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

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

II. APPROVAL OF MINUTES
   Motion by Cole to approve the minutes of the November 19, 2015 meeting of the Raleigh-Durham Airport Authority Board, including the committee minutes incorporated therein; Second by Kane
   ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS
    1. New hires, promotions and retirements recognized
    2. The Chairman congratulated staff and recognized the Wellness Team for being named the Healthiest Employer in the Triangle Area
    3. The Chairman congratulated the staff and recognized the Air Service Development Team for the Regional Transportation Alliance’s Champion Award RDU received for obtaining new international service to Paris beginning in May or 2016
    4. Vision2040 and the Master Plan meetings took place this week with the PAC and TAC Committees and public meetings will be held in Raleigh and Durham next month
    5. The Chairman wished all a wonderful holiday and Happy New Year

IV. OLD BUSINESS
    1. Operations Committee Report – Hunt reported the Operations Committee met on December 17, 2015 and discussed the following item(s):
       a. Consideration of Transportation Network Company Operating Agreements with Rasier, LLC and Lyft, Inc.
          Committee recommends approval of the Transportation Network Company Operating Agreements with Rasier, LLC and Lyft, Inc., and authorization for the President and CEO to execute the agreements.
          Motion by Kane to adopt Committee’s recommendation; Second by Ali
          ADOPTED BY UNANIMOUS VOTE
b. **Consideration of Revisions to Chapter 13 of the Ordinances of the Raleigh-Durham Airport**
   Presentation for informative purposes only; no Board action required.

c. **Consideration of Agreement with BFPE International for Fire Suppression Systems Services**
   Committee recommends approval of a five year agreement with BFPE International in the amount of $239,990 to provide fire suppression system services and authorization for the President and CEO to execute the agreement.
   
   *Motion by Ali to adopt Committee’s recommendation; Second by Cole*

   **ADOPTED BY UNANIMOUS VOTE**

d. **Update on Parking Operations**
   Presentation for informative purposes only; no Board action required.

e. **Information on the Future Ordinance for the Collection of a Customer Facility Charge**
   Presentation for informative purposes only; no Board action required.

2. **Finance Committee Report** – Teer reported the Finance Committee met on December 17, 2015 and discussed the following item(s):
   a. **Consideration of the Selection of External Audit Firm**
      Committee recommends approval of an external audit service contract with Elliott Davis Decosimo, PLLC for $38,000.

      *Motion by Teer to adopt Committee’s recommendation; Second by Ali*

      **ADOPTED BY UNANIMOUS VOTE**

3. **Land and Development Committee Report** – Teer reported the Land and Development Committee met on December 17, 2015 and discussed the following item(s):
   a. **Consideration of a Contract Award to T&D Solutions, LLC for Park & Ride 4 Light Pole Replacement**
      Committee recommends award of a contract to T&D Solutions, LLC, in the amount of $135,206 and authorization for the President and CEO to execute the contract.

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

      **ADOPTED BY UNANIMOUS VOTE**

   b. **Consideration of Consent to Landmark Assignment**
      Committee recommends award approval of the Consent to Transfer of Control and authorization for the President and CEO to execute the consent document.

      *Motion by Kane to adopt Committee’s recommendation; Second by Cole*

      **ADOPTED BY UNANIMOUS VOTE**

   c. **Terminal 1 Demolition Update**
      Presentation for informative purposes only; no Board action required.

4. **Minority and Women-Owned Small Business Committee Report** – Ali reported the Minority and Women-Owned Small Business Committee met on December 17, 2015 and discussed the following item(s):
a. Small Business Program Report (July - September 2015)
Presentation for informative purposes only; no Board action required.

5. Law and Personnel Committee Report – Hannah reported the Law and Personnel Committee met on December 17, 2015 and discussed the following item(s):
   a. Revenue Diversion Presentation, Part 3
Presentation for informative purposes only; no Board action required.

V. NEW BUSINESS

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

VII. MEMBER COMMENTS
All members wished the Authority staff a wonderful holiday season.
All members congratulated Tom Quesenberry on his retirement and thanked him for his 30+ years of service to the Authority.
Member Teer recognized Marcia Robertson for consistently performing in an outstanding manner.

VIII. PRESIDENT AND CEO’S REPORT
RDU had another busy and record-breaking month in passenger traffic. In November, the number of passengers departing RDU grew by 9.9% compared to the same month last year.
The number of passengers arriving at RDU rose by 8%. For the first 10 months of the year, enplanements are up 3.9% from last year. This was the busiest November at RDU since 2000, and RDU is on track to end the year with a four percent growth over 2014. The reasons for the big jump over last year are increases in air service and seat capacity, as well as the Thanksgiving holiday. RDU saw a few record breaking days during the Thanksgiving holiday. On the Sunday after Thanksgiving, 19,782 people passed through our security checkpoints. This is the highest holiday travel day the TSA has on record at RDU.

Today, the Board approved an agreement between the Airport Authority and Uber and Lyft. As you know, the Authority has been working with Uber and Lyft to ensure their drivers operate at RDU in compliance with State law and Airport Authority ordinances. The new law states that airport authorities have the ability to regulate transportation network companies such as Uber and Lyft. Since Uber and Lyft and other TNCs began operating at RDU, The Authority has enforced the ordinances and used them to guide the agreement with Uber and Lyft to ensure all commercial operators are in compliance with the Authority’s rules and regulations. In this agreement, Uber and Lyft drivers will operate from RDU, staging at a site on property, near the parking garage. They will pick up their passengers in the area pre-arranged services zone in front of both terminals. The President thanked all of the staff who worked so hard to bring this agreement to fruition. He also thanked Uber and Lyft as their team was dedicated to working with RDU staff to identify an agreement that would allow RDU to reduce congestion on the roadways and ensure the safety of customers, while ensuring the company could operate successfully here.
It has been a very productive year at RDU. The President listed some of the achievements our staff has made this year. RDU reached two major air service development goals. Delta Air Lines’ announced it would begin nonstop service to Paris in May. And RDU welcomed Alaska Airlines, which began service to Seattle. Delta also announced that it would restart nonstop service to Salt Lake City in 2016. This year, the Authority also launched Vision2040, the master planning program, which will identify RDU’s development goals for the next 25 years. Working collaboratively, staff streamlined many processes and procedures to achieve the Authority’s strategic goals and objectives. RDU’s AA- and Aa3 airport revenue bond ratings were also reaffirmed by Fitch Ratings and Moody’s respectively. A comprehensive asset management program was launched that identifies an infrastructure maintenance plan to ensure delivery of a world-class experience to customers.

And as RDU staff enjoys time with their friends and family during the holidays, the President thanked each and every staff member for their hard work this year.

IX. ADJOURNMENT

*Motion by Ali to adjourn; Second by Cole*

ADOPTED BY UNANIMOUS VOTE
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, Senior Vice President & CFO Sylver, Vice Presidents Damiano, Hetzel, Jewett, 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 Transportation Network Company Operating Agreements with Rasier, LLC and Lyft, Inc.:**

   Upon a motion by Teer and second by Zucchino, the Committee recommends approval of the Transportation Network Company Operating Agreements with Rasier, LLC and Lyft, Inc., and authorization for the President and CEO to execute the agreements.

   Presented by Bill Sandifer, SVP and COO – The purpose of this item is to provide a staff recommendation for the approval of Transportation Network Operating Agreements with Rasier, LLC (a subsidiary of Uber Technologies), and Lyft, Inc. Subsequent to the change to North Carolina state law effective October 1, 2015, staff has been working diligently with Uber and Lyft to negotiate operating agreement and is now presenting those agreements to the Board for approval. Specific elements of the Agreement include the following:
   1. 12 month term
   2. Identification of specific areas for driver staging, as well as customer pick-up and drop-off
   3. Implementation of a Geo-fence
   4. Payment of trip fees for both pick-up and drop-off pursuant to the established Rates and Charges
   5. Other standard provisions typical to all Authority agreements.

   Staff recommends approval of the Transportation Network Company Operating Agreements with Rasier, LLC and Lyft, Inc., and authorization for the President and CEO to execute the agreements.

2. **Consideration of Revisions to Chapter 13 of the Ordinances of the Raleigh-Durham Airport: Presentation for informative purposes only; no Board action required.**

   Presented by Bill Sandifer, SVP and COO – The purpose of this item is to provide a briefing on a future staff recommendation for the approval of revisions to Chapter 13 – Commercial Ground Transportation Services, of the Authority’s Ordinances. Subsequent to the change to North Carolina state law effective October 1, 2015, staff has been working diligently to revise Chapter 13 to conform to the requirements of the statute, plus implement other necessary revisions. Draft revisions to the Ordinance are now complete, they have been reviewed by legal counsel and staff
is ready to share these proposed revisions with all commercial ground transportation providers and solicit their feedback. We anticipate the review process will take from 60 to 90 days, after which staff will bring the Ordinance back to the Board for formal adoption.

Presentation for informative purposes only; no Board action required.

3. Consideration of Agreement with BFPE International for Fire Suppression Systems Services: Upon a motion by Teer and second by Zucchino, the Committee recommends approval of a five year agreement with BFPE International in the amount of $239,990 to provide fire suppression system services and authorization for the President and CEO to execute the agreement.

Presented by Barry Stoker, Director of Contract Facilities Maintenance – This recommendation is for the selection of a firm to provide required inspections and tests, preventive maintenance, and on-call repairs on the fire suppression systems in the terminals and other airport facilities. On September 2, 2015 the Authority advertised a Request for Proposals on the RDU Website for fire suppression system services. A non-mandatory pre-proposal conference was conducted on September 14, 2015, including a site tour, and attended by two firms: BFPE International and Fire & Life Safety America (FLSA). Proposals were received from these two firms on September 21, 2015. Staff reviewed the proposals and determined that both firms met the requirements and demonstrated the needed capabilities. For the proposed five-year contract term, BFPE submitted a proposal price of $209,990 and FLSA submitted a price of $276,550. MWSB goals for the contract were established at 7% MB and 4% WB; however, neither of the firms qualifies as a MWSB and both indicated their intent to perform all of the services without subcontracting. The Authority’s Small Business Program Office reviewed the submitted documentation and has determined that both firms have met the MWSB Program requirements. Based on the pricing and the quality of the proposal, Staff recommends selection of BFPE International. The proposed contract will be for a term of five years, beginning on January 1, 2016 and ending on December 31, 2020 and will include the cost for inspections and testing of the systems as proposed by BFPE, as well as an appropriation of $30,000 to cover repairs during the five-year term. Such repair costs have averaged $5,000 annually over the past five years.

Staff recommends approval of a five year agreement with BFPE International in the amount of $239,990 to provide fire suppression system services and authorization for the President and CEO to execute the agreement.

4. Update on Parking Operations: Presentation for informative purposes only; no Board action required.

Presented by Chuck McFall, SVP and CRO – PowerPoint presented with information regarding parking incident and plans of operations moving forward.

Presentation for informative purposes only; no Board action required.

5. Information on the Future Ordinance for the Collection of a Customer Facility Charge: Presentation for informative purposes only; no Board action required.

Presented by Ingrid Hairston, Director of Business Development - The purpose of this memorandum is to introduce a future request that will be made by staff to adopt an ordinance
authorizing the collection of a Customer Facility Charge. Staff has been reviewing the space constraints in the rental car area for over 10 years. In 2004, a land use study was confirmed that the current rental car area was undersized to meet future demand of the operation. In order to improve the customer experience and accommodate the future growth needs of the rental car business at the Airport, new accommodations are needed. Staff has begun a process of evaluating the future relocation of all rental car operations at RDU. The Master Plan will identify where new rental car facilities should be developed to best coordinate with the overall operation and future needs of the Airport. Along with the need for new rental car accommodations comes a need for a new funding source for the development program. Staff proposes to fund the future rental car development program through the imposition and collection of a Customer Facility Charge (CFC). A CFC is a fee paid by rental car customers. It is charged on a rate per transaction day basis. CFC funds would be collected and remitted to the Authority by the rental car company that rents the car, much like PFCs are collected and remitted by the airlines. CFC funds are to be used for the purpose of paying for the Authority's costs associated with financing, planning and developing a consolidated rental car facility and such other related facilities to be used for Airport rental car companies or for any rental car related purpose, including: 1) payment or reimbursement of the Authority's costs associated with planning, design, construction and/or acquisition of rental car facilities, and related transportation facilities, equipment and infrastructure, payment of related debt service obligations of the Authority incurred to pay the cost of such facilities and equipment; 2) the creation of reasonable capital and operational reserves, and 3) other rental car related purposes as the Authority deems necessary and appropriate. In order to implement CFCs, the Authority must issue an ordinance to establish the CFC. Staff proposes the CFC be implemented initially at a rate not to exceed $6.00 per transaction day during the first year. Thereafter, the method of calculating the CFC and the amount of the CFC would be determined by the CEO on behalf of the Authority. Staff also proposes the CFC transaction rate not exceed $10.00 per transaction day unless the ordinance is first amended by the Authority. Based on current project cost estimates, a $6 per transaction day CFC will generate sufficient revenue to fund early project costs and to fund debt service for construction bonds.

Presentation for informative purposes only; no Board action required.
Teer presided. Present: Ali, Cole, Hannah, Hunt, 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, Hetzel, Jewett, 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 the Selection of External Audit Firm: Upon a motion by Hannah and second by Ali, the Committee recommends approval of an external audit service contract with Elliott Davis Decosimo, PLLC for $38,000.

   Presented by Donna Sylver, SVP and CFO – According to NC GS § 159-34, each unit of local government and public authority shall have its accounts audited as soon as possible after the close of each fiscal year by a certified public accountant or by an accountant certified by the Commission as qualified to audit local government accounts. The Authority has historically retained the services of an external audit firm an average of 21 years before changing firms. As a fiduciary responsibility to periodically compete for “best value”, and as commissioned by the Finance Committee of the Board of Directors, staff has launched a Request for Proposals (RFP) for external audit services. At the time of this memorandum, staff has not completed the evaluation of the proposals received. At the time of the board meeting on December 17, 2015, staff’s review will be complete and a recommendation will be made for selection of an audit firm for external audit services beginning fiscal years ending March 31, 2016 through March 31, 2017, with the potential extension of 2 additional years.

   Staff recommends approval of an external audit service contract Elliott Davis Decosimo, PLLC for $38,000.
Teer presided. Present: Ali, Cole, Hannah, Hunt, 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, Hetzel, Jewett, 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 Contract Award to T&D Solutions, LLC for Park & Ride 4 Light Pole Replacement:**

   Upon a motion by Ali and second by Kane, the Committee recommends award of a contract to T&D Solutions, LLC, in the amount of $135,206 and authorization for the President and CEO to execute the contract.

   Presented by Ronald Jewett, Director of Facilities Engineering – The project involves replacing several wooden light poles, deteriorated electrical cable, guy wires, and re-tightening several thousand feet of existing electrical cables in the Park & Ride 4 parking lot. This bidding opportunity was advertised on the Authority’s website on October 29, 2015. A pre-bid conference was held on November 6, 2015 and was attended by three contractors. On November 17, 2015, two bids were received: 1) Watson Electrical Construction Co, LLC – $182,780; and 2) T&D Solutions, LLC (Kinston, NC) – $135,206. The Minority and Women-owned Small Business (MWSB) participation goals for this bid were 3% for minority-owned businesses (MSB) and 3% for women-owned businesses (WSB), however, both bidders proposed to self-perform 100% of the work. The bidder’s proposal to self-perform this work is acceptable to Small Business Program Office. Funds for this work are included in Project 080679, FY 2014/2015 Airside Landside Improvements, so no budget action is required to award this contract.

   **Staff recommends award of a contract to T&D Solutions, LLC, in the amount of $135,206 and authorization for the President and CEO to execute the contract.**

2. **Consideration of Consent to Landmark Assignment:**

   Upon a motion by Hunt and second by Kane, the Committee recommends approval of the Consent to Transfer of Control and authorization for the President and CEO to execute the consent document.

   Presented by Erin Locklear, General Counsel – In 1997, the Authority entered into a Facilities Lease and Operating Agreement with Piedmont Aviation Services, Inc. (the “Lease”). The term of the Lease expires March 31, 2022. Through various corporate restructuring and assignment, the Lease was previously assigned to a Piedmont Hawthorne Aviation, LLC d/b/a Landmark Aviation (“Landmark”), which is associated with the Carlyle Group. Landmark’s parent company is being purchased by BBA Aviation, plc. BBA Aviation owns Signature Flight
Support Corporation and will be rebranding all Landmark operations to Signature Flight Support operations. BBA Aviation is large, international company publically traded on the London Stock Exchange. It is headquartered in London and currently operates at 230 locations on 5 continents with over 13,000 employees. BBA Aviation’s businesses are focused on flight support services and the aviation aftermarket, primarily in the business and general aviation sector. BBA’s other businesses include ASIG, Engine Repair and Overhaul (ERO), and Legacy Support.

The Lease requires that Landmark obtain the Authority’s consent to its sale to BBA Aviation. Therefore, the Authority has been asked to execute a Consent to Transfer of Control to indicate consent to the purchase. The consent will not affect the terms of the Lease.

Staff recommends approval of the Consent to Transfer of Control and authorization for the President and CEO to execute the consent document.

3. **Terminal 1 Demolition Update:** Presentation for informative purposes only; no Board action required.

Presented by Tom Quesenberry, VP, Facilities Asset Management – PowerPoint presented with information regarding the demolition recommendations and plans of operations moving forward.

Presentation for informative purposes only; no Board action required.
RALEIGH-DURHAM AIRPORT AUTHORITY
MINORITY AND WOMEN-OWNED SMALL BUSINESS COMMITTEE
MEETING MINUTES
DECEMBER 17, 2015

Ali presided. Present: Cole, Hannah, Hunt, Kane, Teer, 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, Hetzel, Jewett, 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 Edwards – 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.

   - Year to date (April – September 2015) minority-owned small businesses have received 10.3% of all eligible expenditures, women-owned small businesses have received 5.4% of all eligible expenditures. These figures include goods, services and construction activities.

   - In the past quarter (July – September 2015) minority and women-owned small businesses have received 12.7% or $593,539 of all expenditures on goods and services.

   - Minority and women-owned small businesses have received $106,981 or 21.5% of payments made to date on all active construction and construction-related projects. Minority-owned businesses received 19.6% of all payments made to date, while women-owned businesses received 1.9% of all payments through September 30, 2015.

   - At the completion of current projects, MWSBs are expected to have received 16.0% of total contracts. Minority-owned firms are expected to receive 10.2%; women-owned firms are expected to receive 5.8%.

   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).

   Presentation for informative purposes only; no Board action required.
Hannah presided. Present: Ali, Cole, Hunt, Kane, Teer, 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, Hetzel, Jewett, Legan, and Quesenberry, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. **Revenue Diversion Presentation, Part 3**: *Presentation for informative purposes only; no Board action required.*
   
   Presented by Erin Locklear, General Counsel – PowerPoint Presentation outlining information regarding revenue diversion presented and discussed.
   
   Presentation for informative purposes only; no Board action required.
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<td>John M. Kane, Secretary</td>
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<td>Lawrence R. Zucchini</td>
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<td><strong>DURHAM COUNTY</strong></td>
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<td>Patrick Hannah, Esq.</td>
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<td>John T. “Tommy” Hunt</td>
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<td>Dickie Thompson, Chairman</td>
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<td>Farad Ali, Vice Chairman</td>
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<td>Robert D. Teer, Jr., Treasurer</td>
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