and other general maintenance around it for the life of the Feature.

   Staff requests the Board come to a consensus opinion on the Feature, provide direction to Staff, and consider the approval of a Memorandum of Understanding that reflects the Board’s wishes, with authorization for the President & CEO to execute that Memorandum.

2. Consideration of Bid and Recommendation of Award - Airport Pavement & Drainage Improvements - 2014: Upon a motion by Kane and second by Thompson, the Committee recommends award of the contract to Cedar Peaks Enterprises in the amount of $719,516.50, and requests authorization for the President & CEO to execute the contract.

   Presented by Ron Jewett, Director of Facilities Engineering – The work in this contract includes resurfacing of various asphalt roadways, replacement of pavement markings on roadways, installation of concrete pavements to replace failed asphalt pavements, application of asphalt crack sealant, asphalt pavement repairs, drainage improvements and repairs, erosion repairs, construction of an access road at the bulk fuel storage facility, and other similar work. The work is located in secured and non-secured areas of the Airport. The contract was advertised for bids on the Authority’s website on March 7, 2014. A pre-bid conference was held on March 18, 2014.
and attended by eight contractors. On March 27, 2014, five bids were received and are summarized below. The low bid received is Cedar Peaks Enterprises, Inc., in the amount of $719,516.50.

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Minority-Owned Firms %</th>
<th>Women-Owned Firms %</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cedar Peaks Enterprises</td>
<td>8.2%</td>
<td>19.0%</td>
<td>$719,516.50</td>
</tr>
<tr>
<td>Wake Forest, NC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barnhill Contracting Co</td>
<td>6.2%</td>
<td>26.9%</td>
<td>$801,895.50</td>
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<tr>
<td>Raleigh, NC</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Carolina Sunrock, LLC</td>
<td>2.6%</td>
<td>31.3%</td>
<td>$839,586.98</td>
</tr>
<tr>
<td>Durham, NC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turner Asphalt</td>
<td>0.0%</td>
<td>15.3%</td>
<td>$879,087.45</td>
</tr>
<tr>
<td>Raleigh, NC</td>
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<td></td>
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<tr>
<td>Triangle Grading &amp; Paving</td>
<td>10.1%</td>
<td>5.0%</td>
<td>$1,143,446.00</td>
</tr>
<tr>
<td>Burlington, NC</td>
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</tr>
</tbody>
</table>

The Minority and Women-Owned Small Business (MWSB) participation goals for this contract are 8% for minority-owned firms and 5% for women-owned firms. The bid from Cedar Peaks Enterprises includes MWSB participation in the amount of 8.2% for minority-owned firms and 19.0% for women-owned firms. The MWSB commitment was reviewed by the Small Business Program Office and considered acceptable. Funds for this work are included in the FY 2014-2015 budget, so no budget action is required to award this contract.

Staff recommends award of the contract to Cedar Peaks Enterprises in the amount of $719,516.50, and requests authorization for the President & CEO to execute the contract.
RALEIGH-DURHAM AIRPORT AUTHORITY
OPERATIONS COMMITTEE MEETING MINUTES
APRIL 17, 2014

Elting presided. Present: Ali, Hunt, Kane, Teer, Thompson, and Yeargan (via conference call). Staff present included: President and CEO Landguth, Vice Presidents Damiano, Legan, McFall, and Powell, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. Consideration of Fiber Optic Cable Access Agreement with SAS Institute, Inc: Member Yeargan recused himself from the Fiber Optic Cable Access Agreement with SAS Institute, Inc. motion due to potential conflict of interest; Upon a motion by Ali and second by Thompson, the Committee recommends approval of the Fiber Optic Cable Access Agreement with SAS Institute, Inc., and authorization for the President & CEO to execute the agreement.

Presented by Karen Reynolds, Director of Properties - The Authority has installed underground conduit and fiber optic cable at various locations on the Airport, including conduit that runs along the southeastern side of International Drive in the vicinity of the SAS leasehold. The Authority has agreed to make six pairs of dark fiber strands available for the exclusive use of SAS, provided that SAS shall be solely responsible for installing conduit and fiber optic cable as necessary to connect its facility to the Authority’s existing fiber optic cable in the manner and at the locations required by the Authority. SAS will make the connection to the fiber and to the communications equipment located in their hangar facility, and will be responsible for testing the functionality of the installation. Upon completion of the work and successful connection to the fiber, SAS will pay to the Authority monthly charges for the use and maintenance of up to twelve strands (six pairs) of fiber. Upon completion of the work and successful connection to the fiber, SAS will pay to the Authority $40 per lit pair of fiber per month for the use and maintenance of up to twelve strands (six pairs) of fiber. The Agreement allows the Authority to increase the monthly charge no more frequently than annually and at no more than 3% per year. The term of the Agreement commences upon execution of a Certificate of Acceptance by SAS, indicating the equipment subject to the Agreement has been installed, tested, and is operating in accordance with SAS requirements. The Agreement terminates concurrent with termination of the SAS Corporate Hangar Site Lease Agreement as of February 15, 2024.

Staff requests favorable Board consideration of the Fiber Optic Cable Access Agreement with SAS Institute, Inc., and authorization for the President & CEO to execute the agreement.
Elting presided. Present: Ali, Hunt, Kane, Teer, Thompson, and Yeargan (via conference call). Staff present included: President and CEO Landguth, Vice Presidents Damiano, Legan, McFall, and Powell, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. Consideration of an Agreement with the Institute of Lifestyle and Weight Management for Services for the Raleigh-Durham Airport Authority’s Wellness Program under its Healthcare Benefit Management Policy: Upon a motion by Ali and second by Yeargan, the Committee recommends approval of a 2 year agreement with the Institute of Lifestyle and Weight Management, Inc. with authorization for the President & CEO to execute the Agreement.

Presented by Cleon Umphrey, Director and Chief Human Resources Officer - The Institute of Lifestyle and Weight Management, Inc. (ILWM) is a health and wellness provider focusing on total wellness solutions and has provided administrative support to the Authority by designing and implementing the Wellness Program. This program began in 2009 and has been implemented in conjunction with the medical plan providers and our benefits consultants. This agreement authorizes the continuance of the Wellness Program. The agreement provides external assistance to the Authority in efforts to comply with federal regulations that apply to wellness programs. The agreement provides for services that include: plan design, organizational assessments, population-based initiatives, individual or targeted support, leadership support/development, and administration. The fee for services for FY2014/2015 is $120,000 with the second year fee will be negotiated but the agreement provides that it is not to exceed $120,000. Using a different vendor would be difficult in that other wellness vendors do not offer all of the services that we are able to access by utilizing ILWM. Their business model is a niche market because they have a medical practice that can provide consultation, they have a gym facility that provides trained medical staff within the gym proximity, and they are able to provide trained professionals onsite at RDU for staff interaction. Additionally, the data analytics that they are able to provide to the medical providers to assist in developing the organizational program as well as individual programs creates increased opportunity for positive outcomes. Staff requests approval of a 2 year agreement with the Institute of Lifestyle and Weight Management, Inc. with authorization for the President & CEO to execute the Agreement.
RALEIGH-DURHAM AIRPORT AUTHORITY
FINANCE COMMITTEE MEETING MINUTES
APRIL 17, 2014

Thompson presided. Present: Ali, Elting, Hunt, Kane, Teer, and Yeargan (via conference call). Staff present included: President and CEO Landguth, Vice Presidents Damiano, Legan, McFall, and Powell, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

   Upon a motion by Ali and second by Elting, the Committee recommends approval of the selection and retention of Cherry Bekaert, LLP to provide audit services for FY 2014, approval of an agreement for those services in the maximum amount of $43,500, and authorization of the execution of the form contract from the Local Government Commission by the appropriate parties.

   Presented by Tom Barritt, Director of Finance - Cherry Bekaert, LLP (CB) has proposed to perform audit services in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards for the fiscal year ended March 31, 2014. CB will also report on the fairness of presentation of our schedules of federal and state financial assistance (Single Audit Act) and a compliance report on our Passenger Facility Charge (PFC) Program. The proposed fee for FY 2014 is not to exceed $43,500. CB’s audit fees for the prior two years, FY 13 and FY 12, were $43,000 and $42,000, respectively.

   Staff requests Board approval of the selection and retention of Cherry Bekaert, LLP to provide audit services for FY 2014, approval of an agreement for those services in the maximum amount of $43,500, and authorization of the execution of the form contract from the Local Government Commission by the appropriate parties.

2. Consideration of the Proposed FY14-15 Internal Audit Plan: Upon a motion by Elting and second by Ali, the Committee recommends the Board accept the FY14-15 Internal Audit Plan.

   Presented by Lolita Wynn, Director of Internal Audit – The Internal Audit Department seeks acceptance of the FY14-15 Internal Audit Plan subsequent to the Finance Committee’s review and discussion. The FY14-15 Internal Audit Plan is in draft form; therefore, the audit plan may be revised for any additions and/or deletions as per Board directive.

   Staff requests the Board review and accept the FY14-15 Internal Audit Plan.