RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES
FEBRUARY 18, 2016

Chair Thompson presided. Present: Ali, Cole, Hunt, 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, and Legan, 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 Teer
ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES
Motion by Zucchino to approve the minutes of the January 21, 2016 meeting of the Raleigh-Durham Airport Authority Board, including the committee minutes incorporated therein; Second by Ali
ADOPTED BY UNANIMOUS VOTE

III. OLD BUSINESS
1. Operations Committee Report – Hunt reported the Operations Committee met on February 18, 2016 and discussed the following item(s):
   a. Consideration of Purchase of Six ADA Compliant Kiosks
      Committee recommends approval of an agreement with ARINC in the amount of $112,880 to purchase six new ADA compliant kiosks and authorization for the President and CEO to execute any related agreement.
      Motion by Hunt to adopt Committee’s recommendation; Second by Ali
      ADOPTED BY UNANIMOUS VOTE

   b. Consideration of Two Microsoft Enterprise Agreements with SHI International with Three Year Terms
      Committee recommends approval of two Microsoft Enterprise Agreements with SHI International with three year terms for a total combined cost of $321,122.99 and authorization for the President and CEO to execute the agreements.
      Motion by Hunt to adopt Committee’s recommendation; Second by Ali
      ADOPTED BY UNANIMOUS VOTE

   c. Consideration of Five Year Support Agreement with Oracle
      Committee recommends approval of a support agreement with Oracle in the amount of $63,546.92 per year for 5 years for a total cost of $337,379.20 and authorization for the President and CEO to execute the agreement.
      Motion by Hunt to adopt Committee’s recommendation; Second by Ali
      ADOPTED BY UNANIMOUS VOTE
2. Land and Development Committee Report – Teer reported the Land and Development Committee met on February 18, 2016 and discussed the following item(s):
   a. Consideration of a Contract with Riley Contracting Group, Inc. for Terminal 2 International Gate Expansion
      Committee recommends approval of a contract with Riley Contracting Group, Inc. in the amount of $240,700 and authorization for the President and CEO to execute the contract.
      Motion by Teer to adopt Committee’s recommendation; Second by Zucchino
      ADOPTED BY UNANIMOUS VOTE
   b. Consideration of Negotiated Contract with Low Bidder – Miscellaneous Airfield Pavement Repairs
      Committee recommends approval of a contract with NHM Constructors in an amount not-to-exceed $1,070,399 and authorization for the President and CEO to execute the agreement.
      Motion by Teer to adopt Committee’s recommendation; Second by Zucchino
      ADOPTED BY UNANIMOUS VOTE
   c. Landscape Plan Presentation
      Presentation for informative purposes only; no Board action required.

3. Finance Committee Report – Teer reported the Finance Committee met on February 18, 2016 and discussed the following item(s):
   a. Quarterly Financial Report
      Presentation for informative purposes only; no Board action required.

IV. CHAIR COMMENTS
   1. New hires and promotions recognized
   2. Chair Thompson thanked staff for handling the recent weather events
   3. Chair Thompson talked about Communications efforts to promote Delta’s Paris flight which begins in May
   4. The Board’s Budget Work Session will be held on March 10, 2016 followed by our regularly scheduled Board Meeting, inclusive of Budget Hearing, on March 17, 2016

V. NEW BUSINESS

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

VII. MEMBER COMMENTS
Member Zucchino commented on the recent ULI event held here at the Authority and how well-attended the event was. Kudos to Bill Sandifer for a tremendous effort and great job with the presentation. Member Teer and Chairman Thompson also commented positively on the event. Member Teer thanked staff for their support of the USO.
VIII. PRESIDENT AND CEO’S REPORT
In 2015, fewer than 10 million passengers traveled through RDU. In January, RDU once again posted positive gains in passenger numbers. During the month, the number of passengers traveling through RDU grew 3.6% compared to Jan. 2015. The number of deplaned passengers grew by 2.8%. As part of the Vision2040 process, RDU and its consultants conducted a passenger forecast analysis. During this analysis, expected air travel trends over the next 25 years were reviewed. Despite economic, industry and global events, the demand for air travel continues to increase and should continue to do so in the years to come. RDU has seen sustained growth in air travel over the past few years at RDU and expects that trend to continue. By 2040, RDU could have between 7 to 12 million passengers boarding planes here each year. To put this into perspective, RDU had nearly 5 million passengers boarding planes in 2015.

The Authority is thankful to those who joined the Vision2040 Public Workshops in Raleigh and Durham this month. Throughout this process to date, there have been a few significant conclusions including:

- A reconstruction of 5L/23R and related projects must occur within five years, which will lead to significant investment by the Airport Authority.
- Additional gate capacity is needed in both terminals by 2040, depending on growth scenarios.
- Immediate capacity improvements in Federal Inspection Services are needed to accommodate peak international travels.
- Roadway and intersection improvements are needed.
- Rental car facilities expansion is required to accommodate growth.

The Authority is identifying a list of alternatives for the Master Plan process. This is a list of solutions that will help the Authority meet the demand that is predicted for the next 25 years while also addressing issues that were identified throughout the process. These alternatives will be presented to the public on June 1 and 2. At this time, the Authority will seek feedback from the public on each alternative. Public feedback and interaction are key to Vision2040’s success.

The agreements the Authority signed late last year with Uber and Lyft have required a review of ground transportation ordinances. It has been several years since these ordinances have been reviewed and with the arrival of transportation network carriers, now is a good time for the Authority to update them. Staff has drafted revisions to the current ordinances. On Feb. 25, the Authority will be holding a session for ground transportation providers and others to review the draft revisions and provide insight and ask questions. The session will be held in room 100 of the Authority building from 3 to 5 p.m.

IX. ADJOURNMENT
Motion by Ali to adjourn; Second by Teer

ADOPTED BY UNANIMOUS VOTE
Hunt presided. Present: Ali, Cole, 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, and Legan, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. **Consideration of Purchase of Six ADA Compliant Kiosks:** Upon a motion by Ali and second by Teer, the Committee recommends approval of an agreement with ARINC in the amount of $112,880 to purchase six new ADA compliant kiosks and authorization for the President and CEO to execute any related agreement.

   Presented by Paul Hetzel, Vice President & CIO – The Authority utilizes a total of sixty-seven (67) Passenger Common Use Self Service (CUSS) kiosks in Terminal 2 that customers utilize to check in, print boarding passes, pay for baggage/tickets, and scan passports. These kiosks have become an increasingly important part of passenger processing for the airlines and the airport over the past several years. Due to these new Americans with Disabilities Act requirements, after December 12, 2016, for all new or repositioned kiosks, the Authority must begin to deploy accessible kiosks until a total of 25% of all kiosks in each “location” are accessible. After December 12, 2022, the Authority must have 25% of accessible kiosks in each “location”. Each “location” is defined by the owner of the kiosks; therefore the Authority has defined the “location” to be each ticketing aisle (A - F) for purposes of this recommendation. The Authority has an existing agreement with ARINC for kiosk upgrades. Due to standardization and compatibility considerations, after discussions with ARINC it was determined that it could provide the additional ADA-compliant kiosks at a reasonable cost and timeline. Because ARINC will be servicing the other 67 Kiosks in Terminal 2, it made sense to add the 6 ADA compliant kiosks to the current servicing plan for on-going support. ARINC has a global presence at more than 1,000 airports (including half of the 20-highest rated in the world), and has vast knowledge and experience in self-serve solutions, including CUSS kiosks.

   Staff recommends approval of an agreement with ARINC in the amount of $112,880 to purchase six new ADA compliant kiosks. Additionally, staff requests that the President and CEO be given authority to execute any related agreement.
2. Consideration of Two Microsoft Enterprise Agreements with SHI International with Three Year Terms: Upon a motion by Zucchino and second by Teer, the Committee recommends approval of two Microsoft Enterprise Agreements with SHI International with three year terms for a total combined cost of $321,122.99 and authorization for the President and CEO to execute the agreements. Presented by Paul Hetzel, Vice President & CIO—The Authority has standardized on Microsoft applications for its business platform by using Microsoft Windows and Office for end users as well as backend services such as e-mail, database and servers. It is important to keep these platforms up-to-date as newer versions are released, in order to minimize security-related threats and reduce incompatibilities between versions as users collaborate. A Microsoft Enterprise Agreement has been used to ensure updated products since 2009. A Microsoft Enterprise Agreement provides the Authority with negotiated, discounted pricing on new and existing licenses and the ability to centralize the management of all Microsoft licenses for easier compliance. The proposed agreements allow continued use of the software as well as future upgrades during the agreement period without having to repurchase the software. The Microsoft Enterprise Agreement is a three year, fixed cost agreement based upon the number of licenses requested. The Authority currently has three (3) such agreements, each for specific lines of software:


Microsoft enters into Enterprise Agreements through its partner network. Staff solicited 3 separate quotations from software vendors: SHI International, Dell, and CDW-G responded with quotations. SHI International, a global software and hardware vendor was selected because their price was the lowest. Staff negotiated the merger of Agreement 1 and Agreement 2 into a single agreement for ease of contract and license management. Due to the nature of the software in Agreement 3, the Authority saves money by separating it from the other agreement and renewing it June 30, 2016. The cost of Agreements 1 and 2 combined is $95,964.49 for the first year, and then $84,018.80 annually for years 2 and 3 for a total cost of $264,002.09. The cost for Agreement 3 is $19,040.30 annually for a total of $57,120.90 for three years. The grand total for all contracts for three years is $321,122.99 ($264,002.09 + $57,120.90).

Staff recommends approval of two Microsoft Enterprise Agreements with SHI International with three year terms for a total combined cost of $321,122.99. Additionally, staff requests that the President and CEO be given authority to execute the agreements.
3. **Consideration of Five Year Support Agreement with Oracle:** *Upon a motion by Teer and second by Ali, the Committee recommends approval of a support agreement with Oracle in the amount of $63,546.92 per year for 5 years for a total cost of $337,379.20 and authorization for the President and CEO to execute the agreement.* Presented by Paul Hetzel, Vice President & CIO–In May 2002 the Authority invested $259,078.40 for the Oracle Enterprise Business Suite (EBS) software. Since that time, the Authority has continued paying for software maintenance and technical support each year to receive support and software upgrades on the product. The Authority has continued to pay annually for support renewals, most recently paying $63,499.63 in 2015, $59,846.52 in 2014, and $58,103.44 in 2013. The current support agreement with Oracle expires on March 21, 2016. Staff has negotiated a new rate of $63,546.92 annually for a total of $317,734.60 for 5 years. Without this negotiated rate, the annual payments would be subject to a 3% escalation annually for a total of $337,379.20. This is a 5 year savings of $19,644.60. By continuing to have a support contract, the Authority will continue to receive all future software patches and upgrades of the Oracle EBS software. The Authority will also be able to request and receive support for issues both during the current upgrade as well as in the future for new functionality and general everyday use. 

Staff recommends approval of a support agreement with Oracle in the amount of $63,546.92 per year for 5 years for a total cost of $337,379.20. Additionally, staff requests that the President and CEO be given the authority to execute the agreement.
The Committee discussed the following item(s):

1. **Consideration of a Contract with Riley Contracting Group, Inc. for Terminal 2 International Gate Expansion:** Upon a motion by Ali and second by Zucchino, the Committee recommends approval of a contract with Riley Contracting Group, Inc. in the amount of $240,700 and authorization for the President and CEO to execute the contract.

   Presented by Jim Novak, Director of Facilities Engineering – The purpose of this item is to provide a staff recommendation on the award of a construction contract in connection with the project Terminal 2 International Gate Expansion, RDU 080719. The scope of work involves expanding the current international gate area (C23, C24, & C25) in Terminal 2 to include Gate C21. The project scope includes demolition and new construction work to remove an existing hand rail, remove and reinstall existing metal ceiling panels, installing of two new doors, new electronic security for the doors, new cameras, interior curtainwall, installing new hardware for an existing door to increase the limits of the door swing, installing new structural beam for curtainwall support, adding a fire sprinkler head, electrical work and a new sign. The work is to be accomplished during off hours from 9 PM to 6 AM. All work will be left in a finished state ready for use by the traveling public the next day. The gate will remain fully operational during normal airport business hours. The project was advertised on January 25, 2016. A pre-bid meeting and site tour was conducted on January 29, 2016. Additional site visits were conducted on February 1st, 2nd and 5th. The following bids were received on February 8, 2016: ACH Contractors – $245,000; Riley Contracting Group – $240,700; Salisbury & Moore Construction – $348,220. The low bidder is Riley Contracting Group in the amount of $240,700. The Architect’s estimate is $226,668. The minority and women-owned small business participation goals are 0%. Riley Contracting Group proposed MWSB participation of 0%.

   Staff recommends approval of a contract with Riley Contracting Group, Inc. in the amount of $240,700 and authorization for the President and CEO to execute the contract.
2. Consideration of Negotiated Contract with Low Bidder – Miscellaneous Airfield Pavement Repairs:

Upon a motion by Ali and second by Zucchino, the Committee recommends approval of a contract with NHM Constructors in an amount not-to-exceed $1,070,399 and authorization for the President and CEO to execute the agreement.

Presented by Ronald Jewett, VP of Facility Asset Management – This project includes pavement removal and replacement in four localized areas on the RDU Airfield; Asphalt milling and repaving on Runway 5R-23L; Asphalt milling and re-paving on Taxiway A3; Portland Cement Concrete (PCC) pavement removal and replacement on Taxiway B9; and Portland Cement Concrete (PCC) pavement removal and replacement on Runway 5L-23R. This bidding opportunity was advertised on the Authority’s website on October 30, 2015. A pre-bid conference was held on November 12, 2015 and was attended by four contractors and/or subcontractors. On December 8, 2015, only 2 bids were received. Since State Statutes require at least three bids must be received in formal bidding on the first attempt, the bids could not be opened. The bid opening was re-scheduled for December 18, 2015, and two bids were received as follows.

1) NHM Constructors - $1,184,407.50
2) Barnhill Construction - $1,421,179.25

The Engineer’s estimate was $849,599.12. Since the low bid exceeded the budget for the project, the Board authorized staff at the January meeting to negotiate with the low bidder in order to adjust the scope of the work and pricing where possible in order to bring the cost more in line with the Engineer’s estimate. Quantities have been adjusted by reducing the number of slabs to be replaced on Taxiway B9, the patch on Taxiway A3 has been eliminated, and the procedure for replacing concrete around existing light cans has been re-addressed. The current proposed contract cost is $1,070,399, but negotiations are ongoing and staff believes additional savings are possible.

Staff recommends approve a contract with NHM Constructors in an amount not-to-exceed $1,070,399 and authorize the President and CEO to execute the agreement.

3. Landscape Plan Presentation: Presentation for informative purposes only; no Board action required.

Presented by Ronald Jewett, VP of Facility Asset Management.

Presentation for informative purposes only; no Board action required.
RALEIGH-DURHAM AIRPORT AUTHORITY
QUARTERLY STRATEGIC BOARD MEETING MINUTES
FEBRUARY 23, 2016

Present: Ali, Cole, 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, and Vice President Damiano.

The Meeting discussed the following item(s):

1. Quarterly Strategic Planning Report: Meeting for informative purposes only; no Board action required.
Teer presided via conference. Present: Hannah via conference. Staff present included: President and CEO Landguth and Senior Vice President & CFO Sylver, General Counsel Locklear, staff members Buckingham, Kapocius, and Wynn.

The Meeting discussed the following item(s):

1. An Introduction of new auditors Elliott Davis Decosimo: Meeting for informative purposes only; no Board action required.
Teer presided. Present: Hannah. 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 President Damiano, General Counsel Locklear, Executive Administrative Assistant Rivera, and other staff members and guests.

The draft FY 2016-17 Operating and Capital Budgets, Budget Ordinance and Project Ordinances will be presented to the Authority for consideration of adoption at the upcoming meeting on March 17, 2016.

There being nothing further to come before the meeting, Member Teer adjourned the Budget Work Session.