RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES
NOVEMBER 17, 2016

Chair Thompson presided. Present: Ali (via conference call), Cole, Hannah, Hunt, Kane, Teer and Zucchino. Staff present included: President and CEO Landguth, Senior Vice President & COO Sandifer, Senior Vice President & CRO McFall, Senior Vice President & CFO Sylver, Director & CHRO Umphrey, Vice Presidents Connell, Hetzel, Jewett, Legan, and VanAuken, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.

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

II. APPROVAL OF MINUTES
Motion by Kane to approve the minutes of the October 20, 2016 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. New Hires recognized; retirements recognized
2. The Chairman recognized Krysta Levy from Allegiant Airlines who announced new service to New Orleans, LA
3. Chairman Thompson thanked the Operations and Law Enforcement teams for their outstanding work during the Presidential elections
4. The Chairman, Members Teer and Hunt attended the annual volunteer luncheon; the event was a wonderful affair
5. The Chairman commented on the holiday season rush and how wonderfully our staff services the thousands of people in and out of the terminals during this time; Chairman Thompson wished everyone a blessed Thanksgiving

IV. OLD BUSINESS
1. Operations Committee Report – Hunt reported the Operations Committee met on November 17, 2016 and discussed the following item(s):
   a. Consideration of Agreement with Presidio for Wi-Fi Installation
      Committee recommends approval of an agreement with Presidio for Wi-Fi installation at a cost of $233,632 and for the President and CEO be given authority to execute any necessary documents associated with these services.
      Motion by Thompson to adopt Committee’s recommendation; Second by Teer
      ADOPTED BY UNANIMOUS VOTE

   b. Consideration of Taxi Stand Management Contract to RDU Taxi, Inc.
      Committee recommends approval of a Taxi Stand Management Contract to RDU Taxi, Inc. and approval for the President and CEO to sign the agreement.
      Motion by Thompson to adopt Committee’s recommendation; Second by Kane
ADOPTED BY UNANIMOUS VOTE

2. Land and Development Committee Report – Teer reported the Land and Development Committee met on November 17, 2016 and discussed the following item(s):
   a. Consideration of Lease Agreement with Matheson Flight Extenders, Inc.
      Committee recommends approval of the lease agreement with Matheson Flight Extenders, Inc., and authorization for the President and Chief Executive Officer to execute said agreement.
      Motion by Teer to adopt Committee’s recommendation; Second by Kane

ADOPTED BY UNANIMOUS VOTE

b. Consideration of The Paradies Shops, LLC Terminal 2 Concession Lease Assignment
   Committee recommends approval of The Paradies Shops, LLC assignment to Paradies Lagardere @ RDU, LLC with authorization for the President and CEO to execute all assignment documents.
   Motion by Teer to adopt Committee’s recommendation; Second by Kane

ADOPTED BY UNANIMOUS VOTE

c. Consideration of the Short-List Ranking for a Program and Construction Manager
   Committee recommends authorization to negotiate an agreement with the number 1 ranked firm, Parsons, for the provision of program and construction management services. In the event staff is unable to successfully negotiate an agreement with Parsons, staff will initiate negotiations with the number 2 ranked firm, and so on with the third ranked firm.
   Motion by Teer to adopt Committee’s recommendation; Second by Kane

ADOPTED BY UNANIMOUS VOTE

d. Consideration of a Change Order to Balfour Beatty Construction for Terminal 1 Landscaping Installation
   Committee recommends approval of a change order to Balfour Beatty Construction in the amount of $1,037,276 and authorization for the President and CEO to execute the change order.
   Motion by Teer to adopt Committee’s recommendation; Second by Kane

ADOPTED BY UNANIMOUS VOTE

3. Finance Committee Report – Teer reported the Finance Committee met on November 17, 2016 and discussed the following item(s):
   a. Quarter 2 Fiscal year 16/17 Financial Update
      Presentation for informative purposes only; no Board action required.

ADOPTED BY UNANIMOUS VOTE

4. Minority and Women-Owned Small Business Committee Report – Thompson reported the Finance Committee met on November 17, 2016 and discussed the following item(s):
   a. Small Business Programs Quarterly Report
      Presentation for informative purposes only; no Board action required.
V. NEW BUSINESS

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

VII. MEMBER COMMENTS
Member Cole commented on how important adding new service is to economic development; Member Kane congratulated the Finance Team on an outstanding financial 2nd quarter; all members expressed their wishes to the staff for a wonderful Thanksgiving.

VIII. PRESIDENT AND CEO’S REPORT
RDU has seen 32 straight months of growth and continues to see a year over year increase in passengers. In October, the number of passengers departing RDU rose by 8.8% compared to October 2015. The number of passengers arriving at RDU rose by 8.7%. According to records, October 2016 was the busiest in RDU’s history. Seats will be up approximately 6% for the rest of the year.

The President reflected on his first five years at RDU and the accomplishments the entire team has made:

Upon arrival at RDU, air service development was a top priority. In the past five years, RDU has added three new airlines – Allegiant, Alaska and Frontier. Additionally, new nonstop flights have been added to Seattle, Salt Lake City, Punta Gorda, St. Petersburg, Orlando Sanford, San Francisco, Dallas, Houston, Trenton and New Orleans; and non-stop service to Paris. Many of RDU’s incumbent airlines have also grown including flights to Cancun, Los Angeles, Cleveland, Washington D.C., Newark, Fort Lauderdale, Philadelphia, Denver, and New York’s LaGuardia.

On the facilities side, Terminal 1’s remodel was completed. The project included $65 million in terminal infrastructure improvements and $15 million of ramp work.

From a long term planning perspective, the Authority initiated the airport master planning process designed to address short, medium and long term airport development plans to meet future aviation needs. This included the Board of Director’s approving the Preferred Alternative of Vision 2040 in October, putting RDU on a flight plan for the next 25 years.

The Authority also developed an Airport Strategic Plan which led to the development of an annual Airport Strategic Business Plan and Tactical Plans.

The President, although proud of the accomplishments, expressed his gratitude to the staff for all of their hard work over the past five years in achieving these goals.

As the President made the transition into his position, the Board was concerned with the magnitude of key staff retirements that the Authority would be facing over a short period of time. At the end of this five year period, the Authority has completed this transition successfully.
Over the past 5 years, the Authority has promoted a total of 69 people within the organization. In addition to those accomplishments, the Authority has received numerous awards inclusive of:

- Medium Hub Inclusion Champion
- Triangle Business Journal’s Healthiest Employer in the Triangle, 3 years running
- RTA Transportation Champion Award
- Terminal 1 named Engineering News-Record Southeast’s 2014 Best Project in the Airport/Transit category
- Terminal 1 was awarded LEED Certification by the US Green Building Council.
- Last year, Conde Naste Traveler, a leading travel website, named RDU the ninth best airport in the U.S.

And, lastly, on behalf of the Authority’s exceptional board and team, the President will accept the ARN Medium Hub Airport Director of the Year award next March. What an honor and true reflection of the people who work RDU.

The President built upon Chairman Thompson’s comments related to the holidays. Thanksgiving week is going to be very busy. The Authority is putting out communications to the media, on RDU’s website and via social media to let those who are traveling this holiday know that they will need to plan ahead. The recommendation will be that passengers arrive at RDU 2 hours before their flight departs. This will give passengers the time needed to park, check in with their airline and go through security checkpoint. The Authority is working closely with TSA, who will open the checkpoints early to be ready for the holiday passengers.

The President wished everyone a happy and safe Thanksgiving, and expressed his gratitude to all staff for making the last five years the best of his professional career.

IX. ADJOURNMENT

*Motion by Cole to adjourn; Second by Teer*

ADOPTED BY UNANIMOUS VOTE
Chair Thompson presided. Present: Cole, Hunt, Kane, Teer and Zucchino. Staff present included: President and CEO Landguth, Senior Vice President & CRO McFall, Vice Presidents Hetzel and Jewett.

The Committee discussed the following item(s):

1. **Quarterly Strategic Board Meeting**: Discussion of strategic planning for the airport, matters related thereto and such other matters as were deemed necessary at that time.
The Committee discussed the following item(s):

2. **Consideration of Agreement with Presidio for Wi-Fi Installation:** Upon a motion by Teer and second by Zucchino, the Committee recommends approval of an agreement with Presidio for Wi-Fi installation at a cost of $233,632 and for the President and CEO be given authority to execute any necessary paperwork associated with these services.

   Presented by Paul Hetzel, Vice President and Chief Information Officer – The Authority is starting a project to enhance the wireless coverage (Wi-Fi) in Terminal 2 to support increased wireless density and bandwidth in order to provide an excellent customer experience.

   The primary focus of this project is the public-facing areas of Terminal 2. The Authority intends to implement contemporary wireless (Wi-Fi) technologies to provide higher density and more throughputs for connected devices such as laptops, tablets, and phones. The existing infrastructure is at end of life and will no longer be supported by the manufacturer and does not meet today’s demand for Wi-Fi connectivity. The new technology will double the number of simultaneous connections per wireless access point to 50 and will increase the total capacity to approximately 6,750 simultaneous connections in the terminal overall from today’s mere 1,875 simultaneous connections. Today, RDU is averaging 4,772 connections per day which indicates the current demand is not being met reliably.

   The Authority issued a Request for Proposals. Four companies replied. Three vendors met the requirements of the RFP and, of those, only one response met the requirements and was within the budgeted amount to complete this project. As such, Presidio was chosen as the staff’s recommendation.

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<tr>
<th>Provider</th>
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<tr>
<td>Data Link</td>
<td>$262,438</td>
</tr>
<tr>
<td>Presidio</td>
<td>$233,632</td>
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Staff recommends approval of an agreement with Presidio for Wi-Fi installation at a cost of $233,632 and for the President and CEO be given authority to execute any necessary paperwork associated with these services.

3. **Consideration of Taxi Stand Management Contract to RDU Taxi, Inc.:** Upon a motion by Teer and second by Zucchino, the Committee recommends approval of a Taxi Stand Management Contract to RDU Taxi, Inc. and approval for the President and CEO to sign the agreement.

   Presented by Laurie Suggs, Ground Transportation Administrator – The purpose of this item is to provide a staff recommendation on the award of a taxicab stand management contract to Transportation General d/b/a. RDU Taxi, Inc. The scope of work includes managing taxicab services provided by independent owner/operators displaying RDU Airport Taxi livery, providing continuous taxicab availability from both terminal curbsides and ensuring excellent customer service. RDU Taxi, Inc. is the current contractor and has demonstrated their ability and desire to elevate the customer experience and provide taxicab service from the terminal...
curbs and for inbound passengers. The complaint rate for RDU taxi has been less than 1/10th of 1% for the 8 years they have managed the taxi stands at RDU and serviced over 2.5 million customers. RDU Taxi has continued to meet their DBE goal of 25% and provided RDU Airport with revenue of $225,536 and $237,319 in 2014 and 2015 respectively. Projected revenue for the year 2016 is expected to be $246,792. Staff is recommending a 2 year agreement term with 3 one year option periods that may be initiated by the President and CEO. Forecasted revenue for the first year of the 2 year agreement is $478,168.

Staff recommends approval of a Taxi Stand Management Contract to RDU Taxi, Inc. and approval for the President and CEO to sign the agreement.
RALEIGH-DURHAM AIRPORT AUTHORITY
LAND AND DEVELOPMENT COMMITTEE MEETING MINUTES
NOVEMBER 17, 2016

Teer presided. Present: Cole, Hannah, Hunt, Kane, Thompson and Zucchino. Staff present included: President and CEO Landguth, Senior Vice President & COO Sandifer, Senior Vice President & CRO McFall, Senior Vice President & CFO Sylver, Director & CHRO Umphrey, Vice Presidents Connell, Hetzel, Jewett, Legan, and VanAuken, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. Consideration of Lease Agreement with Matheson Flight Extenders, Inc.: Upon a motion by Teer and second by Kane, the Committee recommends approval of the lease agreement with Matheson Flight Extenders, Inc., and authorization for the President and Chief Executive Officer to execute said agreement.

   Presented by Karen Reynolds, Director of Properties – Matheson Flight Extenders, Inc. (“Matheson”) was awarded a 5-year contract by the US Postal Service to handle mail transported by Federal Express. The contract between Matheson and the Postal Service is effective November 1, 2016. Matheson Flight Extenders, Inc. is the aviation division of Matheson Trucking, Inc., in business since 1964, and they currently perform the USPS contract at 26 other airports. Matheson also ground handles UPS and DHL at some airports. Matheson will lease Unit #3 in north cargo building “D” in order to perform the Postal Service contract. Recognizing a five-year agreement requires Board approval, and the November Board meeting scheduled for the 16th, Matheson requested permission to take occupancy of the north cargo unit effective November 1 so it could meet its contractual obligation to the Postal Service. Therefore, Matheson and the Authority’s President and Chief Executive Officer executed a 30-day agreement with a term of November 1 through November 30, 2016. Staff now requests Board approval of the multi-year agreement between Matheson and the Authority, with a term to commence December 1 and terminate concurrent with the expiration of Matheson’s agreement with the Postal Service (October 31, 2021). The Matheson leasehold is in north cargo building “D”, (building space on two floors and vehicle parking area). Space rates for those areas leased to Matheson are the same as those currently charged Federal Express (for its north cargo leasehold), and the Matheson agreement includes the same space rate escalation of 3% per year.

   Staff recommends approval of the lease agreement with Matheson Flight Extenders, Inc., and authorization for the President and Chief Executive Officer to execute said agreement.

2. Consideration of The Paradies Shops, LLC Terminal 2 Concession Lease Assignment: Upon a motion by Kane and second by Zucchino, the Committee recommends approval of The Paradies Shops, LLC assignment to Paradies Lagardere @ RDU, LLC with authorization for the President and CEO to execute all assignment documents.

   Presented by Ingrid Hairston, Director of Business Development – The Paradies Shops, LLC (“Paradies”) requested approval from the Authority to assign the Paradies Terminal 2 concession lease to the Paradies Lagardere @ RDU, LLC. Paradies Lagardere @ RDU, LLC is a joint venture between Paradies and SB&J Enterprises, Inc. (“SBJ”), a North Carolina Airport Concessions Disadvantaged Business Enterprise (ACDBE). Paradies and SB&J will have a 90% and 10% ownership interest in the joint venture, respectively. Paradies Lagardere @ RDU, LLC will operate the following units: OTC Drugs & More, CNBC, Brooks Brothers, Brighton,
University MarketPlace, University Kids, and PGA Tour Shop. Paradies has a 15% ACDBE goal. They have not been achieving the ACDBE goal, and propose this action to increase performance and compliance. This assignment request allows Paradies to fulfill the ACDBE commitment in the lease.

Staff recommends approval of The Paradies Shops, LLC assignment to Paradies Lagardere @ RDU, LLC with authorization for the President and CEO to execute all assignment documents.

3. Consideration of the Short-List Ranking for a Program and Construction Manager: Upon a motion by Kane and second by Zucchino, the Committee recommends authorization to negotiate an agreement with the number 1 ranked firm, Parsons, for the provision of program and construction management services. In the event staff is unable to successfully negotiate an agreement with Parsons, staff will initiate negotiations with the number 2 ranked firm, and so on with the third ranked firm.

Presented by William C. Sandifer, A.A.E Senior Vice President and Chief Operating Officer – The purpose of this item is to provide a staff recommendation on the short-list ranking for the award of a Program and Construction Management Services agreement for the future replacement Runway 5L/23R, construction of a consolidated rental car facility program, and other miscellaneous projects that may be assigned to the team over the course of the agreement.

On July 1, 2016 the staff issued a Request for Proposals for Prime Firms only, for the provision of program and construction management services for the above referenced projects. Proposals were received on September 9, 2016 from three firms: Jacobs, WSP/Parsons Brinckerhoff, and Parsons. A selection committee was established to review the written proposals and to participate on the oral interview panel. After a review of the proposals it was determined that all three firms were fully qualified to provide the services, and all three firms participated in the oral interview process. At the conclusion of the oral interview, a final short-list ranking was established by consensus of the selection committee as follows:

1. Parsons
2. Jacobs
3. WSP/Parsons Brinckerhoff

The Minority and Women-Owned Small Business (MWSB) participation goals for this contract are 10% for minority-owned firms and 5% for women-owned firms. All firms have committed to exceeding this goal.

Staff recommends authorization to negotiate an agreement with the number 1 ranked firm, Parsons, for the provision of program and construction management services. In the event staff is unable to successfully negotiate an agreement with Parsons, staff will initiate negotiations with the number 2 ranked firm, and so on with the third ranked firm.

4. Consideration of a Change Order to Balfour Beatty Construction for Terminal 1 Landscaping Installation: Upon a motion by Zucchino and second by Kane, the Committee recommends approval of a change order to Balfour Beatty Construction in the amount of $1,037,276 and a 42 day time extension and authorization for the President and CEO to execute the change order.

Presented by Jason Pearson, Director of Buildings & Building Systems – The purpose of this item is to provide staff recommendation on the award of a change order to Balfour Beatty Construction to furnish and install landscaping on the north and south ends of Terminal 1, coinciding with RDU Project 070159 – Terminal 1 North & South Concourse Demolition. The scope of work includes installation of landscaping on the north and south ends of Terminal 1, in accordance with concept and construction documents developed by Stewart and presented at the Board Meeting on July 21, 2016. Services provided include the procurement and installation of landscaping trees, plants, grasses, irrigation, underdrainage and soil amendments. Additionally, the selected landscaping contractor will provide a 1-year warranty on all work, and be required to
maintain the plantings throughout the warranty period. Due to the required growing season for several of the grasses, and the need to complete all site work prior to beginning the installation of the final landscaping, this change order also extends the contractual completion date by 42 days from April 3, 2017 to May 15, 2017. The overall package was bid by Balfour Beatty on behalf of the Authority, with 4 responsible bids being received on October 19, 2016. The staff recommendation is to award the contract to Southern Garden, the lowest responsible bidder. The proposed change order will cost $1,037,276. The Minority and Women-Owned Small Business (MWSB) participation goals for this contract are 10% for minority-owned firms and 7% for women-owned firms. The proposed change order to Balfour Beatty Construction includes MWSB participation of 1% for minority-owned firms and 89% for women-owned firms.

Staff recommends approval of a change order to Balfour Beatty Construction in the amount of $1,037,276 and a 42 day time extension and authorization for the President and CEO to execute the change order.
Teer presided. Present: Cole, Hannah, Hunt, Kane, Thompson and Zucchino. Staff present included: President and CEO Landguth, Senior Vice President & COO Sandifer, Senior Vice President & CRO McFall, Senior Vice President & CFO Sylver, Director & CHRO Umphrey, Vice Presidents Connell, Hetzel, Jewett, Legan, and VanAuken, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. **Quarter 2 Fiscal Year 16/17 Financial Update:** *Presentation for informative purposes only; no Board action required.*
   
   Presented by Donna Sylver, SVP and Chief Financial Officer
   
   Presentation for informative purposes only; no Board action required.
RALEIGH-DURHAM AIRPORT AUTHORITY
MINORITY AND WOMEN-OWNED SMALL BUSINESS COMMITTEE MEETING MINUTES
NOVEMBER 17, 2016

Chair Thompson presided. Present: Ali (via conference call), Cole, Hannah, Hunt, Kane, Teer and Zucchino. Staff present included: President and CEO Landguth, Senior Vice President & COO Sandifer, Senior Vice President & CRO McFall, Senior Vice President & CFO Sylver, Director & CHRO Umphrey, Vice Presidents Connell, Hetzel, Jewett, Legan, and VanAuken, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.

The Committee discussed the following item(s):

1. **Small Business Programs Quarterly Report**: Presentation for informative purposes only; no Board action required.

   Presented by Thiane Carter, Procurement Supervisor
   Presentation for informative purposes only; no Board action required.