RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES
MARCH 21, 2019

Vice Chair Kane presided. Present: Hannah, Kushner, Morgan, Teer, Thompson and Wallace. Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and Chief HR Officer Umphrey, Vice Presidents Jewett, and Legan, General Counsel Locklear, Executive Assistant Rivera, and other staff members and other guests.

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

II. APPROVAL OF MINUTES
    Motion by Hannah to approve the minutes of the February 21, 2019 meeting of the Raleigh-Durham Airport Authority Board, including consent actions and the committee minutes incorporated therein and the minutes of the March 1, 2019 special meeting of the Raleigh-Durham Airport Authority Board; Second by Morgan
    ADOPTED BY UNANIMOUS VOTE

III. VICE CHAIR COMMENTS
    1. Vice Chair Kane welcomed everyone.
    2. New hires were welcomed.
    3. Vice Chair Kane recognized new Board member Napoleon Wallace, representing the City of Durham, detailing Mr. Wallace’s background and current position as a Senior Fellow with Frontline Solutions. Mr. Wallace expressed appreciation for the welcome and his appointment to the Board.
    4. Vice Chair Kane gave a brief recap of the Board’s budget work session on March 14, 2019 and thanked staff for their work in creating the FY19/20 proposed budget. He detailed the procedure that would be followed for receiving public comments on the proposed budget, including the option for submitting written comments today in lieu of oral comments. Vice Chair Kane noted that the public comment period would begin at the conclusion of the Board’s new business and gave the rules of decorum for speakers.

IV. OLD BUSINESS
    1. Operations Committee Report – Thompson reported the Operations Committee met on March 21, 2019 and discussed the following items:

1 Vice Chair Kane announced that a closed session would be added at the end of the meeting for the purpose of discussing a personnel matter pursuant to NCGS §143-318.11(a)(1) and (6).
2. Land and Development Committee Report – Teer reported the Land and Development Committee met on March 21, 2019 and discussed the following items:

   a. Consideration of Second Amendment to Master Agreement with Parsons Transportation Group for FY 19/20 Program and Construction Management Services
      Committee recommends approval of the Second Amendment to the Master Agreement with Parsons Transportation Group in the maximum amount of $2,176,574 for FY 19/20 and authorization for the President and CEO to execute this amendment.
      
      Motion by Teer to adopt Committee’s recommendation; Second by Morgan
      
      ADOPTED BY UNANIMOUS VOTE

   b. Consideration of a Master Consultant Services Agreement with Landrum & Brown
      Committee recommends approval of the Master Consultant Services Agreement with Landrum & Brown, and authorization for the President and CEO to execute the agreement.
      
      Motion by Teer to adopt Committee’s recommendation; Second by Morgan
      
      ADOPTED BY UNANIMOUS VOTE

   c. Consideration of Construction Phase Services Agreement with Parsons Transportation Group
      Committee recommends approval of an Agreement with Parsons Transportation Group, in the amount of $4,618,888 and authorization for the President and CEO to execute the Agreement.
      
      Motion by Teer to adopt Committee’s recommendation; Second by Morgan
      
      ADOPTED BY UNANIMOUS VOTE

   d. Consideration of a Construction Phase Amendment with Balfour Beatty Construction for Terminal 1 Airline Operations Space Buildout
      Subject to approval of the FY2019-20 budget, Committee recommends approval of this Construction Phase Amendment with Balfour Beatty Construction, and authorization for the President and CEO to execute the amendment.
      
      Motion by Teer to adopt Committee’s recommendation; Second by Morgan
ADOPTED BY UNANIMOUS VOTE

e. Consideration of Task Order 12 with Gensler for Terminal 1 Airline Operations Space Buildout
   Subject to approval of the FY2019-20 budget, Committee recommends approval of Task Order 12 with Gensler in an amount not to exceed $513,484, and authorization for the President and CEO to execute the task order.

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

ADOPTED BY UNANIMOUS VOTE

f. Consideration of Agreement with Parsons Transportation Group for Terminal 1 Airline Operations Space Buildout
   Subject to approval of the FY2019-20 budget, Committee recommends approval of an Agreement with Parsons Transportation Group, in the amount of $946,214, and authorization for the President and CEO to execute the Agreement.

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

ADOPTED BY UNANIMOUS VOTE

g. Consideration of Conceptual Design Drawings for BurgerFi and Jason’s Deli
   Committee recommends approval of the conceptual design drawings for BurgerFi and Jason’s Deli.

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

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda:
   a. Consideration of Master Services Agreements with Three On-Call Spill Response Contractors
   b. Consideration of Service Agreement with Casper Airport Solutions for Noise and Operations Monitoring System
   c. Consideration of Amendment Three to the Staffing Services Contract with SP+ Airport Services
   d. Consideration of Service Agreement with Sprocket Software Development, Inc.
   e. Consideration of Additional Solutions & Services Order Form to Revenue Management System Agreement with IDeaS
   f. Consideration of Terminal Concession Agreement with CTN Service Agency, Inc.
   g. Consideration of Oracle EBS Technical Support Services Agreement
   h. Consideration of Revision to the Records Management Policy
   i. Consideration of Agreement with ASKREPLY, Inc. for Contract Compliance Software
Motion by Thompson to approve and adopt the Consent Agenda items a-d and f-i listed; Second by Hannah

ADOPTED BY UNANIMOUS VOTE

Motion by Thompson to approve and adopt the Consent Agenda item e listed; Second by Hannah

ADOPTED BY UNANIMOUS VOTE

2. Budget Public Hearing
   Vice Chair Kane opened and presided over a public hearing related to the budget as required by NCGS §159-12. Betsy Beals expressed concern regarding Authority expenditures and notifications to her as an adjoining property owner. Dr. Jean Spooner detailed the benefits of state parks and other options that could move the airport forward in the public image. She expressed that the community and the airport could continue communications and collaborations to improve budgetary and partnership opportunities.

   There being no further speakers, Vice Chair Kane conveyed the Board’s appreciation for the public’s attendance and comments and he closed the hearing.

3. FY 2019-20 Budget Adoption
   Motion by Thompson to adopt the proposed Fiscal Year 2019-2020 Operating and Capital Budgets, Budget Ordinance and associated Project Ordinances; Second by Hannah

   ADOPTED BY UNANIMOUS VOTE

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

VII. MEMBER COMMENTS
   New hires were congratulated. Board members welcomed Napoleon Wallace, who expressed appreciation for being on the Board and for the assistance given him to become more familiar with the airport and ongoing projects. The public was thanked for its attendance and input. The Board expressed appreciation to staff for their work on the budget, and for their contribution to the great travel year experienced by RDU in FY18-19. Continued support for the USO was encouraged. Kushner shared a late night arrival travel experience at RDU and appreciation for the staff working the night shift.

2 Morgan recused himself due to a conflict of interest and abstained from voting
VIII. PRESIDENT AND CEO’S REPORT

Welcome
Good afternoon Board Members, Team RDU, business partners, and guests who have joined us today.

Activity Report
February was another record-setting month for passenger traffic. Last month, RDU enplaned more than 443,374 passengers. That’s a 9.4 percent increase when compared to February 2018.

Washington D.C. Trip
On March 6-8, I went to Washington D.C. to visit the entire North Carolina congressional delegation. My goal was to educate the North Carolina delegation on RDU’s transportation infrastructure funding needs. Here is what I shared with them.

- The Raleigh-Durham International Airport is a critical driver of job creation, prosperity and quality of life throughout North Carolina’s Research Triangle region, and its economic footprint in the community continues to grow.
- RDU has a $12.6 billion dollar annual economic impact and supports more than 86,000 regional jobs.
- RDU’s Vision 2040 airport master plan was approved in 2016. Since then, passenger volumes have outpaced projections and is now eight years ahead of schedule. That growth has accelerated the timeline for many deferred projects and ballooned the $2.7 billion program to almost $3.7 billion.
- The critical infrastructure project identified in the 25 year plan was the replacement of RDU’s primary runway, 5L-23R.
- Runway 5L-23R opened in 1986 and is near its end-of-life.
- RDU must rehabilitate the current runway by replacing sections of deteriorating concrete until a new, longer runway can be built. That repair will take six months each and every year the existing runway remains in operation, until the new runway is replaced.

I also shared with them the inequity of federal funding RDU has received over the years, including:

- RDU historically received only 4.5 cents in federal funding for every dollar of taxes paid by RDU passengers into the Airport and Airway Trust Fund (AATF).
- Part of the problem is RDU keeps only a fraction of the entitlement funding it is eligible to receive.
- Because of how the federal program is designed, RDU has given back approximately $52 million dollars of its (AIP) entitlement dollars since 2010.
- The citizens of this region deserve their fair share of federal funding.

My request was simple to the elected officials:
1) Help RDU Replace Its Primary Runway. The cornerstone project of RDU’s Vision 2040 master plan is the replacement of our flagship runway. RDU needs help funding the $350 million project to enhance our region’s connectivity.

2) Modernize the Passenger Facility Charge (PFC). The PFC is a user fee customers pay for using airport facilities. The federal cap on PFCs has not increased since 2000. Increasing the outdated federal cap would allow airports to address their infrastructure needs.

3) Expand the Airport Improvement Program (AIP). Airports Council International North America recently completed an analysis of the capital needs for the commercial service airports in the United States. Over the next 5 years, airports will need $128 billion dollars. The current program will only provide $16.75 billion over five years, leaving a $100 billion shortfall in funding.

I am asking our RDU customers to show their support for a PFC increase by contacting the North Carolina Congressional Delegation, to let them know you support raising the PFC cap so we can pay for our runway. Contact information for the Congressional Delegation, along with talking points, are available at the doors. Please feel free to take one on your way out.

IX. CLOSED SESSION

Motion by Kane to go into a closed session for the purpose of discussing a personnel matter pursuant to NCGS §143-318.11(a)(1) and (6); Second by Hannah

ADOPTED BY UNANIMOUS VOTE

Motion by Hannah to exit out of closed session; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

Motion by Teer to give Michael Landguth a 6% salary increase and a 12-1/2% bonus payment; Second by Hannah

ADOPTED BY UNANIMOUS VOTE

X. ADJOURNMENT

Motion by Hannah to adjourn; Second by Thompson

ADOPTED BY UNANIMOUS VOTE
The Board approved the following items on the Consent Agenda:

a) Consideration of Master Services Agreements with Three On-Call Spill Response Contractors

   Memorandum by Ellis Cayton, Director of Planning and Gina Danison, Environmental Program Administrator – The Authority is required to enter into two agreements with spill response contractors to comply with EPA Facility Response Plan requirements. These contractors must be able to respond to a worst case scenario discharge (36,000 gallons and higher). The Authority issued a Request for Qualifications (RFQ) and also requested firms that would respond to medium (2,100-36,000 gallons) as well as small (less than 2,100 gallons) spills, to supplement limited staff with appropriate spill response training. Based on review of the proposals received, staff requests approval of Master Services Agreements with three on call contractors: Environmental Products & Services of Vermont, Inc. (EPS), HEPACO, LLC, and SWS Environmental Services (SWS). EPS and HEPACO could be utilized to respond to small spills, and HEPACO and SWS could be utilized to respond to medium and worst case discharges. Each proposed agreement would be for an initial three years, with optional two one-year extensions.

   The compensation to each contractor will be up to $4,000 per year, to cover annual training and site familiarization. Any fees associated with a spill would be billed at the hourly rates stated in each agreement and paid via emergency Task Order/Purchase Order.

   The Minority and Women-owned Small Business (MWSB) goals for these agreements are 0% for Minority-owned small business (MB) and 0% for Women-owned small business (WB), due to the specialized work and niche market. No MWSB firms responded to the RFQ. Should an emergency event arise, there is potential to utilize an MWSB entity for supply purchases, which would be on an incident-by-incident basis.

   Staff requests approval of a Master Services Agreement with each of the on-call contractors, Environmental Products & Services of Vermont, Inc., HEPACO, LLC, and SWS Environmental Services and authorization for the President and CEO to execute these Agreements.

b) Consideration Service Agreement with Casper Airport Solutions for Noise and Operations Monitoring System

   Memorandum by Ellis Cayton, Director of Planning and Environmental, Rachel Stair, Planning and Environmental Officer, and Armando Tovar, Noise Officer – Staff requests approval of a five year Service Agreement with Casper Airport Solutions for the implementation, maintenance and operation of a new Noise and Operations Monitoring System (NOMS). In July 2017, the Authority engaged an on-call environmental consultant to evaluate the existing NOMS, prepare technical specifications for a Request for Proposals (RFP), and assist the
Authority in reviewing proposals. The Authority issued a RFP on June 26, 2018 to replace the NOMS with a turn-key system, with pricing information for a five year period. Proposals were received from the following firms: 1) Casper Airport Solutions; 2) Harris Corporation; and 3) MS Bruel & Kjaer.

At the January 29th, 2019 special meeting of the Board, staff presented a briefing concerning the NOMS, and recommended the selection of Casper Airport Solutions (Casper). Casper proposes to provide the base NOMS software, six (6) permanent noise monitors, a public flight tracker website, complaint module, and ongoing service for a term of five (5) years at an amount of $473,500.

The Minority-owned Small Business (MB) commitment for this contract is 11% and the Women-owned Small Business (WB) commitment is 8%. Casper proposes subcontracting the operation and maintenance of the permanent noise monitors. This has been reviewed by the Authority’s Small Business Program Office.

Staff requests approval of a five year Service Agreement with Casper Airport Solutions in the amount of $473,500 and authorization for the President and CEO to execute the agreement.

c) Consideration of Amendment Three to the Staffing Services Contract with SP+ Airport Services

Memorandum by Laurie Suggs, Ground Transportation, Parking Business Manager – Staff requests consideration of Amendment Three to the Staffing Services Contract with SP+ Airport Services (SP+). The need for increased staffing at Gate 55 to 24 hours daily is due to the increase in airline flight activities such as aircraft catering and cleaning services, cargo movement, the addition of new airlines, and increased ground support activities. This proposed amendment would increase the current staffing hours at Gate 55 to the needed 24-hours coverage. The projected increase of the annual maximum payment amounts under SP+’s contract for the remaining 1.5 years term, for this increased security staffing at Gate 55 is $39,362.41 as shown in the chart below.

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Staff requests approval of Amendment Three to the Staffing Services Contract with SP+ Airport Services at additional cost of $39,362.41 for the remaining contract term and approval for the President and CEO to execute the amendment.
d) Consideration of Service Agreement with Sprocket Software Development, Inc.
Memorandum by Laurie Suggs, Ground Transportation, Parking Business Manager – Staff requests approval of a three (3) year Service Agreement with Sprocket Software Development, Inc. (Sprocket) at a yearly cost of $4,950. Since a competitive bid process in 2015, the Authority has successfully utilized Sprocket’s proprietary license plate inventory (LPI) software to inventory all of the public parking spaces, providing staff with exact vehicle locations and their associated length of stay. This information assists customers in locating their vehicles, serves as a secondary resource to ensure that parking revenue is captured, and provides necessary information for abandoned vehicle tracking and other law enforcement-related purposes. Sprocket has been very responsive in addressing the Authority’s issues and support requests.

Staff requests approval of a three year Service Agreement with Sprocket Software Development, Inc. at a yearly cost of $4,950 and approval for the President and CEO to execute the agreement.

e) Consideration of Additional Solutions & Services Order Form to Revenue Management System Agreement with IDeaS
Memorandum by Jeffrey A. Slayton, PMP, Director of Parking and Ground Transportation – In November 2018, the Authority entered into a three year Agreement with IDeaS, a SAS company, for a Revenue Management System (RMS) to effectively perform parking product yield management and price optimization for all RDU parking facilities. The terms of the Agreement provided licenses and set-up costs for the existing Park Premier, Park Central, and Park Economy parking facilities at a total cost of $173,600. With the introduction of the new Park Express facility proposed in May 2019, staff requests approval to enter into an Additional Solutions & Services Order Form, under the existing three year Agreement with IDeaS, to add Park Express to the RMS, at a total cost of $5,950 which includes the annual license cost of $1600.

Staff requests approval of the Additional Solutions & Services Order Form to the Agreement with IDeaS in the amount of $5,950, and authorization for the President and CEO to execute the Additional Solutions & Services Order Form.

f) Consideration of Terminal Concession Agreement with CTN Service Agency, Inc.
Memorandum by Ingrid Hairston, Director of Business Development – CTN Service Agency, Inc. (CTN Service) operates a shoeshine service in Terminal 2, offering basic shine and cleaning services for shoes, handbags, leather belts and briefcases. CTN Service also sells retail items such as shoe cream and polish and other products to customers. This proposed Terminal Concession Agreement is for the operation of a shoeshine service concession by CTN Service at Raleigh-Durham International Airport and would replace the current agreement that commenced in October 2013 and provided concession spaces in Terminals 1 and 2. The new
agreement provides for the relocation of the Terminal 2 space to two separate locations in Terminal 2: Concourse C Gate C3 and Concourse D Gate D3, allowing for the provision of shoeshine service to passengers on both of these Concourses. CTN Service will pay concession fees equal to the higher of Minimum Annual Guarantee of $8,533.32 or a percentage fee of 10% of gross receipts. The proposed agreement has a term of three years, commencing on April 1, 2019 and expiring on March 31, 2022, with two one-year options to renew. Either the Authority or Concessionaire must exercise the renewal options by giving a minimum of ninety (90) days written notice to the other party prior to the end of the current term.

Staff requests approval of the Terminal Concession Agreement with CTN Service Agency, Inc. and authorization for the President and CEO to execute the agreement.

g) Consideration of Oracle EBS Technical Support Services Agreement

Memorandum by Chuck McFall, Senior Vice President, Chief Information and Strategy Officer – Oracle E-Business Suite is the Enterprise Resource Planning (ERP) product that Authority uses for Purchasing and Payables as the repository for all financial transactions. Staff requests approval of a five year Oracle Public Sector Technical Support Services Agreement (TSSA). This agreement is the overarching agreement that provides the Authority with the opportunity to place orders directly with Oracle. There are no obligations or commitments due from the Authority and the executed TSSA will allow the Authority to purchase Oracle E-Business Suite software support and maintenance and receive software updates, software patches, and 24x7 support.

Staff requests approval of the Oracle Public Sector Technical Support Services Agreement and authorization for the President and CEO to execute the Agreement.

h) Consideration of Revision to the Records Management Policy

Memorandum by Chuck McFall, Senior Vice President, Chief Information and Strategy Officer – Staff requests approval of proposed version 2 to the Authority’s Records Management Policy (Policy). The initial Policy was approved and adopted by the Board on December 18, 2014 and has continued in effect. The Policy requires a periodic review, which resulted in the need to revise the Custodian of Records as defined in the Policy. The previous custodian listed was the Governance, Programming and Security Manager, which is no longer an active position. The new custodian will be the Director of Network Security within the Information Services Division. No additional changes to the Records Management Policy are required at this time. Staff will continue to review the Records Management Policy every two years, or more frequently as circumstances warrant.

Staff requests approval of version 2 of the Records Management Policy with the adoption and effective date being the date of approval and authorization for the Vice Chair and the President and CEO to execute the Policy.
i) Consideration of Agreement with ASKREPLY, Inc. for Contract Compliance Software

Memorandum by Thiané Carter, Small Business Program Officer – The Authority has successfully utilized ASKREPLY, Inc., trading as B2GNow (B2GNow), since 2013, and staff is now requesting approval of a five (5) year agreement with B2GNow for a diversity contract compliance software-as-a-service solution, at a total cost of $87,790. The software is comprised of various modules, which monitor vendor compliance with the Authority's Disadvantaged Business Enterprise (DBE), Airport Concessions DBE, and Minority and Women-owned Small Business (MWSB) programs. Further, it provides a mechanism enabling the Authority to monitor its DBE/ACDBE/MWSB goal attainment, certify entities as MWSB/ACDBE/DBE firms for utilization, and maintain the various compliance requirements of federal guidelines.

In 2015, Federal Aviation Authority (FAA) selected B2GNow as its service provider for software related to the DBE and ACDBE program management. This direct relationship between the FAA and B2GNow has allowed the software to remain compliant and responsive to updated reporting requirements and changes in FAA guidance. B2GNow provides a stable, well-known product with which to monitor the diversity programs.

Staff requests approval of a five year agreement with ASKREPLY, Inc. (B2GNow) in the amount of $87,790 and authorization for the President and CEO to execute the agreement.
RALEIGH-DURHAM AIRPORT AUTHORITY
OPERATIONS COMMITTEE MEETING MINUTES
MARCH 21, 2019

Thompson presided. Present: Hannah, Kane, Kushner, Morgan, Teer and Wallace. Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CHRO Umphrey, Vice Presidents Connell, Jewett, and Legan, General Counsel Locklear, Executive Assistant Rivera and other staff members and guests.

Before beginning the items on the Operations Committee agenda, Donna Sylver, Senior Vice President and Chief Finance Officer briefed the Board on a minor error in the proposed FY19-20 budget regarding the rates and charges section for unassigned gate usage. Ms. Sylver noted that correction of this error has less than a 1% impact on revenue. The Board discussed the Authority’s flexibility to increase gate fees, and gate changes being made due to ongoing taxiway and runway improvements. This update was for informational purposes only.

The Committee discussed the following item:

1. Consideration of Agreement with MV Transportation, Inc. for Park Express Staffing and Shuttles:

Upon a motion by Teer and second by Thompson, the Committee recommends approval of a three (3) year Agreement with MV Transportation, Inc., at a cost not-to-exceed $5,213,716, with two one-year options, and authorization for the President and CEO to execute the Agreement.

Presented by Jeffrey A. Slayton, PMP, Director of Parking and Ground Transportation – As the airport continues to experience enplanement growth year over year, parking demand in the terminal garages continues to increase. Currently, on a weekly basis, the terminal area parking garages fill to capacity, resulting in the diversion of approximately 600 customers to alternate parking options. Some customers utilize the Park Economy lots, which are 50% less expensive than the airport’s garages, while others utilize off-site competitors’ trunk-to-terminal services.

Based on demand, customer feedback, planned construction, and a desire to mitigate potential revenue loss, staff developed a trunk-to-terminal parking product to operate out of the Authority’s Parking Lot 2 facility (which is currently closed). This facility has 1,005 available parking spaces and is located within 3 minutes of the terminal buildings. Staff prepared a pro forma based on the product being priced at $2/hour for the first four hours then, a daily max of $12/day for drive up customers. This product can be booked online for an introductory rate of $9/day and will be dynamically priced using the Authority’s revenue management system.

After a competitive Request for Proposals process, staff determined that MV Transportation, Inc. submitted the best overall proposal to manage, operate and staff a trunk-to-terminal service using eight ADA compliant fourteen passenger shuttles. The proposed Agreement with MV Transportation, Inc. would be for three years, at a cost not to exceed $5,213,716, with two one-year extension options.
MV Transportation, Inc. has over 40 years of proven experience in the ground transportation industry, currently managing shuttle operations for airports, local governments, and universities. Additionally, the company is rooted in the local community, operating a full service facility in Cary, NC as well as providing service for Go Triangle and Go Cary. An added benefit to the Authority is that additional shuttles and staff are readily available to maintain the integrity of operation at RDU.

Dan Miller, Vice President of Marketing, gave a brief update on marketing concepts for the new parking product and that there has been positive customer feedback from initial testing of the online booking process.

Staff requests approval of a three (3) year Agreement with MV Transportation, Inc., at a cost not to exceed $5,213,716, with two one-year options, and authorization for the President and CEO to execute the Agreement.
RALEIGH-DURHAM AIRPORT AUTHORITY
LAND AND DEVELOPMENT COMMITTEE MEETING MINUTES
MARCH 21, 2019

Teer presided. Present: Hannah, Kane, Kushner, Morgan, Thompson and Wallace. Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CHRO Umphrey, Vice Presidents Connell, Jewett, and Legan, General Counsel Locklear, Executive Assistant Rivera and other staff members and guests.

The Committee discussed the following items:

1. Consideration of Second Amendment to Master Agreement with Parsons Transportation Group for FY 19/20 Program and Construction Management Services: Upon a motion by Kane and second by Teer, the Committee recommends approval of the Second Amendment to the Master Agreement with Parsons Transportation Group in the maximum amount of $2,176,574 for FY 19/20 and authorization for the President and CEO to execute this amendment.

   Presented by William C. Sandifer, A.A.E., Senior Vice President and Chief Operating Officer – Staff requests approval of the Second Amendment to the Master Agreement with Parsons Transportation Group (Parsons) for Program and Construction Management Services (PM/CM Services). Under this proposed amendment, for the Authority’s 2019/2020 fiscal year, Parsons’ staff will assist the Authority’s staff with the management of multiple design and construction projects. Some of the PM/CM Services to be provided by Parsons are: quality assurance, project and construction management, document and cost control, change order and design management and reviews, contract management, program management software implementation and project inspection services.

   The maximum compensation that can be requested under this proposed Second Amendment for services is $1,836,056.00, and for reimbursable expenses is $340,518.00, for maximum total compensation for FY19/20 totaling $2,176,574.

   The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10.0% for Minority-owned Small Businesses (MB) and 5.0% for Women-owned Small Businesses (WB). MB and WB participation goals remain unchanged for this Second Amendment and Parsons’ committed goals are 11.7% MB and 13.4% WB.

   Staff requests approval of the Second Amendment to the Master Agreement with Parsons Transportation Group in the maximum amount of $2,176,574 for FY 19/20 and authorization for the President and CEO to execute this amendment.

2. Consideration of a Master Consultant Services Agreement with Landrum & Brown: Upon a motion by Kane and second by Teer, the Committee recommends approval of the Master Consultant Services Agreement with Landrum & Brown, and authorization of the President and CEO to execute the agreement.
Presented by William C. Sandifer, A.A.E., Senior Vice President and Chief Operating Officer – This item provides a staff recommendation on the approval of a Master Consultant Services agreement with Landrum & Brown for development of an Environmental Impact Statement for the Runway 5L/23R Replacement program.

On March 1, 2018 staff issued a Request for Qualifications (RFQ) for the selection of a qualified consulting team to develop an Environmental Impact Statement for the Federal Aviation Administration related to the Runway 5L/23R replacement program. Staff reviewed proposals and on June 1, 2018 presented to FAA the short-list of consultants selected for interview.

The following two firms were selected for interview:
1. Landrum & Brown
2. Mead & Hunt

The FAA interviewed these two firms in August of 2018 and made a selection in October. A kick-off meeting was held on February 5 and 6, 2019 in the Airport Authority offices, and FAA requested that the Authority proceed with approval of a Master Agreement. The Master Agreement is the same form currently being used by Facility Asset Management. The initial term of the Agreement is three (3) years, with two (2), one (1) year options exercisable at the sole discretion of the Authority. Task Orders will be issued based on the scope and sequence of work. 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.

Staff requests approval of the Master Consultant Services Agreement with Landrum & Brown, and authorization of the President and CEO to execute the agreement.

3. Consideration of Construction Phase Services Agreement with Parsons Transportation Group: Upon a motion by Kane and second by Teer, the Committee recommends approval of an Agreement with Parsons Transportation Group, in the amount of $4,618,888 and authorization for the President and CEO to execute the Agreement.

Presented by Ronald Jewett, Vice President Facility Asset Management – Under its Master Agreement, Parsons Transportation Group (Parsons) is to provide Program and Construction Management Services on projects. This proposed Agreement’s scope includes assisting Authority staff in administration of the construction; providing Resident Project Representative Services; and providing material Quality Assurance Testing and Surveying as necessary.

The W RON Apron Rehabilitation project includes hangar, pavement and utility demolition; and construction of a new concrete apron, taxiway connectors and a new service road, utilities, drainage structures, fencing, security equipment and airfield lighting and signs. Parsons’ staffing plan through project closeout includes: Full-time Sr. Civil Inspector with support of part-time Civil, Electrical and Mechanical Inspectors for the duration of construction as well as Quality Assurance Materials Testing and Surveying support services, supported by a part-time Project
Manager, Document Controls Manager, Scheduler and Estimator.

The Runway 5L-23R Pavement Preservation project includes demolition of existing concrete slabs and construction of new concrete slabs including in-pavement runway lighting as required. The project will be constructed in four work periods (April-June and September- November) over a 454 calendar day period, coordinated with RDU stakeholders to minimize operational impacts. Parsons’ staffing plan through project closeout includes: Full-time Sr. Civil Inspector and full-time Civil Inspector with support of part-time Civil and Electrical Inspectors for the duration of construction. Two full-time inspectors (due to the 18 hours daily work period). The team also includes Quality Assurance Materials Testing and Surveying support services, supported by a part-time Project Manager, Document Controls Manager, Scheduler and Estimator.

The maximum compensation that can be requested under this Agreement for services is the not-to-exceed amount of $4,355,938, for reimbursable expenses is $262,950, for a total proposed Agreement amount of $4,618,888. The existing budgets for these two projects are sufficient for this proposed Agreement.

The Minority and Women-owned Small Business (MWSB) participation contract goals are 10% MB and 5% WB. Parsons’ MWSB commitment in this proposed Agreement is 11.6% MB and 31.4% WB, which exceeds both goals and was reviewed by the Authority’s Small Business Program Office.

Staff requests approval of an Agreement with Parsons Transportation Group, in the amount of $4,618,888 and authorization for the President and CEO to execute the Agreement.

4. Consideration of a Construction Phase Amendment with Balfour Beatty Construction for Terminal 1 Airline Operations Space Buildout: Upon a motion by Kane and second by Teer, subject to approval of the FY2019-20 budget, the Committee recommends approval of this Construction Phase Amendment with Balfour Beatty Construction, and authorization for the President and CEO to execute the amendment.

Presented by Jaymes Carter, Director of Buildings and Building Systems – Renovation to the South end of Terminal 1 continues and Balfour Beatty Construction, the Authority’s building construction manager at-risk (CMR), is bidding the renovation work in three separate packages. Early Package #1 was presented to the Board at the February 21, 2019. This request involves Early Package #2 regarding passenger boarding bridges and the baggage handling system, which the CMR advertised on January 13, 2019. Bids were received on February 8 and 20, 2019. The Terminal 1 Airline Operations Space Buildout includes renovation in the ticketing lobby for installation of common use airline check-in counters and customer queuing, and adjacent “back-of-house” space will be up-fitted for airline offices, storage and TSA bag screening operations. A new building will be constructed to accommodate bag make-up operations. Two of the existing passenger boarding bridges will be re-furbished and put into service at Gates A-3 and A-4, while
two passenger boarding bridges will be removed from Gates A-1 and A-2 so that one airline’s customers can board from ramp/ground level. The cost of the work element is based upon the low, responsible bids received and this proposed amendment establishes the Contract Amount (Fixed Guaranteed Maximum Price) and authorizes construction phase services of the CMR.

<table>
<thead>
<tr>
<th>Component</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of the Work</td>
<td>$ 4,973,953</td>
</tr>
<tr>
<td>Contractor’s Contingency (5%)</td>
<td>$ 248,698</td>
</tr>
<tr>
<td>Contractor’s Construction Fee (3.5%)</td>
<td>$ 200,608</td>
</tr>
<tr>
<td>Reimbursable General Conditions</td>
<td>$ 630,695</td>
</tr>
<tr>
<td>Construction Phase Amendment (GMP)</td>
<td>$ 6,053,954</td>
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</tbody>
</table>

The Minority and Women-Owned Small Business (MWSB) goals were set and participation commitments were received and reviewed by the Authority’s Small Business Program Office:

<table>
<thead>
<tr>
<th>Project Description</th>
<th>MSB Goal %</th>
<th>WSB Goal %</th>
<th>Bid Commitment MSB %</th>
<th>Bid Commitment WSB %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balfour Beatty Constr. Services</td>
<td>10.0</td>
<td>5.0</td>
<td>3.98</td>
<td>6.10</td>
</tr>
</tbody>
</table>

Subject to approval of the FY2019-20 budget, staff recommends approval of this Construction Phase Amendment with Balfour Beatty Construction, and authorization for the President and CEO to execute the amendment.

5. Consideration of Task Order 12 with Gensler for Terminal 1 Airline Operations Space Buildout:

Upon a motion by Kane and second by Teer, subject to approval of the FY2019-20 budget, the Committee recommends approval of Task Order 12 with Gensler in an amount not to exceed $513,484, and authorization for the President and CEO to execute the task order.

Presented by Jaymes Carter, Director of Buildings and Building Systems – Staff requests approval of the award of Task Order 12 under the Master Agreement with Gensler for construction administration services for Terminal 1 Airline Operations Space Buildout. The scope of this ongoing space buildout project primarily includes renovation in the ticketing lobby to accommodate the installation of common use airline check-in counters and customer queuing, and adjacent “back-of-house” space will be up fitted for airline offices, storage and TSA bag screening operations. A new building will be constructed to accommodate bag make-up operations. Two of the existing passenger boarding bridges will be re-furbished and put into service at Gates A-3 and A 4, while two passenger boarding bridges will be removed from Gates A-1 and A-2 so that one airline’s customers can board from ramp/ground level.

Gensler is an on-call consultant and is the designer of the improvements and additions. Proposed Task Order 12 adds construction administration responsibilities to include attendance at a pre-construction conference and construction project progress meetings, reviewing shop drawings and submittals for compliance, reviewing and responding to requests for information, reviewing
contractor submitted payment applications, performing periodic site visits to inspect the work for compliance, issuing field reports documenting work progress and any defects or deficiencies, conducting inspections associated with substantial and final completion, issuing Certificate(s) of Substantial Completion, accumulating project closeout records and project closeout. Construction activity is scheduled to commence March 2019 and last approximately 15 months.

The Authority would compensate the consultant for services at hourly rates toward a not-to-exceed amount of $471,233 and for reimbursable expenses not to exceed $42,251.00, for total compensation under this Task Order 12 of $513,484.

The overall Minority and Women Owned Small Owned Business (MWSB) goals for the Consultant’s existing Master Agreement are 10.0% for Minority Small Owned Businesses and (MB) and 5.0% for Women Small Owned Businesses (WB). Total MB and WB participation for Task Order 12 are 7.1 % for MB and 18.2% for WB, which was reviewed by the Authority’s Small Business Program Officer.

Subject to approval of the FY 2019-20 Budget, staff requests approval of Task Order 12 with Gensler in an amount not to exceed $513,484, and authorization for the President and CEO to execute the task order.

6. Consideration of Agreement with Parsons Transportation Group for Terminal 1 Airline Operations Space Buildout: Upon a motion by Kane and second by Teer, subject to approval of the FY2019-20 budget, the Committee recommends approval of an Agreement with Parsons Transportation Group, in the amount of $946,214, and authorization for the President and CEO to execute the Agreement.

Presented by Jaymes Carter, Director of Buildings and Building Systems – Staff requests approval of an Agreement with Parsons Transportation Group (Parsons) for construction phase services for Terminal 1 Airline Operations Space Buildout. The scope of this ongoing space buildout project primarily includes renovation in the ticketing lobby to accommodate the installation of common use airline check-in counters and customer queuing, and adjacent “back-of-house” space will be up-fitted for airline offices, storage and TSA bag screening operations. A new building will be constructed to accommodate bag make-up operations. Two of the existing passenger boarding bridges will be re-furbished and put into service at Gates A-3 and A 4, while two passenger boarding bridges will be removed from Gates A-1 and A-2 so that one airline’s customers can board from ramp/ground level.

Parsons will serve as Construction Management/Resident Project Inspector and will staff the project with Program Manager, Project Manager, Construction Manager, Civil, Mechanical, Electrical Inspectors, Building Inspector, Project Engineers and Design Manager. Due to the complexity of the project, and the expedited construction schedule, some work will require night time work, which includes some overtime hours. Construction activity is scheduled to commence March 2019 and last approximately 15 months.
Under its Master Agreement, Parsons is currently under contract to provide Program and Construction Management Services on projects. The scope of services in this proposed new Agreement includes: assisting Authority staff in construction administration, providing on-site construction oversight with resident project representation services and quality assurance testing. Under this Agreement, the maximum compensation that can be requested for services is hourly not-to-exceed amount of $889,572 and for reimbursable expenses is $56,642, for total proposed Agreement cost of $946,214.

The Minority and Women-owned Small Business (MWSB) participation contract goals are 10% MB and 5% WB. Parsons’ MWSB commitment in this Agreement is 11.2% MB and 11.5% WB, which exceeds both goals. The Authority’s Small Business Program Office has concurred that this is acceptable.

Subject to approval of the proposed FY 2019-20 budget, staff requests approval of an Agreement with Parsons Transportation Group, in the amount of $946,214, and authorization for the President and CEO to execute the Agreement.

7. Consideration of Conceptual Design Drawings for BurgerFi and Jason’s Deli: Upon a motion by Kane and second by Teer, the Committee recommends approval of the conceptual design drawings for BurgerFi and Jason’s Deli

Presented by Kimberly Stewart, Business Manager Concessions Department – The Board approved Amendment 2 to the Terminal Concession Lease with SSP America, LLC, for the replacement of Five Guys with BurgerFi and to refresh the décor in Jason’s Deli. Staff requests approval for the conceptual drawings and design for BurgerFi and the renovation proposed for Jason’s Deli.

BurgerFi and Jason’s Deli, located in Terminal 2 next to Gate D3, will appeal to all passengers. BurgerFi is an American fast casual restaurant chain focused on all-natural hamburgers, french fries, hot dogs, and custard. The storefront prominently features the new BurgerFi logo, and new branding throughout the interior of the store. At the entrance will be two self-ordering kiosks, a new cash wrap with a grab & go area, and bar seating. The menu boards will be digital with easy accessibility. Jason’s Deli will refurbish the ceiling, millwork under the counter, paint and add two self-ordering kiosks. All finishes will be updated based on the current design standards.

Staff requests approval of the conceptual design drawings for BurgerFi and Jason’s Deli.
RALEIGH-DURHAM AIRPORT AUTHORITY
SPECIAL BOARD MEETING MINUTES
MARCH 14, 2019

Vice Chair Kane presided. Present: Hannah³, Morgan, Saidi⁴, and Teer. Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and ISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, and other staff members and guests.

Board members expressed a desire to have a closed session, at the end of the budget work session, for the purposes of (i) discussing a personnel matter pursuant to §143-318.11(a)(1) and (6), and (ii) consulting with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to §143-318.11(a)(1) and (3) to discuss Umstead Coalition et.al v. Raleigh-Durham Airport Authority et.al.

I. FY 2019-20 BUSINESS PLAN, BUDGET AND ORDINANCES

President and CEO Landguth discussed the proposed FY 2019-20 Business Plan and Budget. Mr. Landguth stressed the Authority’s role in developing the airport to meet the robust regional growth, with passenger traffic projected to increase 9.3% in 2019. He presented general information on the financial status of the airport, funding challenges, and infrastructure needs. Mr. Landguth noted that the proposed budget documents the financial resources required to support the business plan’s top priorities of customer experience, operational excellence, fiscal responsibility and Vision 2040 infrastructure in the upcoming fiscal year.

Senior Vice President and CFO Sylver reviewed the Operating and Capital Budgets for FY 2019-20, explaining year-over-year revenue and expense comparisons, rates and charges proposed for implementation effective April 1, 2019, and Capital Budget projects carryover as well as new projects. She reviewed other details contained in the proposed budget as well as the Budget Ordinance and the Capital Project Ordinance. The Board discussed with staff topics related to technology services management, project management, the impact of cash draw-down on the remaining reserves, and the potential state appropriation. Staff was complimented on the budget preparation.

The draft FY 2019-20 Operating and Capital Budgets, including the Business Plan, Budget Ordinance and Capital Project Ordinance, will be presented for approval at the upcoming meeting on March 21, 2019.

³ Board member Hannah joined via simultaneous communication by conference telephone for participation in the special Board meeting.
⁴ Board Member Saidi joined at 1:11 p.m.
II. CLOSED SESSION

Motion by Morgan to go into a closed session for the purposes of (i) discussing a personnel matter pursuant to §143-318.11(a)(1) and (6), and (ii) consulting with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to §143-318.11(a)(1) and (3) to discuss Umstead Coalition et.al v. Raleigh-Durham Airport Authority et.al.; Second by Teer

ADOPTED BY UNANIMOUS VOTE

Motion by Morgan to come out of closed session; Second by Teer

ADOPTED BY UNANIMOUS VOTE

III. ADJOURNMENT

Motion by Morgan to adjourn; Second by Teer

ADOPTED BY UNANIMOUS VOTE