RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES
MAY 15, 2014

Chair Hunt presided. Present: Ali, Kane, Thompson, Wheeler 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 Ali to approve the agenda; Second by Yeargan
ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES
Motion by Ali to approve the minutes of the April 17, 2014 meeting of the Raleigh-Durham Airport Authority Board, including the committee minutes incorporated therein; Second by Thompson
ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS
1. New hires recognized
2. Congratulations and appreciation expressed to all employees who participated in the N.C. Special Olympics Plane Pull; this year’s event raised over $100,000 for Special Olympics
3. In addition to the Plane Pull, the Law Enforcement Department participates in the N.C. Special Olympics Torch Run which will be held this year on May 30th
4. Recognition, special thanks and a gift offered to Dave Powell in his retirement after 34 years of a successful career with the Raleigh-Durham Airport Authority

IV. OLD BUSINESS
1. Operations Committee Report – Thompson reported the Operations Committee met on May 15, 2014 and discussed the following item(s):
   a. Consideration of Award of Agreement for the Terminal 2 Resource Management Center / Ramp Control Tower Operation and Management
      The Committee recommends approval a 5 year agreement with TBI Airport Management, Inc. in the total amount of $4,230,768.60 for Resource Management Center/Ramp Control Tower services for Terminal 2 and that the President and Chief Executive Officer be given authorization to execute the Agreement.

      Motion by Thompson to adopt the Committee’s recommendation; Second by Kane
      ADOPTED BY UNANIMOUS VOTE
b. Consideration of a Three-Year Service Agreement for Mystery Shopping and Customer Feedback Database Services with option to extend to five years

The Committee recommends approval of a three (3) year contract with the option to renew up to five (5) years at an annual cost of $39,054 and authorization for the President and Chief Executive Officer to execute the contract.

Motion by Ali to adopt the Committee’s recommendation; Second by Yeargan

ADOPTED BY UNANIMOUS VOTE

c. Consideration of Agreements with WRAL and WNCN for Weather Camera Placement

The Committee recommends approval of the agreements with WRAL and WNCN for a five year term beginning June 1, 2014 and ending May 30, 2019 for placement of fixed weather cameras on the roof of the Airport Operations Center and recommend approval of and that the President and CEO be authorized to execute a similar agreement with WTVD, which is currently in process, and that the President and CEO be authorized to execute the three agreements.

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

ADOPTED BY UNANIMOUS VOTE

2. Finance Committee Report – Thompson reported the Land and Development Committee met on May 15, 2014 and discussed the following item(s):

a. Consideration of Statutory Designation as Finance Officer

The Committee recommends reaffirmation of Tom Barritt’s previous appointment as Finance Officer and the appointment of Mesheila Lynch and Steve Golden as Deputy Finance Officers.

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

ADOPTED BY UNANIMOUS VOTE

3. MWSB Committee Report – Kane reported the Law and Personnel Committee met on May 15, 2014 and discussed the following item(s):

a. Presentation of Small Business Programs Report (January – March 2014)

This report was presented for informational purposes only and required no board action.

V. NEW BUSINESS

VI. GENERAL COUNSEL’S REPORT

No items were reported.

VII. MEMBER COMMENTS

All members expressed their gratitude to Dave Powell for his years of service and wished him well in his retirement.

VIII. AIRPORT DIRECTOR’S REPORT

The number of passengers departing RDU rose 4.6 percent compared to the same month last year. The number of passengers arriving at RDU rose 4.4 percent compared to the same month last year. The reason for the rise in traffic is Delta added capacity at RDU. For example in the month of April Delta’s
departures were up 13.9% and seats were up 18.5%, while overall departures for the month at RDU were up 2.3% and seats up 2.5%.

On April 23, we were honored to have Rep. David Price join the Airport Authority for the dedication of Terminal 1. Additionally, last week, the Airport Authority hosted The 50 Group for an evening dinner on the concourse.

On May 27, Rep. David Price will join the Airport Authority once again as American Airlines and the Airport Authority celebrates 20 years of daily, non-stop service to London. Over the years, this flight has had a tremendous economic impact on the region as it provides the region with crucial one-stop connections to destinations around the world.

The Airport Authority saw two big air service milestones in April. First was the one year anniversary of daily, non-stop service to Los Angeles; second, the commencement of a second daily non-stop flight to San Francisco. The community support for both of these key West Coast flights is outstanding, and the Airport Authority is excited about the success of these routes. In early May, Vacation Express to Cancun aboard AeroMexico planes launched weekly, non-stop scheduled charter service. And, in June, Frontier will begin offering three times weekly service to Cleveland.

In an effort to gain an understanding of building community support for air service development, many community leaders, including the Airport Authority President, had the opportunity to travel with the Raleigh Chamber of Commerce and the Regional Transportation Alliance to Indianapolis. The state of Indiana recently created the Indiana Development Corporation to support economic growth throughout the state. Using 1.5 million dollars from the IDC, Indianapolis’ airport was able to secure non-stop service to San Francisco, which like the Raleigh-Durham Airport Authority, was a major air service goal. In Texas, Austin-Bergstrom International Airport used similar funding sources to gain non-stop service to London on British Airways. RDU is talking with North Carolina leaders about what other states are doing regarding private/public partnerships.

Dave Powell retires at the end of this month. He has offered such passion and commitment to RDU for the last 34 years. The Airport Authority, staff, customers and community owe you a great deal of appreciation for your hard work. The world-class facilities he developed are jewels, but Dave’s crowning achievement may well be in the development of a team of people who walked beside him for many years. They will miss you and so will RDU.

IX. ADJOURNMENT

Motion by Thompson to adjourn; Second by Kane

ADOPTED BY UNANIMOUS VOTE
RALEIGH-DURHAM AIRPORT AUTHORITY
OPERATIONS COMMITTEE MEETING MINUTES
MAY 15, 2014

Thompson presided. Present: Ali, Hunt, Kane, Wheeler 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.

The Committee discussed the following item(s):

1. **Consideration of Award of Agreement for the Terminal 2 Resource Management Center / Ramp Control Tower Operation and Management:** Upon a motion by Thompson and second by Yeargan, the Committee recommends award of the agreement and authorization for the President and Chief Executive Officer to execute the agreement.

Presented by John K. Graves, Director of Operations - The current contract with TBI Airport Management (TBI) for the Resource Management Center/Ramp Control Tower at Terminal 2 will expire June 30, 2014. Due to lack of competition in the Resource Management/Ramp Tower arena, Operations and Procurement identified four companies that may possibly qualify to compete for this service. Between the period of October 25, 2013 and November 8, 2013 Operations and Procurement conducted a series of informal meetings and entertained presentations from each of the four companies (Robinson Aviation Inc., Total Airport Services Inc., Dynamic Science Inc., and Serco Inc.). The purpose of the meetings was to determine whether each company possessed the sufficient knowledge and technical experience to manage and operate the Resource Management Center/Ramp Control Tower for Terminal 2. The meetings revealed that although they were experienced in contracted air traffic control services, each had limited experience in ramp control management (the oversight and control of aircraft movement in the designated non-movement areas) and resource management operations (management of common use gates, hold-rooms, baggage, display, and ticket equipment and areas). In contrast, TBI has provided years of quality service to the Authority and airlines for ramp control and resource management. As a result of the analysis and verification of the lack of competition available, the Authority negotiated an agreement with TBI Airport Management, Inc. The term of the agreement is 5 (five) years, beginning July 1, 2014 and ending June 30, 2019 for a total cost of $4,230,768.60. This agreement provides a monthly savings of $7,835.59, a yearly saving of $94,027.08 and a five year saving of $470,135.40. The overall savings will flow through to the airlines in the form of a reduction in their CPE (cost per enplanement).

Staff requests approval of a 5 year agreement with TBI Airport Management, Inc. in the total amount of $4,230,768.60 for Resource Management Center/Ramp Control Tower services for Terminal 2. Staff also requests the President and Chief Executive Officer be given authorization to execute the Agreement.
2. Consideration of a Three-Year Service Agreement for Mystery Shopping and Customer Feedback Database Services with option to extend to five years: *Committee was unable to constitute a quorum and therefore, item consideration was deferred to the full Board Meeting immediately following.*

Presented by Jane Martin, Customer Relations Manager – Since 2004, the Authority has contracted on an annual basis with Confero for Mystery Shopping services. The program provides a customer-perspective evaluation of services delivered by Authority staff, the Transportation Security Administration (TSA), RDU Taxi, food and retail locations and staff along with cleanliness and working conditions of rest rooms and parking facilities. Annually more than 1,400 shops are conducted across a schedule provided by the Authority in collaboration with Food and Retail concession managers, GCA Services and TSA. A three year contract, with a renewal option for two additional years, is recommended at an annual cost of $39,054, for a three year total of $117,162. This multi-year contract is recommended based on the quality and consistency of the services provided by Confero and to create efficiencies in management of the Mystery Shopping program. In addition, this agreement covers technical support and back-up of the Authority’s proprietary Customer Feedback System, which is housed on Confero’s server. Confero, Inc. is certified by the Authority and the State of North Carolina under their respective Minority and Women-Owned Small Business and HUB Programs, so this contract has woman-owned business participation of 100%.

Staff recommends approval of a three (3) year contract with the option to renew up to five (5) years at an annual cost of $39,054 and authorization for the President and Chief Executive Officer to execute the contract.

3. Consideration of Agreements with WRAL and WNCN for Weather Camera Placement: *Committee was unable to constitute a quorum and therefore, item consideration was deferred to the full Board Meeting immediately following.*

Presented by Mindy Hamlin, Director of Community Affairs and Communications – This request is for approval of agreements with WRAL-TV and WNCN-TV to place fixed weather cameras on the roof of the Airport Operations Center (AOC) to film live shots of Terminal 2 as part of their newscast weather segments. WTVD currently operates a fixed camera at this location. All three stations place cameras at local and regional sites to be used during their weather broadcasts. Working with the operations, properties, information services and procurement departments, RDU and the stations developed an agreement and scope of services that will allow the stations to film from the AOC roof for a five-year period. WRAL and WNCN have agreed to install and maintain their cameras and related equipment. Both stations will be purchasing IT services through the Authority. WNCN will pay $80 per month for internet access and a static IP address. WRAL will pay $90 per month for internet access, communications room rack usage and a static IP address.

Staff recommends approval of the agreements with WRAL and WNCN for a five year term beginning June 1, 2014 and ending May 30, 2019 for placement of fixed weather cameras on the roof of the Airport Operations Center. Staff also requests approval of a similar agreement with WTVD, which is currently in process and that the President and CEO be authorized to sign all three agreements.
Thompson presided. Present: Ali, Hunt, Kane, Wheeler 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.

The Committee discussed the following item(s):

1. **Consideration of Statutory Designation as Finance Officer:** Upon a motion by Thompson and second by Yeargan, the Committee recommends reaffirmation of Tom Barritt’s previous appointment as Finance Officer and the appointment of Mesheila Lynch and Steve Golden as Deputy Finance Officers.

   Presented by Tom Barritt, Interim CFO - The former CFO had served as the Authority’s back up check signer and was designated, along with me, as a Finance Officer. Currently, I am the only authorized check signer. Please note that the President & CEO’s facsimile signature is required as the counter signature. However, the signature of a statutorily designated Finance Officer (or Deputy Finance Officer) is required by NC General Statutes on all disbursements.

   Currently, having one Finance Officer restricts the ability to have checks signed when that Finance Officer is out of the office. A backup signer is needed to address this issue, and Staff recommends that Mesheila Lynch serve in that role. In addition, the Finance Officer role is responsible for pre-auditing contracts as required by NC General Statutes. A backup role for this function is also needed, and Staff recommends that Steve Golden serve in that role. In order to take those roles, Mesheila Lynch and Steve Golden need to be appointed as Deputy Finance Officers. To ensure that the records related to these appointments are complete and accurate, I also request that the Board reaffirm my previous appointment as Finance Officer.

   Staff requests reaffirmation of Tom Barritt’s previous appointment as Finance Officer and the appointment of Mesheila Lynch and Steve Golden as Deputy Finance Officers.
Kane presided. Present: Ali, Hunt, Thompson, Wheeler 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.

The Committee discussed the following item(s):

1. Presentation of Small Business Programs Report (January – March 2014): This report was presented for informational purposes only and required no board action.

Presented by Thiané Carter Edwards, Small Business Program - The Authority has adopted two programs to encourage and facilitate the participation of minority and women-owned small businesses in the Authority’s business activities, including the procurement of goods and services. The Authority’s Minority and Women-Owned Small Business (MWSB) Program governs non-Federal spending in contracting and purchasing. The Federal Disadvantaged Business Enterprise/ Airport Concessionaires Disadvantaged Business Enterprise (DBE/ACDBE) program governs Federally-funded contracting and concessions activities.

Between January 2014 and March 2014, the Authority:

- MWSBs received 8.8% ($488,015) of all non-construction related payments from January through March 2014. This figure includes all procurements, contracts and services rendered during this period.

- Minority and women-owned small businesses have received $13,697,722 or 23.1% of payments made to date on all active construction and construction-related projects. Minority-owned businesses received 10% of all payments made to date, while women-owned businesses received 13.1% of all payments through March 31, 2014.

- At the completion of current projects, minority-owned firms are expected to have received 10.1% of total contracts; women-owned firms are expected to have received 22.0% of total contracts. In total, MWSB/DBE firms are expected to receive 31.9% of total contracts.

Further information regarding MWSB participation in Authority contracts and procurement, is available in the Quarterly MWSB/DBE Report (incorporated herein by reference and available for review).

This report was presented for informational purposes only and required no board action.