RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES
FEBRUARY 19, 2015

Chair Hunt presided. Present: Ali, Cole, Hannah, Kane, Thompson, and Zucchino. Staff present included: President and CEO Landguth, Senior Vice President & COO Sandifer, Senior Vice President & CRO McFall, CHRO Umphrey, Senior Vice President & CFO Sylver, Vice Presidents Damiano, DelNero, Legan and Quesenberry, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

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

II. APPROVAL OF MINUTES
Motion by Kane to approve the minutes of the January 15, 2015 meeting of the Raleigh-Durham Airport Authority Board, including the committee minutes incorporated therein; Second by Cole
ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS
1. Chairman Hunt designated a nominating committee for the nomination of officers to the Board in April, 2015. The Nominating Committee is comprised of Member Kane, Member Cole and Member Teer. Nominations will be presented at the March, 2015 Board Meeting with the votes taking place at the April, 2015 meeting. Officers will begin their appointments immediately upon approval of the vote.
2. Volunteer of the Year announcement; Congratulations to Gail Ament
3. Promotions and New Hires announced
4. The Chairman expressed his thanks to all teams for their hard work during the winter weather events

IV. OLD BUSINESS
1. Operations Committee Report – Thompson reported the Operations Committee met on February 19, 2015 and discussed the following item(s):
   a. Consideration of Campus Access Switch Upgrade
      Committee recommends approval to proceed with the purchase of switches from Encore Technology Group, LLC. for $198,589.22 through NC State contract 204L (Cisco Layer 2 LAN Switches).
      Motion by Thompson to adopt Staff’s recommendation; Second by Kane
      ADOPTED BY UNANIMOUS VOTE
2. Land and Development Committee Report – Kane reported the Land and Development Committee met on February 19, 2015 and discussed the following item(s):
   a. Consideration of Amendment 38 with Clark Nexsen to Provide Professional Services for Terminal 1 Demolition
      Committee recommends approval of Amendment 38 with Clark Nexsen for a total cost of $972,137 and authorization for the President and CEO to execute the amendment.
      Motion by Kane to adopt Committee’s recommendation; Second by Zucchino
      ADOPTED BY UNANIMOUS VOTE
   b. Consideration of Recommendation to Reject Bids – Fleet Fuel Station Replacement
      Committee recommends rejection of all bids.
      Motion by Kane to adopt Committee’s recommendation; Second by Zucchino
      ADOPTED BY UNANIMOUS VOTE

3. Finance Committee Report – Thompson reported the Finance Committee met on February 19, 2015 and discussed the following item(s):
      Committee recommends approval of the selection and retention of Cherry Bekaert, LLP to provide audit services for FY 2015, approval of an agreement for those services in the maximum amount of $44,000, and authorization of the execution of the form contract from the Local Government Commission by the appropriate parties.
      Motion by Thompson to adopt Committee’s recommendation; Second by Cole
      ADOPTED BY UNANIMOUS VOTE
   b. Quarterly Financial Update
      Report presented for information purposes only; no Board action required.

4. Strategic Planning Committee Report – Hunt reported the Strategic Planning Committee met on February 19, 2015 and discussed the following item(s):
   a. Consideration of Amendment to a Funding and Participation Interlocal Agreement for Cost Sharing and Procurement of Wake County Transit Investment Strategy
      Committee recommends approval of the First Amendment to the Interlocal Agreement and authorization of execution by President and CEO.
      Motion by Thompson to adopt Committee’s recommendation; Second by Cole
      ADOPTED BY UNANIMOUS VOTE

5. Minority and Women-Owned Business Committee Report – Kane reported the Minority and Women-Owned Business Committee met on February 19, 2015 and discussed the following item(s):
   a. Small Business Programs Report (October - December 2014)
      Report presented for information purposes only; no Board action required.
V. NEW BUSINESS

VI. GENERAL COUNSEL’S REPORT
No items were reported.

VII. MEMBER COMMENTS
Cole thanked staff for dedication during winter weather events; All members welcome Patrick Hannah to the Board; Hannah greeted all and expressed delight in being part of the team.

VIII. PRESIDENT AND CEO’S REPORT
Passengers departing RDU grew by 3.3 percent in January compared to the same month last year. The number of passengers arriving at RDU grew by 2.4 percent compared to January 2014. 2015 is off to a great start.

In March, the President, joined by Teresa Damiano, will join representatives from peer airports in North Carolina in Washington, D.C. to speak to NC airports’ Congressional representatives. This is a follow up to last year’s trip. This is a great opportunity for the N.C. airports to meet and discuss with Congressional representatives issues that are affecting NC airports. Following the state meeting, a one-on-one meeting will take place with RDU’s congressional representatives and their staff to discuss the FAA Reauthorization Bill. This bill is coming before Congress later in 2015, and it is imperative to let NC Congressmen know how important this bill is to RDU’s ability to continue to build and maintain critical infrastructure. The topic of discussion will be the importance of modernizing the passenger facility charge and maintaining the airport improvement program.

The President thanked the RDU team for its hard work this week as RDU dealt with snow, sleet and ice. The teams started preparing as soon as the forecast said that inclement weather was anticipated. Maintenance, Operations, Law Enforcement and Visitor Services teams were ready around the clock, making sure the runways, taxiways and roadways were safe and operational, and that RDU’s passengers were taken care of. The President also offered thanks to the many Airport Authority employees who assisted the teams and to Communications for keeping our public informed.

IX. ADJOURNMENT
Motion by Cole to adjourn; Second by Kane
ADOPTED BY UNANIMOUS VOTE
RALEIGH-DURHAM AIRPORT AUTHORITY
OPERATIONS COMMITTEE MEETING MINUTES
FEBRUARY 19, 2015

Thompson presided. Present: Ali, Cole, Hannah, Hunt, Kane, and Zucchino. Staff present included: President and CEO Landguth, Senior Vice President & COO Sandifer, Senior Vice President & CRO McFall, CHRO Umphrey, Senior Vice President & CFO Sylver, Vice Presidents Damiano, DelNero, Legan and Quesenberry, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. Consideration of Campus Access Switch Upgrade: Upon a motion by Ali and second by Cole, the Committee recommends approval to proceed with the purchase of switches from Encore Technology Group, LLC. for $198,589.22 through NC State contract 204L (Cisco Layer 2 LAN Switches).

   This request is to purchase network equipment in order to upgrade the RDU campus network infrastructure. You may recall that in August, 2014, the IS team requested Board approval of the purchase of replacement network equipment with a focus on Terminal 2. That equipment has either been installed or is scheduled to be installed by the end of March 2015. This purchase request has a broader scope – the remainder of the RDU campus. Much of the network equipment proposed to be replaced has been in service over 10 years and has reached end-of-support status, meaning it can no longer be upgraded, replaced or supported if it becomes inoperable. This creates significant operational risk as these switches serve as connection points for all end devices including workstations, phones, cameras and other security devices. The new requested equipment would replace the existing network equipment as part of the ongoing lifecycle management program. Cisco is the manufacturer of the proposed equipment - a best-in-class, well respected industry leader in the networking realm that RDU utilizes campus-wide. The Authority may take advantage of a NC state contract with Encore Technology Group (Contract 204L Cisco Layer 2 LAN Switches) this request includes authorization to purchase the equipment pursuant to the terms or more favorable than the terms of that contract. The total cost under that contract will be $198,589.22.

   Staff recommends approval to proceed with the purchase of switches from Encore Technology Group, LLC. for $198,589.22 through NC State contract 204L (Cisco Layer 2 LAN Switches).
RALEIGH-DURHAM AIRPORT AUTHORITY
LAND AND DEVELOPMENT COMMITTEE MEETING MINUTES
FEBRUARY 19, 2015

Kane presided. Present: Ali, Cole, Hannah, Hunt, Thompson, and Zucchino. Staff present included: President and CEO Landguth, Senior Vice President & COO Sandifer, Senior Vice President & CRO McFall, CHRO Umphrey, Senior Vice President & CFO Sylver, Vice Presidents Damiano, DelNero, Legan and Quesenberry, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. Consideration of Amendment 38 with Clark Nexsen to Provide Professional Services for Terminal 1 Demolition: Upon a motion by Thompson and second by Kane, the Committee recommends approval of Amendment 38 with Clark Nexsen for a total cost of $972,137 and authorization for the President and CEO to execute the amendment.

   Presented by Tom Quesenberry, Vice President, Facility Asset Management – The purpose of this item is to provide a staff recommendation on the award of a contract for design phase services to provide architectural, engineering, and other professional services to the Authority in connection with the Terminal 1 North and South Concourse Demolition Project, RDU 070519. The scope of services in the award of this Amendment involves the provision of schematic design phase, design development phase, construction documents phase, bid and negotiation phase services, and other required professional services for the demolition of the Terminal 1 North and South Concourses related to the Terminal 1 Renovation Project. The compensation to the architect and its sub consultant team for basic services including schematic design phase, design development phase, construction documents phase, bid and negotiation phase, and other required professional services is the lump sum contract amount of Seven Hundred Seventy-Seven Thousand One Hundred Thirty Seven Dollars ($777,137). The compensation to the architect and its sub consultant team for reimbursable expenses shall be direct costs up to a fixed, not-to-exceed ceiling amount of One Hundred Ninety-Five Thousand Dollars ($195,000), which amount includes an allowances of $10,000 for geotechnical services, $70,000 for land surveying services, and $15,000 for hazardous material assessment, and $30,000 for Terminal 1 ticketing area program definition services. The total maximum compensation under Amendment 38 is Nine Hundred Seventy Two Thousand One Hundred Thirty Seven Dollars ($972,137).

   Staff requests approval of Amendment 38 with Clark Nexsen for a total cost of $972,137 and authorization for the President and CEO to execute the amendment.

2. Consideration of Recommendation of Rejection of Bids: Upon a motion by Kane and second by Thompson, the Committee recommends rejection of all bids.

   Presented by Ron Jewett, Director of Facilities Engineering – This project involves the replacement and modernization of the Authority’s fleet fueling station which exists at the
Maintenance Facility. The facility currently includes gasoline, diesel, and biodiesel storage and dispensing. The project includes: 1) the demolition of the existing pumps, dispensers, and grassed fueling island; 2) the installation of a new concrete fueling island with a lighted canopy; 3) the re-use of one tank and two new tanks, all with related piping, pumps, and dispensers; 4) storage and dispensing capability for gasoline, off-road and on-road diesel, bio-diesel, and diesel exhaust fluid (DEF); 5) replacement and modernization of the existing fuel inventory control system; and 6) temporary fueling measures that will serve the Authority’s vehicles on-site during construction. The new facility will be established in the same area as the existing facility. The contract was advertised for bids on the Authority’s website on December 19, 2014. A pre-bid conference was held on January 16, 2015 and was attended by six contractors and/or subcontractors. On the original bid date, January 29, 2015, only one bid was offered. In accordance with state statutes, the bid was returned to the contractor un-opened and the bid date was re-set seven days later. On February 5, 2015 three bids were received from: 1) Nationwide Construction Company (Chesterfield, MI) at $1,385,000; 2) Southern Pump and Tank (Raleigh, NC) at $1,453,948.83; and 3) Metcon, Inc. (Raleigh, NC) at $1,027,000. The low base bid received is from Metcon, Inc., in the amount of $1,027,000.00. However, since the bid was substantially higher than the engineer’s base bid estimate of $455,000, and therefore beyond the project budget, staff recommends rejection of the bids.

Staff requests rejection of all bids.
RALEIGH-DURHAM AIRPORT AUTHORITY
FINANCE COMMITTEE MEETING MINUTES
FEBRUARY 19, 2015

Thompson presided. Present: Ali, Cole, Hannah, Hunt, Kane, and Zucchino. Staff present included: President and CEO Landguth, Senior Vice President & COO Sandifer, Senior Vice President & CRO McFall, CHRO Umphrey, Senior Vice President & CFO Sylver, Vice Presidents Damiano, DelNero, Legan and Quesenberry, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

Upon a motion by Cole and second by Ali, the Committee recommends approval of the selection and retention of Cherry Bekaert, LLP to provide audit services for FY 2015, approval of an agreement for those services in the maximum amount of $44,000, and authorization of the execution of the form contract from the Local Government Commission by the appropriate parties.

Presented by Donna Sylver, SVP and CFO – Cherry Bekaert, LLP (hereinafter 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 ending March 31, 2015. 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. Copies of CB’s engagement letter and Contract to Audit Accounts will be available for review at the February meeting or can be emailed upon request. The proposed fee for FY 2015 is not to exceed $44,000. CB’s audit fees for the prior two years, FY 14 and FY 13, were $43,500 and $43,000, respectively. Staff requests approval of the selection and retention of Cherry Bekaert, LLP to provide audit services for FY 2015, approval of an agreement for those services in the maximum amount of $44,000, and authorization of the execution of the form contract from the Local Government Commission by the appropriate parties.

2. Quarterly Financial Update: Report presented for information purposes only; no Board action required.

Presented by Tom Barritt, Finance Director – Presentation reviewed in detail.

Report presented for information purposes only; no Board action required.
RALEIGH-DURHAM AIRPORT AUTHORITY
STRATEGIC PLANNING COMMITTEE MEETING MINUTES
FEBRUARY 19, 2015

Hunt presided. Present: Ali, Cole, Hannah, Kane, Thompson and Zucchino. Staff present included: President and CEO Landguth, Senior Vice President & COO Sandifer, Senior Vice President & CRO McFall, CHRO Umphrey, Senior Vice President & CFO Sylver, Vice Presidents Damiano, DelNero, Legan and Quesenberry, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. Consideration of Amendment to a Funding and Participation Interlocal Agreement for Cost Sharing and Procurement of Wake County Transit Investment Strategy: Upon a motion by Thompson and second by Cole, the Committee recommends approval of the First Amendment to the Interlocal Agreement and authorization of execution by President and CEO.

   Presented by Ellis Cayton, Director, Planning and Environmental – The interlocal agreement and amendment together authorize payment of $5,000 to Wake County to help pay the cost of hiring a consultant to develop a transit investment strategy for Wake County. The term of the agreement runs through June 30, 2015. The agreement and the applicable state statute specifically require the Board’s ratification. Other parties to the agreement are: Capital Area Metropolitan Transportation Organization (CAMPO), City of Raleigh, North Carolina State University, Research Triangle Foundation, Research Triangle Public Transportation Authority (TTA), Town of Cary, and Wake County. As information, the consultant for the work on developing the transit investment strategy is the team of Jarrett Walker + Associates and Kimley-Horn.

   Staff requests approval of the First Amendment to the Interlocal Agreement and authorization of execution by President and CEO.
RALEIGH-DURHAM AIRPORT AUTHORITY
MWSB COMMITTEE MEETING MINUTES
FEBRUARY 19, 2015

Kane presided. Present: Ali, Cole, Hannah, Hunt, Thompson and Zucchino. Staff present included: President and CEO Landguth, Senior Vice President & COO Sandifer, Senior Vice President & CRO McFall, CHRO Umphrey, Senior Vice President & CFO Sylver, Vice Presidents Damiano, DelNero, Legan and Quesenberry, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):


Presented by Thiané Carter Edwards, Small Business Program Officer – 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 October - December 2014, the Authority: MWSB participation was 7.2% ($428,710) of all non-construction related payments from October through December 2014. This figure includes all procurements, contracts and services rendered during this period; Minority and women-owned small business participation is 18% or $28,115,551 of payments made to date on all active construction and construction-related projects. Minority-owned business participation is 11% of all payments made to date, while women-owned business participation is 7% of all payments through December 31, 2014; At the completion of current projects, participation by minority-owned firms is expected to be 10% of total contracts; participation by women-owned firms is expected to be 8% of total contracts. In total, MWSB/DBE participation is expected to be 18% of total contracts. Further information regarding MWSB participation in Authority contracts and procurement, is available in the Quarterly MWSB/DBE Report.

Report presented for information purposes only; no Board action required.
RALEIGH-DURHAM AIRPORT AUTHORITY
STRATEGIC PLANNING MEETING MINUTES
FEBRUARY 25, 2015

Chair Hunt presided. Present: Ali, Cole, Hannah, Kane, Teer, Thompson, and Zucchino. Staff present included: President and CEO Landguth, Senior Vice President & COO Sandifer, Senior Vice President & CRO McFall, CHRO Umphrey, and Senior Vice President & CFO Sylver.

I. PURPOSE OF THE MEETING

Staff presented strategic planning information for the upcoming year on parking operations, Authority staffing plan, and the 2015 FAA Reauthorization. Authority Board Members considered and discussed the information presented, asking various questions to staff. The information presented was for information only, and no Board action was taken.