RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES  
SEPTEMBER 17, 2015

Chair Thompson presided. Present: Ali, Cole, Hunt, Kane, and Teer. 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, Hetzel, Legan, and Quesenberry, Executive Administrative Assistant Rivera, and other staff members and guests.

I. APPROVAL OF AGENDA
   Motion by Cole to approve the agenda; Second by Ali

   ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES
   Motion by Kane to approve the minutes of the August 20, 2015 meeting 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 and resignations announced.
   2. Highwire Travelers, the art piece in Terminal 1’s baggage claim area, received an honorable mention at the 2015 Coda Awards, which celebrates art installations around the world.
   3. The Chairman provided an update on his recent visit to the NC National Guard Headquarters.

IV. OLD BUSINESS
   1. Governmental Affairs Committee Report – Kane reported the Governmental Affairs Committee met on September 17, 2015 and discussed the following item(s):
      a. Update on Governmental Affairs
         Presentation for informative purposes only; no Board action required.

   2. Land and Development Committee Report – Teer reported the Land and Development Committee met on September 17, 2015 and discussed the following item(s):
      a. Consideration of Bids and Recommendation of Award for RDU Center Roof Replacement
         Committee recommends award of a contract to Owens Roofing, Inc. in the amount of $319,651 and for authorization of the President and CEO to execute the contract.
         Motion by Kane to adopt Committee’s recommendation; Second by Cole

         ADOPTED BY UNANIMOUS VOTE

   3. Operations Committee Report – Hunt reported the Operations Committee met on September 17, 2015 and discussed the following item(s):
      a. Consideration of Appointment of the Raleigh-Durham International Airport Height Zoning Board of Appeals
Committee recommends the appointment of the referenced individuals to the Raleigh-Durham International Airport Height Zoning Board of Appeals, for a duration of three (3) years, or until a successor is duly appointed and qualified.

Motion by Hunt to adopt Committee’s recommendation; Second by Teer

ADOPTED BY UNANIMOUS VOTE

b. Firefighters’ Local Relief Fund Board of Trustees
   Presentation for informative purposes only; no Board action required.

c. Insurance Coverage Update
   Presentation for informative purposes only; no Board action required.

d. Consideration of the Purchase of AA55-ESR 60 Foot Bucket Truck
   Committee recommends approval to purchase the AA55-ESR bucket truck for $188,340 with authority for the President and CEO to approve and execute any documents required for the purchase.

Motion by Cole to adopt Committee’s recommendation; Second by Ali

ADOPTED BY UNANIMOUS VOTE

e. Consideration of Purchase of Shuttle Bus Automatic Vehicle Locator Technology
   Committee recommends the purchase contract with a term of one year, October 1, 2015 – September 30, 2016, for an Automatic Vehicle Locator system from Bridge Technology in the amount of $220,325, a support contract for a term of one year at a cost of $25,651.16, and authorization of the President and CEO to sign the agreements.

Motion by Teer to adopt 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
   Member Teer thanked everyone for their support of the USO.

VIII. PRESIDENT AND CEO’S REPORT
   We continue to see a year over year increase in passengers. In August, the number of passengers departing RDU grew by 3.7% compared to August 2014. The number of passengers arriving at RDU rose by 3.3%. For the first eight months of the year, enplanements are up 3% from last year. This was the 2nd busiest August since 2001 with seats being up 2.6%.

The Authority will be celebrating the arrival of Alaska Airlines in two weeks with a reception on the Terminal 2 concourse. We are asking attendees to arrive at 4:00 to ensure enough time for processing through security checkpoint. The Authority would prefer a large crowd on hand to greet the first arriving flight from Seattle, which will land around 4:45 p.m.
Last week, the Authority hosted ACI-NA President and CEO Kevin Burke for the day. Since he took over the reins at ACI-NA in January 2014, he has been traveling to individual airports to get acquainted with them and their leadership. He arrived at RDU last Tuesday just in time to speak at the monthly leadership meeting. During his time with the leadership team, he reiterated ACI’s focus on the FAA Reauthorization Bill. Mr. Burke emphasized that ACI-NA is squarely focused on this bill, pointing out that the FAA reauthorization represents the most significant opportunity to modernize the way airports finance infrastructure projects as it is determined what airports will look like in 2020 and beyond. He pointed out that airports agree the best way to bring airport financing into alignment with the goals and demands of 21st century travelers is to keep the Airport Improvement Program (AIP) fully funded and adjust the Passenger Facility Charge (PFC) user fee to $8.50, and to index the PFC user fee so it adjusts with inflation. Airports like RDU have a great economic impact on their communities, but that impact will diminish without a sustained funding source. Mr. Burke’s comments coincided with RDU’s master planning process and a renewed focus on how RDU, as just one airport, will fund future infrastructure projects.

As you know, employee wellness continues to be a very important focus for the Authority. A few weeks ago, a FitBit Challenge was initiated for all employees. If employees would commit to increasing their steps, the Authority would give them a FitBit for free. The response has been exciting. More than 200 employees and their spouses have received FitBits, and there are challenges being issued every day. To coincide with the focus on walking and getting moving, RDI is participating in the American Heart Association walk on Sun., Sept. 27. The President extended an invitation for all of the Authority’s board members to join the team. The festivities begin at 12:30 with the walk starting at 2:00 at PNC Arena.

IX. CLOSED SESSION
Motion by Teer to enter Closed Session; Second by Ali
ADOPTED BY UNANIMOUS VOTE

Motion by Cole to exit Closed Session; Second by Kane
ADOPTED BY UNANIMOUS VOTE

X. ADJOURNMENT
Motion by Cole to adjourn; Second by Kane
ADOPTED BY UNANIMOUS VOTE
The Committee discussed the following item(s):

1. **Update on Governmental Affairs:** *Presentation for informative purposes only; no Board action required.*
   
   Presented by Teresa Damiano, VP, Communications and Community Affairs – Briefing on Lobbyist provided.

   *Presentation for informative purposes only; no Board action required.*
RALEIGH-DURHAM AIRPORT AUTHORITY
LAND AND DEVELOPMENT COMMITTEE MEETING MINUTES
SEPTEMBER 17, 2015

Teer presided. Present: Ali, Cole, Hunt, Kane and Thompson. 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, Hetzel, Legan, and Quesenberry, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. Consideration of Bids and Recommendation of Award for RDU Center Roof Replacement: Upon a motion by Ali and second by Kane, the Committee recommends award of a contract to Owens Roofing, Inc. in the amount of $319,651 and for authorization of the President and CEO to execute the contract.

Presented by Jim Novak, Director of Buildings and Building Systems – The purpose of this item is to provide a staff recommendation on the award of a construction contract in connection with the project RDU Center Roof Replacement, RDU 080619. The scope of work includes demolition and removal of the existing roof materials and installation of a new roof system. The scope also includes removal of the existing balcony membrane and installation of a new membrane. The project was advertised on July 31, 2015 for informal bids. A pre-bid meeting and site tour was conducted on August 11, 2015. Additional site visits were conducted on August 13 and August 24, 2015. The following Bids were received on August 27, 2015:

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Bid Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baker Roofing Company</td>
<td>$435,470</td>
</tr>
<tr>
<td>Curtis Construction Company, Inc.</td>
<td>$473,510</td>
</tr>
<tr>
<td>DLT Roofing, Inc.</td>
<td>$347,817</td>
</tr>
<tr>
<td>Hamlin Roofing Company, Inc.</td>
<td>$447,346</td>
</tr>
<tr>
<td>Owens Roofing, Inc.</td>
<td>$319,651</td>
</tr>
<tr>
<td>P &amp; A Roofing and Sheet Metal</td>
<td>$413,174</td>
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The low bidder is Owens Roofing, Inc. in the amount of $319,651, which is below the Architect’s estimate of $394,668. Owens proposes Minority-owned Small Business participation (MSB) of 0% and Women-owned Small Business participation (WSB) of 6%, which exceeds the Authority’s project goals of 0% MSB and 0% WSB.

Staff recommends award of a contract to Owens Roofing, Inc. in the amount of $319,651 and for authorization of the President and CEO to execute the contract.
RALEIGH-DURHAM AIRPORT AUTHORITY
OPERATIONS COMMITTEE MEETING MINUTES
SEPTEMBER 17, 2015

Hunt presided. Present: Ali, Cole, Kane, Teer and Thompson. 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, Hetzel, Legan, and Quesenberry, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. Consideration of Appointment of the Raleigh-Durham International Airport Height Zoning Board of Appeals: Upon a motion by Teer and second by Ali, the Committee recommends the appointment of the referenced individuals to the Raleigh-Durham International Airport Height Zoning Board of Appeals, for a duration of three (3) years, or until a successor is duly appointed and qualified.

   Presented by Bill Sandifer, SVP and COO – Pursuant to the authority conferred by Chapter 168 of the 1939 Session Public-Local Laws, as amended, of the State of North Carolina, the Raleigh-Durham Airport Authority adopted a Height Zoning Ordinance. The purpose of the Ordinance was to restrict the height of structures and objects of natural growth in the vicinity of Raleigh-Durham International Airport. Section IX of the Ordinance establishes a Board of Appeals who shall have the power to: “1) hear and decide appeals from any order, requirement, decision or determination made by the Airport Director of the Raleigh Durham Airport Authority in enforcement of this Ordinance; 2) hear and decide special exceptions to the terms of this Ordinance upon which such Board of Appeals under such regulations may be required to pass; and 3) hear and decide specific variances under [the] Ordinance.” Furthermore, pursuant to Section IX the Board of Appeals shall “consist of five (5) members, each appointed by the Raleigh-Durham Airport Authority to serve for a term of three (3) years, or until a successor is duly appointed and qualified.” Staff has considered the overall make-up of the Board of Appeals and offers the following for consideration:

   a. Airline Station Manager (Mike Cline – American Airlines)
   b. Corporate Aviation representative (Mike Liller, SAS Chief Pilot)
   c. Community Citizen (Terry Yeargan)
   d. Airport Engineer/Pilot (Tom Slater)
   e. Licensed Attorney (Clay C. Wheeler)

   Staff recommends the appointment of the above referenced individuals to the Raleigh-Durham International Airport Height Zoning Board of Appeals, for a duration of three (3) years, or until a successor is duly appointed and qualified.

2. Firefighters’ Local Relief Fund Board of Trustees: Presentation for informative purposes only; no Board action required.
Presented by Erin Locklear, General Counsel – Local Firefighters’ Relief Funds (LFRF) were established by Article 84 of Chapter 58 of the NC General Statutes to collect monies distributed by the Commissioner of Insurance for the benefit of current and former firefighters. The Authority has had an LFRF for many years, which managed the fund under the statutory guidance. Robb Teer and Adrienne Cole are the Authority Board’s two recent appointees to the five members LFRF Board of Trustees. Two of the other LFRF Trustees are appointed by the Authority’s Airport Rescue and Fire Department. The remaining LFRF Trustee is appointed by the Commissioner of Insurance. The Trustees serve without pay, and are shielded by statute from most liability. For many years, NC General Statutes permitted distribution of the LFRF monies to provide assistance to firefighters who have been injured or killed in the line of duty and their families. Effective July 1, 2015, the statutes were amended extensively to allow for the establishment of a supplemental retirement fund when the LFRF monies exceed an established maximum. The trustees of the LFRF are charged with the duty (a) to receive, hold, invest and distribute the funds as prudent trustees, (b) to determine beneficiary eligibility, (c) determine the amounts that may be awarded to a beneficiary, (d) to submit to the NC State Firemen’s Association (NCSFA) a detailed annual report of receipts and disbursements and to submit to the Insurance Commissioner an annual certificate of eligibility, and (e) to satisfy all other legal and financial reporting and management requirements. These responsibilities have become more complex and demanding as the amount in the fund has grown and the permissible uses have been diversified. The Authority’s LFRF Trustees have, to date, been supported by Authority staff. As the LFRF Trustees’ responsibilities increase, a discussion of the Authority’s support role would be worthwhile to ensure the Authority’s, the Trustees’ and the Firefighters’ needs are being met.

Presentation for informative purposes only; no Board action required.

3. **Insurance Coverage Update:** Presentation for informative purposes only; no Board action required.

Presented by James Witherspoon, Director, Risk Management and Safety - The Authority’s General Liability, Crime, Automotive, Directors and Officers, Employment Practices, and Fiduciary Responsibility Insurance coverages renew as of October 1, 2015. All insurance coverage renewal premiums are for a short term policy (October 1, 2015 to June 30, 2016). This ensures that all insurance coverages are aligned with the same annual renewal date, July 1. The premium for Airport Liability coverage is $232,012, a decrease of $78,165 compared to coverage year 2014. The premium for the Airport Crime is $10,855 a decrease of $4,489 compared to last coverage year 2014. The premium for Automotive coverage is $92,505, a decrease of $26,629 compared to last coverage year 2014. The Directors and Officers Employment Practice coverage premium is $76,527, the same as the last coverage year 2014. The renewals were quoted using a pro-rated premium which is rate per day times the number of days in between October, 1, 2016 – June 30, 2016. All policy coverages and limits remained the same.

Presentation for informative purposes only; no Board action required.
4. Consideration of the Purchase of AA55-ESR 60 Foot Bucket Truck: Upon a motion by Ali and second by Teer, the Committee recommends approval to purchase the AA55-ESR bucket truck for $188,340 with authority for the President and CEO to approve and execute any documents required for the purchase.

Presented by Andy Thompson, Purchasing Officer – The Fiscal Year 2015-16 budget provides for procurement of a 60 foot bucket truck that will be a replacement for the current bucket truck which is more than twenty (20) years old. North Carolina General Statutes allow the Authority to procure goods and services from cooperative contracts that have been publicly advertised and bid by a group of governmental entities. National Joint Powers Alliance (NJPA) is an organization that facilitates competition and establishes nationally competitive publicly solicited purchasing contracts. Altec Industries Inc. participated in solicitations conducted through NJPA for bucket trucks and was successful in winning a contract (Contract number 31014). Altec Industries Inc. is the manufacturer of the AA55-ESR bucket truck and provides direct sales. The contract price for the 60’ bucket truck is One Hundred Eighty-Eight Thousand Three Hundred Forty Dollars ($188,340).

Staff recommends approval to purchase the AA55-ESR bucket truck for $188,340 with authority for the President and CEO to approve and execute any documents required for the purchase.

5. Consideration of Purchase of Shuttle Bus Automatic Vehicle Locator Technology: Upon a motion by Teer and second by Hunt, the Committee recommends approval of the purchase contract with a term of one year, October 1, 2015 – September 30, 2016, for an Automatic Vehicle Locator system from Bridge Technology in the amount of $220,325, a support agreement for a term of one year at a cost of $25,651.16, and authorization of the President and CEO to sign the agreements.

Presented by Laurie Suggs, Ground Transportation Manager - The Authority uses an Automatic Vehicle Locator (AVL) system in the Park & Ride shuttle buses that was purchased and installed in 2004. The AVL system uses GPS to track the Park & Ride buses and trigger customer information announcements to be played at specific points along the routes. GPS tracking is necessary for efficient bus operation management and reports the speed of the buses, time at each bus stop and headway times (time between buses at a specific point). The technology used in our current system has become outdated and one hardware component is no longer supported by the manufacturer. Spare parts are estimated to be depleted within a year and the signaling beacon technology used in our current system has been replaced with cellular technology across the industry. A Request for Proposals, published May 1, 2015, resulted in three proposals:

<table>
<thead>
<tr>
<th>Proposer</th>
<th>Equipment, Installation, and Training Costs</th>
</tr>
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<tbody>
<tr>
<td>Bridge Technology, Inc.</td>
<td>$220,325</td>
</tr>
<tr>
<td>NextBus Inc.</td>
<td>$327,100</td>
</tr>
<tr>
<td>Clever Devices, Inc.</td>
<td>$635,357</td>
</tr>
</tbody>
</table>

Staff evaluated all the proposals and recommends the Bridge Technology solution to replace the current AVL system. The Bridge Technology solution includes GPS locator and tracking, on-demand reports of desired metrics, on-board announcements for customers, and on-board
signage with scrolling information. This solution also includes automatic passenger counting, which will give the bus drivers (who currently manually count passengers) more time to converse with and support customers. The capital cost of equipment and installation is $220,325.56. The cost of warranty and support for one year is $25,651.16.

Staff recommends approval of the purchase contract with a term of one year, October 1, 2015 – September 30, 2016, for an Automatic Vehicle Locator system from Bridge Technology in the amount of $220,325, a support agreement for a term of one year at a cost of $25,651.16, and authorization of the President and CEO to sign the agreements.