



Michael J. Landguth, A.A.E.  
President & CEO

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## RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES JANUARY 19, 2023

Chair Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez,<sup>1</sup> and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and Chief Development Officer Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and Chief Operating Officer Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, Senior Vice President and General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.<sup>2</sup>

### I. APPROVAL OF AGENDA

*Motion by Morgan to approve the Agenda; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE

### II. APPROVAL OF MINUTES

*Pursuant to his review of the minutes, Secretary Kushner requested that there be an edit in the Board minutes regarding the Wake lease approval. Motion by Hankins to approve the minutes of the regular meeting of the Board with an edit in the Wake lease approval recital to change “annual” to “aggregate” and to approve the minutes of the Board committees, and the consent actions of the Board held on December 15, 2022; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone to the first Board meeting of 2023.
2. Chair Hannah noted the reinstitution of in-person staff recognitions, and new hires were introduced and welcomed. Police Department retirees Lt. Culler, Major Edwards, and Chief Myers were recognized (*in absentia*) and thanked for their years of service with the Authority. Chair Hannah, Michael Landguth and Donald Armstrong presented Service Awards to several staff members celebrating their service years' milestones.
3. Chair Hannah concluded by summarizing accomplishments at RDU in 2022 including the launch of four new airlines or service routes from RDU, seven new international destinations, improved roads, runways and taxiways, the addition of two security checkpoint lanes in Terminal 2, and resumed capital projects that will position the airport for the future. Chair

<sup>1</sup> Member Polanco-Galdamez joined via Teams.

<sup>2</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at [https://youtu.be/g\\_wKp\\_BOIwE](https://youtu.be/g_wKp_BOIwE).

#### Raleigh-Durham Airport Authority Board Members

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Hannah noted RDU's ranking in the Top Five for Customer Satisfaction by J.D. Power for the second year in a row.

#### IV. OLD BUSINESS

1. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on January 19, 2023 and discussed the following:

- a. Closed session

*Committee met in closed work session in order to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3).*

- b. T2 Concessions Development Program: Beyu Caffe – Guaranteed Maximum Price

*Motion by Thompson for approval of the Guaranteed Maximum Price Amendment with Messer Construction in the amount of \$985,180 and authorization for the President and CEO to execute all necessary documents; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

- c. Quarterly MWSB Report on Staff Augmentation and Special Assignment Services

*Presentation to Board in committee work session for informative purposes only. No Board action requested.*

2. Finance Committee Report – Chair Hannah reported Board members met during the Committee work session on January 19, 2023 and discussed the following:

- a. Consideration of Proposed FY22-23 Budget Ordinance Amendment #4

*Motion by Morgan for approval of the attached 2022-2023 Budget Ordinance Amendment #4 increasing funding in the amount of \$746,000 for the Credit Card Fees and \$147,500 for the Telecommunication charges for a total of \$893,500; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE

#### V. NEW BUSINESS

1. Consent Agenda

- ~~a. Consideration of Terminal Concession Lease with CLS Management Services<sup>3</sup>~~

- b. Consideration of Documents Related to Transfer of InMotion from Paradies' Lease to Marshall Retail's Lease

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<sup>3</sup> Item removed from Consent Agenda for discussion by Board.

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- c. Consideration of Amendment 2 to Terminal Concession Lease with MERA RD LLC
- d. Consideration of Amendment 3 to Terminal Concession Lease with MERA RD LLC
- e. Consideration of Amendment 2 to Terminal Support Space Lease Agreement with MERA RD, LLC
- f. Staff Recommendation to Purchase a 2,000 Gallon Water Truck

*Motion by Thompson to approve and adopt Consent Agenda items b.-f.; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

2. Consideration of Terminal Concession Lease with CLS Management Services<sup>4</sup>

Presented by Kimberly Stewart, Vice President of Concessions – The Authority issued a solicitation for an ATM and Foreign Currency (FX) Concession on September 7, 2022 in response to the expired leases of State Employees' Credit Union and CLS Management Services, Inc.

The goal of the solicitation was to address expiring leases, resume FX services to serve the resumed international routes and to determine feasibility to consolidate all ATM services into one agreement. The solicitation included 3 packages which represented: Package 1 for pre-security ATMs only, Package 2 for post security ATMs and FX services, and Package 3 consolidated all ATMs and FX services.

The Authority received one response for Package 1 and one response for Package 3.

Staff recommends CLS Management Services, Inc. (CLS) for Package 3 to provide all ATM and Foreign Currency services consolidated to a single contract. CLS is ACDBE certified and has nearly 30 years' experience in ATM and foreign currency exchange services in multiple airports. CLS will partner with Travelex Cloud to provide ATMs and Currency Exchange International to provide FX services.

The agreement term is 5 years. Total locations include 6 ATM locations and 2 FX locations; counter service at Terminal 2 ticketing and mobile cart on Concourse C. CLS will pay fees of \$0.75 per ATM transaction and percentage rent of 2.5% for FX transactions. CLS is ACDBE certified and will exceed the participation goal of 29%.

Kimberly Stewart answered Board members' questions regarding the proposal process, the new provider's transactions fees, and the limited space available for ATMs. There was

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<sup>4</sup> Item removed from Consent Agenda for discussion by Board.

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discussion regarding the scheduled removal of State Employees Credit Union's ATMs from the terminals.

*Motion by Morgan to approve the Terminal Concession Lease with CLS Management Services, Inc. and authorization for the President and CEO to execute the lease; Second by Kushner*

**ADOPTED BY UNANIMOUS VOTE**

**X. GENERAL COUNSEL'S REPORT**

No items were reported.

**XI. MEMBER COMMENTS**

Board members expressed appreciation for the return of in-person staff recognition and congratulated the new hires, promotions, and retirements. The work by senior management and staff, as well the business community's efforts, in acquiring the new airlines and new service locations for RDU in 2022 was noted. Following the recent observance of Martin Luther King Day, everyone was reminded to serve and do good and to be a light to someone else. Everyone was wished a happy and prosperous New Year.

**XII. PRESIDENT AND CEO'S REPORT**

Welcome

Good afternoon Board members, Team RDU, business partners, and guests who are joining us on for the first meeting of the New Year. 2022 was a busy year at RDU as we moved beyond the recovery, and I have some exciting updates to share with you today.

Air Service

Passenger traffic got a boost from the winter holiday season. RDU served 1,026,541 passengers in December – a 13 percent increase over December of the previous year. We ended 2022 with a total of 11,839,330 passengers. That is a 35 percent increase compared to 2021.

Breeze

A combination of new airlines and new routes helped lift our numbers in 2022, and another new airline will make its debut next month. Breeze Airways will begin service in February with direct flights to Hartford, New Orleans and Providence. The airline will expand service in May when it begins flying to Columbus and Jacksonville. Breeze's five routes will all be new destinations for RDU.

Avelo

Avelo Airlines will launch six direct flights to the Sunshine State in February. The airline will fly to Fort Lauderdale, Fort Myers, Orlando Palm Beach, Sarasota and Tampa. Avelo already

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serves Tweed-New Haven Airport in Connecticut – a new destination launched last year. Avelo also plans to add a base at RDU, employing at least 50 people and positioning a Boeing Next-Generation 737 here. Avelo is currently operating out of Terminal 2 but will move to Terminal 1 in mid-February.

#### Community Project Funding

RDU will receive two federal Community Project Funding grants this year thanks to Representatives David Price and Deborah Ross. Rep. Price, who has since retired, requested \$6 million to help fund the replacement of Runway 5L-23R, and Rep. Ross secured \$5 million to help fund the North Cargo Apron Taxilane reconstruction. We are grateful to both offices for pursuing federal funding for two of RDU's critical infrastructure projects.

#### Economic Impact

In more good news, a report published this month found RDU contributes more than \$17 billion to central and eastern North Carolina's economy and supports more than 85,000 local and regional jobs. The report was produced by the N.C. Department of Transportation Division of Aviation. It also found RDU generates more than \$887 million in state and local taxes and \$5.4 billion in personal income. RDU's significant contributions to the regional workforce and tax base underscore the importance of realizing the airport's growth plans, as we prepare for continued economic expansion in the bustling Research Triangle region.

## IX. ADJOURNMENT

*Motion by Thompson to adjourn; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY  
2022-2023 BUDGET ORDINANCE AMENDMENT #4

BE IT ORDAINED by the Raleigh-Durham Airport Authority that, pursuant to Section 159-13 of the General Statutes of North Carolina, the 2022-2023 Budget Ordinance of the Airport Authority is hereby set forth as follows:

Section 1. The following amounts are hereby appropriated for the operation of the Raleigh-Durham International Airport for the fiscal year beginning April 1, 2022 and ending March 31, 2023 in accordance with the following schedule:

EXPENDITURES:

|                            | Original <sup>1</sup> | Change<br>4/21/2022 | Change<br>5/19/2022 | Change<br>6/16/2022 | Change<br>1/19/2023 | Amended               |
|----------------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| Airport Operating Expenses | \$ 94,709,686         | \$ 665,109          | \$ 1,155,309        | \$ 250,000          | \$ 893,500          | \$ 97,673,604         |
| Capital Projects Spend     | 70,107,427            | -                   | -                   | -                   | -                   | 70,107,427            |
| Future Capital Projects    | 32,996,968            | (665,109)           | (1,155,309)         | -                   | (893,500)           | 30,265,050            |
| Future CFC Projects        | 10,564,548            | -                   | -                   | (250,000)           | -                   | 10,314,548            |
| Net Debt Service           | 40,934,191            | -                   | -                   | -                   | -                   | 40,934,191            |
| <b>Total</b>               | <b>\$ 249,314,820</b> | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ 249,314,820</b> |

Section 2. It is estimated that the following revenues will be available for the fiscal year beginning April 1, 2022 and ending March 31, 2023:

REVENUES:

|                           | Original <sup>1</sup> | Change<br>4/21/2022 | Change<br>5/19/2022 | Change<br>6/16/2022 | Change<br>1/19/2023 | Amended               |
|---------------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| Airfield                  | \$ 17,011,756         | \$ -                | \$ -                | \$ -                | \$ -                | \$ 17,011,756         |
| General Aviation          | 4,890,053             | -                   | -                   | -                   | -                   | 4,890,053             |
| Buildings and Grounds     | 122,935,854           | -                   | -                   | -                   | -                   | 122,935,854           |
| Total Operating Revenues  | \$ 144,837,663        | \$ -                | \$ -                | \$ -                | \$ -                | \$ 144,837,663        |
| Interest and Other Income | 39,031,147            | -                   | -                   | -                   | -                   | 39,031,147            |
| Grants                    | 35,770,400            | -                   | -                   | -                   | -                   | 35,770,400            |
| PFC Revenue               | 19,111,062            | -                   | -                   | -                   | -                   | 19,111,062            |
| CFC Revenue               | 10,564,548            | -                   | -                   | -                   | -                   | 10,564,548            |
| <b>Total</b>              | <b>\$ 249,314,820</b> | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ 249,314,820</b> |

Section 3. This Budget Ordinance shall be entered in the minutes of the Raleigh-Durham Airport Authority and within five (5) days after its adoption copies shall be filed with the Finance Officer, the Budget Officer and the Secretary of the Raleigh-Durham Airport Authority, who, for the purposes of this ordinance, is designated as the Clerk to the Raleigh-Durham Airport Authority as described in G.S. 159-13.

Section 4. This ordinance became effective on April 1, 2022, amended on the 21st day of April 2022, the 19th day of May 2022, the 16th day of June 2022, and amended this 18th day of January 2023.

Notes:

<sup>1</sup> Original- budget ordinance adopted March 17, 2022

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## RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT JANUARY 19, 2023

The Board approved the following items on the Consent Agenda:

a) Consideration of Terminal Concession Lease with CLS Management Services

*Item removed from Consent Agenda for discussion by Board.*

b) Consideration of Documents Related to Transfer of InMotion from Paradies' Lease to Marshall Retail's Lease

Memorandum by Kimberly Stewart, Vice President of Concessions – InMotion Entertainment Group (“InMotion”) a subtenant under the Terminal Concession Lease between the Authority and The Paradies Shops, LLC (“Paradies”) was recently acquired by WH Smith PLC which is the parent company of Marshall Retail Group, LLC (“MRG”). MRG is a current concessionaire at RDU. Staff requests consideration of three documents requiring the Authority’s signature as a result of this acquisition.

Between Paradies and MRG, there is a proposed Assignment, Assumption and Amendment of Terminal Subconcession Agreement (the “Agreement”) regarding the transfer of InMotion’s Terminal Subconcession Lease as a subtenant from Paradies to MRG. This Agreement requires the consent of the Authority.

Paradies operates six retail concessions in Terminal 2. As a result of the acquisition, Paradies requests transfer of InMotion from Paradies’ Terminal Concession Lease to MRG’s Terminal Concession Lease. Proposed Amendment 4 to the Terminal Concession Lease with Paradies would remove InMotion from the leased premises and adjust the Minimum Annual Guarantee to \$1,200,000 to represent change in total sales under the Paradies’ lease.

MRG operates one retail concession in Terminal 2 and five retail concession units in Terminal 1. Proposed Amendment 2 to the Terminal Concession Lease with MRG would add InMotion to MRG’s leased premises and increase the Minimum Annual Guarantee to \$324,680.55 to accommodate the additional sales.

Staff requests approval of the following documents, and authorization for the President and CEO to execute these documents:

- The Authority’s Consent to the Assignment, Assumption and Amendment of Terminal Subconcession Agreement regarding subtenant InMotion;
- Amendment 4 to the Terminal Concession Lease with The Paradies Shops, LLC; and
- Amendment 2 to the Terminal Concession Lease with the Marshall Retail Group, LLC.

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c) Consideration of Amendment 2 to Terminal Concession Lease with MERA RD LLC

Memorandum by Kimberly Stewart, Vice President of Concessions – MERA RD, LLC (“MERA”) operates a food and beverage unit in Terminal 2 which opened in June, 2021. Amendment 1, executed March 18, 2021, modified MERA’s terminal concession agreement in response to the global pandemic. Amendment 1 granted MERA rent relief in the form of a Minimum Annual Guarantee (“MAG”) waiver until September 30, 2021. Proposed Amendment 2 acknowledges that the MAG waiver period ended effective September 30, 2022.

Therefore, effective October 1, 2022, MERA is subject to the MAG requirement of the terminal concession lease which is the greater of MAG or percentage rent. The MAG is \$275,000 annually with tiered percentage rents ranging from 14% to 17% for Food and 17% to 18% for Alcohol.

Staff requests of approval Amendment 2 to the Terminal Concession Lease with MERA RD, LLC and authorization for the President and CEO to execute the amendment.

d) Consideration of Amendment 3 to Terminal Concession Lease with MERA RD LLC

Memorandum by Kimberly Stewart, Vice President of Concessions – MERA RD, LLC (“MERA”) operates a single food and beverage unit in Terminal 2, La Farm Bakery + Café (“La Farm”).

Amendment 3 grants approval to expand the patio area adjacent to La Farm by 314.9 s.f. increasing the leasehold from 1,864.96 s.f. to 2,179.86 s.f. The additional space will accommodate a grab and go coffee kiosk and additional seating to support dining and bar patrons. MERA will invest a minimum of \$500,000 for improvements which shall also include the patio expansion and upfit required for Room 1180 as stated in Amendment 2 of the MERA RD, LLC Support Space Lease Agreement.

Percentage rent fees are tiered based on sales thresholds. One additional tier was added to increase percentage rents. The base tier is 14% for Food and 17% for Alcohol. The additional tier is based on sales exceeding \$7 million. The concessionaire would remit 18% for Food and 18.5% for Alcohol.

Staff requests approval of Amendment 3 to the Terminal Concession Lease with MERA RD, LLC and authorization for the President and CEO to execute the amendment.

e) Consideration of Amendment 2 to Terminal Support Space Lease Agreement with MERA RD, LLC

Memorandum by Kimberly Stewart, Vice President of Concessions – MERA RD, LLC (“MERA”) leases office and storage space to support their food and beverage concession in Terminal 2 which consists of one unit, La Farm Bakery + Café.

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Amendment 2 increases rented space by 1,373.12 s.f. for storage space, Room 1180, in Terminal 2. The total support space leased to MERA increased from 1,144.28 s.f. to 2,517.40 s.f. The annual rent increased from \$58,095.10 per year to \$127,808.40 per year. Fixed rents are subject to annual adjustment by the greater of 3% or the rental rates established by the operating budget.

MERA will lease the space for office, storage and commissary purposes. MERA will install no more than four ventless ovens to support onsite baking of breads and pastries to meet customer demand to the concession unit. The upfit is expected to be completed by March 31, 2023.

Amendment 2 runs concurrently with MERA RD, LLC Terminal Concession Lease which expires May 31, 2029.

Staff requests Board approval of Amendment 2 to the MERA RD, LLC Terminal Support Space Lease Agreement and authorization for the President and CEO to execute the amendment.

f) Staff Recommendation to Purchase a 2,000 Gallon Water Truck

Memorandum by Sean Saunders, Vice President – Operational Asset Management – Staff recommends approval of the purchase of a 2,000-gallon water truck for the Operational Asset Management department in the amount of \$124,400. The truck was competitively bid, with two vendors submitting bids. Technology International was the lowest responsive and responsible bidder at \$124,400.

This water truck is used during the rubber removal process on the main runways and is a critical piece of equipment for that process. The existing water truck was decommissioned due to age and condition, and therefore Operational Asset Management needs to rent a water truck to conduct rubber removal. That rental cost is approximately \$20,000 per year but could increase as aircraft operations continue to increase. Purchasing the water truck provides more flexibility and will save the Authority in operational cost over the life of the vehicle.

Staff requests approval of the purchase of a 2,000-gallon water truck from Technology International, in the amount of \$124,400 and authorization for the President and CEO to execute any necessary documents to complete the purchase.

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## **RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES JANUARY 19, 2023**

Thompson presided. Present: Hall-Roberts, Hankins, Hannah, Kushner, Morgan, and Polanco-Galdamez<sup>1</sup>. Staff present included: President and CEO Landguth, Executive Vice President and Chief Development Officer Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and Chief Operating Officer Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, Senior Vice President and General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests<sup>2</sup>

*Motion by Thompson to enter into a closed session in order to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3); Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### **CLOSED SESSION**

Closed session from 11:33 a.m. until 12:40 p.m.

The Committee discussed the following items:

#### **1. T2 Concessions Development Program: Beyu Caffè – Guaranteed Maximum Price**

Presented by Carrie Blevins, Project Manager, Building and Building Systems – Ms. Blevins explained the purpose of this item was to provide staff's recommendation for approval of the Guaranteed Maximum Price (GMP) Amendment with Messer Construction that includes the construction services for Beyu Caffè in Terminals 1 and 2 (Project Number: 331030), based on the approved Operator Model dated October 2021, which includes project management, temporary barricades, demolition, construction, and progress meetings with updates to the schedule and budget.

Ms. Blevins reported the overall Minority and Women-Owned Small Business (MWSB) goals for the existing Master Agreement are 12.0% for Minority-Owned Businesses (MB) and 9.0%

<sup>1</sup> Member Polanco-Galdamez joined via Teams.

<sup>2</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at [https://youtu.be/g\\_wKp\\_BOIwE](https://youtu.be/g_wKp_BOIwE).

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for Women-Owned Businesses (WB). Participation goals for the GMP are 3.27% for MB and 5.73% for WB. This GMP has been discussed with Authority's Office of Small Business Programs and has been approved.

The Authority will compensate the Construction Manager at Risk for services rendered for this Guaranteed Maximum Price in the amount not to exceed \$ 777,509. Allowable reimbursable general conditions and expenses are also specified in the agreement and shall not exceed \$207,671. Total compensation is \$985,180.

Staff requests approval of the Guaranteed Maximum Price Amendment with Messer Construction in the amount of \$985,180 and authorization for the President and CEO to execute all necessary documents.

2. Quarterly MWSB Report on Staff Augmentation and Special Assignment Services

Presented by Kenny Perry, A.A.E., Director of the Project Management Office – The Authority has entered into agreements with multiple firms/teams who are providing Staff Augmentation and Special Assignment Services (SA Services) in support of the Authority's multi-year capital improvement program. These agreements established MWSB goals and staff has committed to meeting an 11% minority-owned (MB) business participation and 10% women-owned (WB) business participation goal across the entire program. The purpose of this memo is to report on current status of MWSB participation for these assignments.

Results for Q3 FY22/23 (data current as of 1/4/2023)

|                                   |                 |
|-----------------------------------|-----------------|
| Total Contract Amount in FY22/23: | \$ 5,443,982.71 |
| Contract Amount Paid to-date:     | \$ 1,643,961.00 |
| Amount Paid to-date – MBs:        | \$ 194,177.90   |
| Amount Paid to-date – WBs:        | \$ 316,516.73   |
| Participation to-date – MBs:      | 11.81%          |
| Participation to-date – WBs:      | 19.25%          |

For informative purposes only. No Board action is required.

**Raleigh-Durham Airport Authority Board Members**

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David Morgan

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Dickie Thompson  
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**WAKE COUNTY**  
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## RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES JANUARY 19, 2023

Chair Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez<sup>1</sup>, and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and Chief Development Officer Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and Chief Operating Officer Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, Senior Vice President and General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.<sup>2</sup>

The Committee discussed the following item:

1. Consideration of Proposed FY22-23 Budget Ordinance Amendment #4

Presented by Sharyar Ahmed, Financial Planning & Analysis Director – Staff requests consideration of Budget Ordinance Amendment #4, increasing the Budget Ordinance to provide additional funding for the following Expenditures:

- Revenue based Parking Credit Card Transaction Fees – As a result of higher than budgeted enplanement level activity for this fiscal year, Parking revenue is exceeding budget by 40%. The current available expense budget for credit card transaction fees will not be sufficient to cover the remainder of FY22-23; therefore, Staff is requesting an additional \$746,000 to offset this budget shortfall.
- Telecommunications – Due to a major increase in the AT&T analog circuit costs this year, the current available budget is not enough to cover this unforeseen rate increases, therefore, Staff requests an additional \$147,500 for our phone lines for the remainder of the FY22-23.

Staff requests approval of the attached 2022-2023 Budget Ordinance Amendment #4 increasing funding in the amount of \$746,000 for the Credit Card Fees and \$147,500 for the Telecommunication charges for a total of \$893,500.

<sup>1</sup> Member Polanco-Galdamez joined via Teams.

<sup>2</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at [https://youtu.be/g\\_wKp\\_BOIwE](https://youtu.be/g_wKp_BOIwE).

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RALEIGH-DURHAM AIRPORT AUTHORITY  
2022-2023 BUDGET ORDINANCE AMENDMENT #4

BE IT ORDAINED by the Raleigh-Durham Airport Authority that, pursuant to Section 159-13 of the General Statutes of North Carolina, the 2022-2023 Budget Ordinance of the Airport Authority is hereby set forth as follows:

Section 1. The following amounts are hereby appropriated for the operation of the Raleigh-Durham International Airport for the fiscal year beginning April 1, 2022 and ending March 31, 2023 in accordance with the following schedule:

EXPENDITURES:

|                            | Original <sup>1</sup> | Change<br>4/21/2022 | Change<br>5/19/2022 | Change<br>6/16/2022 | Change<br>1/19/2023 | Amended               |
|----------------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| Airport Operating Expenses | \$ 94,709,886         | \$ 665,109          | \$ 1,155,309        | \$ 250,000          | \$ 893,500          | \$ 97,673,604         |
| Capital Projects Spend     | 70,107,427            | -                   | -                   | -                   | -                   | 70,107,427            |
| Future Capital Projects    | 32,998,968            | (665,109)           | (1,155,309)         | -                   | (893,500)           | 30,285,050            |
| Future CFC Projects        | 10,564,548            | -                   | -                   | (250,000)           | -                   | 10,314,548            |
| Net Debt Service           | 40,934,191            | -                   | -                   | -                   | -                   | 40,934,191            |
| <b>Total</b>               | <b>\$ 249,314,820</b> | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ 249,314,820</b> |

Section 2. It is estimated that the following revenues will be available for the fiscal year beginning April 1, 2022 and ending March 31, 2023:

REVENUES:

|                                 | Original <sup>1</sup> | Change<br>4/21/2022 | Change<br>5/19/2022 | Change<br>6/16/2022 | Change<br>1/19/2023 | Amended               |
|---------------------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| Airfield                        | \$ 17,011,756         | \$ -                | \$ -                | \$ -                | \$ -                | \$ 17,011,756         |
| General Aviation                | 4,890,053             | -                   | -                   | -                   | -                   | 4,890,053             |
| Buildings and Grounds           | 122,935,854           | -                   | -                   | -                   | -                   | 122,935,854           |
| <b>Total Operating Revenues</b> | <b>\$ 144,837,663</b> | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ 144,837,663</b> |
| Interest and Other Income       | 39,031,147            | -                   | -                   | -                   | -                   | 39,031,147            |
| Grants                          | 35,770,400            | -                   | -                   | -                   | -                   | 35,770,400            |
| PFC Revenue                     | 19,111,062            | -                   | -                   | -                   | -                   | 19,111,062            |
| CFC Revenue                     | 10,564,548            | -                   | -                   | -                   | -                   | 10,564,548            |
| <b>Total</b>                    | <b>\$ 249,314,820</b> | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ -</b>         | <b>\$ 249,314,820</b> |

Section 3. This Budget Ordinance shall be entered in the minutes of the Raleigh-Durham Airport Authority and within five (5) days after its adoption copies shall be filed with the Finance Officer, the Budget Officer and the Secretary of the Raleigh-Durham Airport Authority, who, for the purposes of this ordinance, is designated as the Clerk to the Raleigh-Durham Airport Authority as described in G.S. 159-13.

Section 4. This ordinance became effective on April 1, 2022, amended on the 21st day of April 2022, the 19th day of May 2022, the 16th day of June 2022, and amended this 19th day of January 2023.

Notes:

<sup>1</sup> Original- budget ordinance adopted March 17, 2022

Raleigh-Durham Airport Authority Board Members

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## **RALEIGH-DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES FEBRUARY 3, 2023 at 9:00 a.m.**

Chair Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, Szlosberg-Landis, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and Chief Development Officer Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, Senior Vice President and General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.

Chair Hannah opened the meeting and welcomed everyone to Durham. He welcomed new City of Raleigh Board appointee, Nina Szlosberg-Landis, who gave a few remarks about her background and interests. Attendees introduced themselves and Chair Hannah noted that this special meeting was to focus on strategic objectives and the vision for the future of the airport.

Michael Landguth, President and CEO, made opening remarks, and showed a video of Runway 5L-23R preservation efforts. Bill Sandifer, Executive VP and Chief Development Officer, explained how airports are in a constant state of evolution with fundamental air travel continuing through business challenges. He displayed the positive economic impact RDU has on the surrounding communities and the state, and its broad catchment area.

David Freedman, Senior VP and Chief Revenue Officer, spoke about air service trends and how the Raleigh-Durham area leads in multiple metro rankings, which projects growth to RDU due to the migration inflow to North Carolina and this region. He displayed projected passenger forecasts where RDU could potentially exceed 38 million passengers in 2050, and explained how this area's higher average incomes could result in disposable income for travel. There was discussion on the variations in the origin and destination passengers forecast comparisons, the impact of overly conservative forecasts and underestimating future enplanements. There was further discussion about future plans for other eastern NC airports, and about RDU's gate limitations. Mr. Freedman recapped RDU's attractive robust and diverse air service offerings, noting that its domestic non-stop markets are rebounding and its international markets are at an all-time high.

Bill Sandifer gave a brief background on Vision 2040, how public input had been gathered, and the

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<sup>1</sup> The special meeting was held on the main campus of Durham Technical Community College in the Phail Wynn Jr. Student Services Center. Treasurer Hall-Roberts joined via Teams and Member Polanco-Galdamez joined via Teams until arriving in person at 11 am.

### **Raleigh-Durham Airport Authority Board Members**

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primary concepts of maintaining existing infrastructure while planning and preparing to accommodate future service demands. He discussed the four key areas of Vision 2040 and the categorization of those projects.

Delia Chi, Vice President of Planning and Sustainability, discussed the evolution of sustainability and how it guides the Authority in actions undertaken for projects as well as in day-to-day operational and maintenance activities. She discussed the Authority's existing sustainability actions and the development history of the Sustainability Management Plan and of the draft Sustainability Policy. Mrs. Chi showed the nine sustainability focus areas and displayed the projected sustainability roadmap timeline, which the Board members noted as informative. She outlined planned FY23/24 sustainability actions. Board members expressed interest in further information on use of solar energy, and mentioned federal funding opportunities potentially available for sustainability initiatives.

Following a short break, Bill Sandifer outlined the ten year development program and discussed the Terminal 2 landside expansion program and the capacity constraints necessitating additional scope to include John Brantley Boulevard extension, parking garage demolition and reconstruction, and the ground transportation center. He discussed common use gates, and the need for more queuing and ticket counter spaces, as well as growing space constraints for handling increased passengers in TSA screening and Customs and Border Protection processing areas, and on airport roadways and on the terminals' curbs. There was discussion regarding the airlines' acceptance of the common use model, as well as technology's impact on ticketing concepts. Mr. Sandifer outlined current design capacity and maximum passenger processing time in the international area. The limited space and shortage of personnel in the processing and baggage areas for international travelers, as well as in the TSA checkpoint, were discussed.

Brenda Howerton, Chair of the Durham County Board of Commissioners, briefly joined the meeting and welcomed the Authority Board members and staff to Durham County. Chair Howerton voiced appreciation for the impact RDU has on the community, and noted Durham County's ongoing efforts regarding transit for Durham and the surrounding areas.

Mr. Sandifer shared historical images of old Terminal C and that the roadway system wasn't upgraded to meet the increased passengers' needs. He outlined the Terminal 2 Landside expansion program to support an ultimate demand of 30 million passengers by year 2050, and the planned renovation of the existing footprint together with new expansion within the headhouse area. Mr. Sandifer summarized forecasted Terminal 2 demand, explained how larger aircraft impact gate availability, and demonstrated peak gate usage periods. He noted how utilization of the West Remain Overnight Apron will assist with gate capacity usage. There was discussion regarding the passengers forecast as well as the potential reconfiguration of existing gates. Mr. Sandifer shared the conceptual overview of Terminal 2 programming with the ultimate program having a maximum of 53 gates, and the corresponding passenger and baggage facility requirements for each program. There was further discussion regarding the ultimate

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program schematic to Terminal 2 landside expansion. Board members discussed impacts from inflation and potential resources to build necessary infrastructure. The Authority's lack of taxing authority was noted and minimal sponsors' support. Mr. Landguth referred to past discussions with airlines regarding public/private partnerships, which were tabled due to COVID-related impacts.

J.B. Buxton, the President of Durham Technical Community College, briefly addressed the Board, welcoming everyone to the Durham Tech campus, and gave a quick overview of the degree programs offered and the student composition at the college.<sup>2</sup>

Following a short lunch break, Bill Sandifer presented diagrams regarding John Brantley Blvd. expansion and the CONRAC program. He detailed the significant design amendments which would be coming before the Board as to demolition and reconstruction of the Parking Garage, the Ground Transportation Center, the Boulevard extension and space for the future CONRAC. Mr. Sandifer explained that landside expansion must anticipate more gates and the inability to expand airside gates until the new runway is completed. He noted that more gates will be needed in Terminal 1 in the next five years, and the Authority will need to drive gate utilization and incentivize quick gate turnarounds. There was discussion regarding the limit to Terminal 2 expansion due to continued use of cross-field taxiways, and if other airlines could utilize Terminal 1.

Mr. Sandifer explained anticipated construction and phase completion dates for the Park Economy 3 expansion. He noted that pursuant to customer feedback, staff would be proposing a scope amendment to cover additions for enhancements and amenities to the parking lot to improve the customer experience and services offered. Mr. Sandifer went over the construction start and finish dates anticipated for the CONRAC and showed schematics for the proposed rental car storage facility near Park Economy 3.

Bill Sandifer explained how Terminal 2 construction would close gates and impact other gates' availability, necessitating the need for Terminal 1 gate expansion. He indicated that staff would proceed with program definition and concept design and bring further information before the Board regarding the initiation of this proposed expansion project. Mr. Sandifer shared renderings of the future footprints of Terminal 2 programming, and corresponding extensions and modifications to roads and infrastructure.

Mr. Sandifer briefly recapped the ongoing Runway 5L/23R and Taxiway B replacement project for repair and preservation of this infrastructure. He referred to the proposed project for the construction of the new runway and the various ancillary projects associated with the runway. Mr. Sandifer explained the Environmental Assessment process and anticipated timeline for the FAA to issue its findings, as well as the upcoming public workshop in February.

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<sup>2</sup> Treasurer Hall-Roberts ended her meeting participation via Teams.

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Mr. Sandifer discussed the Construction Manager-at-Risk selection process for the upcoming projects of Terminal 2 Landside Expansion, Park Economy 3 Expansion, Aviation Parkway and National Guard Drive Interchange, the 5<sup>th</sup> floor build-out and 4<sup>th</sup> floor renovations at the Airport Operations Center and for the Consolidated Rental Car Facility Development. He noted that staff would be making CMAR recommendations to the Board for consideration at the February meeting.

Ron Kapocius, Vice President and Chief Financial Officer, explained the components of the estimated \$2.2 billion expenditure for the proposed ten year capital program and went over the key funding metrics. There was discussion regarding costs per enplanement and the effect on airlines. He explained the funding sources projected through 2032 and potential impacting issues such as inflation and supply chain disruptions, control of cost-escalation, and impact to the Authority's credit rating from additional borrowing. Mr. Kapocius outlined next steps including an update to the Financial Master Plan model, and continued work with the Authority's financial advisor and bond counsel to determine interim financing and project funding approaches. There was Board discussion regarding implementation of lessons learned from previous funding efforts and if financing sources beyond the next ten years had been examined. There was further discussion about the balance between sufficient CPE and offering successful and competitive air services. The Board considered future timing for issuance of bonds and staff was encouraged to have early conversations with the Local Government Commission when appropriate.

Chair Hannah thanked staff for their preparation and presentment of the information and noted that it was beneficial to focus on upcoming decisions impacting the airport's future. Board members welcomed Nina Szlosberg-Landis, and thanked staff for their work and the presentations, as well as the supporting data. Members noted that a timeline for capital projects, similar to what was presented for the Sustainability Roadmap, would be helpful. Mr. Landguth briefly summarized items noted by the Board for further information including (i) use of solar energy, (2) federal funding opportunities, particularly related to sustainability, (3) additional means of communicating to passengers that weapons are prohibited, (4) timeline "roadmap" of Vision 2040 capital development program, (5) showing sequencing of projects, and (5) engagement with Local Government Commission in advance of bond issuance.

The meeting adjourned at 12:53 p.m.

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## RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES FEBRUARY 16, 2023

Chair Hannah presided. Present: Hall-Roberts, Hankins, Morgan, Polanco-Galdamez, Szlosberg-Landis<sup>1</sup> and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and Chief Development Officer Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, Senior Vice President and General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.<sup>2</sup>

### I. APPROVAL OF AGENDA

*Motion by Morgan to amend the Agenda to remove item a. from the Consent Agenda; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE

*Motion by Morgan to approve the amended Agenda; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

### II. APPROVAL OF MINUTES

*Motion by Thompson to approve the minutes of the regular meeting of the Board and the minutes of the Board committees, and the consent actions of the Board held on January 19, 2023 and the minutes of the special meeting of the Board held on February 3, 2023; Second by Hankins*

ADOPTED BY MAJORITY VOTE<sup>3</sup>

### III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone, and introduced Nina Szlosberg-Landis, a new Board member appointed by the City of Raleigh. He detailed Mrs. Szlosberg-Landis' experience in the communications and transportation fields.
2. New hires to the RDU team were introduced and welcomed.
3. Chair Hannah commended fellow Board members for their involvement in the strategic planning session held earlier this month that focused on positioning RDU for the next ten years. He thanked staff for the presentations regarding the projects being pursued as part of the Vision 2040 Master Plan, preparing RDU for the demands of increasing passenger traffic.

<sup>1</sup> Szlosberg-Landis joined via Teams.

<sup>2</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtube.com/live/uElfFtAxaQc?feature=share>.

<sup>3</sup> Szlosberg-Landis abstained from voting.

#### Raleigh-Durham Airport Authority Board Members

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4. In honor of Black History Month, the African American aviators, airport staff, community leaders and trailblazers who contributed in so many ways to the airport and the aviation industry were celebrated, including Captain Warren Wheeler, Durham architect Phil Freelon, and Leroy Walker, Jr. of the Tuskegee Airmen. Chair Hannah stated his pride in carrying on the tradition of African American chairmen who have guided the airport and named those that have served since 1943. Chair Hannah noted these stories, honoring Black History Month, are highlighted in RDU's social media accounts and could be read on rdu.com.

#### IV. OLD BUSINESS

1. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on February 16, 2023, and discussed the following:

- a. Closed session

*Committee met in closed work session in order to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3).*

- b. Staff recommendation to select Construction Manager-at-Risk Firms

*For approval of the selection of the team of Balfour Beatty/Metcon to act as a Construction Manager-at-Risk for the Terminal 2 Landside Expansion Program, Park Economy 3 Expansion, and Aviation Parkway & National Guard Drive Interchange projects and authorization for the President and CEO to execute the master agreement.*

- c. Park Economy 3 Expansion - Additional Design Services

*For approval of Amendment 3 to RS&H Task Order 2 for Expanded Park Economy 3 and authorization for the President and CEO to execute the Amendment.*

- d. Sustainability Management Plan Presentation

*Presentation to Board in committee work session for informative purposes only. No Board action requested.*

- e. Consideration of Contract Amendments for Consultant Firms Providing Staff Augmentation Services

*Subject to approval of the FY 2023-2024 Capital Budget, for approval to amend the Master Services Agreements with Parsons, STV, AECOM, Jacobs, and WSP to provide a maximum payment during the year two term from April 1, 2023 – March 31, 2024 at the values shown below, and authorization for the President and CEO to execute amendments with each of these firms: (1) Parsons: \$6,806,990; (2) STV: \$2,500,000; (3) AECOM: \$1,000,000; (4) Jacobs: \$1,000,000; and (5) WSP: \$1,000,000.*

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*Motion by Morgan for approval of above items b, c, and e; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

- f. Staff Recommendation to Adopt the Raleigh-Durham Airport Authority's Sustainability Policy

*Motion by Thompson for approval of the Sustainability Policy; Second by Hankins*

ADOPTED BY UNANIMOUS VOTE<sup>4</sup>

2. Finance Committee Report – Chair Hannah reported Board members met during the Committee work session on February 16, 2023, and discussed the following:

- a. Consideration of a Master Service Agreement with Willis, Towers, and Watson for the Development and Implementation of an Owner-Controlled Insurance Program for a Five-Year Period

*Motion by Morgan for approval of a Master Services Agreement with Willis, Towers, and Watson for five years and for services procured in Task Order #1 in the amount not to exceed \$66,000, and authorization for the President and CEO to execute the agreement.; Second by Hall-Roberts*

ADOPTED BY UNANIMOUS VOTE

## V. NEW BUSINESS

### 1. Consent Agenda

- a. ~~Consideration of Corporate Hangar Campus Development Agreement and Pro Forma Corporate Hangar Ground Lease Agreement with Sheltair Aviation RDU, LLC<sup>5</sup>~~  
b. Consideration of Taxi Service Agreement with Taxi Taxi, LLC<sup>6</sup>

*Motion by Hankins to approve and adopt Consent Agenda item b.; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

<sup>4</sup> Thompson left the meeting after voting.

<sup>5</sup> Item removed from Consent Agenda.

<sup>6</sup> Attending representatives from Taxi Taxi were recognized and William H. Bodenhamer, Jr. briefly addressed the Board regarding experience in the industry and serving RDU's customers, as well as planned upgrades to the fleet and growing the business to support increased passengers' needs.

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X. GENERAL COUNSEL'S REPORT

No items were reported.

XI. MEMBER COMMENTS

Board members welcomed and congratulated the new hires, and expressed appreciation for staff recruitment efforts. New member Szlosberg-Landis was welcomed, and she expressed appreciation for being on the Board and for the informational orientation sessions with staff. Senior management's and staff's efforts in attracting new airlines and routes was commended. The great work on the Sustainability Policy and Sustainability Management Plan were noted. Emergency and first responder staff were thanked for their services. Appreciation for the commendable service and commitment by the individuals showcased for Black History Month was expressed.

XII. PRESIDENT AND CEO'S REPORT

Welcome

Good afternoon Board members, Team RDU, business partners, and guests who are joining us today.

Air Service

RDU continues to outpace 2022 passenger traffic despite the expected seasonal slowdown in January. RDU served 884,984 passengers last month. That was down 13.7% from December but up 38.8% from January of last year. We averaged 172 daily departures, 8.8% higher than January 2022. Delta had 31.8% of market share last month, with American at 28.8% and Southwest at 14.7%.

Breeze

A new airline makes its debut at RDU today. Breeze Airways is launching service with direct flights to Hartford, New Orleans and Providence. The airline will expand service in May when it begins flying to Columbus, Jacksonville, Los Angeles, Louisville and Pittsburgh. We're excited to welcome Breeze as the 14th airline serving RDU.

CLEAR Launch

The CLEAR biometrics identification company launched at RDU last month. CLEAR expedites the security screening process by using cutting-edge technology to verify your identity through an eye or fingerprint scan, eliminating the need to show a form of identification and quickly moving you to the front of the line. CLEAR's launch at RDU is expected to create 44 jobs and generate approximately \$2.6 million a year in local economic activity. CLEAR kiosks are located in both terminals and travelers can also take advantage of same-day enrollment. This is another example of how RDU is deploying new technologies to provide guests with a world-class travel experience.

Raleigh-Durham Airport Authority Board Members

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### Avelo

Avelo Airlines began service from RDU to the Sunshine State earlier this month with flights to Orlando and Tampa. The airline is launching flights to Fort Lauderdale, Fort Myers, Palm Beach and Sarasota today and tomorrow. Avelo launched from RDU in 2022 with a flight to Tweed-New Haven Airport in Connecticut. In addition to the new routes, Avelo is adding a base at RDU, employing at least 50 people and positioning a Boeing Next-Generation 737 here. Avelo switched terminals last night, moving from Terminal 1 to Terminal 2. Signage has been updated across campus to make airport guests aware of the change.

### Runway EA Workshop

A public workshop will be held on February 28th here at the RDU Center to collect input on the Environmental Assessment for the proposed replacement of runway 5L/23R. The workshop will be hosted in this room by the Airport Authority and the FAA from 5 – 7:00 p.m. The draft assessment can be found online at rdu.com. The public comment period started on January 25th and runs through March 13th.

## IX. ADJOURNMENT

*Motion by Polanco-Galdamez to adjourn; Second by Hall-Roberts*

ADOPTED BY UNANIMOUS VOTE

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## **RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT FEBRUARY 16, 2023**

The Board approved the following items on the Consent Agenda:

- a) Consideration of Corporate Hangar Campus Development Agreement and Pro Forma Corporate Hangar Ground Lease Agreement with Sheltair Aviation RDU, LLC  
*Item removed from Consent Agenda.*

- b) Consideration of Taxi Service Agreement with Taxi Taxi, LLC

Memorandum by Tyler Maheu, C.M., Sr. Director of Commercial Management –The Authority issued a solicitation for the Taxi Service Agreement on November 14, 2022, in preparation for the expiration of the current Taxi Service Agreement on March 19, 2023. The goal of the solicitation was to ensure continued access to on-demand transportation services for Airport guests. The Authority received one responsive proposal.

Staff recommends entering into the Taxi Service Agreement with Taxi Taxi, LLC. Under the Agreement, Taxi Taxi will provide curbside, walk-up service to guests. The Agreement will have a term of three years with two, one-year extension options. Taxi Taxi will pay to the Authority the current trip fees as set by the Board in the Airport Rates and Charges (currently \$4.00 per outbound trip and \$2.00 per inbound trip). Taxi Taxi will operate a 24-hour call center open 365 days per year to facilitate guest requests. The initial fleet will be set at 90 taxicabs including a minimum of two (2) wheelchair-accessible vehicles. The fleet will be adjusted monthly in response to guest demand.

Staff requests approval of the Taxi Services Agreement with Taxi Taxi, LLC and authorization for the President and CEO to execute the agreement.

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## RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES FEBRUARY 16, 2023

Thompson presided. Present: Hall-Roberts<sup>1</sup>, Hankins, Hannah, Morgan, Polanco-Galdamez, and Szlosberg-Landis<sup>2</sup>. Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, Senior Vice President and General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests<sup>3</sup>

*Motion by Thompson to enter into a closed session in order to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3); Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

### CLOSED SESSION

Closed session from 11:02 a.m. until 11:57 a.m.

The Committee discussed the following items:

#### 1. Staff Recommendation to Select Construction Manager-at-Risk Firms

Presented by William C. Sandifer, A.A.E., Executive Vice President & CDO – The purpose of this item is to provide staff's recommendation for the selection of a Construction Manager-at-Risk firm/team for various projects. On October 17 staff issued a Request for Qualifications seeking statements from qualified construction manager firms/teams for the following projects: 1) Terminal 2 Landside Expansion Program; 2) Park Economy 3 Expansion; and 3) Aviation Parkway & National Guard Drive Interchange.

Statements of Qualification were received on December 2 and evaluated. Interviews were conducted for the T2 Landside Expansion Program and Park Economy 3 Expansion. Only one Statement of Qualifications was received for the Aviation Parkway & National Guard Drive

<sup>1</sup> Treasurer Hall-Roberts participated via Teams and joined in-person at 12:20 p.m.

<sup>2</sup> Szlosberg-Landis joined via Teams.

<sup>3</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtube.com/live/uElFtAxaQc?feature=share>

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Interchange. That statement was reviewed and the firm/team deemed qualified. At the conclusion of the evaluation process staff derived the following rankings for each project:

1. Terminal 2 Landside Expansion Program:
  - a. #1 – Balfour Beatty/Metcon
  - b. #2 – Archer Western
2. Park Economy 3 Expansion:
  - a. #1 – Balfour Beatty/Metcon
  - b. #2 – Messer Construction/D.A. Everett
  - c. #3 – Skanska
3. Aviation Parkway & National Guard Drive Interchange
  - a. #1 – Balfour Beatty/Metcon

Staff requests approval of the selection of the team of Balfour Beatty/Metcon to act as a Construction Manager-at-Risk for the above referenced projects and authorization for the President and CEO to execute the master agreement.

2. Park Economy 3 Expansion - Additional Design Services

Presented by Ron Jewett, Vice President Facilities Asset Management – The firm of RS&H (Consultant) provided schematic design services pre-COVID for a major expansion to Park Economy 3. Post-COVID, staff re-started the project, and the Consultant was authorized to provide further design services under Task Order 2. Additionally, the Consultant was authorized to assist the Authority in development of an environmental approval process for infrastructure projects that fall outside the purview of NEPA and SEPA (Federal and State environmental action).

Soon after re-start of the design process, it became evident that several improvements to the planned expansion are needed, as well as some to the existing lot. Subsequently, Amendment 1 was executed for project definition services for a new Public Safety/Parking Department office building for the lot. Amendment 2 was executed to extend the environmental services to meet evolving demands of that effort.

Proposed Amendment 3 authorizes design services for a new entry plaza and segregated lot for over-sized vehicles, an expansion of the exit plaza, covered walkways in strategic locations, additional campus wayfinding, structural design related to bus shelters and canopies, and pavement evaluation and repairs in the existing lot. It authorizes the services necessary for the project to be evaluated for potential Envision certification. It authorizes design services for strategically-located Wi-Fi, large screen monitors, courtesy phones, and pay stations. Lastly, it authorizes the Consultant to work in conjunction with the CMAR (Construction Manager at Risk) to develop multiple bid packages in support of an accelerated construction schedule.

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Total compensation under this proposed amendment is \$891,112. The labor component, in the amount of \$873,950 will be billed at hourly rates, and reimbursable expenses, in the amount of \$17,162, will be billed at direct cost. With this addition, the total amount of approved services becomes \$3,048,737.

The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Small Businesses (MB) and 5% for Women-owned Small Businesses (WB). Total commitments for this proposed Task Order 2, including Amendment 3, are 19.7% for MB and 19.5% for WB. The Authority's Director of Small Business Programs concurs with this commitment.

Staff requests approval of Amendment 3 to RS&H Task Order 2 for Expanded Park Economy 3 and authorization for the President and CEO to execute the Amendment.

### 3. Sustainability Management Plan Presentation<sup>4</sup>

Presented by Delia Chi, Vice President of Planning & Sustainability – The purpose of this presentation was to provide information to the Board relative to the status of the Sustainability Management Plan (SMP). Staff presented an update on the completion of the SMP.

Authority staff received approval from the Board in 2018 to engage an outside consultant experienced in developing SMPs to assist the Authority. Work began on the first phase of SMP development in October 2018 and continued until early March 2020. In April 2020, the SMP, along with a majority of projects, was put on hold in response to the pandemic. The SMP was officially restarted in July 2021 with the re-engagement of its sustainability consultant. Authority staff was last before the Board in February 2023 discussing the SMP.

This presentation provided an update on the final SMP. Delia Chi highlighted the Authority's existing sustainability actions and explained how the SMP sets the framework for future sustainability actions and projects. She briefly recapped the nine focus areas and the sustainability roadmap, showing the timeline for action items in these focus areas. Mrs. Chi explained the sustainability actions scheduled for fiscal year 2023-2024 and next steps for the SMP.

### 4. Staff Recommendation to Adopt the Raleigh-Durham Airport Authority's Sustainability Policy

Presented by Delia Chi, Vice President of Planning & Sustainability – On October 20, 2022, staff presented to the Board an informational update to introduce the final draft of a proposed

<sup>4</sup> Staff requested to present the Sustainability Management Plan Presentation before the Sustainability Policy recommendation matter.

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Sustainability Policy. The Sustainability Policy seeks to establish and formalize the Raleigh-Durham Airport Authority's commitment towards a sustainable future in alignment with the Authority's Mission, Vision, Core Values, as well as Strategic Goals.

The Policy was developed based on the initial Sustainability Statement developed back in 2018 as well as the overall objectives and aim of the RDU Sustainability Management Plan (SMP).

There was Board discussion regarding public comments received, and staff was thanked for their work on this policy.

Staff recommends approval of the Sustainability Policy.

5. Consideration of Contract Amendments for Consultant Firms Providing Staff Augmentation Services

Presented by Kenny Perry, A.A.E., Director of the Project Management Office – This item provides a staff recommendation on contract amendments for five consultant firms currently providing Staff Augmentation services to the Authority.

Staff Augmentation is a phrase used to describe experienced and capable third-party consultants working alongside Authority staff to fill key roles on projects and programs. Staff Augmentation consultants currently play an important role on the Authority's projects and programs, and they are an integral part of the Authority's strategy to implement projects and programs in the years ahead.

During the February 17, 2022 meeting, the Board approved separate five-year Master Services Agreements (MSAs) with the following firms to provide Staff Augmentation services to the Authority: Parsons, STV, AECOM, Jacobs, and WSP.

In addition to the approval of MSAs, the Board authorized funding under each agreement for FY22/23 only (e.g., year one term). Accordingly, funding for years two through five were to be brought back to the Board on an annual basis for consideration, which is the purpose of this staff recommendation.

Following a period of negotiation and cost analysis, staff determined an appropriate recommended maximum payment for each firm based on projected Staff Augmentation expenditures by firm during FY23/24. The specific maximum payment recommendations for FY23/24 are as follows:

- Parsons: \$6,806,990
- STV: \$2,500,000

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- AECOM: \$1,000,000
- Jacobs: \$1,000,000
- WSP: \$1,000,000

The FY23/24 maximum payment amount will be codified in a contract amendment for each firm that will be applicable for the period of April 1, 2023 – March 31, 2024 (e.g., year two term).

The Minority and Women-Owned Small Business (MWSB) participation goals on the Staff Augmentation program are 11% for minority-owned firms and 10% for women-owned firms. Across the entire Staff Augmentation program, there are nearly 40 minority or women-owned firms on the teams of the five prime firms mentioned above, providing the Authority with a rich pool of talent to utilize on its critical projects.

During the February 17, 2022 meeting, the Board agreed with the staff recommendation to track MWSB participation in the aggregate across the five Staff Augmentation firms, thereby reflecting MWSB participation across the entire Staff Augmentation program. Staff has followed this approach throughout FY22/23 and has provided the Board with a quarterly report detailing this participation. Staff plans to continue this approach into FY23/24, pending Board approval. Staff projects overall MWSB participation in FY 23/24 to be 16.32% Minority-owned, and 17.06% Woman-owned small businesses.

Subject to approval of the FY 2023-2024 Capital Budget, staff requests approval to amend the Master Services Agreements with Parsons, STV, AECOM, Jacobs, and WSP to provide a maximum payment during the year two term from April 1, 2023 – March 31, 2024 at the values shown below, and authorization for the President and CEO to execute amendments with each of these firms: Parsons: \$6,806,990; STV: \$2,500,000; AECOM: \$1,000,000; Jacobs: \$1,000,000; and WSP: \$1,000,000.

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## RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES FEBRUARY 16, 2023

Chair Hannah presided. Present: Hall-Roberts, Hankins, Hannah, Morgan, Polanco-Galdamez, Szlosberg-Landis<sup>1</sup> and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, Senior Vice President and General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests<sup>2</sup>

The Committee discussed the following item:

1. Consideration of a Master Service Agreement with Willis, Towers, and Watson for the Development and Implementation of an Owner-Controlled Insurance Program for a Five-Year Period

Presented by James Witherspoon Jr., Senior Director of Risk Management and Safety – Staff requests award of a Master Services Agreement for the development and implementation of an Owner-Controlled Insurance Program with Willis, Towers, and Watson. The scope of services in this agreement involves designing and implementing an Owner-Controlled Insurance Program that supports Master Plan Vision 2040 growth and expansion projects by offering higher dedicated limits, maximizing savings through the bulk purchase of insurance, minimizing coverage gaps, and providing a broader access to disadvantaged business owners. The Master Services Agreement with Willis, Towers, and Watson is for a total of five (5) years.

Task Order #1 of the Master Services Agreement will provide the following components: Strategic Planning and Program Needs Assessment; Program Design and Evaluation of Program Options; Process Preparation and Preferred Bid Method; and Submission and Marketing of Coverage Specifications. Task Order #1 services procured from this Master Service Agreement is not to exceed \$66,000.

On September 29, 2022, the Authority issued a Request for Proposal (RFP) #554-RFP22-3024 for a qualified Broker to provide Insurance Brokerage Services and Administration for an Owner-Controlled Insurance Program (OCIP), and subsequently received three proposals. A listing of the brokerage firms who submitted proposals are as follows: Willis, Towers, and

<sup>1</sup> Szlosberg-Landis joined via Teams.

<sup>2</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtube.com/live/uElFtAxaQc?feature=share>

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Watson, Alliant Insurance Services, and Arthur J. Gallagher Risk Management Services. The top two scoring firms were selected for interviews and, subsequently, Willis, Towers, and Watson was chosen.

The overall Minority and Women-Owned Small Business (MWSB) goals for the Master Services Agreement for Insurance Brokerage Services is 7% for Minority-Owned Businesses (MB) and 4% for Women-Owned Businesses (WB). Willis, Towers, and Watson has partnered with Leslie Saunders Insurance Agency and Risk Management Consulting Services, LLC to achieve these goals. The Authority's Director of Small Business Programs concurs with this commitment.

Staff request approval of a Master Services Agreement with Willis, Towers, and Watson for five years and for services procured in Task Order #1 in the amount not to exceed \$66,000, and authorization for the President and CEO to execute the agreement.

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## **RALEIGH- DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES MARCH 9, 2023 at 1:00 p.m.**

Secretary Kushner presided. Present: Hall-Roberts, Hankins, Morgan, Polanco-Galdamez, Szlosberg-Landis, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, Senior Vice President and General Counsel Locklear, and other staff members and guests.<sup>2</sup>

Secretary Kushner thanked staff for developing the draft Budget and Business Plan, gave an outline for the meeting and timing for Board members' questions. Michael Landguth gave opening remarks about the Authority's flight plan as outlined in the 2023-2024 Business Plan and referred to RDU's traffic recovery trends as well as passenger forecasts, with over 14M passengers anticipated for FY23/24. Mr. Landguth detailed the five goals with associated objectives and tactics of the Business Plan and the Authority's focus on people, infrastructure, and the community. He discussed the staffing plan and organizational structure, and described infrastructure projects. Mr. Landguth noted community engagement through the Authority's MWSB program and its diversity, equity and inclusion program.

Ron Kapocius commented on the approach taken in the budget as to moderate increase of enplanement levels, modest rate increases, continued investment in people, and the runway project. He briefly discussed the previous budget process taken during the pandemic, and the current forecasted enplanement levels with operating revenue anticipated to increase by 31 million from projected FY22-23. Mr. Kapocius explained year-over-year operating revenue and detailed increases or decreases in each revenue category. He displayed the rates and charges proposed by the Authority for fees to the airlines, for parking facilities, and to ground transportation providers and taxis. Mr. Kapocius showed total airport revenue by sources.

Mr. Kapocius explained year-over-year operating expense and detailed increases in each category. He noted the multi-year capital program with projects planned and cash spend, and went over key new and carryover projects. Mr. Kapocius detailed the budgeted cash flow. He explained that no Board action was requested today and that the proposed budget would be presented at the regular March meeting.

<sup>1</sup> Treasurer Hall-Roberts and Polanco-Galdamez joined via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/Bu6nesR-vzM?feature=share>.

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Board members asked questions on topics such as COVID relief funds, the Authority's formally restricted funds, total debt service amount, cash increase over past fiscal year, grant funding, reasons for increased technology-related spend, and the project review process. Staff answered other questions on items in the proposed budget. Staff was thanked for their work on the proposed budget and for the presentation of information.

#### PUBLIC HEARING ON DRAFT BUDGET FOR FY 2023-2034

At Secretary Kushner's request, the Authority's General Counsel, Erin Locklear, gave information regarding the Public Hearing for the proposed budget.

*Motion by Hankins to open the Public Hearing (at 2:10 p.m.); Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

The four individuals signed up to speak at the Public Hearing and each stated their comments to the Board. No other attendees expressed a desire to speak at the hearing. Secretary Kushner noted that the public may send written comments to Board members, and any comments related to the proposed budget should be sent to allow time for consideration by Board members prior to the March 16<sup>th</sup> Board meeting.

*Motion by Thompson to close the Public Hearing (at 2:24 p.m.); Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

*Motion for adjournment by Thompson; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

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## RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES MARCH 16, 2023

Chair Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, Szlosberg-Landis, and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, Vice President and Deputy Legal Counsel Rosette, Senior Vice President and General Counsel Locklear<sup>1</sup>, and other staff members and guests.<sup>2</sup>

### I. APPROVAL OF AGENDA

*Motion by Morgan to approve the Agenda; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

### II. APPROVAL OF MINUTES

*Motion by Thompson to approve the minutes of the regular meeting of the Board and the minutes of the Board committees, and the consent actions of the Board held on February 16, 2023; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone to the March Board meeting.
2. New hires to Team RDU were introduced and welcomed, and five team members were congratulated on their promotions.
3. Sixteen staff members of airport tenants were acknowledged for being World Class Service Award winners during 2022, and two individuals from that group were recognized for receiving the Top of the World award.
4. Kenneth Perry and John Wiatrak were recognized for earning the prestigious Accredited Airport Executive designation from the American Association of Airport Executives.
5. Chair Hannah noted airport guests can participate in March Madness festivities at Terminals 1 and 2 with games, samplings, and a sidewalk sale.
6. Chair Hannah reminded everyone of spring break travel occurring in March and April and encouraged everyone to arrive at the airport early to allow sufficient time for check-in and security screening.

<sup>1</sup> General Counsel Locklear joined via Teams and ended participation at 12:11 p.m.

<sup>2</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtube.com/live/TtOjNAqeNZU?feature=share>.

#### Raleigh-Durham Airport Authority Board Members

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#### IV. OLD BUSINESS

1. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on March 16, 2023, and discussed the following:

- a. Closed session

*Committee met in closed work session in order to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3), and to protect sensitive security information from disclosure pursuant to NCGS §143-318.11(a)(1) and 49 CFR parts 15 and 1520.*

- b. Park Economy 3 Expansion Preconstruction Services Amendment to Balfour Beatty/Metcon, JV

*For approval of the Preconstruction Services Amendment with the joint venture of Balfour Beatty Construction/Metcon as Construction Manager at Risk, in the amount of \$473,734 and authorization for the President and CEO to execute the amendment.*

- c. Terminal 2 Landside Expansion Program Pre-Construction Services Amendment to Balfour Beatty/Metcon JV

*For approval of the Preconstruction Services to the CMR, in the amount of \$2,048,776.00, and authorization for the President and CEO to execute the Amendment.*

- d. Airport Operations Center & Other Facilities Office Space Renovations Construction Manager-at-Risk Selection

*For approval of the selection of, and to enter into a Master Services Agreement with, the team of Right Build/Varnadoe to act as a Construction Manager-at-Risk for the Airport Operations Center and other Facilities Office Space Renovations project and authorization for the President and CEO to execute the agreement.*

- e. T2 Concessions Development Program – Demolition and Food Service Equipment Project Number: 331030

*For approval and authorization of the Guaranteed Maximum Price No. 1 by Messer Construction in the amount of \$1,617,117.00 and authorization for the President and CEO to sign the amendment.*

- f. GA Area Pavement, Maintenance Facility Parking Lot & Runway 5R/23L Rehabilitation Contract Award

*For the award of a contract with Fred Smith Company in the amount of \$8,650,680, pending Board approval of the FY 23-24 Capital Budget, and authorization for the President and CEO to execute the contract.*

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*Motion by Thompson for approval of items b-f; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda

- a. Consideration of Task Order 5 with Campbell-Hill Aviation Group, LLC
- b. Consideration of a Multi-Year Contract with AtlasIED Support Services
- c. Consideration of Network Switches and Wireless Purchase
- d. Consideration of Newrest RDU, LLC Support Space Agreement Amendment One
- e. Consideration of Amendment Two with Schneider Electric for Building Management System

*Motion by Morgan to approve and adopt the Consent Agenda items; Second by Hankins*

ADOPTED BY UNANIMOUS VOTE

2. FY 2023-2024 Budget

- a. Consideration of FY2023-2024 Operating & Capital Budgets and Ordinances

At Chair Hannah's request, Secretary Kushner gave a brief overview of the budget work session held on March 9, 2023, and the public hearing. Mr. Kushner noted the comments that the Board received electronically and at the public hearing and addressed some specific comments raised. He thanked the public for its participation in this process, as well as the staff for their work on the budget. Member Hankins noted some comments being considered for further discussion.

*Motion by Thompson to approve and adopt the attached Fiscal Year 2023-2024 Budget Ordinance and Capital Project Ordinance; Second by Kushner*

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL'S REPORT

No items were reported.<sup>3</sup>

VII. MEMBER COMMENTS

Board members welcomed and congratulated the new hires and staff receiving promotions, and acknowledged those individuals awarded for outstanding service to airport guests. Staff that received their AAAE certifications were thanked for their work and dedication. Members

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<sup>3</sup> VP and Deputy Legal Counsel Rosette acted in the absence of SVP and General Counsel Locklear

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commended staff for their work on the budget, and for their preparation and ability to answer questions raised. The public was thanked for being engaged in the budget process and for submitting comments. Appreciation was expressed for staff and senior management's efforts to keep the airport safe. Member Hankins congratulated Treasurer Hall-Roberts for being the recipient of the Order of the Long Leaf Pine award for her significant contributions and service to the state.

## VIII. PRESIDENT AND CEO'S REPORT

### Welcome

Good afternoon Board members, Team RDU, business partners, and guests who are joining us today.

### Air Service

Passenger traffic increased sharply in February compared to the same month last year. 888,293 passengers flew through RDU last month, an increase of 26.7 percent over February of 2022. Passenger traffic continues to close the gap on pre-pandemic levels. Last month's total was down only 7.8 percent compared to February of 2020. Delta had the largest share of the market at 29 percent, with American at 28 percent and Southwest at 14 percent.

### Spring Break

RDU could break another passenger traffic record during spring break this year. From early March through mid-April, we expect nearly 1.8 million passengers to fly through the airport. That would break the record of 1.6 million set during this same time period in 2019.

### Avelo Expansion

Some of those passengers may be flying Avelo to Florida and beyond. The airline has seven direct flights from RDU, including six to the Sunshine State and one to Connecticut – and they are expanding again. Avelo announced yesterday it will add nonstop routes from RDU to Memphis, Tennessee; Rochester, New York; and Manchester, New Hampshire in June. Avelo also announced it will expand its base at RDU, adding a second aircraft and creating about 35 more jobs. That will bring Avelo's investment in the Research Triangle region to 10 nonstop destinations, two aircraft and more than 80 total jobs. It has been less than a year since Avelo launched its first flight from RDU to southern Connecticut and we are pleased to see they are already growing rapidly.

### Parking Guidance

RDU will soon begin testing technology that will make it easier for you to find a space in the parking deck. Within the next month, the Authority will begin to test a parking guidance system on one level of the deck that indicates whether spaces are open or occupied. It monitors parking

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spots and uses red, green and blue L-E-D lights to tell drivers which spaces are available. The system will improve the guest experience by making your parking experience even more convenient and reducing the amount of time it takes to park and get to the terminals. If testing goes well, the parking guidance technology could be installed throughout the deck and ready by early 2024.

- IX. *Motion by Polanco-Galdamez to enter into a closed session for the purpose of discussing a personnel matter pursuant to NCGS §143-318.11(a)(1) and (6); Second by Hankins*

ADOPTED BY UNANIMOUS VOTE<sup>4</sup>

Closed session convened from 1:48 p.m. until 2:50 p.m.

*Motion by Polanco-Galdamez to increase Michael Landguth's base salary to \$463,261 and for the award of a management incentive of \$96,500; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE

- X. ADJOURNMENT

*Motion by Polanco-Galdamez to adjourn; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE

<sup>4</sup> Member Szlosberg-Landis recused herself and left the meeting prior to vote

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RDU Airport Authority

FY 2023-2024 Budget

**RALEIGH-DURHAM AIRPORT AUTHORITY  
2023-2024 BUDGET ORDINANCE**

BE IT ORDAINED by the Raleigh-Durham Airport Authority that, pursuant to Section 159-13 of the General Statutes of North Carolina, the 2023-2024 Budget Ordinance of the Airport Authority is hereby set forth as follows:

Section 1. The following amounts are hereby appropriated for the operation of the Raleigh-Durham International Airport for the fiscal year beginning April 1, 2023 and ending March 31, 2024 in accordance with the following schedule:

**EXPENDITURES:**

|                            |           |                    |
|----------------------------|-----------|--------------------|
| Airport Operating Expenses | \$        | 117,654,544        |
| Capital Projects Spend     |           | 114,942,069        |
| Future Capital Projects    |           | 35,080,971         |
| Future CFC Projects        |           | 16,394,050         |
| Net Debt Service           |           | 41,945,035         |
| <b>Total</b>               | <b>\$</b> | <b>326,016,669</b> |

Section 2. It is estimated that the following revenues will be available for the fiscal year beginning April 1, 2023 and ending March 31, 2024

**REVENUES:**

|                                 |           |                    |  |
|---------------------------------|-----------|--------------------|--|
| Airfield                        | \$        | 21,781,273         |  |
| General Aviation                |           | 4,332,657          |  |
| Buildings and Grounds           |           | 204,296,542        |  |
| <b>Total Operating Revenues</b> | <b>\$</b> | <b>230,410,472</b> |  |
| Interest and Other Income       |           | 10,412,891         |  |
| Grants                          |           | 41,043,680         |  |
| PFC Revenue                     |           | 27,755,576         |  |
| CFC Revenue                     |           | 16,394,050         |  |
| <b>Total</b>                    | <b>\$</b> | <b>326,016,669</b> |  |

Section 3. This Budget Ordinance shall be entered in the minutes of the Raleigh-Durham Airport Authority and within five (5) days after its adoption copies shall be filed with the Finance Officer, the Budget Officer and the Secretary of the Raleigh-Durham Airport Authority, who, for the purposes of this ordinance, is designated as the Clerk to the Raleigh-Durham Airport Authority as described in G.S. 159-13.

Section 4. This ordinance shall become effective on April 1, 2023.

Adopted this 16th day of March 2023

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RDU Airport Authority

FY 2023-2024 Budget

**RALEIGH-DURHAM AIRPORT AUTHORITY  
2023-2024 CAPITAL PROJECT ORDINANCE**

BE IT ORDAINED by the Raleigh-Durham Airport Authority, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The following amount is appropriated for the projects:

**\$ 668,553,881**

Section 2. The following funds are anticipated to be available for the projects; total project amount will be funded through net revenues or appropriate financing:

Transfer Cash from Operating \$ 627,510,201

Total Grant Funds 41,043,680

Section 3. The projects authorized are as follows:

**New 23/24 Projects**

|     |                                                                 |                      |
|-----|-----------------------------------------------------------------|----------------------|
| New | Runway 5R-23L Pavement Repairs                                  | \$ 5,100,000         |
| New | Terminal 2 Concessions Development Program Phase 2              | 4,500,000            |
| New | T1 Expansion Program - Planning Strategy and PDD                | 1,600,000            |
| New | PC Air Units Replacement for T1 & T2                            | 3,100,000            |
| New | Rental Car Road, Trade Drive & Admin Parking Lot Rehabilitation | 500,000              |
| New | CBP Biometrics                                                  | 750,000              |
| New | (AOC) Air Cooled Chiller Replacement                            | 250,000              |
| New | Building Management System Upgrade                              | 500,000              |
| New | CEP Boiler Burner and Expansion Tank Replacement                | 200,000              |
|     |                                                                 | <b>\$ 16,500,000</b> |

**Amended Projects**

|        |                                                    |                      |
|--------|----------------------------------------------------|----------------------|
| 211140 | Enhanced Security Perimeter Gates (TSA)            | \$ 3,800,000         |
| 211170 | North Cargo Apron Reconstruction                   | 39,000,000           |
| 211200 | Taxiway E Rehabilitation - Design                  | 15,000,000           |
| 321001 | Modular Unit Furniture building                    | 850,000              |
| 321002 | AOC 1st/4th Floor Work                             | 200,000              |
| 321003 | Terminal 2 Conference Room                         | 300,000              |
| 331000 | T2 Landside Expansion Program - preliminary design | 25,000,000           |
| 489000 | New Vehicles and Equipment - FY24                  | 11,057,881           |
|        |                                                    | <b>\$ 95,207,881</b> |

**Ongoing Projects**

|        |                                                    |                |
|--------|----------------------------------------------------|----------------|
| 080879 | Runway 5L/23R Replacement Program                  | \$ 372,300,000 |
| 211220 | Runway 5L/23R & Taxiway B Preservation Program     | 15,000,000     |
| 211110 | West RON Apron Rehabilitation                      | 38,000,000     |
| 211120 | Taxiway B Rehabilitation (North of TW D)           | 36,000,000     |
| 331030 | Terminal 2 Concessions Development Program Phase 1 | 5,900,000      |
| 331040 | T2 Bathroom Refresh and Pet Relief Area - Planning | 175,000        |
| 331050 | Ramp Information Display System - Planning         | 4,600,000      |
| 321010 | T1 Generator Replacement                           | 345,000        |

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RDU Airport Authority

FY 2023-2024 Budget

|        |                                                              |                       |
|--------|--------------------------------------------------------------|-----------------------|
| 321000 | Terminal 1 Flooring Replacement                              | 1,000,000             |
| 321020 | T1 Chiller Replacement                                       | 515,000               |
| 080799 | Expanded Park Economy 3                                      | 44,000,000            |
| 621020 | Parking Guidance System                                      | 7,000,000             |
| 621040 | Parking Garage Rehabilitation - Phase 3                      | 4,000,000             |
| 881430 | Aviation Parkway/National Guard Drive Interchange - Planning | 2,300,000             |
| 881440 | John Brantley Blvd Extension (CONRAC)                        | 2,500,000             |
| 881260 | Maintenance Facility HVAC Replacement                        | 525,000               |
| 881180 | Consolidated Trash Facility Concrete Dumpster Slabs          | 300,000               |
| 453000 | Maintenance Building Parking Lot Rehabilitation              | 5,200,000             |
| 441000 | Fuel Farm Facility Improvement Plan                          | 9,186,000             |
| 881380 | AOC 5th Floor Buildout                                       | 3,000,000             |
| 456000 | New AOC/EOC/ARFF                                             | 500,000               |
| 381000 | GA Area Pavement Rehabilitation                              | 4,500,000             |
|        |                                                              | <u>\$ 556,846,000</u> |

**Project Ordinance Total****\$ 668,553,881**

Section 4. This Capital Project Ordinance includes all amended, new and ongoing projects and replaces all previous capital project ordinances.

Section 5. Subject to approval and acceptance of bids by the Raleigh-Durham Airport Authority, the appropriate officers of the Raleigh-Durham Airport Authority are hereby authorized and empowered to enter into contracts and to carry out the necessary work for the completion of the above listed projects within the funds appropriated herein.

Section 6. The Finance Officer is hereby directed to report at least annually on the financial status of the aforesaid projects. The Finance Officer shall also keep the Authority informed at each regular meeting of any unusual occurrences.

This Capital Project Ordinance shall be entered in the minutes of the Raleigh-Durham Airport Authority and within five (5) days after its adoption, copies shall be filed with the Finance Officer, The Budget Officer and the Secretary of the Raleigh-Durham Airport Authority, who, for the purposes of this ordinance, is designated as the Clerk to the Raleigh-Durham Airport Authority as described in G.S. 159-13.2.

Adopted this the 16th day of March 2023

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## **RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT MARCH 16, 2023**

The Board approved the following items on the Consent Agenda:

a) Consideration of Task Order 5 with Campbell-Hill Aviation Group, LLC

Memorandum by David Freedman, SVP & Chief Revenue Officer – As the Raleigh-Durham Airport Authority (“Authority”) continues its air service pursuits, including primarily long-haul domestic and international service, the continued utilization of air service expertise is an essential component to the process. The Authority’s air service consultant, Campbell-Hill Aviation (“Campbell-Hill”), is currently under a Master Services Agreement through June 2023 and Task Order 5 to the Master Services Agreement would cover and extend consulting services through December 31, 2023. The extended consultancy period will provide the Authority with important and uninterrupted air service expertise and support while Staff is working to develop and issue a Request for Proposal (“RFP”) for a new, multi-year master services agreement for air service development consulting. Staff expects to complete the RFP process and make a recommendation for the Board’s consideration by the end of 2023.

In general, the air service consulting services in Task Order 5 includes: airline meetings and air service conference support, monthly consulting and support services, forecasting, maintain/update the air service development plan and provide continued air service incentive program support. Campbell-Hill expects to achieve 12% MWSB (5% WB and 7% MB) participation for the services included in Task Order 5. This has been reviewed by the Authority’s Small Business Program Office.

Staff requests approval of Task Order 5 to the Master Services Agreement with Campbell-Hill Aviation Group, LLC in the amount of \$238,560 and authorization for the President and CEO to execute the Task Order.

b) Consideration of a Multi-Year Contract with AtlasIED Support Services

Memorandum by David Kruse, Vice President IT Infrastructure – AtlasIED has been the provider of the Public Address (“PA”) System in Terminals 1 and 2 since 2008. AtlasIED Support Services sells assurance plans to customers that have purchased AtlasIED hardware and software. These assurance plans provide equipment warranties, hardware support, software support, and training for AtlasIED products. Staff is seeking approval of a five-year agreement with AtlasIED Support Services at a total cost of \$239,940 over the five-year period.

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The PA system in Terminal 1 and Terminal 2 is comprised of proprietary equipment (e.g., amplifiers, mic stations, and servers) that was purchased from AtlasIED. The AtlasIED Systems Management Center manages AtlasIED equipment. The AtlasIED T-CAS system stores, schedules, and broadcasts audio messages in the terminals.

The Information Services and Procurement departments collaborated on the procurement strategy for the continued use of AtlasIED Supports Services. AtlasIED support is supplied exclusively by AtlasIED Support Services.

This procurement initiative has been reviewed and is supported by the Authority's Small Business Programs Office.

Staff requests approval for a five-year agreement with AtlasIED Support Services for an AtlasIED Platinum Assurance Plan at a cost of \$239,940, and authorization for the President and CEO to sign the necessary, related documents.

c) Consideration of Network Switches and Wireless Purchase

Memorandum by David Kruse, Vice President IT Infrastructure – The network switches and wireless components in the RDUAA environment facilitate the connection of electronic devices (e.g., laptops, phones, computers, printers) that are used in the terminals and campus buildings to the RDU network. Some of these network components are 10 plus years old and need to be replaced as part of the Information Services Life Cycle Management initiative. Information Services is seeking approval of a purchase of 165 network switches and 228 Wireless Access Points with 5 years of technical support from World Wide Technology at a cost of \$1,635,953.30.

It is challenging to maintain the IT Infrastructure with this old equipment. The manufacturer no longer supports the current network switches and access points, exposing RDU to security vulnerabilities. The replacement network switches and access points are faster, incorporate the latest technologies, and easier to manage and support.

Juniper network switches and access points are available from World Wide Technology via the Omnia Partners cooperative contract #R210407.

This procurement initiative has been reviewed and is supported by the Authority's Small Business Programs Office.

Staff requests approval for the purchase of 165 network switches and 228 wireless access points along with 5 years of technical support from World Wide Technology at a cost of \$1,635,953.30, and authorization for the President and CEO to sign any necessary, related documents.

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d) Consideration of Newrest RDU, LLC Support Space Agreement Amendment 1

Memorandum by Kimberly Stewart, Vice President of Concessions – NEWREST RDU, LLC (“Newrest”) entered into a Logistics and Delivery Services Agreement on May 28, 2021. The logistics service provides delivery of food and beverage products to concessionaires in Terminal 1 and Terminal 2.

On September 1, 2021 Newrest entered into a Support Space Agreement to lease storage space in Terminal 2, Room 1962D, representing 32.07 s.f. to support the logistics operation.

Proposed Amendment 1 increases rented space by 69.9 s.f. for storage space, Room 2009B, in Terminal 1. The total support space leased to Newrest would increase from 32.07 s.f. to 101.97 s.f. and the annual rent would increase from \$1,628.19 per year to \$5,181.08 per year. Fixed rents are subject to annual adjustment based on the rental rates established by the operating budget.

Amendment 1 runs concurrently with NEWREST RDU, LLC Logistics and Delivery Services Agreement which expires June 30, 2023.

Staff requests approval of Amendment 1 to the Terminal Support Space Lease Agreement with NEWREST RDU, LLC and authorization for the President and CEO to execute the amendment.

e) Consideration of Amendment Two with Schneider Electric for Building Management System

Memorandum by Steven Yanni, C.M, Director of Contracts Facilities Maintenance – This recommendation is for the approval of Amendment Two to the Service Agreement with Schneider Electric Buildings Americas, Inc. to provide technical support services, including maintenance and repair, for the building management systems (BMS) located in Terminal 1, RDU Center, Airport Operations Center, and NCDOT Aviation facility. Each of these facilities utilizes a proprietary computerized BMS to monitor and control HVAC equipment. These systems require routine testing and calibration, as well as occasional repairs.

The Schneider Electric BMS systems are reaching end of life. Over the next few months, RDU staff will be engaging an engineer to develop a competitive scope of work to upgrade the systems. Once the competitive procurement is complete, this sole source agreement will be canceled using the 30-day cancellation clause in the agreement. A new support agreement will then be established with the new vendor after the warranty period ends.

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The proposed amendment extends the term for up to three years beginning on April 1, 2023 and has a value of \$149,560, which includes \$15,000 per year in undeterminable repairs. Schneider Electric is the sole source provider of parts, service, and support for these proprietary systems.

Staff requests approval of Amendment Two with Schneider Electric Building Americas, Inc. in the amount of \$149,560 and authorization for the President and CEO to execute the agreement.

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## RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES MARCH 16, 2023

Thompson presided. Present: Hall-Roberts, Hankins, Hannah, Kushner, Morgan, Polanco-Galdamez, and Szlosberg-Landis. Staff present included: President and CEO Landguth, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, Vice President and Deputy Legal Counsel Rosette, Senior Vice President and General Counsel Locklear<sup>1</sup>, and other staff members and guests.<sup>2</sup>

*Motion by Thompson to enter into a closed session in order to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3); Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### CLOSED SESSION

Closed session from 11:03 a.m. until 12:11 p.m.

The Committee discussed the following items:

1. Park Economy 3 Expansion Preconstruction Services Amendment to Balfour Beatty/Metcon, JV  
Presented by Ron Jewett, Vice President Facilities Asset Management – At its February 2023 meeting the Board approved staff's recommendation to engage the Joint Venture of Balfour Beatty Construction/Metcon as Construction Manager at Risk (CMR), and a Master Agreement has been executed.

Staff and the CMR have concluded negotiations for preconstruction services. The proposed amendment includes the following services: Collaboration with staff and the consultant during the period to finalize design; strategically organizing bid packages for schedule maximization; consultation on market factors; and creation of a preliminary construction schedule. Additionally, the CMR will be responsible for general site investigation and assessment; assistance in utility coordination and planning; review of the consultant's work products for

<sup>1</sup> General Counsel Locklear joined via Teams but exited the meeting at 12:11p.m.

<sup>2</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtube.com/live/TtOjNAqNZU?feature=share>.

### Raleigh-Durham Airport Authority Board Members

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constructability; consultation on construction sequencing and phasing; the creation of construction cost estimates; pre-qualification of subcontractors; and bidding services.

Negotiations with the CMR have resulted in a proposed Preconstruction Services Amendment, in the amount of \$473,734. The firm will be compensated for labor at rates not to exceed \$425,550 and for reimbursable expenses at direct cost not to exceed \$48,184.

The CMR Agreement includes Minority and Women-owned Small Business (MWSB) goals of 13% Minority-owned Businesses (MB) and 9% Women-owned Business (WB). The proposed Amendment includes a commitment of 13% MB and 9% WB, utilizing team members Right Build International and Varnedoe Construction, respectively. The proposed commitment was reviewed by the Authority's Small Business Programs Office and determined to be acceptable.

Staff requests approval of the Preconstruction Services Amendment with the joint venture of Balfour Beatty Construction/Metcon as CMR, in the amount of \$473,734 and authorization for the President and CEO to execute the amendment.

2. Terminal 2 Landside Expansion Program Pre-Construction Services Amendment to Balfour Beatty/Metcon JV

Presented by Jaymes Carter, Vice President – Buildings and Building Systems – At its February 2023 meeting, the Board approved staff's recommendation to engage the Joint Venture of Balfour Beatty Construction / Metcon JV as Construction Manager at Risk (CMR), and a Master Agreement has been executed.

Staff and the CMR have concluded negotiations for Preconstruction services. The proposed amendment includes the following services: Collaboration with staff and the Consultant during the period to finalize design; strategically organizing bid packages for schedule maximization; consultation on market factors; and creation of a preliminary construction schedule. Additionally, in accordance with the Agreement the CMR will be responsible for general site investigation and assessment; assistance in utility coordination and planning; review of the Consultant's work products for constructability; consultation on construction sequencing and phasing; the creation of construction cost estimates; pre-qualification of subcontractors; and bidding services.

Negotiations with the CMR have resulted in a proposed Preconstruction services Amendment, in the amount of \$2,048,776.00. The firm will be compensated for labor at rates not to exceed \$1,865,279.00 and for reimbursable expenses at direct cost not to exceed \$183,497.00.

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The CMR Agreement includes DBE goals of 22%. The proposed Amendment includes a commitment of 22%, utilizing team members Right Build International and Varnadoe Construction, respectively. The proposed commitment is determined to be acceptable.

Staff requests approval of the Preconstruction Services to the CMR, in the amount of \$2,048,776.00, and authorization for the President and CEO to execute the Amendment.

3. Airport Operations Center & Other Facilities Office Space Renovations Construction Manager-at-Risk Selection

Presented by Jaymes Carter, Vice President – Buildings and Building Systems – The purpose of this item is to provide staff's recommendation for the selection of a Construction Manager-at-Risk firm/team for the Airport Operations Center and other Facilities Office Space Renovations project. On October 17, 2022, staff issued a Request for Qualifications seeking statements from qualified construction manager firms/teams. Statements of Qualification were received on December 2, 2022 and evaluated. The selection committee short-listed three firms/teams.

Interviews were conducted on February 23, 2023. At the conclusion of the evaluation/interview process, staff derived the following rankings for the project:

Airport Operations Center and other Facilities Office Space Renovations:

- #1 – Right Build/Varnadoe
- #2 – Clancy & Theys/The Daniele Company
- #3 – JE Dunn Construction/McFarland Construction

Staff requests approval of the selection of, and to enter into a Master Services Agreement with, the team of Right Build/Varnadoe to act as a Construction Manager-at-Risk for the Airport Operations Center and other Facilities Office Space Renovations project and authorization for the President and CEO to execute the agreement.

4. T2 Concessions Development Program – Demolition and Food Service Equipment. Project Number: 331030

Presented by Jaymes Carter, Vice President – Buildings and Building Systems – The purpose of this item is to provide a staff recommendation for the Guaranteed Maximum Price No. 1 (GPM No. 1) by Messer Construction that includes the construction services for Terminal 2 – 3 Units, based on the approved Operator Model dated October 2021. This scope includes project management, temporary barricades, demolition, food service equipment, and progress meetings with updates to the schedule and budget.

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The overall Minority and Women-Owned Small Business (MWSB) goals for the existing Master Agreement are 12.0% for Minority-Owned Businesses (MB) and 9.0% for Women-Owned Businesses (WB). MB and WB participation goals for the Guaranteed Maximum Price are 11.8% for MB and 4.2% for WB. With approval of this Guaranteed Maximum Price, and their projections, MWSB participation for the Master Agreement would meet their minimum requirements of 12.0% MB and 9.0% WB for the overall projects. This GMP has been discussed with the Authority's Small Business Program Director.

The Authority will compensate the Construction Manager at Risk (CMAR) for services rendered for this Guaranteed Maximum Price No. 1 in the amount not to exceed \$1,467,509.00. Allowable reimbursable expenses are also specified in the Agreement and shall not exceed \$149,608.00. Total compensation is \$1,617,117.00.

Staff requests approval and authorization of the Guaranteed Maximum Price No. 1 by Messer Construction in the amount of \$1,617,117.00 and authorization for the President and CEO to sign the amendment.

5. GA Area Pavement, Maintenance Facility Parking Lot & Runway 5R/23L Rehabilitation Contract Award

Presented by Jim Novak, Director of Facilities Engineering – Staff requests approval of a construction contract with Fred Smith Company for the GA Area Pavement Rehabilitation (RDU 381000), Maintenance Facility Parking Lot Rehabilitation (RDU 453000), and Runway 5R-23L Rehabilitation (RDU 211230).

The scope of work for the GA Area Pavement Rehabilitation includes asphalt mill and overlay, drainage inlet improvements, grading, and replacing existing fire hydrants. The scope of work for the Maintenance Facility Parking Lot Rehabilitation includes 1.5" AC mill and overlay, full depth reclamation, installation of a concrete spill containment pad, removal and replacement of damaged curb and gutter, installation of conduit beneath the pavement, and markings. The scope of work for the Runway 5R-23L Rehabilitation includes 2" AC mill and overlay of two paving lanes, full depth patch repair by TW A2, crack repair and re-marking the blast pads, and re-marking the entire runway. Finally, the overruns on Runway 5L-23R will be crack sealed.

On January 17, 2023, the project was advertised for bid. A pre-bid meeting was held on January 26, 2023. At the initial bid opening on February 14, 2023, no bids were received. The project was re-advertised the same day for a second bid opening on February 22, 2023. One bid was received from Fred Smith Company and publicly opened and read in the amount of \$8,650,680. The Engineer reviewed the bid and found it to be in order.

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Bid documents included a Minority-Owned Small Business (MB) goal of 8% and a Women-Owned Small Business (WB) goal of 5%. Fred Smith Company committed to 6.21% MB participation utilizing Austin Trucking, LLC for trucking and Certified Concrete Construction for concrete flatwork. There was no WB commitment included in the bid. The Authority's Director of Small Business Programs determined that a Good Faith Effort was met.

Staff requests the award of a contract with Fred Smith Company in the amount of \$8,650,680 pending Board approval of the FY 23-24 Capital Budget, and authorization for the President and CEO to execute the contract.

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**RALEIGH- DURHAM AIRPORT AUTHORITY  
COMMITTEE ON BYLAW MODERNIZATION  
SPECIAL MEETING MINUTES  
APRIL 3, 2023**

Thompson presided. Committee members present: Hall-Roberts, Kushner, and Polanco-Galdamez, with Board member Szlosberg-Landis joining.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and Chief Development Officer Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President Feldman, Senior Vice President and General Counsel Locklear, and other staff members and guests.<sup>2</sup>

*Motion by Thompson to enter into a closed session to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3); Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

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CLOSED SESSION convened from 12:37 p.m. until 1:20 p.m.

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At Committee Chair Thompson's request, Michael Landguth summarized objectives determined by the committee including the initial roles and responsibilities for committee members and staff, the availability of outside counsel if needed to aid the committee in reviewing and revising ordinances, and the scheduling of future committee meetings.

Committee Chair Thompson thanked committee members for their time.

*Motion by Thompson to adjourn; Second by Polanco-Galdamez.*

ADOPTED BY UNANIMOUS VOTE

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<sup>1</sup> All Board members joined via Teams

<sup>2</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtube.com/live/jdDGL4yuA28?feature=share>

**Raleigh-Durham Airport Authority Board Members**

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## RALEIGH- DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES<sup>1</sup> APRIL 4, 2023 at 5:00 p.m.

Chair Hannah presided. Present: Hankins, Kushner, Morgan, Polanco-Galdamez, Szlosberg-Landis, and Thompson.<sup>2</sup> Staff present included: President and CEO Landguth, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and General Counsel Locklear, and other staff members and guests.<sup>3</sup>

General Counsel, Erin Locklear, conducted a roll call and noted the purpose of the meeting. The Board discussed the following:

### 1. Consideration of Payment Gateway Services Agreement with Planet Payment / 3CP USA

Presented by Tyler Maheu, C.M., Sr. Director Commercial Management – The Authority seeks to enter into a Payment Gateway Services Agreement for credit card terminals and gateway services for the parking facilities with Planet Payment / 3CP USA. The scope of services in the agreement includes providing credit card terminal equipment and payment gateway technology to accept debit and credit card purchases from customers. A gateway service provider functions as the link between the customer's bank and the Authority's bank.

On February 10, 2023, Windcave, the current payment gateway and terminal provider, notified the Authority that it will retire connectivity to Fiserv, the Authority's Payment Service Provider (PSP), on May 19, 2023. When Windcave retires that connection, the Authority will lose the ability to process parking payments.

SKIDATA, the Authority's parking and revenue control system provider, currently integrates with two payment gateway providers, Windcave and Planet Payment / 3CP USA.

Staff reviewed Planet's equipment and functionality, benchmarked and reference checked other airports using Planet / 3CP, and held multiple meetings with Planet. Equipment provided by Planet will increase tap-to-pay functionality, and it is also integrated with IntegraPark, the Authority's contract employee parking administration and billing software provider.

Staff received a proposal from Planet and negotiated the following Agreement terms:

<sup>1</sup> Edited to reflect correct Board member attendees per comment at April 20, 2023 meeting

<sup>2</sup> Board members joined via Teams except member Hankins who attended in person.

<sup>3</sup> The meeting was live streamed at <https://youtube.com/live/NQMSweTinuY?feature=share>.

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| Item                                                                                       | Charges and Fees                                                   |
|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| Per Transaction Fee                                                                        | \$0.04 per transaction                                             |
| Monthly RMA Fee                                                                            | \$28.00 per terminal                                               |
| Paris/IntegraPark Per Transaction Fee                                                      | \$0.08 per transaction                                             |
| Set Up Fee                                                                                 | \$100                                                              |
| Merchant Identification Change                                                             | \$50                                                               |
| Terminal Cost                                                                              | \$950 per terminal (Initial 80 terminals waived)                   |
| Initial 80 Terminal Allocation                                                             | 58 unattended terminals, 8 attended terminals, 14 spares           |
| Technical Support                                                                          | HyperCare Client – 24/7 remote client support via phone and email. |
| <b>Agreement Term:</b> Five years – no penalty for cancelling if written notice of 30 days |                                                                    |

At these rates, the annual cost for FY22-23 transactions would have been approximately \$92,567. Future annual cost will be dependent on credit card transaction volume.

There was discussion regarding the termination language in Windcave's contract, and whether the proposed terms with Planet for the mutual termination period should be lengthened. Unna Tsysin, the Director of North American Sales for Planet, agreed that Planet would be willing to extend the mutual termination period from 30 to 90 days and edit the agreement accordingly.

*Motion by Thompson for approval of the Payment Gateway Services Agreement with Planet Payment / 3CP USA for credit card terminals and gateway services, and authorization for the President and CEO to execute the Agreement; Second by Polanco-Galdamez.*

ADOPTED BY UNANIMOUS VOTE

*Motion by Morgan for adjournment; Second by Polanco-Galdamez.*

ADOPTED BY UNANIMOUS VOTE

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## **RALEIGH- DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES APRIL 17, 2023 at 3:30 p.m.**

Chair Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, Szlosberg-Landis, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and General Counsel Locklear, and other staff members and guests.<sup>2</sup>

General Counsel, Erin Locklear, conducted a roll call and noted the meeting's purpose. Michael Landguth, President and CEO, thanked Board members for attending this special meeting, and those that were able to attend the special ribbon cutting event at the West RON apron. He noted new destinations and carriers recently added and the need to increase concession capabilities. Operations Committee Chair Morgan noted this meeting was for informational purposes and, if the Board desired, there could be further discussion at Thursday's regular meeting. The Committee discussed the following:

### **1. Consideration of Operator Model Concession Agreements**

Jaymes Carter, VP Building & Building Systems, gave an update on Operator Model Phase 1 and the projected opening dates for those units. David Freedman presented an overview of the Operator Model, and explained the goals of the Operator Model Phase II RFP released on December 1, 2022, for two packages with five units in each package. Tyler Maheu, Senior Director of Commercial Management, recapped information on the Operator Pool established in September 2021 and the first awarded Operating Agreements in April 2022. Mr. Maheu went over the recent solicitation information, noting that proposals were due on January 27, 2023.

Mr. Maheu explained the potential concepts for the five units in Package 1 in Terminal 2, and for Package 2 with four units in Terminal 2 and one unit in Terminal 1. He outlined the evaluation process and the three proposals received for each package. Consensus scoring was utilized with the highest overall score for Package 1 was Grove Bay Crawford JV, LLC (GBC), and MERA RD2 LLC (MERA) for Package 2.

Kimberly Stewart, Vice President of Concessions, provided background corporate information regarding Grove Bay Crawford and GBC, and she detailed the variety of the proposed concepts

<sup>1</sup> Board members joined via Teams except members Hankins, Polanco-Galdamez, and Szlosberg-Landis who attended in person.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/2F1x-EVROcC?feature=share>.

### **Raleigh-Durham Airport Authority Board Members**

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and designs for Adios! (led by local chef, Oscar Diaz), Bond Brothers Taproom & Kitchen, Dunkin', Half Moon Empanadas, and Butcher's Burger & Bar. Francesco Balli, cofounder of GBC introduced the representatives of these enterprises proposed for Terminal 2. Ms. Stewart summarized the proposed agreement terms and recapped the highlights of GBC and the concepts proposed for Package 1.

For Package 2, Ms. Stewart highlighted corporate information regarding MERA RD2 and detailed the proposed concepts for Terminal 2, reflective of the Triangle region, with Conniption Cocktail Bar, Bongiorno and Son, Guy's Pizza Joint, Lonerider, and for Terminal 1 with Raleigh Beer Garden. Rafael Aguirre, President of MERA USA, introduced the representatives of these enterprises proposed for Terminals 1 and 2. Ms. Stewart summarized the proposed agreement terms and recapped MERA's information and the concepts proposed for Package 2.

Jaymes Carter explained the firms that would each design one of the packages (each Package having five units). He discussed scheduling challenges learned during Phase 1 and outlined three options for consideration that could accelerate unit development. Mr. Carter showed the design and construction schedule. He explained the estimated cost of design and construction of \$22.8 million for both packages, which includes contingency costs, noting the initial design phase has been approved in the FY 23/24 Budget for \$4.5 million.

Ms. Stewart detailed the need for interim concession solutions, particularly with Concourse C having only two food areas and no alcohol serving options. The three quick flip units of Bruegger's, Lonerider, and Cantina Grill were explained at an investment not-to-exceed \$750,000. Other possible interim solutions were described such as temporary kiosk locations and vending options.

David Freedman summarized the Operator Model Phase II concepts and gave the project schedule options, taking into account any acceleration option that the Board might consider. The three options were recapped, each of which include approval of Concession Operation Agreements with Grove Bay Crawford, LLC, and with MERA RD2 LLC, and authority for the President and CEO to sign both agreements:

- Option 1 Traditional Process
  - Authority for President and CEO to approve up to \$750,000 of funds to cover interim concession units
- Option 2 Special Board Meetings
  - Authority for President and CEO to approve up to \$750,000 of funds to cover interim concession units
  - Special Board meeting will be called

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- Option 3
  - Approval for expenditure of funds up to \$11.6M for Package 1
  - Approval for expenditure of funds up to \$11.2 M for Package 2
  - Authority for President and CEO to approve up to \$750,000 of funds to cover interim concession units
  - Authority for President and CEO to execute all design and construction agreements.

Staff answered questions about anticipated timelines for quick flip interim concession units and for the possible placement of kiosks and vending machines. The concepts of having locally sourced food were noted as well as the importance of emphasizing sustainability. The need for family-friendly and lower cost food options to meet the needs of all travelers was discussed. Staff explained the security process and protocols in place, including diminishing noise disturbance, during construction in the terminal. Staff answered questions about the permitting process, and how the cost estimates for Packages 1 and 2 were determined.

There was discussion regarding the three options being a departure from standard practice, while acknowledging the need to act quickly for concessions development. There was further discussion on various hybrid options. Mr. Landguth noted that the Authority must adhere to the open meetings requirements. Board members remarked that the upfitted units will only provide a certain amount of return to the Authority and staff explained how the constructions costs in each space would be monitored. There were comments regarding the contingency calculation. Staff explained that with the Operator Model concept, the Authority can make changes depending on a unit's performance and sales analysis.

No Board action was requested at this time. There was discussion by members regarding allowing sufficient time to consider what has been proposed. Chair Hannah noted that this discussion was not a reflection on the concessionaires' product or capability but, rather, a policy discussion as to the financing of these projects.

*Motion by Szlosberg-Landis to adjourn; Second by Morgan<sup>3</sup>*

ADOPTED BY UNANIMOUS VOTE

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<sup>3</sup> Meeting concluded at 5:09 p.m.

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## RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES APRIL 20, 2023

Chair Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, Szlosberg-Landis, and Thompson<sup>1</sup>. Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, Senior Vice President and General Counsel Locklear, and other staff members and guests.<sup>2</sup>

### I. APPROVAL OF AGENDA

*Motion by Kushner to amend the Agenda to add an item in NEW BUSINESS, as item 2. Procedure for Election of Officers, to follow item 1. Consent Agenda and for approval of the proposed amended agenda; Second by Hankins*

ADOPTED BY MAJORITY VOTE<sup>3</sup>

### II. APPROVAL OF MINUTES

*Motion by Kushner to approve the minutes of the regular meeting of the Board and the minutes of the Board committees, and the consent actions of the Board held on March 16, 2023, of the special meetings of the Board held on March 9 and April 4, 2023<sup>4</sup>, and of the special meeting of the Committee on Bylaw Modernization held on April 3, 2023; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone to the April Board meeting.
2. New hires to Team RDU were introduced and welcomed, one promoted team member was congratulated, and seven team members were recognized for their service milestones.
3. Chair Hannah commented on the ribbon cutting and opening of the West Remain Overnight apron earlier today, and attendance by state leaders and government officials. Chair Hannah thanked the General Assembly for its support and allocation of funds for this project milestone in the Vision 2040 master plan which provides 558,000 square-feet of overnight aircraft

<sup>1</sup> Thompson joined via Teams and ended participation at 2:07 p.m.

<sup>2</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtube.com/live/TYuLcDZpUvM?feature=share>.

<sup>3</sup> Roll call vote taken with Thompson and Hannah voting in opposition and Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, and Szlosberg-Landis voting in favor

<sup>4</sup> Kushner requested the April 4, 2023 minutes be edited to reflect correct Board member attendees.

#### Raleigh-Durham Airport Authority Board Members

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David Kushner

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parking for late arrivals or early departures. He thanked staff for their dedication in making this project a reality and for the successful ribbon-cutting event.

#### IV. OLD BUSINESS

1. Committee on Bylaw Modernization – Thompson reported Committee members met during the initial work session on April 3, 2023, and noted future meeting dates of May 8, June 12, and July 10.
2. Land and Development Committee Report – Kushner<sup>5</sup> reported Board members met during the Committee work session on April 20, 2023, and discussed the following:

- a. Closed session

*Committee met in closed work session in order to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3).*

- b. T2 Concessions Development Program, Consideration of Task Order DWL.06.2021-Construction Administration

*Motion by Kushner for approval and authorization of the Task Order DWL.06.2021 by DWL Architects + Planners, Inc. in the amount of \$533,768.20 and authorization for the President and CEO to execute the task order; Second by Morgan*

**ADOPTED BY UNANIMOUS VOTE**

- c. Runway 5L/23R & Taxiway B Replacement Early Design Package

*Motion by Kushner for approval of Amendment 5 to the Agreement with the firm of RS&H Architects-Engineers-Planners, in the amount of \$1,352,933 to provide Early Package Design Services for the Runway 5L-23R & Taxiway B Replacement project and authorization for the President and CEO to execute the Amendment; Second by Hankins*

**ADOPTED BY UNANIMOUS VOTE**

3. Operations Committee – Morgan reported Board Members met during the Committee work session on April 20, 2023, and discussed the following:

- a. Consideration of Operator Model Concession Agreements

*For approval of: (i) the Airport Food and Beverage Program Operator Agreement with Grove Bay Crawford JV, LLC; (ii) the Airport Food and Beverage Operator Agreement with MERA RD2 LLC; (iii) authorization for the President and CEO to execute both of these agreements; and (iv)*

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<sup>5</sup> Kushner acted on behalf of Committee Chair Thompson who was unable to attend the committee meeting.

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*for authorization for the President and CEO to approve expenditures not-to-exceed a total of \$750,000 of funds related to interim concession units.*

b. Consideration of a Multi-Year Contract with Rackspace US, Inc.

*For approval for a five-year agreement with Rackspace US, Inc. for Oracle EBS support at a cost of \$517,140, and authorization for the President and CEO to sign any necessary, related documents.*

c. Consideration of SITA Amendment 14 for CBP Biometric Exit Deployment

*For approval of SITA Amendment 14 at a cost of \$561,573 and authorization for the President and CEO to sign the amendment and any necessary, related documents.*

*Motion by Morgan for approval of items a-c; Second by Kushner*

ADOPTED BY UNANIMOUS VOTE

d. Consideration of Operator Model Concession Program<sup>6</sup>

*Motion by Morgan for authorization for the President and CEO to execute all design and construction contracts associated with the Concessions Operator Model Program up to a total of \$22.8 million, for a period not-to-exceed three years, under the following conditions: (a) Board will be provided with a Memo and a copy of the contract 72 hours prior to execution by the President and CEO; (b) If any Board member deems further consideration/discussion is required, a Special Board meeting may be called; and (c) The President and CEO will work with the Chair to schedule the requested Special Board meeting ideally within a 48-hour period.*

ADOPTED BY MAJORITY VOTE<sup>7</sup>

V. NEW BUSINESS

1. Consent Agenda

- a. Revision to Four Policies of the Authority
- b. Amendment Two with GFL Environmental for Environmental Disposal Fee and Haul Rate Increase
- c. Cathodic Protection Annual Survey Multi-Year Agreement
- d. HCNA Leak Detection Annual Testing & Certification Multi-Year Agreement

<sup>6</sup> Hybrid concession unit acceleration option was presented by Kimberly Stewart for Board consideration during the Operator Model Concession Agreements presentation

<sup>7</sup> Roll call vote taken with Thompson and Hannah voting in opposition and Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, and Szlosberg-Landis voting in favor

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e. Consideration of Designation of Deputy Finance Officer

*Motion by Morgan to approve and adopt Consent Agenda item numbers a-e; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

2. Procedure for Election of Officers<sup>8</sup>

Secretary Kushner requested this added item to NEW BUSINESS due to the unique situation of the vacant Vice Chair position. Hankins referred to the Proposed Procedure for Raleigh-Durham Airport Authority Board Officer Elections (“Procedure”) prepared for consideration by the Board.<sup>9</sup>

*Motion by Kushner to adopt the Procedure*

There was discussion about the need to read the Procedure, and questions answered by General Counsel Erin Locklear about the historical practice at the Chair’s direction to have nominations from the floor.

*Second of the motion by Hankins*

Hankins commented on the reasons the Procedure was drafted. There was discussion that while the proposed Procedure may create structure, further consideration may be required prior to implementation. There was other discussion voicing opposition to motion on the floor, and that such a Procedure could change the Board’s culture and cause diversity. Other members expressed concern for not having reviewed the draft Procedure prior to the meeting. Chair Hannah offered potential choices of having elections today with nominations from the floor and open session voting on the officers’ slate(s), or postponing elections to allow for consideration of the Procedure. Chair Hannah outlined the election process should the Board determine it would proceed. Secretary Kushner read the draft Procedure.

*Motion restated by Kushner to adopt the Procedure*

There was discussion about a possible amendment to or withdrawal of the motion. Kushner withdrew the pending motion from consideration.

*Motion by Kushner to refer draft Procedure to the Committee for Bylaw Modernization; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

<sup>8</sup> Agenda amended to add this item

<sup>9</sup> A copy of the Proposed Procedure for Raleigh-Durham Airport Authority Board Officer Elections is attached to these minutes.

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### 3. Election of Officers

Chair Hannah opened the floor for nomination of officers. Two proposed officers' slates were offered:

| <u>Office</u>     | <u>Slate 1</u>   | <u>Slate 2</u>             |
|-------------------|------------------|----------------------------|
| <i>Chair</i>      | Hankins          | Hannah                     |
| <i>Vice Chair</i> | Hall-Roberts     | <del>Kushner</del> Hankins |
| <i>Secretary</i>  | Szlosberg-Landis | Szlosberg-Landis           |
| <i>Treasurer</i>  | Polanco-Galdamez | Polanco-Galdamez           |

General Counsel Erin Locklear answered questions regarding election of officers per Ordinance Six. Kushner withdrew his name from the proposed slate, and Hankins' name was substituted.

*Motion by Morgan to close officer nominations; Second by Kushner*

ADOPTED BY UNANIMOUS VOTE

Chair Hannah called for a roll call vote on proposed Slate 1 of officers:

*Ellis Hankins – Chair*  
*Tammie Hall-Roberts – Vice Chair*  
*Nina Szlosberg-Landis – Secretary*  
*Yesenia Polanco-Galdamez – Treasurer*

ADOPTED BY MAJORITY VOTE<sup>10</sup>

## VI. GENERAL COUNSEL'S REPORT

No items were reported.

## VII. MEMBER COMMENTS

Board members welcomed and congratulated new hires, staff receiving promotions, and those being recognized for years of service. Members commended staff for their continued hard work and expressed excitement about the concession changes coming to Terminals 1 and 2. Members expressed appreciation and thanked Hannah for his service and leadership as Chair over the last two years. Hankins expressed appreciation for the opportunity to serve as Chair and to continue working with fellow members on opportunities and challenges facing the airport and as

<sup>10</sup> Five members voted in favor and Hannah, Thompson and Polanco-Galdamez voted against, and due to a majority vote received for the first slate of officers, Slate 2 was not offered for vote..

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ambassadors. Chair Hankins expressed appreciation for the opportunity to serve as Chair. He commented on continuing efforts to improve community and inter-governmental relationships.

## VIII. PRESIDENT AND CEO'S REPORT

### Welcome

Good afternoon Board members, Team RDU, business partners, and guests who are joining us today.

### Air Service

March was a busy month at RDU as families headed out for spring break getaways. 1,150,491 passengers flew through the airport last month, an increase of 22.7% over March 2022. We expect to see impacts from spring break travel through April. Delta had the greatest market share at 29.7 %, with American at 28.5% and Southwest at 14%.

### New Routes

June will be a busy month for new air service at RDU and a great time to find bargains on summer travel. Avelo continues to gain momentum with two new nonstop destinations. The airline announced this month it will begin nonstop service to Melbourne on Florida's Space Coast and Wilmington, Delaware in June, bringing the total number of Avelo routes at RDU to 12. Avelo began service from RDU in May 2022 with one route and has already added 11 destinations, stationed two aircraft here and created more than 85 jobs.

Breeze Airways will launch a new nonstop route from RDU to Islip, New York in late June. It will operate twice a week on Thursdays and Sundays. Breeze began service at RDU in February and now flies nonstop to nine cities.

Frontier Airlines is also expanding its flight schedule and adding destinations at RDU just in time for the busy summer travel season. The airline will add Houston and Chicago-Midway to its lineup in June and increase the number of flights to cities it already serves. Service to Chicago begins June 16th and will operate on Monday, Wednesday, Friday and Saturday. Service to Houston begins June 18th and will operate on Tuesday, Thursday and Sunday.

Delta will restart service to Nashville this summer. It will fly the route nonstop twice a day beginning June 5th. The service had been seasonal and will now operate year-round. Sun Country is also expanding. It will increase nonstop service to Minneapolis-St. Paul from twice-weekly to four times a week. Overall, RDU airlines have added 37 new nonstop flights including service to 20 new destinations this year.

### Sustainability Management Plan

As RDU continues to grow to meet the demand for air travel, we are committed to building on our

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record of incorporating sustainability into our operations and business practices. We recently finalized the Authority's first Sustainability Management Plan. The SMP was developed with input from internal and external stakeholders, sustainability experts and the broader community. It provides guidance for integrating sustainability into RDU's planning, design, construction, operations, maintenance, and business practices. The plan along with an executive summary are available on the [rdum.com](http://rdum.com) sustainability webpage, where we will provide progress updates and other related information. We appreciate the participation we received from the community in helping us develop the framework for a more sustainable future at RDU.

### Envision

The Airport Authority has also committed to pursuing an Envision Rating for the Runway 5L/23R & Taxiway B Replacement Project, as well as the expansion of Park Economy 3. Envision creates a framework to help entities plan, design and build infrastructure based on sustainable principles. The Authority is in the process of evaluating which Envision Rating is achievable. The Envision goal is part of the Authority's larger commitment to incorporating sustainable practices into its operations and business practices as part of RDU's Board-approved Sustainability Policy.

## IX. ADJOURNMENT

Hannah thanked his colleagues for their kind words and the privilege and opportunity to serve alongside them. He expressed appreciation to Durham City officials for his current appointment to the Board. He encouraged the newly appointed officers to continue promoting the best interest of RDU and of the community.

*Motion by Kushner to adjourn; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

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## Proposed Procedure for Raleigh-Durham Airport Authority Board Officer Elections

1. The Chair will open the floor for nominations for the office of Chair. Any Board member may offer a nomination, and the floor will remain open until there are no additional nominations. The General Counsel will advise the Board whether each nomination satisfies applicable requirements, particularly those in Chapter 6 of the Authority ordinances.
2. If there is more than one nominee for Chair, each nominee who wishes to do so may make a brief statement, not more than three (3) minutes, about how he or she would handle the duties as Chair and seek to facilitate Board deliberations.
3. The Board can elect the Board officers by written ballots in accordance with G.S. §143-318.13 (a section of the Open Meetings Law), if there is a motion and second and a majority vote of the Board. In that case, each Board member will write the name of his or her preferred nominee for Chair, sign the ballot and hand it to the General Counsel for tabulation. The General Counsel will count the votes, and will announce whether there is a majority vote in favor of any nominee and the number of votes cast for each nominee. If there is not a majority vote in favor of a nominee on the first ballot, the Chair will conduct a second ballot, and as many ballots as may be required until one nominee receives a majority vote.

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4. If the Board does not vote to conduct the elections by written ballots, then the Chair will ask the Board to vote orally or by show of hands on the nominees for Chair in the order in which the respective nominations were offered. If there is not a majority vote in favor of a nominee on the first ballot, the Chair will conduct a second ballot, and as many ballots as may be required until one nominee receives a majority vote.
5. The Chair will open the floor for nominations for Vice Chair. Any Board member may offer a nomination, and the floor will remain open until there are no additional nominations. The General Counsel will advise the Board whether each nomination satisfies applicable requirements, particularly those in Chapter 6 of the Authority ordinances. The Chair will conduct the election for Vice Chair as provided above, by written ballots, or oral votes or show of hands.
6. After the election for Vice Chair is concluded, the Chair will open the floor for nominations for Secretary. Any Board member may offer a nomination, and the floor will remain open until there are no additional nominations. The Chair will conduct the election for Secretary as provided above, by written ballots, or oral votes or show of hands.
7. After the election for Secretary is concluded, the Chair will open the floor for nominations for Treasurer. Any Board member may offer a nomination, and the floor will remain open until there are no additional nominations. The Chair will conduct the election for Treasurer as provided above, by written ballots, or oral votes or show of hands.

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## RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT APRIL 20, 2023

The Board approved the following items on the Consent Agenda:

a) Revision to Four Policies of the Authority

Memorandum by Kenny Perry, A.A.E., Director of the Project Management Office – Staff endeavors to keep the Authority’s policies and procedures updated and reflective of current conditions at all times. Due to the recent re-organization of certain positions within the Authority, it is necessary to revise a number of existing policies and procedures to ensure they contain the new titles of staff identified therein.

There are four existing policies that need revision to reflect new titles, each of which were originally signed by the Chairman of RDU’s Board of Directors. Those four policies are as follows:

- *CMAR Selection Policy*
- *Design Build Contractor Selection Policy*
- *Project Environmental Compliance Review Policy*
- *Prequalification of Bidders for Construction or Repair Policy*

The only revisions to the four policies identified above are to update staff titles.

Staff requests approval to update the following policies to ensure they reflect current staff titles: *CMAR Selection Policy, Design Build Contractor Selection Policy, Project Environmental Compliance Review Policy, and Prequalification of Bidders for Construction or Repair Policy.*

b) Amendment Two with GFL Environmental for Environmental Disposal Fee and Haul Rate Increase

Memorandum by Steven Yanni, C.M, Director of Contracts Facilities Maintenance – This recommendation is for approval of Amendment Two to the Service Agreement with Waste Industries, LLC d/b/a GFL Environmental (“GFL”) for solid waste and recycling services. The Amendment allows for a disposal fee and haul rate increase. Per the contract, GFL is permitted to request an increase in its unit prices with adequate justification for haul charges and administrative fees in years 2019, 2021, 2023 and the final one in 2025. The transfer station and the City of Durham which have set published rates, where RDU’s trash and recycling are disposed of, has increased their disposal fee to \$54 per ton which is an increase of \$9.50. This increase in a governmental fee is permitted to be passed along to RDU. The haul rate is also being requested to be increased to \$169.11 which is a difference of \$14.47

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and the administration fee has also increased to \$58.24 (an increase of \$4.98 per month). These increases are substantiated by Consumer Price Index (CPI) data. A summary of the previous and proposed fee adjustments are as follows:

|                                 | <b>Disposal Fee / Ton<br/>(passthrough Durham County Fee)</b> | <b>Admin Fee per month</b> | <b>Haul Rate</b> |
|---------------------------------|---------------------------------------------------------------|----------------------------|------------------|
| <b>Original Contract (2017)</b> | \$44.50                                                       | \$53.26                    | \$138.21         |
| <b>4/1/2019</b>                 | \$44.50                                                       | \$53.26                    | \$145.42         |
|                                 | No Change                                                     | No change                  | 5.2% increase    |
| <b>4/1/2021</b>                 | \$44.50                                                       | \$53.26                    | \$154.64         |
|                                 | No Change                                                     | No change                  | 6.3% increase    |
| <b>4/1/2023 (proposed)</b>      | \$54.00                                                       | \$58.24                    | \$169.11         |
|                                 | 21.4% increase                                                | 9.4% increase              | 9.4% increase    |

Based on the adjusted unit prices and estimated tonnage to be disposed, the estimated additional overall cost is estimated at \$110,388 for the final four years of the contract. This number includes \$93,024 for the disposal increase and \$17,364 for hauling and the administration fee. The Authority received letters from GFL regarding the increases which are permitted per the terms of the existing contract.

Staff requests approval of Amendment Two to the Service Agreement with Waste Industries, LLC d/b/a GFL Environmental in the amount of \$110,388 and authorization for the President and CEO to execute this Amendment.

c) Cathodic Protection Annual Survey Multi-Year Agreement

Memorandum by Alex Romel, Fuel System Manager – Staff recommends approval of a five-year agreement for cathodic protection annual surveying in the amount of \$31,164.63. Staff developed a scope of services and RDU Procurement conducted an informal competitive solicitation process for this service. Southern Cathodic Protection Company was the lowest responsive and responsible bidder at \$31,164.63.

There is no Minority and Women-owned Small Business (MWSB) participation included in this agreement; the vendor submitted appropriate documentation to meet the MWSB program requirements.

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The Authority is required to perform a complete cathodic protection system survey annually to comply with Air Transport Association ATA 103 fuel regulations.

Staff requests approval of a five-year Service Agreement with Southern Cathodic Protection Company in the amount of \$31,164.63 and authorization for the President and CEO to execute agreement and any related necessary documents.

d) HCNA Leak Detection Annual Testing & Certification Multi-Year Agreement

Memorandum by Alex Romel, Fuel System Manager – Staff recommends approval of a five-year agreement for leak detection system annual testing and certification in the amount of \$67,500. The installed Leak Detection System is a proprietary system and can only be serviced/certified by Hansa Consult of North America (HCNA). Staff collaborated with the Procurement department and based on the procurement policy the sole source exception (as referenced below) is applicable for this procurement.

Sole Source – Procurement of Goods directed to one source as described in N.C.G.S. §143-129(e)(6) because: (a) performance or price competition for a product are not available, (b) a product is practicably available only from one source, or (c) standardization or compatibility is the overriding concern.

There is no Minority and Women-owned Small Business participation included in this agreement; Hansa Consult of North America performs all services and certifications of their proprietary systems.

The Authority is required to perform a leak detection system certification annually to comply with Air Transport Association 103 regulations (Jet Fuel Quality Control at Airports).

Staff requests approval of the five-year service agreement with Hansa Consult of North America in the amount of \$67,500 and authorization for the President and CEO to execute this agreement.

e) Consideration of Designation of Deputy Finance Officer

Memorandum by Ron Kapocius, Vice President and Chief Financial Officer – Pursuant to Chapter 159-24 of the North Carolina General Statutes, the Authority may impose the duties of the Finance Officer outlined in the statute on any other officer or employee on whom the duties of Budget Officer may be imposed. On January 6, 2021, Ron Kapocius was appointed as both the Finance Officer and Budget Officer. At that time, Mesheila Lynch was appointed as Deputy Finance Officer.

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With the addition of staff and in order to reflect the current organizational structure, staff requests consideration of the appointment of Seth Liston as Deputy Finance Officer pursuant to NCGS §159-24.

Also, pursuant to North Carolina General Statute §159-28.1 for the Authority's use of facsimile signatures, staff requests consideration of approval for Seth Liston to be added for use of facsimile signatures on all preaudit certifications and for such named individual to be charged with custody of their pre-audit certification signature stamp. Staff notes that Ron Kapocius, as Chief Financial Officer, and Mesheila Lynch, as Deputy Finance Officer, are staff members currently approved with this authority.

Staff requests approval of the appointment of Seth Liston as Deputy Finance Officer, and use of the facsimile signatures on all pre-audit certifications for Seth Liston, and for such named individual to be charged with custody of their pre-audit certification signature stamp.

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## RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES APRIL 20, 2023

Kushner presided<sup>1</sup>. Present: Hall-Roberts, Hankins, Hannah, Morgan, Polanco-Galdamez, and Szlosberg-Landis. Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, Senior Vice President and General Counsel Locklear, and other staff members and guests.<sup>2</sup>

*Motion by Morgan to enter into a closed session in order to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3); Second by Hall-Roberts*

ADOPTED BY UNANIMOUS VOTE

### CLOSED SESSION

Closed session from 11:05 a.m. until 12:00 p.m.

The Committee discussed the following items:

1. T2 Concessions Development Program, Consideration of Task Order DWL.06.2021-Construction Administration

Presented by Carrie Blevins, Project Manager: Buildings and Building Systems – The purpose of this item is to provide a staff recommendation for Task Order DWL.06.2021 by DWL Architects + Planners that includes the construction administration services for Terminal 2 Concessions Program – 3 Units, based on the approved Operator Model dated October 2021. This scope includes project management, meetings, field observations, submittal and request for information reviews, punch lists, and record drawings.

Staff reported the overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10.0% for Minority-owned Businesses (MB) and 5.0% for Women-owned Businesses (WB). MB and WB participation goals for the Task Order DWL.06.2021 are 14.89% for MB and 4.19% for WB. With approval of this Task Order, and

<sup>1</sup> At request of Chair Hannah due to Committee Chair Thompson's absence

<sup>2</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtube.com/live/TYuLcDZpUvM?feature=share>.

### Raleigh-Durham Airport Authority Board Members

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their projections, MWSB participation for the Master Agreement would meet their minimal requirements of 10% MB and 5% WB for the overall projects. This task order has been discussed with the Authority's Small Business Program Office.

The Authority will compensate the Design Consultant DWL for Construction Administration Services in an amount not to exceed \$519,768.20. Allowable reimbursable expenses are also specified in the Agreement and shall not exceed \$14,000.00. Total compensation is \$533,768.20.

Staff requests approval of the Task Order DWL.06.2021 by DWL Architects + Planners, Inc. in the amount of \$533,768.20 and authorization for the President and CEO to execute the task order.

2. Runway 5L/23R & Taxiway B Replacement Early Design Package

Presented by Jim Novak, Director of Facilities Engineering – The firm of RS&H Architects-Engineers-Planners, Inc. (RS&H) was awarded a Consulting Agreement on October 13, 2018, for Schematic Design services for the replacement of Runway 5L-23R and Taxiway B. Amendment 1 to the Agreement authorized additional geotechnical services and aircraft movement modeling. Amendment 2 to the Agreement authorized the development of a stormwater master plan for the project as well as continuing support for the Environmental Assessment (EA) effort. Amendment 3 to the Agreement authorized 60% Design Services. Amendment 4 authorized topographic surveying of streams and buffers to proceed with permitting. The purpose of this item is to provide a staff recommendation for the approval of Amendment 5, the scope of which is discussed below, the maximum cost of services will be \$11,587,601.

An early bid package has been identified by the team that will allow the project to move forward with maximum efficiency after the completion of the environmental assessment and issuance of a finding by the Federal Aviation Administration. The early bid package will include the following construction elements:

- Mass grading of deep fill areas (to provide time for settlement)
- Rough grading/excavation for the vehicle service road
- Extension, modifications, and rehabilitation of existing culverts (five major outfalls)
- Earthwork/development of stormwater dry retention ponds
- Clearing of select borrow areas

The Consultant's services will include final design for the elements above and consulting services for the following:

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- Preparation of environmental permitting application including erosion and sedimentation control
- NAVAID design and procurement of long lead time items

The Amendment 5 effort will culminate with an engineering technical memorandum report and preparation of plans and specifications for the CMAR to be able to bid the project. In addition to documenting design requirements, assumptions and decisions, the technical memorandum will also include an updated construction cost estimate, environmental permitting considerations, NAVAID design and procurement strategy, scheduling, and continuing work to achieve an Envision rating.

The compensation to the Consultant and subconsultants for basic services (i.e., labor), is an hourly not to exceed amount of \$1,188,255. The compensation to the Consultant and subconsultants for reimbursable expenses including travel, printing, and miscellaneous other expenses shall be direct costs up to fixed ceiling amount of \$164,678. The total maximum compensation under Amendment 5 is \$1,352,933.

The DBE goal for this consulting services contract is 15%. Amendment 5 proposes to include 15.47% DBE participation. In Amendment 5, the contributing DBE subconsultants are Connico, LLC; Kennerly Engineering & Design, Inc.; Lynch Mykins Structural Engineers, PC; and Aulick Engineering, LLC.

With the inclusion of Amendment 5, RS&H's total proposed DBE participation percentage is 17.3%. The DBE proposed commitment was reviewed by the Director of Small Business Programs and considered acceptable.

The budget for Capital Project 080879 is sufficient for award of this contract.

Staff requests approval of Amendment 5 to the Agreement with the firm of RS&H Architects-Engineers-Planners, in the amount of \$1,352,933 to provide Early Package Design Services for the Runway 5L-23R & Taxiway B Replacement project and authorization for the President and CEO to execute the Amendment.

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## **RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES APRIL 20, 2023**

Morgan presided. Present: Hall-Roberts, Hankins, Hannah, Kushner, Polanco-Galdamez, and Szlosberg-Landis. Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, Senior Vice President and General Counsel Locklear, and other staff members and guests.<sup>1</sup>

The Committee discussed the following items:

### **1. Consideration of Operator Model Concession Agreements**

Presented by Kimberly A. Stewart, Vice President of Concessions – The Operator Model was developed to bring concepts to the Concessions Program that create a sense of place to the Triangle region, reduce barriers to small businesses to increase ACDBE participation while providing a higher revenue return to the Authority. The Operator Model allows the Authority to invest in the success of our own program.

Operator Model Phase II RFP was released on December 1, 2022, for two packages with five (5) units in each package. Proposals were due on January 27, 2023. The Authority received three (3) proposals for each package. Consensus scoring was utilized with the highest overall score for Package 1 was Grove Bay Crawford JV, LLC (GBC) and MERA RD2 LLC (MERA) for Package 2. The estimated cost of Design & Construction is \$22.8 million for both packages, which includes 28% contingency. The initial design phase has been approved in the FY 23/24 Budget for \$4.5 million. Additional funds up to \$750,000 is requested to cover costs for potential interim concession units.

GBC will provide a variety of concepts including local flavors created by Adios!, led by local chef, Oscar Diaz, and Bond Brothers Taproom & Kitchen. Additional concepts include Butcher's Burger Bar, Dunkin' and Half Moon Empanadas.

MERA's package represents five (5) concepts across Terminal 1 and Terminal 2. These concepts are reflective of the Triangle region and include Raleigh Beer Garden, Conniption Cocktail Bar, Bongiorno & Son, Guy's Pizza Joint, and Lonerider.

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<sup>1</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtube.com/live/TYuLcDZpUvM?feature=share>.

### **Raleigh-Durham Airport Authority Board Members**

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Kimberly Stewart explained the proposed modified option to accelerate unit openings, developed from discussion during Monday's Board meeting for consideration by the Board.

Staff requests approval of (i) the Airport Food and Beverage Program Operator Agreement with Grove Bay Crawford JV, LLC; (ii) the Airport Food and Beverage Operator Agreement with MERA RD2 LLC; (iii) authorization for the President and CEO to execute both of these agreements; and (iv) authorization for the President and CEO to approve expenditures not-to-exceed a total of \$750,000 of funds related to interim concession units.

Staff requests authorization for the President and CEO to execute all design and construction contracts associated with the Concessions Operator Model Program up to a total of \$22.8 million, for a period not-to-exceed three years, under the following conditions:

- a. Board will be provided with a Memo and a copy of the contract 72 hours prior to execution by the President and CEO.
- b. If any Board member deems further consideration/discussion is required, a Special Board meeting may be called.
- c. The President and CEO will work with the Chair to schedule the requested Special Board meeting ideally within a 48-hour period.

## 2. Terminal 1 Carpet Install Update

Presented by Jaymes Carter, Vice President-Buildings and Building Systems – Mr. Carter provided a brief background on the project and shared before and after pictures of the new flooring installation in progress in Terminal 1. He provided an update on the project's schedule and noted that installation should be completed around the end of June.

## 3. Consideration of a Multi-Year Contract with Rackspace US, Inc.

Presented by Michael McLanahan, Vice President of IT Business Solutions – Rackspace US, Inc. is a technology company that provides a wide range of services covering the cloud, applications, data, and security. The Authority's Information Services department leverages Rackspace for Oracle EBusiness Suite (EBS) support. Staff is seeking approval of a five-year agreement with Rackspace at a total cost of \$517,140 over the five-year period.

Oracle EBS is the enterprise system that the Authority uses to manage financials and procurements. It is imperative that Oracle EBS functions efficiently and properly. Rackspace continuously monitors the Oracle EBS system and addresses issues as they occur. Also, Rackspace performs database tuning, database refreshes, software upgrades and patching, and software enhancements.

Rackspace services are available through a cooperative agreement from the National Cooperative Purchasing Alliance (NCPA) Contract #01-85. The proposed five-year agreement

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will result in annual savings of \$46,956, which translates into a total savings of \$234,780 compared to the previous five-year agreement for the same level of support.

This procurement initiative has been reviewed and is supported by the Authority's Small Business Programs Office.

Staff requests approval for a five-year agreement with Rackspace US, Inc. for Oracle EBS support at a cost of \$517,140, and authorization for the President and CEO to sign any necessary, related documents.

4. Consideration of SITA Amendment 14 for CBP Biometric Exit Deployment

Presented by Michael McLanahan, Vice President of IT Business Solutions – Staff is seeking approval to deploy biometric facial recognition as an extension to our SITA Common Use platform at nine gates in Terminal 2. The total fixed and recurring costs for this initiative are \$616,463.00, including \$561,573.00 paid to SITA.

| SITA Projected Costs                           |              |
|------------------------------------------------|--------------|
| One-Time Costs (Hardware and Software)         | \$494,709.00 |
| Total Monthly Recurring Costs                  | \$66,864.00  |
| TOTAL to SITA:                                 | \$561,573.00 |
| Other Projected Costs to RDU                   |              |
| Facility Design/Permitting/Construction Mgmt.  | \$49,140.00  |
| Estimated Core Drilling and Cable Installation | \$5,750.00   |
| TOTAL to OTHERS:                               | \$54,890.00  |

This project is part of the 23-24 Tactical Plan in response to a mandate placed on the US Customs and Border Protection to provide more efficient vetting of outbound international passengers.

The Authority's Director of Small Business Programs concurs with the Minority and Women-owned Small Business commitment and performance demonstrated by SITA.

Acknowledging this equipment and process are requirements for RDU, Secretary Kushner expressed his objections to this process noting privacy concerns as well as the issues of certain nationalities experiencing inaccurate scanning. There was discussion that passengers can choose to opt out of the biometric facial recognition process and proceed through normal entry intake.

Staff requests approval of SITA Amendment 14 at a cost of \$561,573 and authorization for the President and CEO to sign the amendment and any necessary, related documents.

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## RALEIGH- DURHAM AIRPORT AUTHORITY COMMITTEE ON BYLAW MODERNIZATION SPECIAL MEETING MINUTES MAY 8, 2023

Thompson presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, and Szlosberg-Landis.<sup>1</sup> Staff present included: President and CEO Landguth, Vice President and CHRO Armstrong, Vice President of Legal Affairs Rosette, Senior Vice President and General Counsel Locklear, and other staff members and guests.<sup>2</sup>

Board members reviewed and discussed possible edits to Ordinance Chapter 6 ADMINISTRATION, including

|              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 6.1  | Suggested edit to use the appropriate term for 8-member Board being “Board” or “Board of Directors,” and for “Authority” to refer to the Raleigh-Durham Airport Authority overseeing airport operations                                                                                                                                                                                                                                                                                                                                            |
| Section 6.2  | Suggested update for language to reflect electronic mailing and posting of notices                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Section 6.3  | Discussion on adjusting number of members required to call a special meeting; Edit to be consistent with requirements of Open Meetings Law for special meeting notice; Update Airport Director title throughout Ordinance                                                                                                                                                                                                                                                                                                                          |
| Section 6.5  | Suggested edit to “prepare a <i>proposed</i> agenda”                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Section 6.7  | Discussion on adding a public comments section and need for a public comments policy; Suggested edits on reorder of listed business (1-Roll call, 2-Agenda, 3-Minutes, 4-Chair comments, 5-Recognitions, 6-Public comments, 7 –Old business, 8-New business, 9-GC report, 10-President report, 11-Board comments 12-Chair closing comments, 13-Closed session (if needed), 14-Adjournment); Discussion on closed sessions and impact to public attendees, and option to amend agenda should members’ schedules necessitate earlier closed session; |
| Section 6.8  | Comments to edit language to reflect current practice                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Section 6.10 | Discussion on current language for election to abstain from vote; Discussion about municipal and county statutes as to recusal from voting language due to conflict and if such language added, noting these are involved rules; Members discussed conflicts of interest and the Authority’s Ethics Policy; Additional language to be added about electronic participation permitted; Further discussion about proxy language in emergency situations and comments that such situations have been rare historically                                |

<sup>1</sup> Thompson joined in person and other Board members joined via Teams

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/khIu-hs4SWE?feature=share>

### Raleigh-Durham Airport Authority Board Members

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|              |                                                                                                                                                                                                                                                                                                                                                                                             |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 6.11 | Discussion about complexity of projects, review time constraints during committee work sessions, and possibility of separate work session meeting dates. Further discussion on option to hold-over a matter for further consideration at a later meeting. Discussion on committees of the whole and Chair Hankins noted future discussions with Board members as to their areas of interest |
| Section 6.12 | Comments that following a simpler set of rules of procedure would be preferable to Roberts Rules of Order                                                                                                                                                                                                                                                                                   |
| Section 6.13 | Discussion that Proposed Procedure for Board Officer Elections as circulated by Chair Hankins, be a starting point for revisions to this section, for further discussion along with public comments. Comments as to each governing body be represented by an officer and clarification for Assistant Secretary role; Morgan to draft suggested language addressing filling officer vacancy  |
| Section 6.14 | Comments on rotation at chair level from two groups of members, with suggestion for further specificity; Discussion of possible proposal to appointing bodies for longer, staggered terms of Board appointees while avoiding competitive competition on Board.                                                                                                                              |
| Section 6.15 | Discussion on following statutory language to allow oaths by authorized individuals                                                                                                                                                                                                                                                                                                         |
| Section 6.16 | Suggested edit that if chair absent, next attending officer should preside                                                                                                                                                                                                                                                                                                                  |
| Section 6.17 | Discussion on how minutes historically maintained and language edit for minutes posted electronically                                                                                                                                                                                                                                                                                       |
| Section 6.18 | Discussion on confirming, updating, or deleting reference to position of Assistant Director of Finance                                                                                                                                                                                                                                                                                      |
| Section 6.19 | Suggested change from “community” to “communities”                                                                                                                                                                                                                                                                                                                                          |
| Section 6.20 | Suggested update to Airport Director title throughout document; Discussion on contracts and thresholds, with request for data from General Counsel, in order to consider increase of approval limit;                                                                                                                                                                                        |
| Section 6.21 | Suggest correction to unbold “by” and remove “competent”                                                                                                                                                                                                                                                                                                                                    |

Future discussion to commence with Section 6.22.

Meeting adjourned at 6:26 p.m.

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## RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES MAY 18, 2023

Chair Hankins presided. Present: Hall-Roberts, Kushner, Morgan, Polanco-Galdamez,<sup>1</sup> and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

### I. APPROVAL OF AGENDA

*Motion by Morgan for approval of the agenda; Second by Kushner*

ADOPTED BY UNANIMOUS VOTE

### II. CHAIR COMMENTS

1. Chair Hankins welcomed everyone to the May Board meeting, noting he was honored to have been elected Board chair at the April Board meeting and enthusiastic about what lies ahead for RDU.
2. Chair Hankins reported four new airlines have been added in the last year and 37 new nonstop flights in 2023, including service to 20 new destinations.
3. With the growing demand for air travel, Vision 2040 infrastructure projects are underway and, pending FAA approval, the Authority hopes to break ground and replace primary runway 5L/23R. Sustainable practices will allow the airport to grow responsibly while remaining a regional economic engine.
4. A recent Triangle Takeoff Coalition meeting focused on sustainability in the aviation industry, and Chair Hankins shared RDU's Sustainability Policy and its first Sustainability Management Plan.
5. New hires were introduced and welcomed, and thirteen promoted team members were congratulated.

### III. APPROVAL OF MINUTES

*Hall-Roberts<sup>3</sup> noted her review of the minutes and asked if any edits were needed. Motion by Morgan to approve the minutes of the regular meetings of the Board, the Board committees, and*

<sup>1</sup> Polanco-Galdamez joined via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/LQVToiXpeYs?feature=share>.

<sup>3</sup> Hall-Roberts acted on behalf of Secretary Szlosberg-Landis who was unable to attend the meeting.

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*the consent actions of the Board, held on April 20, 2023, the special meeting of the Board held on April 17, 2023, and the special meeting of the Committee on Bylaw Modernization held on May 8, 2023; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

IV. OLD BUSINESS

1. Land and Development Committee – Thompson reported Committee members met during the Committee work session on May 18, 2023, and discussed the following:

- a. Parking Garage Rehabilitation Design Services

*For approval of Task Order 5 with Kimley-Horn and Associates, Inc. in the amount of \$492,179.00 and authorization for the President and CEO to execute the Task Order*

- b. Terminal 2 Bathrooms Prototype Study/Refresh

*Subject to approval of corresponding Capital Project Ordinance Amendment #1, for approval of the Task Order EVO 02.2023 for EVOKE Studio Architecture in the amount of \$176,930 and authorization for the President and CEO to execute the Task Order*

- c. Service Animal Relief Areas in Terminals 1 and 2

*For approval of Task Order EVO 01.2023 for EVOKE Studio Architecture in the amount of \$120,970 and authorization for the President and CEO to execute the Task Order*

- d. T2 Concessions Development Program Guaranteed Maximum Price No. 2 Unit Up-Fits

*Subject to approval of corresponding Capital Project Ordinance Amendment #1, for approval of the Guaranteed Maximum Price No. 2 by Messer Construction in the amount of \$5,572,569.00 and authorization for the President and CEO to execute the GMP No. 2*

*Motion by Thompson for approval of items a. – d.; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

2. Finance Committee – Polanco-Galdamez<sup>4</sup> reported Board members met during the Committee work session on May 18, 2023, and discussed the following:

- a. Consideration of Capital Project Ordinance Amendment #1

*For approval of Amendment #1 to increase the Capital Project Ordinance by \$22,102,000*

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<sup>4</sup> Polanco-Galdamez acted on behalf of Committee Chair Hannah who was unable to attend the committee meeting.

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b. Consideration of Proposed FY23-24 Internal Audit Plan

*For approval of the FY23-24 Internal Audit Plan and authorization for the Internal Audit Department to proceed according to the Plan*

*Motion by Polanco-Galdamez for approval of items a and b; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda

- a. Consideration of Amendment One for Newrest RDU, LLC Logistics and Delivery Services Agreement
- b. Consideration of Multi-year Agreement with the Unifirst Corporation for Uniform Services

*Motion by Morgan to approve and adopt Consent Agenda item numbers a and b; Second by Kushner*

ADOPTED BY UNANIMOUS VOTE<sup>5</sup>

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members congratulated Hankins on his election and first meeting as Chair. Hall-Roberts expressed appreciation for the opportunity to serve on this Board as an appointee by the City of Durham. New hires were welcomed, including Executive Assistant Rosales, and promoted staff congratulated. Staff were commended for their excellent presentations on matters brought before the Board. Polanco-Galdamez shared the accolade by the Durham Board of County Commissioners recognizing Patrick Hannah for his continuing service on the Authority Board since 2015 and as its Chair from 2021 until April 2023.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

Good afternoon Board members, Team RDU, business partners, and guests who are joining us today.

Air Service

April 2023 was the busiest month of the calendar year at RDU, with an 18 percent increase over

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<sup>5</sup> Thompson ended meeting participation after vote

**Raleigh-Durham Airport Authority Board Members**



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April of 2022. 1,182,849 passengers flew through the airport last month. Nearly a three percent increase over March, including a bump from spring break traffic. The combined traffic from Mother's Day and graduation weekend brought 191,596 passengers through RDU from May 12<sup>th</sup> through May 15<sup>th</sup>, which was a 28 percent increase over the same weekend last year. Delta had 29 percent of the market share in April, American had 28 percent and Southwest had 14 percent.

RDU expanded connectivity to the West Coast when Breeze Airways began nonstop service to Los Angeles on Wednesday. Breeze becomes the third airline to serve the L.A. market, along with American and Delta. The new route is the 10<sup>th</sup> city Breeze serves nonstop from RDU. The airline launched its first flight from RDU in February.

### Travel Tips

A few simple tips can help you prepare for the next wave of heavy traffic – Memorial Day weekend and the summer travel season. Download your airline's mobile app to get important information like flight status, boarding times, and gate numbers and to manage your reservation. Keep an eye on the forecast in your departure and arrival cities to find out if the weather might affect your travel plans. Check documents like your driver's license and passport to make sure they have not expired. Read your airline's baggage policy before you pack to make sure your carry-on bag will fit. Visit [tsa.gov](https://www.tsa.gov) to learn which items you can bring through security and which ones need to be packed. Consider signing up for TSA PreCheck and/or CLEAR's biometrics ID program to expedite the security process. And arrive two hours early for domestic flights and three hours early for international flights.

### LE/ARFF Honor

Members of RDU's fire, police and traffic control departments are being honored by Wake County EMS for their quick action in saving the life of an airport guest during a Code Blue call. In May of last year, firefighters were dispatched to a medical call about a man who was unresponsive in a restroom in Terminal 2. When they arrived, law enforcement and traffic control officers were providing care to the patient by using a defibrillator. CPR was performed and the team was able to save the guest's life before Wake County EMS arrived.

I want to thank the following members of Team RDU:

- Law Enforcement Sgt. Steven Gabrielli
- Law Enforcement Officer Brendan Horace
- Law Enforcement Officer Keifer Salmon
- Security Officer James Nowell
- Captain Mac Schultz
- Fire Engineer Grant Huffman
- Fire Engineer Jeremy Pace
- Fire Engineer Bradford Dunn

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These individuals are to be recognized at the Wake County EMS Code-Celebrate event next week. Thank you all for exemplifying RDU's core value of Team.

IX. ADJOURNMENT

*Motion by Hall-Roberts to adjourn; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY  
2023-2024 CAPITAL PROJECT ORDINANCE AMENDMENT #1

BE IT ORDAINED by the Raleigh-Durham Airport Authority, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The following amount is appropriated for the projects:

\$ 690,855,881

Section 2. The following funds are anticipated to be available for the projects; total project amount will be funded through net revenues or appropriate financing:

Transfer Cash from Operating \$ 649,612,201

Total Grant Funds \$ 41,043,680

Section 3. The projects authorized are as follows and funded by Raleigh-Durham Airport Authority funds on hand in operations:

**New 23/24 Projects**

|                                                                        | Original <sup>1</sup> | Change<br>05/18/2023 | Amended       |
|------------------------------------------------------------------------|-----------------------|----------------------|---------------|
| 211230 Runway 5R-23L Pavement Repairs                                  | \$ 5,100,000          | \$ -                 | \$ 5,100,000  |
| 331070 Terminal 2 Concessions Development Program Phase 2              | 4,500,000             | \$ 18,252,000        | 22,752,000    |
| 677003 T1 Expansion Program - Planning Strategy and PDD                | 1,600,000             |                      | 1,600,000     |
| 331080 PC Air Units Replacement for T1 & T2                            | 3,100,000             |                      | 3,100,000     |
| 881450 Rental Car Road, Trade Drive & Admin Parking Lot Rehabilitation | 500,000               |                      | 500,000       |
| 331071 CBP Biometrics                                                  | 750,000               |                      | 750,000       |
| 454001 (AOC) Air Cooled Chiller Replacement                            | 250,000               |                      | 250,000       |
| 321004 Building Management System upgrade                              | 500,000               |                      | 500,000       |
| 341001 CEP Boiler Burner and Expansion Tank Replacement                | 200,000               |                      | 200,000       |
| 331080 T2 Landside Bathroom Refresh                                    | -                     | 250,000              | 250,000       |
|                                                                        | \$ 16,500,000         | \$ 18,502,000        | \$ 35,002,000 |

**Amended Projects**

|                                                           | Original <sup>1</sup> | Change<br>05/18/2023 | Amended       |
|-----------------------------------------------------------|-----------------------|----------------------|---------------|
| 211140 Enhanced Security Perimeter Gates (TSA)            | \$ 3,800,000          | \$ -                 | \$ 3,800,000  |
| 211170 North Cargo Apron Reconstruction                   | 39,000,000            |                      | 39,000,000    |
| 211200 Taxiway E Rehabilitation - Design                  | 15,000,000            |                      | 15,000,000    |
| 321001 Modular Unit Furniture building                    | 850,000               |                      | 850,000       |
| 321002 AOC 1st/4th Floor Work                             | 200,000               |                      | 200,000       |
| 321003 Terminal 2 Conference Room                         | 300,000               |                      | 300,000       |
| 331000 T2 Landside Expansion Program - preliminary design | 25,000,000            |                      | 25,000,000    |
| 489000 New Vehicles and Equipment - FY24                  | 11,057,881            |                      | 11,057,881    |
|                                                           | \$ 95,207,881         | \$ -                 | \$ 95,207,881 |

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| Ongoing Projects |                                                              | Change                |                      |                       |
|------------------|--------------------------------------------------------------|-----------------------|----------------------|-----------------------|
|                  |                                                              | Original <sup>1</sup> | 05/18/2023           | Amended               |
| 080879           | Runway 5L/23R and Taxiway B Replacement Program              | \$ 372,300,000        | \$ -                 | 372,300,000           |
| 211220           | Runway 5L/23R & Taxiway B Preservation Program               | 15,000,000            |                      | 15,000,000            |
| 211110           | West RON Apron Rehabilitation                                | 38,000,000            |                      | 38,000,000            |
| 211120           | Taxiway B Rehabilitation (North of TW D)                     | 38,000,000            |                      | 38,000,000            |
| 331030           | Terminal 2 Concessions Development Program Phase 1           | 5,900,000             | 3,600,000            | 9,500,000             |
| 331040           | T2 Bathroom Refresh and Pet Relief Area - Planning           | 175,000               |                      | 175,000               |
| 331050           | Ramp Information Display System - Planning                   | 4,600,000             |                      | 4,600,000             |
| 321010           | T1 Generator Replacement                                     | 345,000               |                      | 345,000               |
| 321000           | Terminal 1 Flooring Replacement                              | 1,000,000             |                      | 1,000,000             |
| 321020           | T1 Chiller Replacement                                       | 515,000               |                      | 515,000               |
| 080799           | Expanded Park Economy 3                                      | 44,000,000            |                      | 44,000,000            |
| 621020           | Parking Guidance System                                      | 7,000,000             |                      | 7,000,000             |
| 621040           | Parking Garage Rehabilitation - Phase 3                      | 4,000,000             |                      | 4,000,000             |
| 881430           | Aviation Parkway/National Guard Drive Interchange - Planning | 2,300,000             |                      | 2,300,000             |
| 881440           | John Brantley Blvd Extension (CONRAC)                        | 2,500,000             |                      | 2,500,000             |
| 881260           | Maintenance Facility HVAC Replacement                        | 525,000               |                      | 525,000               |
| 881180           | Consolidated Trash Facility Concrete Dumpster Slabs          | 300,000               |                      | 300,000               |
| 453000           | Maintenance Building Parking Lot Rehabilitation              | 5,200,000             |                      | 5,200,000             |
| 441000           | Fuel Farm Facility Improvement Plan                          | 9,186,000             |                      | 9,186,000             |
| 881380           | AOC 5th Floor Buildout                                       | 3,000,000             |                      | 3,000,000             |
| 456000           | New AOC/EOC/ARFF                                             | 500,000               |                      | 500,000               |
| 381000           | GA Area Pavement Rehabilitation                              | 4,500,000             |                      | 4,500,000             |
|                  |                                                              | <b>\$ 556,846,000</b> | <b>\$ 3,600,000</b>  | <b>\$ 560,446,000</b> |
|                  |                                                              | <b>\$ 668,553,881</b> | <b>\$ 22,102,000</b> | <b>\$ 690,655,881</b> |

Section 4. This Capital Project Ordinance includes all amended, new and ongoing projects and replaces all previous capital project ordinances.

Section 5. Subject to approval and acceptance of bids by the Raleigh-Durham Airport Authority, the appropriate officers of the Raleigh-Durham Airport Authority are hereby authorized and empowered to enter into contracts and to carry out the necessary work for the completion of the above listed projects within the funds appropriated herein.

Section 6. The Finance Officer is hereby directed to report quarterly on the financial status of the aforesaid projects. The Finance Officer shall also keep the Authority informed at each regular meeting of any unusual occurrences.

This Capital Project Ordinance shall be entered in the minutes of the Raleigh-Durham Airport Authority and within five (5) days after its adoption, copies shall be filed with the Finance Officer, The Budget Officer and the Secretary of the Raleigh-Durham Airport Authority, who, for the purposes of this ordinance, is designated as the Clerk to the Raleigh-Durham Airport Authority as described in G.S. 159-13.2.

Amended this 18 day of May 2023

Notes:

<sup>1</sup> Original- budget ordinance adopted March 16, 2023

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## **RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT MAY 18, 2023**

The Board approved the following items on the Consent Agenda:

a) Consideration of Amendment One for Newrest RDU, LLC Logistics and Delivery Services Agreement

Memorandum by Kimberly Stewart, Vice President of Concessions – NEWREST RDU, LLC (“Newrest”) entered into a Logistics and Delivery Services Agreement on May 28, 2021. The current agreement expires June 30, 2023. The initial term for Newrest was a 1-year agreement with 2 (two) 6-month extensions. Amendment One provides an option to extend the term of the original agreement for three (3) 1-year periods, bringing the total term of the agreement to a maximum of five (5) years. The term extension will be effective July 1, 2023.

Newrest provides logistics and delivery services to all food and beverage concessionaires in Terminals 1 and 2. Newrest receives dry goods, produce, frozen food, alcohol, beer kegs, linen and other assorted deliveries that supply food concessionaires with the necessary products to execute their dining establishments.

Staff requests approval of Amendment One to the Logistics and Delivery Services Agreement with Newrest RDU, LLC and authorization for the President and CEO to execute the amendment.

b) Consideration of Multi-year Agreement with the Unifirst Corporation for Uniform Services

Memorandum by Steven Yanni, C.M, Director of Contracts Facilities Maintenance – Staff is seeking approval of a multi-year agreement with the Unifirst Corporation for uniform services for the Operational Asset Management Division. The departments served are Fleet Maintenance, Field Maintenance, Facilities Maintenance and Fuel Systems. The services to be provided under the proposed contract include fitting and furnishing all new uniforms to the employees, pick-up and laundering of soiled uniforms, delivery of clean uniforms, and repair/replacement of damaged uniforms. Also included are the supply and cleaning of shop towels, entrance mats and oil absorbent mats.

Competitive proposals for these services were solicited through the RDU website as a Request for Proposals. Responses were received by two firms, Unifirst Corporation and Cintas Corporation. The RDU team’s initial recommendation was to award Cintas, however, Cintas took exception with the scope requirement for certain FR (flame resistant) uniforms required for certain staff to comply with National Fire Protection Association/National

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Electrical Code safety requirements. Staff could not come to a resolution and moved to the 2nd proposer, Unifirst Corporation.

The proposed contract will be for a term of three years beginning on July 1st, 2023, and the contract amount shall not exceed \$50,000 per year of service (\$150,000 total) based on the unit prices set in the agreement and there is no annual escalation. Overall unit prices are comparable to the existing contract also currently held by Unifirst. In addition, MWSB participation goals for the contract were set at 7% minority-owned and 4% woman-owned; however, Unifirst Corporation has indicated its intent to self-perform all services. This has been reviewed by the Authority's Small Business Office.

Staff requests approval of a multi-year agreement with the Unifirst Corporation for Uniform Services for a term of 3 years in the amount not-to-exceed \$150,000 and authorization for the President and CEO to execute the agreement.

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## **RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES MAY 18, 2023**

Thompson presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, and Polanco-Galdamez.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following items:

### **1. T2 Parking Garage Rehabilitation Design Services**

Presented by Ron Jewett, Vice President Facilities Asset Management – This project involves the final phase of a multi-year program to rehabilitate the airport parking garages. Initial work will include matters of structural and waterproofing integrity, as well as modernization of wayfinding inside the garages. Parking Garages 3 and 4 will be emphasized due to the pending replacement of Parking Garages 1 and 2. Certain aesthetic features, such as glass block and painted surfaces will be assessed for improvements.

The proposed services by Kimley-Horn and Associates, Inc. will include a lighting assessment and a fire alarm assessment. The Consultant's services will also include an accessibility assessment of the four parking garages, the surface lot, and bus/passenger drop-off areas in front of Terminals 1 and 2. The Consultant's services in this task order will culminate in a plan for final design, bidding, and construction. The Consultant will collaborate with staff on work priorities and a tactical plan to accomplish the work while minimizing the disruption to the parking operation. Preliminary plans and specifications will be provided accompanied by an estimate of probable construction costs.

Total compensation under this proposed Task Order is a not-to-exceed amount of \$492,179.00. Labor (\$477,033) will be billed at hourly rates, which are established in the Master Agreement, and expenses (\$15,146) will be billed at direct cost.

The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Small Businesses (MB) and 5% for Women-

<sup>1</sup> Polanco-Galdamez joined via Teams.

<sup>2</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtube.com/live/LQVToiXpeYs?feature=share>.

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owned Small Businesses (WB). Total commitments for proposed Task Order 5 are 10% for MB and 8% for WB. The Authority's Director of Small Business Programs concurs with this commitment.

Staff requests approval of Task Order 5 with Kimley-Horn and Associates, Inc. in the amount of \$492,179.00 and authorization for the President and CEO to execute the Task Order.

2. Terminal 2 Bathrooms Prototype Study/Refresh

Presented by Jaymes Carter, Vice President, Buildings and Building Systems – The purpose of this item is to provide a staff recommendation for EVOKE Studio Architecture Task Order No. EVO 02.2023. EVOKE Studio Architecture will complete a prototype/conceptual study for Terminal 2 bathroom upgrades (Project Number 331080). EVOKE will reimagine the existing facilities and develop plans, early sketches, and material selections to reflect the transformation of the existing bathroom facilities.

The overall Minority and Women-Owned Small Business (MWSB) goals for the existing Master Agreement are 10.0% for Minority-Owned Businesses (MB) and 5.0% for Women-Owned Businesses (WB). MB and WB participation goals for this Task Order are 89.7% for MB and 0.0% for WB. This Task Order has been discussed with the Authority's Small Business Program Office.

The Authority will compensate the Consultant for services rendered for this Task Order EVO 02.2023 in an amount not to exceed \$171,180. Allowable reimbursable expenses are also specified in the Agreement and shall not exceed \$5,750. Total compensation is \$176,930.

Subject to approval of corresponding Capital Project Ordinance Amendment #1, staff requests approval of the Task Order EVO 02.2023 for EVOKE Studio Architecture in the amount of \$176,930 and authorization for the President and CEO to execute the task order.

3. Service Animal Relief Areas in Terminals 1 and 2

Presented by Jaymes Carter, Vice President, Buildings and Building Systems – The purpose of this item is to provide a staff recommendation for EVOKE Studio Architecture Task Order No. EVO 01.2023. EVOKE Studio Architecture will complete design and construction phase services for new Service Animal Relief Stations (SARA) in Terminals 1 and 2 (Project Number: 331040). This scope includes project management, schematic design, design development, construction documents, bidding/procurement, cost estimating and construction phase services.

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The overall Minority and Women-Owned Small Business (MWSB) goals for the existing Master Agreement are 10.0% for Minority-Owned Businesses (MB) and 5.0% for Women-Owned Businesses (WB). MB and WB participation goals for this Task Order are 80.6% for MB and 0.0% for WB. This Task Order has been discussed with the Authority's Small Business Program Office.

The Authority will compensate the Consultant for services rendered for this Task Order in an amount not to exceed \$117,470. Allowable reimbursable expenses are also specified in the Agreement and shall not exceed \$3,500. Total compensation is \$120,970.

Staff requests approval of Task Order EVO 01.2023 for EVOKE Studio Architecture in the amount of \$120,970 and authorization for the President and CEO to execute the task order.

4. T2 Concessions Development Program Guaranteed Maximum Price No. 2 - Unit Up-Fits  
Presented by Carrie Blevins, Project Manager: Buildings and Building Systems – The purpose of this item is to provide a staff recommendation for the Guaranteed Maximum Price No. 2 (GMP No. 2) by Messer Construction (Messer) that includes the construction services for 3 Units in Terminal 2 (Project Number: 331030), based on the approved Operator Model dated October 2021. This scope includes project management, walls, ceilings, floors, electrical, plumbing, mechanical, millwork, finishes, and progress meetings with updates to the schedule and budget.

The overall Minority and Women-Owned Small Business (MWSB) goals for the existing Master Agreement are 12.0% for Minority-Owned Businesses (MB) and 9.0% for Women-Owned Businesses (WB). MB and WB participation goals for the Guaranteed Maximum Price are 19.16% for MB and 1.79% for WB. This GMP has been discussed with the Authority's Small Business Program Office.

The Authority will compensate the Construction Manager at Risk (CMAR) for services rendered for this Guaranteed Maximum Price No. 2 in the amount not to exceed \$4,707,802.00. Allowable reimbursable expenses are also specified in the Agreement and shall not exceed \$864,767.00. Total compensation is \$5,572,569.00.

Subject to approval of corresponding Capital Project Ordinance Amendment #1, staff requests approval of the Guaranteed Maximum Price No. 2 by Messer Construction in the amount of \$5,572,569.00 and authorization for the President and CEO to execute the GMP No. 2.

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## **RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES MAY 18, 2023**

Polanco-Galdamez presided.<sup>1</sup> Present: Hall-Roberts, Hankins, Kushner, Morgan and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following items:

### **1. Consideration of Capital Project Ordinance Amendment #1**

Presented by Sharyar Ahmed, Director of Financial Planning & Analysis – This item is to provide a staff recommendation to approve the Capital Project Ordinance Amendment #1 increase of \$22,102,000 for the following existing and new projects:

- Capital Project 331030, “Terminal 2 Concessions Development Program Phase 1”, was created with an overall budget of \$5,900,000. The purpose of the project is to provide a staff recommendation for the Guaranteed Maximum Price No. 2 (GMP No. 2) by Messer Construction that includes the construction services for Terminal 2 – 3 Units, based on the approved Operator Model dated October 2021. This scope includes project management, walls, ceilings, floors, electrical, plumbing, mechanical, millwork, finishes, and progress meetings with updates to the schedule and budget, the Authority requires additional funding of \$3,600,000. The new project total will be \$9,500,000.
- Capital Project 331070 “Terminal 2 Concessions Development Phase 2” was created with an overall budget of \$4,500,000 for design only. The Authority received three (3) proposals for each package. Consensus scoring was utilized with the highest overall score for Package 1 was Grove Bay Crawford JV, LLC (GBC) and MERA RD2 LLC (MERA) for Package 2. The estimated cost of Design & Construction is \$22,752,000 for both packages, which includes 28% contingency. The Authority requires additional funding of \$18,252,000. The new project total will be for \$22,752,000.
- New Capital Project 331080 “Terminal 2 Landside Bathroom Refresh” is a new project with an initial budget of \$250,000. A future amendment will be required once a concept

<sup>1</sup> Polanco-Galdamez joined via Teams and served at the request of Chair Hankins due to Committee Chair Hannah’s absence.

<sup>2</sup> In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtube.com/live/LQVToiXpeYs?feature=share>.

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design is selected, and an overall project cost established. The purpose of this item is to provide a staff recommendation for EVOKE Studio Architecture Task Order No. EVO 02.2023. EVOKE Studio Architecture will complete a prototype/conceptual study for Terminal 2 bathroom upgrades. EVOKE will reimagine the existing facilities and develop plans, early sketches, and material selections to reflect the transformation of the existing bathroom facilities. The Authority requires funding of \$250,000 for a prototype study and concept design.

Staff requests approval of Amendment #1 to increase the Capital Project Ordinance by \$22,102,000.

2. Consideration of Proposed FY23-24 Internal Audit Plan

Presented by Brandon L. Averette, Internal Audit Manager – The Internal Audit Department requests approval of the FY23-24 Internal Audit Plan (Plan). The Plan is in draft form and may be revised for any additions and/or deletions with Board directive. The Authority's Internal Audit Department, established in 2007, currently consists of three auditors. Unlike external auditors, whose objective is to attest to the financial condition of an organization by auditing the balances in the financial statements as of a period of time, the Internal Audit Department helps the Authority accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. This is accomplished through a combination of assurance and consulting engagements designed to add value.

Mr. Averette addressed questions regarding risk assessment scores, and what overlap and information is shared with the external audit firm for the Authority. General Counsel, Erin Locklear, outlined the internal process for managing the posed hypothetical scenario.

Staff requests approval of the FY23-24 Internal Audit Plan and authorization for the Internal Audit Department to proceed according to the Plan.

**Raleigh-Durham Airport Authority Board Members**

**WAKE COUNTY**  
Ellis Hankins, **Chair**  
David Kushner

**CITY OF DURHAM**  
Tammie Hall-Roberts, **Vice Chair**  
Patrick Hannah

**CITY OF RALEIGH**  
Nina Szlosberg-Landis, **Secretary**  
Dickie Thompson

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RALEIGH-DURHAM AIRPORT AUTHORITY  
2023-2024 CAPITAL PROJECT ORDINANCE AMENDMENT #1

BE IT ORDAINED by the Raleigh-Durham Airport Authority, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The following amount is appropriated for the projects:

\$ 690,655,881

Section 2. The following funds are anticipated to be available for the projects; total project amount will be funded through net revenues or appropriate financing:

Transfer Cash from Operating \$ 649,612,201

Total Grant Funds \$ 41,043,680

Section 3. The projects authorized are as follows and funded by Raleigh-Durham Airport Authority funds on hand in operations:

**New 23/24 Projects**

|                                                                        | Original <sup>1</sup> | Change<br>05/18/2023 | Amended       |
|------------------------------------------------------------------------|-----------------------|----------------------|---------------|
| 211230 Runway 5R-23L Pavement Repairs                                  | \$ 5,100,000          | \$ -                 | \$ 5,100,000  |
| 331070 Terminal 2 Concessions Development Program Phase 2              | 4,500,000             | \$ 18,252,000        | 22,752,000    |
| 677003 T1 Expansion Program - Planning Strategy and PDD                | 1,600,000             |                      | 1,600,000     |
| 331080 PC Air Units Replacement for T1 & T2                            | 3,100,000             |                      | 3,100,000     |
| 881450 Rental Car Road, Trade Drive & Admin Parking Lot Rehabilitation | 500,000               |                      | 500,000       |
| 331071 CBP Biometrics                                                  | 750,000               |                      | 750,000       |
| 454001 (AOC) Air Cooled Chiller Replacement                            | 250,000               |                      | 250,000       |
| 321004 Building Management System upgrade                              | 500,000               |                      | 500,000       |
| 341001 CEP Boiler Bumer and Expansion Tank Replacement                 | 200,000               |                      | 200,000       |
| 331080 T2 Landside Bathroom Refresh                                    | -                     | 250,000              | 250,000       |
|                                                                        | \$ 16,500,000         | \$ 18,502,000        | \$ 35,002,000 |

**Amended Projects**

|                                                           | Original <sup>1</sup> | Change<br>05/18/2023 | Amended       |
|-----------------------------------------------------------|-----------------------|----------------------|---------------|
| 211140 Enhanced Security Perimeter Gates (TSA)            | \$ 3,800,000          | \$ -                 | \$ 3,800,000  |
| 211170 North Cargo Apron Reconstruction                   | 39,000,000            |                      | 39,000,000    |
| 211200 Taxiway E Rehabilitation - Design                  | 15,000,000            |                      | 15,000,000    |
| 321001 Modular Unit Furniture building                    | 850,000               |                      | 850,000       |
| 321002 AOC 1st/4th Floor Work                             | 200,000               |                      | 200,000       |
| 321003 Terminal 2 Conference Room                         | 300,000               |                      | 300,000       |
| 331000 T2 Landside Expansion Program - preliminary design | 25,000,000            |                      | 25,000,000    |
| 489000 New Vehicles and Equipment - FY24                  | 11,057,881            |                      | 11,057,881    |
|                                                           | \$ 95,207,881         | \$ -                 | \$ 95,207,881 |

**Raleigh-Durham Airport Authority Board Members**

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| Ongoing Projects                                                    |                       | Change        |                |  |
|---------------------------------------------------------------------|-----------------------|---------------|----------------|--|
|                                                                     | Original <sup>1</sup> | 05/18/2023    | Amended        |  |
| 080879 Runway 5L/23R and Taxiway B Replacement Program              | \$ 372,300,000        | \$ -          | 372,300,000    |  |
| 211220 Runway 5L/23R & Taxiway B Preservation Program               | 15,000,000            |               | 15,000,000     |  |
| 211110 West RON Apron Rehabilitation                                | 38,000,000            |               | 38,000,000     |  |
| 211120 Taxiway B Rehabilitation (North of TW D)                     | 36,000,000            |               | 36,000,000     |  |
| 331030 Terminal 2 Concessions Development Program Phase 1           | 5,900,000             | 3,600,000     | 9,500,000      |  |
| 331040 T2 Bathroom Refresh and Pet Relief Area - Planning           | 175,000               |               | 175,000        |  |
| 331050 Ramp Information Display System - Planning                   | 4,600,000             |               | 4,600,000      |  |
| 321010 T1 Generator Replacement                                     | 345,000               |               | 345,000        |  |
| 321000 Terminal 1 Flooring Replacement                              | 1,000,000             |               | 1,000,000      |  |
| 321020 T1 Chiller Replacement                                       | 515,000               |               | 515,000        |  |
| 080799 Expanded Park Economy 3                                      | 44,000,000            |               | 44,000,000     |  |
| 621020 Parking Guidance System                                      | 7,000,000             |               | 7,000,000      |  |
| 621040 Parking Garage Rehabilitation - Phase 3                      | 4,000,000             |               | 4,000,000      |  |
| 881430 Aviation Parkway/National Guard Drive Interchange - Planning | 2,300,000             |               | 2,300,000      |  |
| 881440 John Brantley Blvd Extension (CONRAC)                        | 2,500,000             |               | 2,500,000      |  |
| 881260 Maintenance Facility HVAC Replacement                        | 525,000               |               | 525,000        |  |
| 881180 Consolidated Trash Facility Concrete Dumpster Slabs          | 300,000               |               | 300,000        |  |
| 453000 Maintenance Building Parking Lot Rehabilitation              | 5,200,000             |               | 5,200,000      |  |
| 441000 Fuel Farm Facility Improvement Plan                          | 9,186,000             |               | 9,186,000      |  |
| 881380 AOC 5th Floor Buildout                                       | 3,000,000             |               | 3,000,000      |  |
| 456000 New AOC/EOC/ARFF                                             | 500,000               |               | 500,000        |  |
| 381000 GA Area Pavement Rehabilitation                              | 4,500,000             |               | 4,500,000      |  |
|                                                                     | \$ 556,846,000        | \$ 3,600,000  | \$ 560,446,000 |  |
|                                                                     | \$ 668,553,881        | \$ 22,102,000 | \$ 690,655,881 |  |

Section 4. This Capital Project Ordinance includes all amended, new and ongoing projects and replaces all previous capital project ordinances.

Section 5. Subject to approval and acceptance of bids by the Raleigh-Durham Airport Authority, the appropriate officers of the Raleigh-Durham Airport Authority are hereby authorized and empowered to enter into contracts and to carry out the necessary work for the completion of the above listed projects within the funds appropriated herein.

Section 6. The Finance Officer is hereby directed to report quarterly on the financial status of the aforesaid projects. The Finance Officer shall also keep the Authority informed at each regular meeting of any unusual occurrences.

This Capital Project Ordinance shall be entered in the minutes of the Raleigh-Durham Airport Authority and within five (5) days after its adoption, copies shall be filed with the Finance Officer, The Budget Officer and the Secretary of the Raleigh-Durham Airport Authority, who, for the purposes of this ordinance, is designated as the Clerk to the Raleigh-Durham Airport Authority as described in G.S. 159-13.2.

Amended this 18 day of May 2023

Notes:

<sup>1</sup> Original- budget ordinance adopted March 16, 2023

## Raleigh-Durham Airport Authority Board Members

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## RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES JUNE 15, 2023

Chair Hankins presided. Present: Hall-Roberts, Kushner, Morgan, Szlosberg-Landis, and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>1</sup>

### I. APPROVAL OF MINUTES

*Hall-Roberts<sup>2</sup> noted her review of the minutes and asked if any edits were needed. Motion by Kushner to approve the minutes of the regular meetings of the Board, the Board committees, and the consent actions of the Board, held on May 18, 2023; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### II. APPROVAL OF AGENDA

*Motion by Thompson for approval of the agenda; Second by Hall-Roberts*

ADOPTED BY UNANIMOUS VOTE

### III. CHAIR COMMENTS

1. Chair Hankins welcomed everyone, noting this is the busiest travel season of the year at RDU.
2. New team members were introduced and welcomed.
3. Chair Hankins explained the ongoing installation and test phase of RDU's Parking Guidance System which is designed to improve the guest experience in our parking deck, and that the system is scheduled to be operational by end of July.
4. Chair Hankins gave an update on RDU's Sustainability Management Plan and the recent meeting, composition, and purpose of the internal sustainability committee as part of the Community, Customers, and Employees' focus area of the plan. A mid-year update on sustainability efforts is proposed for release in mid-July.
5. Chair Hankins explained that as part of the Authority's Project Environmental Compliance Review Policy, the Authority will seek public input on the Environmental Compliance Report for the Park Economy 3 Expansion project. The schedule for the environmental review process was displayed and is posted on the RDU website. The second public workshop will be held on July 20<sup>th</sup> and Board action is anticipated at the August 17<sup>th</sup> meeting.

<sup>1</sup> The meeting was live streamed at <https://youtube.com/live/lqSDr8KrpRw?feature=share>.

<sup>2</sup> Vice Chair Hall-Roberts acted on behalf of Secretary Szlosberg-Landis.

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6. Secretary Szlosberg-Landis and Chair Hankins joined staff members, consultants and the Wake County Parks, Recreation & Open Space Director on June 9, 2023 on the “286 tract” leased to Wake County, which included a walk along Haley’s Branch over to Park Economy. Tentative plans to manage stormwater runoff, enhance water quality, and about mitigation efforts were discussed.

#### IV. OLD BUSINESS

1. Land and Development Committee – Thompson reported Committee members met during the Committee work session on June 15, 2023, and discussed the following:

- a. Update on House Bill 600

*Presentation to Board in committee work session for informative purposes only. No Board action requested.*

- b. John Brantley Blvd Extension and Parking Garages 1 and 2 Replacement Design Services

*For approval of Amendment 2 to Task Order 3 with Kimley Horn in the amount of \$9,485,964.00 and authorization for the President and CEO to execute the Amendment*

- c. Lumley Road Relocation Early Package Design Package – An Element of the Replacement of Runway 5L-23R

*For approval of Amendment 1 to Task Order 7 with WK Dickson in the amount of \$913,671.00 and authorization for the President and CEO to execute the Amendment*

- d. Terminal 1 Expansion Program Definition Document Consideration of Task Order L&B MA22.05.00

*For approval and authorization, subject to the approval of a capital budget amendment, of Task Order L&B MA22.05.00 in the amount of \$3,554,638.00 for Landrum & Brown, Inc. and authorization for the President and CEO to execute the Task Order*

- e. Terminal 2 Landside Expansion Program Amendment 1 to Task Order #6 with O’Brien Atkins Associates

*For approval of Amendment #1 for Task Order OBA06.2022 with O’Brien Atkins Associates, PA for advanced planning, programming, and schematic design in the amount of \$450,036 for the T2 Landside Expansion Program (RDU Project #331000), and authorization for the President and CEO to execute the Task Order*

*Motion by Thompson for approval of items b – e; Second by Szlosberg-Landis*

ADOPTED BY UNANIMOUS VOTE

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Chair Hankins commented that these items have been in the strategic plan for years and were part of the discussion in the Special Meeting held earlier in the week. He noted Board members' obligation to make these necessary improvements to serve the rapidly growing community and regional economy in an environmentally, financially, and sustainably responsible manner.

2. Operations Committee – Morgan reported Board members met during the Committee work session on June 15, 2023, and discussed the following:

a. Consideration of Amendment Six with Elite Line Services

*For approval of Amendment Six to the Service Agreement with Elite Line Services and authorization for the President and CEO to execute the amendment*

b. Consideration of Second Amendment to Agreement for Distributed Antenna System

*For approval of the Second Amendment to the 2013 Agreement with New Cingular Wireless (AT&T Mobility Corporation) to provide, maintain, and upgrade the Authority's DAS System and authorization for the President and CEO to sign any necessary, related documents*

*Motion by Morgan for approval of items a and b; Second by Kushner*

ADOPTED BY UNANIMOUS VOTE

3. Finance Committee – Kushner<sup>3</sup> reported Board members met during the Committee work session on June 15, 2023:

a. Report of Insurance Premium Renewals

*Presentation to Board in committee work session for informative purposes only. No Board action requested.*

V. NEW BUSINESS

1. Consent Agenda

- a. Consideration of Capital Project Ordinance Amendment #2
- b. Consideration of Service Agreement for Beano LLC DBA Errand Girl of Durham Concierge Services

*Motion by Thompson to approve and adopt Consent Agenda item numbers a and b; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

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<sup>3</sup> Kushner acted on behalf of Committee Chair Hannah.

**Raleigh-Durham Airport Authority Board Members**

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## VI. GENERAL COUNSEL'S REPORT

No items were reported.

## VII. MEMBER COMMENTS

Staff was thanked for presentations and information brought before the Board during the meetings this week. New hires to Team RDU were congratulated and welcomed. There were comments on the recent meeting with Breeze Airways founder David Neeleman, which was attended by elected officials, economic developers and leaders from regional, national and global businesses in the area. Board members commented on the increasing activity at RDU and the projects underway, with the approval of \$14.5M in design services heralding in an era of growth development shaping the airport for the future. Vice-Chair Hall-Roberts detailed Durham City and County's Juneteenth Flag-Raising Ceremony by Buffalo Soldiers' historical re-enactors, which kicked-off Durham's celebration scheduled on June 17-18, as well as other observances and activities throughout the Triangle. Ms. Szlosberg-Landis expressed concerns about HB 600, a regulatory reform bill being considered by the legislature. A number of environmental concerns related to the airport expansion projects were added to this bill. Ms. Szlosberg-Landis noted that generally there is opposition by environmental advocates and those within the current administration about such bills as they are often seen as vehicles to roll back important environmental protections. She also noted that the airport staff has committed to the Board that the RDUAA will adhere to all environmental standards and protections while executing upcoming projects.<sup>4</sup>

## VIII. PRESIDENT AND CEO'S REPORT

### Welcome

Good afternoon Board members, Team RDU, business partners, and guests who are joining us today.

### Air Service

RDU's busiest travel season started with a big Memorial Day weekend. More than 172,000 passengers traveled through the airport from Friday, May 26th through Monday, May 29<sup>th</sup>, which represented an increase of 23 percent over 2022 and a seven percent increase over 2019, when we experienced record-breaking traffic.

For the month, traffic was up ten percent compared to April and up 19.5 percent compared to May of last year, with 1,301,351 passengers flying through the airport. Delta had 28.8 percent of market share at RDU last month, with American Airlines at 27.9 percent and Southwest at 14.2 percent. RDU now has 65 nonstop destinations, including seven international routes.

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<sup>4</sup> 7-20-23 Board amended minutes to add Secretary Szlosberg-Landis' comments.

### Raleigh-Durham Airport Authority Board Members

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### New Flights

The number of options our guests have when traveling through RDU continues to grow. Frontier Airlines will launch a new route tomorrow to Chicago-Midway. Frontier will also begin service to Houston's George Bush Intercontinental Airport on Sunday. JetBlue is also expanding, with more flights to two popular vacation destinations. Nonstop service to Orlando will fly daily beginning in early November. Service between RDU and San Juan will take off on JetBlue in early July. Avelo is launching four new flights this month. Service to Rochester, New York and Memphis, Tennessee began yesterday. Flights to Manchester, New Hampshire and Melbourne, Florida begin next week.

### Breeze CEO

RDU was honored to host Breeze Airways founder and CEO David Neeleman when he visited the Triangle on Wednesday. Neeleman was here at our invitation to meet with elected officials, economic developers and leaders from regional, national and global businesses based in our area. Breeze launched at RDU in February and quickly became one of our fastest-growing airlines. Neeleman talked about why Breeze chose RDU and his views about the future of the travel industry. He also announced the launch of two new routes at RDU. Breeze will begin flying to Las Vegas and Tampa in early September. We thank him for taking the time to visit us and learn more about the Research Triangle region.

## IX. ADJOURNMENT

*Motion by Thompson to adjourn; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### Raleigh-Durham Airport Authority Board Members

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## RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT JUNE 15, 2023

The Board approved the following items on the Consent Agenda:

a) Consideration of Capital Project Ordinance Amendment #2

Memorandum by Sharyar Ahmed, Director of Financial Planning & Analysis – This item is to provide a staff recommendation to approve the Capital Project Ordinance Amendment #2 increase of \$2,200,000 for the following existing project:

- Capital Project 677003, “Terminal 1 Expansion Program – Planning Strategy and PDD”, was created with an overall budget of \$1,600,000. The purpose of the project is to conduct the advanced planning services necessary to determine the additional airside and landside capacity needed to accommodate growing air service and passenger demands, address existing and future terminal area deficiencies, and plan for the ultimate future of Terminal 1 at RDU. The planning strategy and PDD (Program Definition Document and Concept Design) will involve work associated with developing goals and objectives, collecting, and validating planning data, understanding existing conditions, developing initial program requirements, and creating a concept design recommendation. The Authority requires additional funding of \$2,200,000 bringing the project total to \$3,800,000. Future budget amendments will be required at a later date as the project advances into design and construction.

Staff anticipates no additional cash spend is needed at the time for the 2023-2024 Budget Ordinance for this capital project.

Staff requests approval of Amendment #2 to increase the Capital Project Ordinance by \$2,200,000.

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RALEIGH-DURHAM AIRPORT AUTHORITY  
2023-2024 CAPITAL PROJECT ORDINANCE AMENDMENT #2

BE IT ORDAINED by the Raleigh-Durham Airport Authority, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The following amount is appropriated for the projects:

\$ 882,855,881

Section 2. The following funds are anticipated to be available for the projects; total project amount will be funded through net revenues or appropriate financing:

Transfer Cash from Operating \$ 651,812,201

Total Grant Funds \$ 41,043,680

Section 3. The projects authorized are as follows and funded by Raleigh-Durham Airport Authority funds on hand in operations:

| New 23/24 Projects |                                                                 | Original <sup>1</sup> | Change <sup>1</sup><br>05/18/2023 | Change <sup>2</sup><br>6/15/2023 | Amended       |
|--------------------|-----------------------------------------------------------------|-----------------------|-----------------------------------|----------------------------------|---------------|
| 211230             | Runway 5R-23L Pavement Repairs                                  | \$ 5,100,000          |                                   |                                  | \$ 5,100,000  |
| 331070             | Terminal 2 Concessions Development Program Phase 2              | 4,500,000             | 18,252,000                        |                                  | \$ 22,752,000 |
| 677003             | T1 Expansion Program - Planning Strategy and PDD                | 1,600,000             |                                   | 2,200,000                        | \$ 3,800,000  |
| 331060             | PC Air Units Replacement for T1 & T2                            | 3,100,000             |                                   |                                  | \$ 3,100,000  |
| 881450             | Rental Car Road, Trade Drive & Admin Parking Lot Rehabilitation | 500,000               |                                   |                                  | \$ 500,000    |
| 331071             | CBP Biometrics                                                  | 750,000               |                                   |                                  | \$ 750,000    |
| 454001             | (AOC) Air Cooled Chiller Replacement                            | 250,000               |                                   |                                  | \$ 250,000    |
| 321004             | Building Management System upgrade                              | 500,000               |                                   |                                  | \$ 500,000    |
| 341001             | CEP Boiler Burner and Expansion Tank Replacement                | 200,000               |                                   |                                  | \$ 200,000    |
| 331080             | T2 Landside Bathroom Refresh                                    | -                     | 250,000                           |                                  | \$ 250,000    |
|                    |                                                                 | \$ 16,500,000         | \$ 18,502,000                     | \$ 2,200,000                     | \$ 37,202,000 |

  

| Amended Projects |                                                    | Original <sup>1</sup> | Change <sup>1</sup><br>05/18/2023 | Change <sup>2</sup><br>6/15/2023 | Amended       |
|------------------|----------------------------------------------------|-----------------------|-----------------------------------|----------------------------------|---------------|
| 211140           | Enhanced Security Perimeter Gates (TSA)            | \$ 3,800,000          |                                   |                                  | \$ 3,800,000  |
| 211170           | North Cargo Apron Reconstruction                   | 39,000,000            |                                   |                                  | \$ 39,000,000 |
| 211200           | Taxiway E Rehabilitation - Design                  | 15,000,000            |                                   |                                  | \$ 15,000,000 |
| 321001           | Modular Unit Furniture building                    | 850,000               |                                   |                                  | \$ 850,000    |
| 321002           | AOC 1st/4th Floor Work                             | 200,000               |                                   |                                  | \$ 200,000    |
| 321003           | Terminal 2 Conference Room                         | 300,000               |                                   |                                  | \$ 300,000    |
| 331000           | T2 Landside Expansion Program - preliminary design | 25,000,000            |                                   |                                  | \$ 25,000,000 |
| 489000           | New Vehicles and Equipment - FY24                  | 11,057,881            |                                   |                                  | \$ 11,057,881 |
|                  |                                                    | \$ 95,207,881         | \$ -                              | \$ -                             | \$ 95,207,881 |

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| Ongoing Projects                                                    | Change <sup>1</sup>   |               | Change <sup>2</sup> |                |
|---------------------------------------------------------------------|-----------------------|---------------|---------------------|----------------|
|                                                                     | Original <sup>1</sup> | 05/18/2023    | 6/15/2023           | Amended        |
| 080879 Runway 5L/23R and Taxiway B Replacement Program              | \$ 372,300,000        |               |                     | 372,300,000    |
| 211220 Runway 5L/23R & Taxiway B Preservation Program               | 15,000,000            |               |                     | 15,000,000     |
| 211110 West RON Apron Rehabilitation                                | 38,000,000            |               |                     | 38,000,000     |
| 211120 Taxiway B Rehabilitation (North of TW D)                     | 38,000,000            |               |                     | 38,000,000     |
| 331030 Terminal 2 Concessions Development Program Phase 1           | 5,800,000             | 3,600,000     |                     | 9,500,000      |
| 331040 T2 Bathroom Refresh and Pet Relief Area - Planning           | 175,000               |               |                     | 175,000        |
| 331050 Ramp Information Display System - Planning                   | 4,600,000             |               |                     | 4,600,000      |
| 321010 T1 Generator Replacement                                     | 345,000               |               |                     | 345,000        |
| 321000 Terminal 1 Flooring Replacement                              | 1,000,000             |               |                     | 1,000,000      |
| 321020 T1 Chiller Replacement                                       | 515,000               |               |                     | 515,000        |
| 080799 Expanded Park Economy 3                                      | 44,000,000            |               |                     | 44,000,000     |
| 621020 Parking Guidance System                                      | 7,000,000             |               |                     | 7,000,000      |
| 621040 Parking Garage Rehabilitation - Phase 3                      | 4,000,000             |               |                     | 4,000,000      |
| 881430 Aviation Parkway/National Guard Drive Interchange - Planning | 2,300,000             |               |                     | 2,300,000      |
| 881440 John Brantley Blvd Extension (CONRAC)                        | 2,500,000             |               |                     | 2,500,000      |
| 881280 Maintenance Facility HVAC Replacement                        | 525,000               |               |                     | 525,000        |
| 881180 Consolidated Trash Facility Concrete Dumpster Slabs          | 300,000               |               |                     | 300,000        |
| 453000 Maintenance Building Parking Lot Rehabilitation              | 5,200,000             |               |                     | 5,200,000      |
| 441000 Fuel Farm Facility Improvement Plan                          | 9,186,000             |               |                     | 9,186,000      |
| 881380 AOC 5th Floor Buildout                                       | 3,000,000             |               |                     | 3,000,000      |
| 458000 New AOC/EOC/ARFF                                             | 500,000               |               |                     | 500,000        |
| 381000 GA Area Pavement Rehabilitation                              | 4,500,000             |               |                     | 4,500,000      |
|                                                                     | \$ 556,846,000        | \$ 3,600,000  | \$ -                | \$ 560,446,000 |
|                                                                     | \$ 668,553,881        | \$ 22,102,000 | \$ 2,200,000        | \$ 692,855,881 |

Section 4. This Capital Project Ordinance includes all amended, new and ongoing projects and replaces all previous capital project ordinances.

Section 5. Subject to approval and acceptance of bids by the Raleigh-Durham Airport Authority, the appropriate officers of the Raleigh-Durham Airport Authority are hereby authorized and empowered to enter into contracts and to carry out the necessary work for the completion of the above listed projects within the funds appropriated herein.

Section 6. The Finance Officer is hereby directed to report quarterly on the financial status of the aforesaid projects. The Finance Officer shall also keep the Authority informed at each regular meeting of any unusual occurrences.

This Capital Project Ordinance shall be entered in the minutes of the Raleigh-Durham Airport Authority and within five (5) days after its adoption, copies shall be filed with the Finance Officer, The Budget Officer and the Secretary of the Raleigh-Durham Airport Authority, who, for the purposes of this ordinance, is designated as the Clerk to the Raleigh-Durham Airport Authority as described in G.S. 159-13.2.

Amended this 15 day of June 2023

Notes:

<sup>1</sup> Original- budget ordinance adopted March 16, 2023

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b) Consideration of Service Agreement for Beano LLC DBA Errand Girl of Durham Concierge Services

Memorandum by Kimberly Stewart, Vice President of Concessions – The Concessions and Marketing Departments continue to work diligently to support the needs of the Concessions Program by coordinating and promoting special events in the terminal. A logistics coordinator assists Staff in executing events by providing services to set up and breakdown in-terminal events which encourage passenger engagement, provide escorts for musicians, and deliver materials and supplies for marketing events. Qualifications required for the logistics coordinator include the ability to provide a high level of customer service engagement, ability to provide adequate staffing to support events and provide services during a wide range of hours.

On March 22, 2023, an RFQ was issued to identify companies with qualifications to meet the required logistics coordinator services. The Authority received two proposals which were vetted by Staff.

Beano LLC DBA Errand Girl of Durham Concierge Services (Errand Girl) was selected to provide logistics coordinator services. Errand Girl has over 10 years of concierge service which includes event planning and management.

The MWSB participation goals in the RFP were 5% MB and 0% WB. Errand Girl exceeded the MB goal with 100% participation and 0% WB participation. Errand Girl made good faith efforts to achieve both portions of the goals. The commitment met the MWSB program requirements.

The contract is for a term of three (3) years beginning July 1, 2023 through June 30, 2026, with a note to exceed amount of \$85,000 for the term of the agreement.

Staff requests approval of a Service Agreement with Beano LLC DBA Errand Girl of Durham Concierge Services and the authorization for the President and CEO to execute the agreement.

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## **RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES JUNE 15, 2023**

Thompson presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez<sup>1</sup>, and Szlosberg-Landis. Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following items:

### **1. Update on House Bill 600**

Presented by William Sandifer, A.A.E. EVP and Chief Development Officer –Conceptually, HB 600 is singularly focused on accomplishing one objective. Getting us into construction of the replacement Runway 5L/23R as quickly as possible. If HB 600 is not adopted, worse case the runway cannot be constructed. Best case, the additional time and expense associated with unnecessary delays could create such significant impacts that we could be forced to close our primary runway, eliminating direct west coast and international air service. Our multi-year effort to patch and preserve the current runway is not a long-term solution and there is a real sense of urgency to begin the replacement project, NOW!

Furthermore, HB 600 does not, in any way shape or form, eliminate or diminish our responsibility to mitigate for any environmental impact caused by the runway construction. The anticipated environmental impacts requiring mitigation have been thoroughly documented in the FAA Environmental Assessment and we are hopeful FAA will release the final EA document shortly.

Getting a little more granular, the first aspect of HB 600 deals with the authority and responsibility of the North Carolina Department of Public Safety (DPS) to oversee floodplain management in the State, and, issue floodplain development permits.

As part of our runway construction we need to place fill, and install an approach lighting system, within Brier Creed Reservoir, which is a jurisdictional floodplain. Late last year we received concurrence from DPS that our proposed runway design would not increase the base flood elevation of Brier Creek Reservoir. This is called a “no rise certification” and was issued by DPS on November 15. In addition to receiving this written “no rise” certification from DPS, they advised us, in writing, that we needed to obtain a “floodplain development permit.”

<sup>1</sup> Treasurer Polanco-Galdamez joined via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/lqSDr8KrpRw?feature=share>.

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We naturally asked DPS, who is going to issue the permit? During those discussions both parties discovered there is no state or local governmental entity that has the legal authority to issue us that permit. This is what we call a donut hole in the law. HB 600 fills that hole.

Working collaboratively with DPS HB 600 contains language granting the Authority the required permit to allow runway construction.

The second aspect of HB 600 addresses requirements for the Authority to receive authorization to proceed with the removal and placement of fill material on airport property causing a disturbance to various riparian buffers in the Neuse River Basin. More specifically, HB 600 would exempt RDU's runway project from the requirement to receive an Authorization Certificate from DEQ before impacting the riparian buffers, therefore expediting the permitting process and removing the uncertainty of having to prove to DEQ there is no practical alternative to the project. HB 600 would ensure runway construction can proceed without the added time and expense required to receive the Authorization Certificate and avoid potentially greater environmental impact associated with bringing fill from off-airport if the Authorization Certificate were not granted.

HB 600 does makes clear that the project is required to comply with all state and federal mitigation requirements.

For informative purposes only. No Board action required.

2. John Brantley Blvd Extension and Parking Garages 1 and 2 Replacement Design Services

Presented by Ron Jewett, Vice President Facilities Asset Management – The scope of this project originally included an extension of John Brantley Boulevard (JB Boulevard) to accommodate additional parking and/or a Consolidated Rental Car Facility (CONRAC) between Terminal 1 and Terminal 2. The firm of Kimley-Horn (Consultant) is engaged for Schematic Design of the extension by way of Task Order 3.

During the planning stages of a separate and ongoing project, Terminal 2 Landside Expansion, it was revealed that a substantial extension of the enplane deck to the north will be necessary to accommodate expansion of the facility. To maintain terminal operations while the enplane deck is expanded, a temporary bridge will be necessary to connect JB Boulevard to the enplane deck. In order to make room for the temporary bridge, some or all of Parking Garage 2 must be demolished (also anticipated as part of the CONRAC program).

Parking garages 1 and 2 were constructed in the 1980s and have reached the end of their useful life. Demolition and replacement of Parking Garages 1 and 2 is a Vision 2040 project and has been in consideration since the conceptual design of the CONRAC (pre-COVID). As part of a

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recent CONRAC validation effort, parking projections indicate that demand will continue to necessitate additional parking. A new, larger garage in place of Parking Garages 1 and 2 will provide additional parking and elevate the customer experience.

Since there are so many touchpoints between an extension of JB Boulevard and replacement of the parking garages, staff recommends combining the two projects and bringing the level of design into alignment. Therefore, the scope of the proposed amendment includes Pre-Design, Conceptual Design, and Schematic Design.

Besides the demolition of the existing garages and the construction of a replacement, the project will also involve an elevated pedestrian bridge connecting the new garage to Terminal 2 at the ticketing level. It will also include a pedestrian tunnel connecting the new garage to Terminal 2 at the bag claim level. These structures are intended to alleviate the congestion currently caused by the conflict of vehicles and pedestrians at the single crossing point at Terminal 2.

Finally, the scope includes re-purposing a portion of Parking Garage 4 for a new Ground Transportation Center (GTC). The GTC in this location will alleviate current and future congestion caused by Transportation Network Carriers (TNCs) in front of the terminals.

Specific services by the Consultant and the Subconsultants include Operational Considerations and Planning, Architecture, Surveying and Subsurface Utility Engineering, Geotechnical Engineering, Structural Engineering, Civil Engineering, Electrical Engineering, and Wayfinding. Other matters to be addressed include Sustainability Measures, Information Technology, Security Measures, Elevators and Moving Sidewalks, Fire Protection, Plumbing, HVAC, and Code Consulting.

Deliverables include Demolition Plan; Safety Plan; Cost Estimate; Final Design Plan; Construction Sequencing Plan; and Collaboration with the CMAR Contractor.

Total compensation under this proposed Amendment is a not-to-exceed amount of \$9,485,964.00. Labor (\$8,974,413.00) will be billed at hourly rates, which are established in the Master Agreement, and expenses (\$511,551.00) will be billed at direct cost.

The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Small Businesses (MB) and 5% for Women-owned Small Businesses (WB). The proposed amendment includes commitments of 8.59% for MB and 14.51% WB. With this amendment, total commitments for Task Order 3 will be 8.90% for MB and 14.23% for WB. The Authority's Director of Small Business Programs concurs with this commitment.

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Staff requests approval of Amendment 2 to Task Order 3 with Kimley Horn in the amount of \$9,485,964.00 and authorization for the President and CEO to execute the Amendment.

3. Lumley Road Relocation Early Package Design Package - An Element of the Replacement of Runway 5L-23R

Presented by Jim Novak, Director Facilities Engineering – To accommodate construction of new Runway 5L-23R, the Raleigh-Durham Airport Authority (Authority) intends to relocate a portion of Lumley Road and the associated intersection with Commerce Boulevard to comply with FAA Runway Protection Zone requirements, all in accordance with RDU's Airport Layout Plan. The roadway relocation project is anticipated to include the construction of a new five-lane roadway for a portion of Lumley Road east of NC 540 and west of US 70/Glenwood Avenue. The proposed roadway matches existing conditions in the relocated section. In addition, Commerce Boulevard, which is a two-lane roadway with a portion that is median-divided, will also be relocated as a part of the project.

Task Order 7, approved by the Board in March 2023, authorized 60% design of the project. This proposed Amendment involves advancing the 60% design of certain work elements to 100% in order to create an early works package that will allow construction to proceed immediately following related environmental approvals. It also includes additional engineering and surveying services that have become necessary as the planning and design have evolved.

The proposed early works package includes relocating a portion of the existing City of Raleigh Water 30" diameter sanitary sewer force main that is located roughly 800' to the northwest of the existing Runway 5L-23R centerline. In addition, the package involves certain work items that the contractor can perform in collaboration with Duke Energy to relocate an existing overhead power line that is located roughly 950' to the northwest of the existing Runway 5L-23R centerline. Each of these major utilities are in conflict with construction of the proposed runway.

The Consultant's services will also include supplemental topographic surveying of the proposed utility corridor in the vicinity of the former Estes parcel, as well as the development of easement plats associated with the Raleigh Water sanitary sewer force main and Duke Energy maintenance easements. Survey services also include field staking; and preparation of recordable plats and legal descriptions for new road right of way, release/abandonment of existing road right of way, fee simple purchases, permanent easements, and temporary construction easements anticipated for the project. Coordination for the relocation of other minor utilities within the footprint of the future runway is included.

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The Consultant's services in this task order will culminate in Duke power relocation design and construction coordination, Phase 1A; AT&T removal coordination, Phase 1A; SSFM relocation plans & specifications, Phase 1A; public and private utility relocation coordination, Phases 1A, 1B, and 2; CMAR bidding assistance; supplemental topographic surveys; subsurface utility engineering; supplemental land surveys including right-of-way acquisition and easement surveys and plats/legal descriptions; environmental permitting; additional agency coordination with City of Raleigh, NCDEQ, and USACE; additional stakeholder coordination meetings; construction cost estimating; and an engineer's design report.

Total compensation under this proposed Amendment 1 to Task Order 7 is a not-to-exceed amount of \$913,671.00. Labor (\$892,809) will be billed at hourly rates, which are established in the Master Agreement, and expenses (\$20,862) will be billed at direct cost. The Amendment also includes an increase of personnel hourly rates as negotiated.

The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Small Businesses (MB) and 5% for Women-owned Small Businesses (WB). Total commitments for proposed Amendment 1 to Task Order 7 are 10.77% for MB and 22.24% for WB. The Authority's Director of Small Business Programs concurs with this commitment.

Staff requests approval of Amendment 1 to Task Order 7 with WK Dickson in the amount of \$913,671.00 and authorization for the President and CEO to execute the Amendment.

4. Terminal 1 Expansion Program Definition Document Consideration of Task Order L&B MA22.05.00

Presented by Delia Chi, Vice President of Planning & Sustainability – The subject of this memorandum is Task Order L&B MA22.05.00 for Landrum & Brown, Inc. (L&B) to complete a Program Definition Document (PDD) for the future expansion, modernization, and optimization of Terminal 1. The PDD will include project justification, forecasting, space programming / requirements, facility conditions assessment, sustainability performance and environmental documentation considerations, conceptual design and renderings, and rough order of magnitude cost estimates. It will consider the interim and ultimate buildout of all Terminal 1 infrastructure features (e.g. roadway, curbside, pre-and post-security areas within the terminal, parking structure adjacency and gate/apron areas). The project is necessary to accommodate growing air service and passenger demands, address existing and future terminal area deficiencies, and plan for the ultimate future of Terminal 1.

The overall Minority and Women Owned Small Business (MWSB) goals for the existing Master Agreement are 10.0% for Minority Owned Businesses (MB) and 5.0% for Women Owned Businesses (WB). The MWSB commitment for this task order is 10.22% for MB and

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8.17% for WB. This task order has been discussed with the Authority's Small Business Program Office.

The Authority will compensate L&B on the basis of hourly rates, with a total not-to-exceed amount of \$3,391,947.00 for labor, and a fixed total not-to-exceed ceiling amount of \$162,691.00 for reimbursable expenses. Total not-to-exceed compensation for L&B is \$3,554,638.00.

Staff requests approval and authorization, subject to the approval of a capital budget amendment, of Task Order L&B MA22.05.00 in the amount of \$3,554,638.00 for Landrum & Brown, Inc. and authorization for the President and CEO to execute the Task Order.

5. Terminal 2 Landside Expansion Program Amendment 1 to Task Order #6 with O'Brien Atkins Associates

Presented by Jennifer Evangelist, Project Manager, Parsons – In June of 2022 the Board approved Task Order #6 with O'Brien Atkins Associates for Planning, Conceptual, and Schematic Design services for the Terminal 2 Landside Expansion Program in a not-to-exceed amount of \$4,508,404. During the course of the initial planning and programming process staff identified project dependent analyses that were not included within the original scope of Task Order #6. The additional scope consists of:

- Terminal 2 Geotechnical Analysis of Existing Foundations
- Terminal 2 Building Structural Study
- Central Energy Plant Improvement Study
- Terminal 2 Energy Modeling
- Terminal 2 Energy Level 1 & Level 2 ASHRAE Energy Audits
- Analysis of Baggage Handling System Extension to the PPG/GTC Projects

This scope is needed to continue to develop the design of the T2 Landside Facility Expansion. The Energy modeling and related improvements analysis contributes to the development of best practices to meet the Authority's goals for resiliency and sustainability. Additional scope for structural and geotechnical analysis results from the initial design studies and selected concept design that will ultimately connect with the John Brantley Boulevard Extension and Demolition/Replacement of Parking Garages 1 & 2, as well as the Ground Transportation Center in PG4.

Total compensation for the scope proposed within the Task Order Amendment is a not-to-exceed amount of \$450,036. Labor (\$420,992) will be billed at hourly rates and expenses (\$29,044) will be billed at direct cost.

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The overall Minority and Women-owned Small Business (MWSB) goals for the Master Services Agreement are 10% for Minority-owned Small Businesses (MB) and 5% for Women-owned Small Businesses (WB). The MWSB commitment for this task order including Amendment 1 are 11.0% for MB and 10.8% for WB. The MWSB Commitment was reviewed by the Authority's Director of Small Business Programs.

Staff requests approval of Amendment #1 for Task Order OBA06.2022 with O'Brien Atkins Associates, PA for advanced planning, programming, and schematic design in the amount of \$450,036 for the T2 Landside Expansion Program (RDU Project #331000), and authorization for the President and CEO to execute the Task Order.

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## RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES JUNE 15, 2023

Morgan presided. Present: Hall-Roberts, Hankins, Kushner, Polanco-Galdamez<sup>1</sup>, Szlosberg-Landis, and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following items:

### 1. Consideration of Amendment Six with Elite Line Services

Presented by Steven Yanni, C.M, Director of Contracts Facilities Maintenance – Staff is seeking approval of Amendment Six to the Service Agreement with Elite Line Services (ELS). ELS' contract started in 2019 and included a schedule of market-based labor rates that included yearly 2% wage increases for staff to account for wage escalation over the life of the contract. Due to the COVID-19 pandemic in 2020 and the years following, labor rates in the overall job market rose significantly higher than 2% annually. Actual wage data shows that for similar roles, annual wage increases during the same time period average 5% annually with some of the lower paid positions seeing as high as 9% annual increases. Now at year 3 in the contract, existing ELS rates are on average 15% below market and falling further behind

Recently, ELS has had difficulty in attracting and retaining top talent at the rates set in their contract established in 2019. ELS' technicians provide critical maintenance services on RDU's passenger boarding bridges and baggage handling systems. The reliability of the passenger boarding bridges, and baggage handling systems has a direct correlation on airline on-time performance and passenger experience at RDU.

| Passenger Boarding Bridges | Baggage Handling Systems |
|----------------------------|--------------------------|
|----------------------------|--------------------------|

<sup>1</sup> Treasurer Polanco-Galdamez joined via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/lqSDr8KrpRw?feature=share>.

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|                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Maintains jet bridges (45 PBBs in total) and equipment which include, but not limited to:                                                                                                                                                                                                                                                                                                                                      | Terminal 1 and Terminal 2 baggage handling systems includes but is not limited to:                                                                                                                                                                                                                   |
| <ul style="list-style-type: none"><li>• pre-conditions air units (PCA)</li><li>• ground power units (GPU)</li><li>• Having PCA's and GPU's operational reduces emissions at the airport. If a PCA or GPU is not operational, the airlines must run their engine, an APU or separate fossil fuel mobile unit which runs off gas and emits carbon dioxide.</li><li>• bag buddy system</li><li>• portable water cabinet</li></ul> | <ul style="list-style-type: none"><li>• belts (inbound, ticket counter, etc.)</li><li>• motors</li><li>• variable frequency drives</li><li>• motor control panels</li><li>• program logic controllers</li><li>• diverters</li><li>• automatic tag readers</li><li>• manual encode stations</li></ul> |

The Authority reviewed the contractual spending to date and found that a wage adjustment to ELS staff could be provided without exceeding the overall awarded contract amount. The proposed wage adjustment is limited to rates vetted by staff against Bureau of Labor Statistics and recent RDU airport wage information. Even with a proposed adjustment the contract would still have an underspend of \$757,895.71. This is due to scope/cost reductions during the COVID-19 pandemic that would have otherwise been expended to ELS for services, coming under budget on the two PBB projects completed and the continued savings from ELS staff vacancies. The rates associated with the increases have been vetted (BLS.gov) as well as compared against airport market wage data.

The proposed amendment will be for the final 15 months of the contract, July 2023 – September 31, 2024. No additional funds will be needed regarding the overall contract amount. This proposed amendment would memorialize ELS' new labor rates as well as the new maximum monthly amount. Staff recommends the labor rates in the contract be adjusted to match current market rates by position. The average adjustment by position is 15% to catch up to market. Escalation in year 5 would also be increased from 2% to 3%.

The Authority's Small Business Program Office has been consulted regarding the wage increase and how that would affect any percentages, and is aware of this amendment and does not have any concerns with it as ELS has done well in keeping the MWSB employees at or near full staffing levels.

Staff requests approval of Amendment Six to the Service Agreement with Elite Line Services and authorization for the President and CEO to execute the Amendment.

#### Raleigh-Durham Airport Authority Board Members

**WAKE COUNTY**  
Ellis Hankins, **Chair**  
David Kushner

**CITY OF DURHAM**  
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Patrick Hannah

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2. Consideration of Second Amendment to Agreement for Distributed Antenna System

Presented by David Kruse, Vice President of IT Infrastructure – The Authority's Distributed Antenna System (DAS) was installed and is managed by AT&T (New Cingular Wireless). AT&T acts as a neutral host provider and carries signals for other carriers (Verizon, Sprint, T-Mobile) as well as AT&T. This system ensures appropriate cell coverage is provided to employees and guests throughout both terminals, parking garages, and publicly accessible buildings. Information Services is seeking approval for this Second Amendment with New Cingular Wireless to upgrade, manage, and maintain the system for an additional 10-year term.

AT&T has committed to replacing all their existing infrastructure to support the latest 5G technology (head-end, distribution systems, antennas) and will invest \$3.5-\$5.0M to ensure optimal coverage and performance. There are no expenses associated with this amendment; rather there are positive revenue impacts for the Authority. The yearly license fees are doubled along with a one-time payment and as a result, the Authority will realize \$4,101,832 over the 10-year term of this Amendment.

This initiative has been reviewed and is supported by the Authority's Small Business Programs Office.

Staff requests approval of the Second Amendment to the 2013 Agreement with New Cingular Wireless (AT&T Mobility Corporation) to provide, maintain, and upgrade the Authority's DAS System and authorization for the President and CEO to sign any necessary, related documents.

**Raleigh-Durham Airport Authority Board Members**

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## RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES JUNE 15, 2023

Kushner presided.<sup>1</sup> Present: Hall-Roberts, Hankins, Morgan, Polanco-Galdamez,<sup>2</sup> Szlosberg-Landis, and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>3</sup>

The Committee discussed the following items:

### 1. Report of Insurance Premium Renewals

Presented by James Witherspoon, PHR, CSP, ARM, Director of Risk Management – The Authority’s insurance coverages renew as of July 1, 2023.

Year over year changes in policies are:

- Property coverage premium increased by \$134,607
- Workers Compensation coverage premium decreased by \$37,842 along with an experience modification rate of .74
- Cyber Liability coverage premium decreased by \$3,200
- Liability coverage premium increased by \$35,070
- Crime coverage premium decreased by \$53
- Automotive coverage premium increased by \$9,827
- Directors and Officers/Employment Practices coverage premium decreased by \$1,904

The net premium impact is an increase of \$136,495 (from \$1,649,231 in FY 22-23 to \$1,785,726 in FY 23-24).

For informative purposes only. No Board action required.

<sup>1</sup> Kushner served at the request of Chair Hankins.

<sup>2</sup> Treasurer Polanco-Galdamez joined via Teams.

<sup>3</sup> The meeting was live streamed at <https://youtube.com/live/lqSDr8KrpRw?feature=share>.

### Raleigh-Durham Airport Authority Board Members

WAKE COUNTY  
Ellis Hankins, **Chair**  
David Kushner

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Tammie Hall-Roberts, **Vice Chair**  
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## **RALEIGH- DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES JUNE 13, 2023 at 11:00 a.m.**

Chair Hankins presided. Present: Hall-Roberts, Kushner, Morgan, Polanco-Galdamez, Szlosberg-Landis, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and CRO Freedman, SVP and Chief Operating Officer Connell, Vice President and CFO Kapocius, VP and Chief HR Officer Armstrong, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

Chair Hankins thanked Board members for attending this special meeting for informational purposes to consider important plans for the airport as well as the community. General Counsel, Erin Locklear, conducted a roll call and noted the special meeting's purpose.

Executive Vice President and CDO, Bill Sandifer, explained the workshop concept and approach in the provision of tactical information to assist the Board in strategic decision making. There was discussion regarding scheduling of workshops to allow more time prior to regular meetings. Mr. Sandifer briefly recapped the growing air service at RDU with new flights and destinations added in 2023 and the increased pressure on current available facilities, necessitating expansion of Terminal 2. He displayed data from June 2019 compared to May 2023 on Terminal 2 peaking characteristics. He showed 2019 gating requirements compared to current gate needs and discussed utilization of larger planes by airlines which affect gate availability. The current passenger forecast was shown which indicated that by this fiscal year-end, enplanement levels will exceed what was originally projected for 2032.

Mr. Sandifer discussed the capacity constraints in Terminal 2, including limited space for ticket counters, queuing, TSA security screening, and processing of arrivals by CBP.

[Recess taken due to technical issues.<sup>3</sup>]

Mr. Sandifer discussed TSA's new advanced screening equipment which is slower in processing passengers through the checkpoint, contributing to long queuing lines in peak periods. He noted how the daily scheduled European arrivals can have in excess of 500 passengers impacting the limited space in immigration processing, as well as the bag claim limitations, and the importance of technology to speed up processing times.

<sup>1</sup> Board members joined via Teams except members Morgan, Kushner, Szlosberg-Landis, and Thompson who attended in person.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/a6HTH00EXaE?feature=share>.

<sup>3</sup> Due to technical difficulties with meeting connections, the meeting recessed from 11:35 a.m. to 12:00 noon

### **Raleigh-Durham Airport Authority Board Members**

**WAKE COUNTY**  
Ellis Hankins, **Chair**  
David Kushner

**CITY OF DURHAM**  
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Patrick Hannah

**CITY OF RALEIGH**  
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Mr. Sandifer gave an overview on the roadway system capacity constraints, explaining historically how the roadway served both terminals. Pictures were displayed of current traffic backups being experienced for arrivals/departures along the curbs at Terminal 2.

Jennifer Evangelist with Parsons, presented highlights from the Terminal 2 expansion program, currently in the schematic design phase with projected construction start in 2025. She shared diagrams of the head house program areas existing in Terminal 2. Ms. Evangelist showed the demand summary for Terminal 2, referenced with conceptual planning activity level (PAL) milestones, and explained the PAL 2 Program addressing added gate capacity (42 narrow-body gates). She showed the proposed design for Terminal 2 landside elevation, and how the expansion would provide additional space on Level 2 for departures, ticketing and the checkpoint, as well as for arrivals and bag claim on Level 1. Proposed design views were shared of the Terminal 2 concept design for the pedestrian bridge and tunnel. Ms. Evangelist discussed the scope of Amendment 1 proposed with O'Brien Atkins.

Ronald Jewett, VP Facilities Asset Management, discussed additional scope elements for roadway, parking garage, and Ground Transportation Center (GTC) to align with Terminal 2 building expansion design. He shared depictions of the project background, including the proposed extension of John Brantley Blvd. (JBB), and the future locations for the parking and rental car garages and GTC. He explained traffic conditions and issues on JBB, and the JBB extension preferred alternative with separation of Terminal 2 traffic before the commercial curb at Terminal 1, with free-flow from International Drive to JBB. Mr. Jewett described the temporary bridge at Parking Garage 2 and how the project will evolve, and the need for Park Economy 3 expansion to provide additional parking to compensate for parking taken for the JBB extension project. Visual concepts for the new parking garage and GTC were shown.

Mr. Sandifer explained the Advanced Air Mobility concept with electric vertical take-off and landing (eVTOL) functionality. He discussed vertiports at strategic locations within urban environments, the growing utilization of drones in service and delivery capacities, and the FAA's anticipated timeline for eVTOL certification. Mr. Sandifer outlined key considerations and technical assessments, including airspace, electrification, and structural to position RDU to be prepared for vertiports.

Mr. Jewett explained that the scope of and deliverables for the proposed amendment with Kimley Horn for the new parking garage, Ground Transportation Center and advanced air mobility planning. He went over the schedule of services over the next 12 months.<sup>4</sup>

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<sup>4</sup> Thompson and Vice Chair Hall-Roberts ended participation in the meeting at 1:00 p.m. Morgan left the meeting in person and rejoined via Teams.

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Mr. Sandifer detailed how the Terminal 2 landside expansion must anticipate more gate capacity and what that expansion would look like. He explained airside capacity constraints in that gates would be lost due to landside expansion and that until the new runway is open airside gates can't expand. Mr. Sandifer depicted the Terminal 2 program with construction impacts, necessitating the expansion of Terminal 1 to fill the gap for gate capacity and as an enabler to Terminal 2 projects. He went over what the scope of services would cover and the project schedule, with Phase 2 constituting the planning strategy and program definition document.

Delia Chi, VP of Planning and Sustainability, shared a graphic showing the numerous airport functions under consideration for the proposed Integrated Operations Center, with one central command center. Ms. Chi discussed the business requirements noting the reasons why such a command center would benefit the airport, including optimal performance from efficient and effective decision making due to single central command center access by key staff and decision makers. She shared projected staff and space program considerations showing particular groups and their staffing needs. Ms. Chi talked about Phase 2 for space programming and site analysis for the ARFF station, the Command Center and Integrated Operations Center and that the proposed contract would be presented to the Board for consideration at an upcoming meeting.

Russell Stanley, Fire-Rescue Chief briefly reviewed with the Board photos of the current, outdated and undersized Aircraft Rescue and Fire Fighting (ARFF) Facility and discussed how the facility does not meet the needs of the ARFF personnel or the business needs of the Authority. David Nicewinter, Director of Emergency Operations, discussed the current Airport Operations Center which works with 911 centers to handle emergency calls at RDU. Mr. Nicewinter explained how modernization of the center would increase situation awareness, efficiencies, productivity, and improve customer service to the increased number of passengers utilizing RDU. He noted that during major events and emergencies at the airport, multiple agencies are trying to work collaboratively together in a constrained space and modernization of the facility would facilitate collaboration efforts of large groups, as well as provide space for training, and for discussions with airline partners.

Mr. Sandifer recapped the projects discussed:

- Terminal 2 Landside Expansion Program,
  - For terminal expansion the amendment with O'Brien Atkins
  - For John Brantley Blvd. extension, Parking Garages, and Ground Transportation Center, the amendment with Kimley Horn
- Terminal 1 Expansion Program – task order with Landrum & Brown
- ARFF/IOC – to be coming before the Board in the near future.

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Board members expressed appreciation for the detailed information provided. The challenges with future electric supply were noted. The current common use practice for some portions of the ticketing counters were discussed.

Motion by Morgan to adjourn; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

Meeting adjourned at 1:30 p.m.

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**Raleigh-Durham Airport Authority Board Members**

**WAKE COUNTY**  
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David Kushner

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**RALEIGH- DURHAM AIRPORT AUTHORITY  
COMMITTEE ON BYLAW MODERNIZATION  
SPECIAL MEETING MINUTES  
JUNE 12, 2023 at 5:00 p.m.**

Thompson presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, and Szlosberg-Landis.<sup>16</sup> Staff present included: President and CEO Landguth, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>17</sup>

General Counsel Locklear conducted a roll call and a quorum was confirmed. Board members resumed review and discussion of possible edits to Ordinance Chapter 6 ADMINISTRATION, including

|              |                                                                                                                                                                                                              |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 6.21 | Suggested correction to non-bold “ <b>by</b> ” and remove “competent.” Update Airport Director title to President and CEO throughout document                                                                |
| Section 6.22 | Suggested removing locality designations as tendency would be to utilize local attorneys; Suggested removing second sentence entirely as to examples of areas of law where outside counsel could be engaged. |
| Section 6.23 | No edits offered                                                                                                                                                                                             |
| Section 6.24 | Discussion that President and CEO, rather than the appointed Board members, transmit to the Clerks of the four governing bodies the financial audit information;                                             |
| Section 6.25 | No edits offered                                                                                                                                                                                             |
| Section 6.26 | No edits offered                                                                                                                                                                                             |
| Section 6.27 | No edits offered;<br>For approval language following this section, date that Board may adopt revisions to this Ordinance would be added.                                                                     |

The initial review of Ordinance Chapter 6 was completed, and at the request of Committee Chair Thompson, Erin Locklear recapped edit suggestions made by the Committee, during which Committee members discussed sections and directed that a draft be circulated incorporating the following edits:

|             |                                                                                                                                                                                                                                                                                               |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 6.1 | The term “Board of Directors” to be used in place of “Authority” with “Board” as informal reference                                                                                                                                                                                           |
| Section 6.2 | Committee directed that this language be updated to allow for the current practice of electronic mailing and posting of meeting notices, and that the notice time period be reduced from 120 hours to statute minimum of 48 hours. Discussion on hard-copy mailing to requesting individuals. |

<sup>16</sup> Thompson joined in person and other Board members joined via Teams

<sup>17</sup> The meeting was live streamed at <https://youtube.com/live/xl1UA53spc0?feature=share>

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|              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              | <i>Noted as a section that may need additional discussion and review.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Section 6.3  | Discussion on requirements of regular versus special meetings; Adjust language to allow for four members of Board to call for a special meeting; Section to be edited to be consistent with open meetings statute and mimic base language for regular meetings section; reduce 120 days to meet statute requirements of 48 hours' minimum;                                                                                                                                                                                                                                                                                                 |
| Section 6.4  | No edits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Section 6.5  | Edit to "prepare a <i>proposed</i> agenda"                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Section 6.6  | Committee requested General Counsel Locklear review vacancy procedures for cities and counties, and requirements (if any) set out in the Authority's enabling legislation and make recommendation to Committee<br><i>Noted as a section that may need additional discussion and review.</i>                                                                                                                                                                                                                                                                                                                                                |
| Section 6.7  | Discussion on adding a public comments section and what type of guidelines/parameters might be needed for a public comments policy; Further discussion on time period for comments and possible "open comments" session quarterly; Discussion on comments sign-up process. Reorder of listed business (1-Roll call, 2-Agenda, 3-Minutes, 4-Chair comments, 5-Recognitions, 6-Public comments, 7 –Old business, 8-New business, 9-GC report, 10-President report, 11-Board comments 12-Chair closing comments, 13-Closed session (if needed), 14-Adjournment);<br><i>Noted as a section that may need additional discussion and review.</i> |
| Section 6.8  | Add language that recent years' minutes electronically available on website                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Section 6.9  | Discussion on if section needed; Remove reading of minutes from section; Update Airport Director to President and CEO (the edit is throughout Ordinance)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Section 6.10 | Discussion on voting by proxy for emergency meetings only; Committee discussed conflicts of interest and the Authority's Ethics Policy; Language to be added about virtual participation permitted, and voting by proxy language in emergency situations. Suggestion that Ethics Policy requirements be a yearly agenda item. Discussion for more specificity (as contained in city/county statutes) as to recusal from voting due to a conflict of interest, as a non-voting member (no requirement to state vote isn't affirmative if recusing)<br><i>Noted as a section that may need additional discussion and review.</i>             |
| Section 6.11 | Discussion on committees of the whole and future discussions by Chair with Board members as to their areas of interest                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Section 6.12 | Comments that following a simpler set of rules of procedure would be preferable to Roberts Rules of Order<br><i>Noted as a section that may need additional discussion and review or to be revisited at a later date.</i>                                                                                                                                                                                                                                                                                                                                                                                                                  |

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|                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 6.13               | Discussion regarding procedures needed for officer election and using Proposed Procedure for Board Officer Elections as circulated by Chair Hankins as a starting point for revisions. Further discussions regarding filling vacancies timely. Discussion on General Counsel presiding during the officers' election process and involving all Board members in process as to proposed officers' slate.<br><i>Determined to not be an immediate issue and can be revisited.</i>                     |
| Section 6.14 <sup>18</sup> | Comments on rotation at Chair level from members of all four governing bodies; Discussion that suggested longer, staggered terms is conversation for appointees to have with their appointing city/county;<br><i>Request that General Counsel investigate overall benefit of Board with staggered terms (not for Ordinance)</i>                                                                                                                                                                     |
| Section 6.15               | Change to statutory language allowing oaths by authorized individuals                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Section 6.16               | No edits                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Section 6.17               | Edit language to provide for minutes posted electronically and maintained in hard copy and remove "well bound book or books"                                                                                                                                                                                                                                                                                                                                                                        |
| Section 6.18               | Deleting reference to position of Assistant Director of Finance                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Section 6.19               | Change "community" to "communities"; update Airport Director title throughout                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Section 6.20               | Update to Airport Director title throughout document; General Counsel Locklear gave historical data on percentage of contracts in certain monetary thresholds with certain term lengths; Discussion on possible increases to threshold limits but with provision of listing of contracts to be executed; Input from President and CEO Landguth that process would be time-consuming. No edits determined at this time.<br><i>Noted as a section that may need additional discussion and review.</i> |

Meeting adjourned at 6:30 p.m.

<sup>18</sup> Chair Hankins ended meeting participation at 6:10 p.m.

#### Raleigh-Durham Airport Authority Board Members

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## RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES JULY 20, 2023

Chair Hankins presided. Present: Hall-Roberts, Kushner, Morgan, Polanco-Galdamez, Szlosberg-Landis, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and Chief ISAO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

### I. APPROVAL OF AGENDA

*Motion by Kushner for approval of the agenda; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE

### II. APPROVAL OF MINUTES

*Secretary Szlosberg-Landis noted her review of the minutes, asked if any edits were needed, and requested that her comments regarding HB 600 be added to the Members' Comments section in the June 15, 2023 Board meeting minutes.*

*Motion by Hankins to amend the June 15, 2023 Board minutes to include the comments of Secretary Szlosberg-Landis; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

*Motion by Thompson to approve the amended minutes of the regular meeting of the Board held on June 15, 2023 and the minutes of the Board committees, and the consent actions of the Board held on June 15, 2023; the minutes of the special meeting of the Board held on June 13, 2023; and of the special meeting of the Committee on Bylaw Modernization held on June 12, 2023; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### III. CHAIR COMMENTS

1. Chair Hankins welcomed everyone.
2. New team members were introduced and welcomed and employees with service anniversary milestones were recognized and congratulated.

<sup>1</sup>Treasurer Polanco-Galdamez and Secretary Szlosberg-Landis participated remotely via Teams.

<sup>2</sup>The meeting was live streamed at <https://youtube.com/live/Y818bfffxfY?feature=share>.

#### Raleigh-Durham Airport Authority Board Members

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3. Chair Hankins explained the ongoing installation and monitoring phase of RDU's Parking Guidance System which is designed to improve the guest experience in the parking garage.
4. Chair Hankins gave a mid-year update on RDU's Sustainability Management Plan and other sustainability successes at the airport including the hiring of an Energy Manager, and the internal committee established to help implement sustainability actions.
5. Chair Hankins recognized David Morgan for his reappointment to the Board for a fourth term by Durham County.

#### IV. OLD BUSINESS

1. Land and Development Committee – Thompson reported Committee members met during the Committee work session on July 20, 2023, and discussed the following:

- a. Park Economy 3 Expansion Design Services Amendment #5

Board discussion about building compliant to LEED requirements, the LEED certification process and cost. Staff to provide information on LEED process for Board discussion and direction as to pursuit of LEED certification on this project.

*Motion by Thompson for approval of Amendment 5 to Task Order 2 with RS&H in the amount of \$901,576.00 and authorization for the President and CEO to execute the Amendment; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE<sup>3</sup>

- b. Consideration of Change Order 3 with Independence Excavating, Inc.

*Motion by Thompson for approval of Change Order 3 with Independence Excavating in the amount of \$215,337.40 and a 12-day extension to the intermediate contract time from 60 days to 72 days and authorization for the President and CEO to execute the Amendment; Second by Kushner*

ADOPTED BY UNANIMOUS VOTE

- c. New Aircraft Rescue Fire Fighting (ARFF) Facility and Integrated Operations Center (IOC) - Planning and Programming, Consideration of Task Order L&B MA22.06.00

*Motion by Thompson for approval and authorization, subject to the approval of a capital budget amendment, of Task Order L&B MA22.06.00 in the amount \$536,210.00 for Landrum & Brown, Inc. and authorization for the President and CEO to execute the task order; Second by Morgan*

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<sup>3</sup> Vice Chair Hall-Roberts ended in-person participation and rejoined meeting via Teams.

#### Raleigh-Durham Airport Authority Board Members

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David Kushner

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ADOPTED BY UNANIMOUS VOTE

2. Operations Committee – Morgan reported Board members met during the Committee work session on July 20, 2023, and discussed the following:

a. Consideration of Rental Car Operating Agreement with Sixt Rent A Car

*Motion by Morgan for approval of the Rental Car Operating Agreement with Sixt Rent A Car and authorization for the President and CEO to execute the agreement; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE

3. Finance Committee – Chair Hankins<sup>4</sup> reported Board members met during the Committee work session on July 20, 2023:

a. Presentation of Financial Performance and Consideration of Acceptance of Audited Financial Statements and Compliance Audits for FY2023

*Motion by Hankins for acceptance of the ACFR and the two Compliance Audit Reports for the fiscal year 2023 (April 1, 2022 – March 31, 2023); Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

b. Consideration of Task Order #2 for the Selection and Procurement of a General Liability Only with Excess Limit Program Option for the Owner-Controlled Insurance Program

*Motion by Hankins for approval for services procured in Task Order #2 for the purchase of Primary and Excess construction insurance coverage, including signature authority for the President and CEO with Westchester, ACE, Starr, Allied, Markel, Sompo, Apollo, Hamilton, Inigo, Argo, Munich, Convex, Ascot Insurance in the amount of \$3,182,594. Also, the approval to pay the Willis Towers Watson brokerage fee in the amount of \$863,000 for a total of \$4,045,594; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE<sup>5</sup>

V. NEW BUSINESS

1. Consent Agenda

- a. Federal Aviation Administration Grant Officer Acceptance  
b. Consideration of Parking Agreement with Amazon.com Services LLC

<sup>4</sup> Chair Hankins acted on behalf of Committee Chair Hannah.

<sup>5</sup> Kushner recused himself from voting due to a potential conflict.

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c. Consideration of Capital Project Ordinance Amendment #3

*Motion by Kushner to approve and adopt Consent Agenda items; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members congratulated management and the Finance team on the clean audit. New hires were welcomed and service award recipients congratulated. Positive comments were expressed regarding increased enplanements and expanded airline services and destinations. Members congratulated David Morgan on his reappointment to a fourth Board term. Secretary Szlosberg-Landis commented on the sculpture at the parking garage, commemorating the Wright brothers' first flight, and how that courage and spirit of innovation has evolved into current air travel. She expressed appreciation for being a member on the Board guiding the future of the airport.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

Good afternoon Board members, Team RDU, business partners, and guests who are joining us today.

Passenger Traffic

RDU is now the fastest-growing airport in the country based on the year-over-year number of airline seats available to book. According to information provided by the airlines, there are 190,000 more seats available to book at RDU in July 2023 than there were in July 2022, which is a 22.5% increase, and the highest percentage growth among the Top 50 airports in the continental U.S.

RDU saw its busiest month so far this year with 1.3 million passengers flying through the airport in June, a 22 percent increase compared to June 2022 and exceeding June 2019 traffic by one percent. Delta Air Lines had the largest market share at 28 percent, with American at 27 percent and Southwest at 14 percent. July 4th travel contributed to the growth at RDU, with 255,894 passengers flying through RDU from July 2nd to July 7th, an increase of 6% over 2019. That was also an increase of 24% over 2022.

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### Air Service

Air France will become RDU's 15th airline when it launches direct flights to Paris-Charles de Gaulle Airport in October. The airline will connect the Research Triangle to Paris when it takes over existing service as part of its partnership with Delta Air Lines. The Air France flights are timed to provide ideal connections from CDG to the airline's network of nearly 200 destinations including Europe, India and beyond. Service is scheduled to begin on October 30th and fly every Monday, Wednesday and Friday on a 279-seat Boeing 787-900. The 787 is a larger aircraft that has not previously flown from RDU and has more seats than the plane currently flying the Paris route. Along with Icelandair and Bahamasair, Air France is the third international airline to launch or announce service from RDU over the past year.

Breeze Airways is expanding again, just in time for travelers to take a winter trip to Florida. Breeze will begin nonstop service to Southwest Florida International Airport in Fort Myers in November.

### ECR/PE3 Public Workshop

The second Environmental Compliance Review public workshop for the Park Economy 3 Expansion project will be held tonight from 5 – 7:00 p.m. in Room 100 here at the RDU Center. RDU is expanding PE3 to replace public parking between the terminals that will close due to upcoming construction, the future closure of Economy 4 to meet growing air cargo needs, and to provide more parking as demand increases. The ECR was produced as part of the Authority's Project Environmental Compliance Review Policy, a first-of-its-kind process among airports nationwide to provide additional environmental review that exceeds state and federal requirements for certain construction projects. The PE3 expansion is the first project to undergo an environmental compliance review.

### Lumbee Tribe of NC

Students from the Lumbee Tribe of North Carolina visited RDU this week as part of Aviation Earth and Beyond, a week-long aviation camp focusing on commercial, military and space aviation. The camp's 25 9th -12th graders received a tour RDU's campus including a visit to Terminal 2, the Ramp Tower and the fire station and an airside tour.

General Counsel Erin Locklear helped organize their visit and RDU staff from multiple departments helped facilitate it including Fields Maintenance, Electrical, Operations, Security & Badging, Finance & Accounting, Law Enforcement, Fleet Maintenance, ARFF, Small Business, Facility Maintenance, C-Suite and Procurement. The campers will spend the remainder of the week visiting Ft. Liberty and Cape Canaveral.

### **Raleigh-Durham Airport Authority Board Members**

**WAKE COUNTY**  
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Thank you to everyone who participated. We hope the trip to RDU inspires these young minds to consider a future career in aviation.

#### Federal Grant Awards

I'll wrap my remarks with some more good news. We received notice that RDU is being awarded three federal grants that amount to nearly \$30 million. The first is \$3.4 million to help purchase four new electric, zero emission buses and the associated charging infrastructure. The new buses will bring our electric bus fleet to 12 and will primarily be used to shuttle passengers between ParkRDU Economy lots and the terminals. The second is a \$10 million grant for the North Cargo Taxilane Reconstruction project. And finally, we will receive a \$15 million federal grant to help pay for the replacement of Runway 5L/23R and Taxiway B, RDU's most important capital project.

Thank you to our congressional delegation as well as local and state elected officials for vocalizing support for federal funding to help pay for these critically important projects, as well as the Regional Transportation Alliance and our business community for encouraging the FAA to help fund the runway replacement.

#### IX. ADJOURNMENT

*Motion by Thompson to adjourn; Second by Kushner*

ADOPTED BY UNANIMOUS VOTE

#### Raleigh-Durham Airport Authority Board Members

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## RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT JULY 20, 2023

The Board approved the following items on the Consent Agenda:

a) Federal Aviation Administration Grant Offer Acceptance

Memorandum by William C. Sandifer, A.A.E., Executive Vice President and CDO– This item provides a staff recommendation for the acceptance of two Grant Offers from the Federal Aviation Administration (FAA). Both grants will fund the reconstruction of the North Cargo Apron Taxilane. The first grant will be in the form of Community Supplemental Discretionary funding in the amount of \$5,000,000. The second grant will be FAA entitlement funding in the amount of \$6,291,420. Staff is presenting this recommendation in anticipation of the receipt of both Grant Offers. Staff will work diligently with the City of Durham, Durham County, City of Raleigh and Wake County to get these Grant Offers approved by their respective governing bodies and returned to the FAA before the end of the federal fiscal year.

Staff recommends acceptance of both Grant Offers in the amount of \$5,000,000 and \$6,291,420 when presented by the Federal Aviation Administration, and authorization for the President and CEO to execute the grant documents.

b) Consideration of Parking Agreement with Amazon.com Services LLC

Memorandum by Tyler Maheu, C.M., Sr. Director, Commercial Management – Amazon.com Services LLC (“Amazon”) currently leases 652 parking stalls in Lot 4 to support delivery vehicle operations in the RDU area under an agreement that will expire July 31, 2023. Amazon’s first lease with the Authority began in August 2020, and they have remained in good standing since. Amazon has requested to enter a new agreement to continue leasing the parking stalls.

The term of the agreement will begin August 1, 2023 and terminate on July 31, 2024, with two, twelve-month options to extend. Amazon will pay an initial rate of \$65.56 per stall, per month. The rate will increase 3% in each annual extension, if exercised. The total first-year rent to the Authority will be \$512,940. To ensure flexibility to the Authority, the agreement includes a 30-day termination for convenience clause.

Amazon will be responsible for any and all improvements, which shall be made only with the approval of the Authority and in accordance with design requirements, and for upkeep and maintenance of the premises.

### Raleigh-Durham Airport Authority Board Members

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Staff requests approval of the Parking License Agreement with Amazon.com Services, LLC, and authorization for the President and CEO to execute the agreement.

c) Consideration of Capital Project Ordinance Amendment #3

Memorandum by Sharyar Ahmed, Director of Financial Planning & Analysis – This item is to provide a staff recommendation to approve the Capital Project Ordinance Amendment #3 increase of \$500,000 for the following existing project:

- Capital Project 456000, “New Aircraft Rescue and Fire Fighting (ARFF) Facility and Airport Operations Center” was created with an overall budget of \$500,000 out of which \$346,143 has been spent to date. The purpose of the project is the planning and preliminary design phase necessary to replace the outdated ARFF Facility with an industry standard, modern facility that meets the business needs of the Authority, develop a single, fully integrated “command center” that monitors, controls, manages, and responds to all aspects of business operations (routine, irregular, and emergency) in a transformative way to be more efficient, resilient, and productive. It assesses the merits of combining the ARFF and “command center” into a single IOC. This project will be completed by Landrum & Brown, Inc. and the work effort is for Phase 2 of a 5-phase project that takes the project through construction. The Authority requires additional funding of \$500,000 bringing the project total to \$1,000,000.

Staff anticipates no additional cash spend is needed at the time for the 2023-2024 Budget Ordinance for this capital project.

Staff requests approval of Amendment #3 to increase the Capital Project Ordinance by \$500,000.

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RALEIGH-DURHAM AIRPORT AUTHORITY  
2023-2024 CAPITAL PROJECT ORDINANCE AMENDMENT #3

BE IT ORDAINED by the Raleigh-Durham Airport Authority, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The following amount is appropriated for the projects:

\$ 693,355,881

Section 2. The following funds are anticipated to be available for the projects; total project amount will be funded through net revenues or appropriate financing:

Transfer Cash from Operating \$ 652,312,201

Total Grant Funds \$ 41,043,680

Section 3. The projects authorized are as follows and funded by Raleigh-Durham Airport Authority funds on hand in operations:

| New 23/24 Projects |                                                                 | Original <sup>1</sup> | Change <sup>1</sup><br>05/18/2023 | Change <sup>2</sup><br>6/15/2023 | Change <sup>3</sup><br>7/20/2023 | Amended       |
|--------------------|-----------------------------------------------------------------|-----------------------|-----------------------------------|----------------------------------|----------------------------------|---------------|
| 211230             | Runway 5R-23L Pavement Repairs                                  | \$ 5,100,000          |                                   |                                  |                                  | \$ 5,100,000  |
| 331070             | Terminal 2 Concessions Development Program Phase 2              | 4,500,000             | 18,252,000                        |                                  |                                  | \$ 22,752,000 |
| 677003             | T1 Expansion Program - Planning Strategy and PDD                | 1,600,000             |                                   | 2,200,000                        |                                  | \$ 3,800,000  |
| 331060             | PC Air Units Replacement for T1 & T2                            | 3,100,000             |                                   |                                  |                                  | \$ 3,100,000  |
| 881450             | Rental Car Road, Trade Drive & Admin Parking Lot Rehabilitation | 500,000               |                                   |                                  |                                  | \$ 500,000    |
| 331071             | CBP Biometrics                                                  | 750,000               |                                   |                                  |                                  | \$ 750,000    |
| 454001             | (AOC) Air Cooled Chiller Replacement                            | 250,000               |                                   |                                  |                                  | \$ 250,000    |
| 321004             | Building Management System upgrade                              | 500,000               |                                   |                                  |                                  | \$ 500,000    |
| 341001             | CEP Boiler Burner and Expansion Tank Replacement                | 200,000               |                                   |                                  |                                  | \$ 200,000    |
| 331080             | T2 Landside Bathroom Refresh                                    | -                     | 250,000                           |                                  |                                  | \$ 250,000    |
|                    |                                                                 | \$ 16,500,000         | \$ 18,502,000                     | \$ 2,200,000                     | \$ -                             | \$ 37,202,000 |
| Amended Projects   |                                                                 | Original <sup>1</sup> | Change <sup>1</sup><br>05/18/2023 | Change <sup>2</sup><br>6/15/2023 | Change <sup>3</sup><br>7/20/2023 | Amended       |
| 211140             | Enhanced Security Perimeter Gates (TSA)                         | \$ 3,800,000          |                                   |                                  |                                  | \$ 3,800,000  |
| 211170             | North Cargo Apron Reconstruction                                | 39,000,000            |                                   |                                  |                                  | \$ 39,000,000 |
| 211200             | Taxiway E Rehabilitation - Design                               | 15,000,000            |                                   |                                  |                                  | \$ 15,000,000 |
| 321001             | Modular Unit Furniture building                                 | 850,000               |                                   |                                  |                                  | \$ 850,000    |
| 321002             | AOC 1st/4th Floor Work                                          | 200,000               |                                   |                                  |                                  | \$ 200,000    |
| 321003             | Terminal 2 Conference Room                                      | 300,000               |                                   |                                  |                                  | \$ 300,000    |
| 331000             | T2 Landside Expansion Program - preliminary design              | 25,000,000            |                                   |                                  |                                  | \$ 25,000,000 |
| 489000             | New Vehicles and Equipment - FY24                               | 11,057,881            |                                   |                                  |                                  | \$ 11,057,881 |
|                    |                                                                 | \$ 95,207,881         | \$ -                              | \$ -                             | \$ -                             | \$ 95,207,881 |

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| Ongoing Projects |                                                              | Original <sup>1</sup> | Change <sup>1</sup><br>05/18/2023 | Change <sup>2</sup><br>6/15/2023 | Change <sup>3</sup><br>7/20/2023 | Amended        |
|------------------|--------------------------------------------------------------|-----------------------|-----------------------------------|----------------------------------|----------------------------------|----------------|
| 080879           | Runway 5L/23R and Taxiway B Replacement Program              | \$ 372,300,000        |                                   |                                  |                                  | 372,300,000    |
| 211220           | Runway 5L/23R & Taxiway B Preservation Program               | 15,000,000            |                                   |                                  |                                  | 15,000,000     |
| 211110           | West RON Apron Rehabilitation                                | 38,000,000            |                                   |                                  |                                  | 38,000,000     |
| 211120           | Taxiway B Rehabilitation (North of TW D)                     | 36,000,000            |                                   |                                  |                                  | 36,000,000     |
| 331030           | Terminal 2 Concessions Development Program Phase 1           | 5,900,000             | 3,600,000                         |                                  |                                  | 9,500,000      |
| 331040           | T2 Bathroom Refresh and Pet Relief Area - Planning           | 175,000               |                                   |                                  |                                  | 175,000        |
| 331050           | Ramp Information Display System - Planning                   | 4,600,000             |                                   |                                  |                                  | 4,600,000      |
| 321010           | T1 Generator Replacement                                     | 345,000               |                                   |                                  |                                  | 345,000        |
| 321000           | Terminal 1 Flooring Replacement                              | 1,000,000             |                                   |                                  |                                  | 1,000,000      |
| 321020           | T1 Chiller Replacement                                       | 515,000               |                                   |                                  |                                  | 515,000        |
| 080799           | Expanded Park Economy 3                                      | 44,000,000            |                                   |                                  |                                  | 44,000,000     |
| 621020           | Parking Guidance System                                      | 7,000,000             |                                   |                                  |                                  | 7,000,000      |
| 621040           | Parking Garage Rehabilitation - Phase 3                      | 4,000,000             |                                   |                                  |                                  | 4,000,000      |
| 881430           | Aviation Parkway/National Guard Drive Interchange - Planning | 2,300,000             |                                   |                                  |                                  | 2,300,000      |
| 881440           | John Brantley Blvd Extension (CONRAC)                        | 2,500,000             |                                   |                                  |                                  | 2,500,000      |
| 881260           | Maintenance Facility HVAC Replacement                        | 525,000               |                                   |                                  |                                  | 525,000        |
| 881180           | Consolidated Trash Facility Concrete Dumpster Slabs          | 300,000               |                                   |                                  |                                  | 300,000        |
| 453000           | Maintenance Building Parking Lot Rehabilitation              | 5,200,000             |                                   |                                  |                                  | 5,200,000      |
| 441000           | Fuel Farm Facility Improvement Plan                          | 9,186,000             |                                   |                                  |                                  | 9,186,000      |
| 881380           | AOC 5th Floor Buildout                                       | 3,000,000             |                                   |                                  |                                  | 3,000,000      |
| 456000           | New AOC/EOC/ARFF                                             | 500,000               |                                   |                                  | 500,000                          | 1,000,000      |
| 381000           | GA Area Pavement Rehabilitation                              | 4,500,000             |                                   |                                  |                                  | 4,500,000      |
|                  |                                                              | \$ 556,846,000        | \$ 3,600,000                      | \$ -                             | \$ 500,000                       | \$ 560,946,000 |
|                  |                                                              | \$ 668,553,881        | \$ 22,102,000                     | \$ 2,200,000                     | \$ 500,000                       | \$ 693,355,881 |

Section 4. This Capital Project Ordinance includes all amended, new and ongoing projects and replaces all previous capital project ordinances.

Section 5. Subject to approval and acceptance of bids by the Raleigh-Durham Airport Authority, the appropriate officers of the Raleigh-Durham Airport Authority are hereby authorized and empowered to enter into contracts and to carry out the necessary work for the completion of the above listed projects within the funds appropriated herein.

Section 6. The Finance Officer is hereby directed to report quarterly on the financial status of the aforesaid projects. The Finance Officer shall also keep the Authority informed at each regular meeting of any unusual occurrences.

This Capital Project Ordinance shall be entered in the minutes of the Raleigh-Durham Airport Authority and within five (5) days after its adoption, copies shall be filed with the Finance Officer, The Budget Officer and the Secretary of the Raleigh-Durham Airport Authority, who, for the purposes of this ordinance, is designated as the Clerk to the Raleigh-Durham Airport Authority as described in G.S. 159-13.2.

Amended this 20 day of July 2023

Notes:

1 Original- budget ordinance adopted March 16, 2023

## Raleigh-Durham Airport Authority Board Members

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## **RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES JULY 20, 2023**

Thompson presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, and Szlosberg-Landis.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and Chief ISAO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

Chair Hankins asked General Counsel, Erin Locklear, to review the Authority's Statement of Ethical Principles ("Principles"). General Counsel Locklear noted that the Principles are included in the on-board training for all new members. She read the Principles' preamble which succinctly explains its purpose. Ms. Locklear summarized and highlighted salient portions of the Principles, noting the high standard to act so as to "ensure the reality and perception" of conduct is with honesty, integrity, and a concern for justice. Ms. Locklear discussed conflict of interest provisions, improper influence and the process for handling violations of the Principles. There were comments regarding the complementing ethical standards for each Board member of the governing body which appointed them. Other professional licensing rules were noted to govern conduct of some members as well. Chair Hankins commented that a future review of these Principles adopted in 1991 might be warranted.

The Committee discussed the following items:

### **1. Park Economy 3 Expansion Design Services Amendment #5**

Presented by Ronald Jewett, Vice President Facilities Asset Management – The firm of RS&H (Consultant) provided Schematic Design services pre-COVID for a major expansion to Park Economy 3. Post-COVID, staff re-started the project, and the Consultant was authorized to provide further design services under Task Order 2. In addition to the design services, the Consultant was authorized to assist the Authority in development of an environmental approval process for infrastructure projects that fall outside the purview of NEPA and SEPA (Federal and State Environmental action).

Proposed Amendment 5 authorizes the following design services for the Customer Amenity Building (approximately 9,000 to 10,000 square feet, single story building).

- 30%, 60%, 90%, and 100% (bid) design of the proposed Customer Amenity Building as defined in the Programming Phase of this project

<sup>1</sup> Secretary Szlosberg-Landis joined via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/Y818bfffxfY?feature=share>.

### **Raleigh-Durham Airport Authority Board Members**

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- Permitting documents and coordination with local authorities (Wake County) for the permitting of the Customer Amenity Building
- Civil site and utility design and permitting (as applicable) for the proposed Customer Amenity Building
- Pursuit of LEED Certification for the Customer Amenity Building

Deliverables for the Amendment related to the Customer Amenity Building include 30%, 60%, 90%, and 100% (bid) plans and documents, permits and permitting services; LEED Certification application; and collaboration with the CMAR Contractor.

Total compensation under this proposed Amendment is a not-to-exceed amount of \$901,576.00. Labor (\$892,882.00) will be billed at established hourly rates, and expenses (\$8,694.00) will be billed at direct cost.

The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Small Businesses (MB) and 5% for Women-owned Small Businesses (WB). The proposed amendment includes commitments of 54.26% for MB and 5.52% WB. With this amendment, total commitments for Task Order 2 will be 27.28% for MB and 16.05% for WB. The Authority's Director of Small Business Programs concurs with this commitment.

There was discussion regarding the expensive cost for LEED certification and the basic LEED requirements in the building code. Committee Chair Thompson expressed hesitation in pursuing formal LEED certification while still focusing on sustainability design. Bill Sandifer noted that formally pursuing LEED certification would be up to the Board and he outlined options including pursuit of LEED certification for third party validation of the Authority's sustainability efforts, or choosing not to pursue LEED certification and investing that money in educational opportunities to inform constituents of sustainability actions undertaken. Secretary Szlosberg-Landis inquired about building code requirements versus actions necessary for formal LEED certification, and the various certification levels. Staff gave information about the menu of items available for LEED certification. Staff indicted that Board direction as to pursuit of LEED certification would be necessary at the design phase and explained the intended usage and department occupancy of the Customer Amenity Building.

Staff requests approval of Amendment 5 to Task Order 2 with RS&H in the amount of \$901,576.00 and authorization for the President and CEO to execute the Amendment.

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2. Consideration of Change Order 3 with Independence Excavating, Inc.

Presented by Jim Novak, Director of Facilities Engineering – Independence Excavating is the prime contractor for the Taxiway E Reconstruction project. The scope of work is to remove the existing concrete and reconstruct new concrete pavement including new paved shoulders, lighting, signage, and drainage improvements. While demolishing the asphalt pavement on Taxiway A, to facilitate the Taxiway E concrete tie-in, unknown concrete pavement was discovered approximately 8” below the Taxiway A asphalt surface. This subsurface concrete was not indicated on any of the as-built drawings and an investigation was performed to ascertain the extents of the concrete by coring the pavement. The concrete was found to be 40” wide and running the full length of the Taxiway A / Taxiway E interface (502’).

Change Order 3 authorizes Independence Excavating to remove the previously unknown concrete and construct the redesigned tie-in at the Taxiway A / Taxiway E interface. In addition, Change Order 3 adds 12 days to the intermediate contract time (60 days) for delays due to the investigation, re-design, negotiation, and construction.

Total compensation for Change Order 3 is \$215,337.40. The total contract amount will be increased from \$11,228,456.54 to \$11,443,793.94. The Engineer-of-Record and Parsons negotiated this change order amount with Independence Excavating and determined that the final amount and days are fair and reasonable for this unforeseen change in work. This project has federal funding and the FAA approved the change order condition acknowledging this unknown conditions.

Staff requests approval of Change Order 3 with Independence Excavating in the amount of \$215,337.40 and a 12-day extension to the intermediate contract time from 60 days to 72 days and authorization for the President and CEO to execute the Change Order.

3. New Aircraft Rescue Fire Fighting (ARFF) Facility and Integrated Operations Center (IOC) – Planning and Programming, Consideration of Task Order L&B MA22.06.00

Presented by Rachel Stair, Director of Planning & Sustainability – The subject of this memorandum is Task Order L&B MA22.06.00 for Landrum & Brown, Inc. (L&B) to complete planning and programming for a new ARFF Facility and IOC. The project seeks to replace the outdated ARFF Facility with an industry standard, modern facility that meets the business needs of the Authority. The project also seeks to develop a fully integrated “command center” that monitors, controls, manages, and responds to all aspects of business

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operations to be more efficient, resilient and productive. It assesses the merits of combining the ARFF and RDU “command center” into a single Integrated Operations Center (IOC). The work effort is for Phase 2 of a 5-phase project that takes the project through construction.

The overall Minority and Women Owned Small Business (MWSB) goals for the existing Master Agreement are 10.0% for Minority Owned Businesses (MB) and 5.0% for Women Owned Businesses (WB). The MWSB commitment for this task order is 28.84% for MB and 5.00% for WB. This task order has been discussed with the Authority’s Small Business Program Office.

The Authority will compensate L&B on the basis of hourly rates, with a total not-to-exceed amount of \$498,980.00 for labor, and a fixed total not-to-exceed ceiling amount of \$37,230.00 for reimbursable expenses. Compensation for L&B is \$536,210.00.

Staff requests approval and authorization, subject to the approval of a capital budget amendment, of Task Order L&B MA22.06.00 in the amount of \$536,210.00 for Landrum & Brown, Inc. and authorization for the President and CEO to execute the task order.

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## **RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES JULY 20, 2023**

Morgan presided. Present: Hall-Roberts, Hankins, Kushner, Szlosberg-Landis, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and Chief ISAO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following items:

### **I. Consideration of Rental Car Operating Agreement with Sixt Rent A Car**

Presented by Lisa Leyva, Senior Director of Commercial Management – Currently at RDU there are three (3) on-airport rental car operators; Enterprise Rent-A-Car, Hertz Rent a Car, and Avis Budget Group. Prior to the pandemic, Advantage Rent a Car was the fourth on-airport operator. In 2020 Advantage filed for bankruptcy and subsequently exited the market leaving a space vacancy at RDU. The Authority issued a solicitation for a new rental car entrant on April 12, 2023, in response to the opportunity that was created with the Advantage bankruptcy.

The goal of the solicitation was to use the Advantage exit as an opportunity to fill the vacancy with a rental car company that reaches a segment of the rental market that is currently underserved. Additionally, RDU sought to improve the overall guest experience and increase non-aeronautical revenue. By reaching an underserved market, the Authority's goal is to create additional revenue not merely split existing market share. The solicitation requested the proposers have operated at a minimum two (2) on-airport locations and ten (10) commercial locations, to identify target market and fleet descriptions, to detail innovations and guest experience, and to meet ACDBE requirements.

The Authority received two responses for the solicitation. One of the responses was deemed non-compliant.

Staff recommends Sixt Rent A Car as the successful proposer to operate as the fourth on-airport rental car company at RDU. Sixt Rent A Car operates thirty-eight (38) on-airport locations and is the leading luxury rental car provider in the US. As RDU's international air service increases,

<sup>1</sup> Secretary Szlosberg-Landis joined via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/Y818bfffxfY?feature=share>.

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Sixt Rent A Car presence in one-hundred ten (110) countries across the globe will appeal to our international guests. Sixt Rent A Car has proposed a fleet mix of 40% luxury vehicles and will reach a segment that is not fully served by our current partners, they have proposed multiple innovative technologies to enhance the guest experience at RDU and have proposed an investment of \$850,000 to improve the facility. The ACDBE goal for this solicitation is 1.7%. Sixt Rent A Car has contracted with ACDBE certified vendor, EDS Service Solutions, to provide turnaround and shuttle services which will exceed the ACDBE goal. Sixt Rent A Car anticipates 6.8% participation.

The agreement term is from the date of beneficial occupancy to March 31, 2026, to run concurrent with the existing rental car operating agreements at RDU. Sixt Rent A Car will operate out of Service Lot 8, previously leased by Advantage Rent a Car, and will pay 10% of gross revenues to the Authority as well as all fixed rents incurred with the space. The anticipated revenue in the first year is \$732,000.

Staff requests approval of the Rental Car Operating Agreement with Sixt Rent A Car and authorization for the President and CEO to execute the agreement.

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## RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES JULY 20, 2023

Chair Hankins presided.<sup>1</sup> Present: Hall-Roberts, Hankins, Morgan, Szlosberg-Landis and Thompson.<sup>2</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CDO Sandifer, Executive Vice President and Chief ISAO McFall, Vice President and CFO Kapocius, Senior Vice President and CRO Freedman, Vice President and Chief HRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>3</sup>

The Committee discussed the following items:

I. Presentation of Financial Performance and Consideration of Acceptance of Audited Financial Statements and Compliance Audits for FY 2023

Presented by Ron Kapocius, CPA, Vice President and Chief Financial Officer – Ron Kapocius, presented the financial performance for the fiscal year ended March 31, 2023. Mr. Kapocius discussed trended enplanements and the 25% increase in FY2023 over FY2022. He detailed operating results and operating revenue and expenses variances. Mr. Kapocius outlined major capital project spend.

Mr. Kapocius recognized the Finance team for receiving the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting. He noted the Michelle Lynch, Director of Accounting, would be retiring and he expressed appreciation for her years of service and that she would be missed.

Board members expressed appreciation for the year-end financial results and congratulated the Finance team on the excellence award. Mr. Kapocius answered questions about reserves for capital expenses versus pay down of debt.

April Adams, Assurance Partner of Cherry Bekaert, LLP reported on the completed audits and their findings as performed during their audit services for the fiscal year ended March 31, 2023. Ms. Adams reported that the Authority was issued an unqualified opinion on this year's financial results. She identified the client service team and summarized the results of the audit. She relayed internal control communication and explained that Cherry Bekaert did

<sup>1</sup> Chair Hankins presided in Committee Chair Hannah's absence.

<sup>2</sup> Secretary Szlosberg-Landis joined via Teams.

<sup>3</sup> The meeting was live streamed at <https://youtube.com/live/Y818bffwfxY?feature=share>.

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not note any deficiencies believed to be material weaknesses. Ms. Adams went over the qualitative aspects of accounting practices. She explained independence considerations and other required communications, stating there were no difficulties encountered or any disagreements with management, and the reliance on certain management representations by the auditors. Ms. Adams went over supplementary information and noted upcoming financial reporting changes.

II. Consideration of Task Order #2 for the Selection and Procurement of a General Liability Only with Excess Limit Program Option for the Owner-Controlled Insurance Program

Presented by James Witherspoon Jr., Senior Director of Risk Management and Safety – The purpose of this item is to seek Board approval for Task Order #2 of the Master Services Agreement for the selection and procurement of a General Liability Only with Excess Limit Program Option.

During the February 16, 2023 meeting, the Board approved a five-year Master Services Agreement with Willis, Towers, and Watson for the following components: Strategic Planning and Program Needs Assessment; Program Design and Evaluation of Program Options; Process Preparation and Preferred Bid Method; and Submission and Marketing of Coverage Specifications.

The projects included in the Owner-Controlled Insurance Program are Runway 5L/23 R and Park Economy 3 Expansion. The construction value for Runway 5L/23 R and Park Economy 3 Expansion is \$400M. The recommended insurance coverage limit for the Owner-Controlled Insurance Program is \$100M, with a \$50K deductible. The limits were determined through competitive market analysis and benchmarking construction project values with limits purchased by other airports that have an Owner-Controlled Insurance Program. Also, the marketing analysis explored several deductible options and determined that a \$50K deductible was the optimal balance of investment and retention.

Task Order #2 of the Master Services Agreement will provide the following components: Binding; Project Evaluation; Project Enrollment; Program Enrollment; Program Implementation; and Ongoing Administration. Task Order #2 services procured from this Master Services Agreement is not to exceed \$4,045,594.

Westchester Insurance will provide the primary General Liability coverage limits for the Owner-Controlled Insurance Program. ACE Insurance will provide the 1st layer of Excess Liability coverage. Starr and Allied Insurance will provide the 2nd layer of Excess Liability coverage. Markel and Sompo Insurance will provide the 3rd layer of Excess Liability coverage. Sompo Insurance will provide the 4th layer of Excess Liability Insurance. Apollo, Hamilton, Inigo, and Argo Insurance will provide the 5th layer of Excess Liability coverage.

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Munich, Convex, Star, and Ascot Insurance will provide the 6th layer of Excess Liability coverage. Program limits are as follows:

| Carrier                       | Layer            | Total Cost         |
|-------------------------------|------------------|--------------------|
| Westchester                   | Primary          | \$1,039,311        |
| ACE                           | \$5M xs Primary  | \$552,825          |
| Starr                         | \$5M xs \$5M     | \$330,813          |
| AWAC                          | \$15M xs \$10M   | \$405,000          |
| Markel/Sompo                  | \$12.5M xs \$25M | \$365,000          |
| Apollo, Hamilton, Inigo, Argo | \$25M xs \$50M   | \$263,250          |
| Munich, Convex, Starr, Ascot  | \$25M xs \$75M   | \$226,395          |
| <b>Total</b>                  | <b>\$100M</b>    | <b>\$3,182,594</b> |

The Owner-Controlled Insurance Program brokerage fee for Willis Towers Watson is \$863,000.

Mr. Witherspoon introduced Jennifer Cate and Max Strommen with Willis, Towers Watson. Ms. Cate noted that thirty markets looked at the program and she discussed the rolling owner controlled insurance program (“ROCIP”) recommended primary option and the program structure. Ms. Cate explained the airport benchmarks collected from WTW’s airport placements. The estimated saving proforma was explained and a proposed schedule for program enrollment and implementation was outlined.

Staff request approval for services procured in Task Order #2 for the purchase of Primary and Excess construction insurance coverage, including signature authority for the President and CEO with Westchester, ACE, Starr, Allied, Markel, Sompo, Apollo, Hamilton, Inigo, Argo, Munich, Convex, Ascot Insurance in the amount of \$3,182,594. Also, the approval to pay the Willis Towers Watson brokerage fee in the amount of \$863,000 for a total of \$4,045,594.

Chair Hankins asked General Counsel Locklear to explain the functions and services provided by independent auditors versus the Authority’s internal auditing staff. Ms. Locklear noted that external auditors are contracted directly by the Board, and while such auditors work with staff to gather information, that staff doesn’t control, limit or govern the activity of external auditors. She explained that the internal auditors review compliance by the Authority with its contracts and compliance of internal processes and controls followed by staff. Ms. Locklear noted that the internal auditors collaborate with staff to give consultation and to develop and/or test processes prior to implementation by the Authority. There was discussion regarding representations made by management and relied upon by external auditors.

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## RALEIGH- DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES AUGUST 9, 2023 at 12:00 p.m.

Chair Hankins presided. Present: Hall-Roberts, Kushner, Morgan Polanco-Galdamez, Szlosberg-Landis and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and CRO Freedman, SVP and Chief Operating Officer Connell, VP and Chief HR Officer Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

Chair Hankins thanked Board members for attending this special meeting. A roll call was conducted and the special meeting's purpose noted.

The Board discussed the following items:

### I. Federal Aviation Administration Grant Offer Acceptance

Presented by William C. Sandifer, A.A.E., Executive Vice President and CDO – Mr. Sandifer presented staff's recommendation for the acceptance of an anticipated Grant Offer from the Federal Aviation Administration (FAA). This Grant Offer is in the amount of \$10,000,000, which is a supplemental appropriation from the FAA, and will fund the reconstruction of the North Cargo Apron Taxilane. Mr. Sandifer explained the project background and recapped the North Cargo Apron project location, scope and overall project phasing. Mr. Sandifer noted that staff will work diligently with the City of Durham, Durham County, City of Raleigh and Wake County to get this Grant Offer approved by their respective governing bodies and returned to the FAA before the deadline of September 17.

There was discussion and questions about this grant being a special appropriation that might have been part of the Infrastructure Bill and staff is to check on that.

*Motion by Thompson for acceptance of the Grant Offer from the Federal Aviation Administration in the amount of \$10,000,000, and authorization for the President and CEO to execute the grant documents;  
Second by Kushner*

ADOPTED BY UNANIMOUS VOTE

<sup>1</sup> Vice Chair Hall-Roberts, Morgan, Secretary Szlosberg-Landis, and General Counsel Locklear joined via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/apc6otC-AeA?feature=share>

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- II. Consideration of Resolution to Authorize the Acceptance of FAA and NCDOT Grant Offers  
Presented by William C. Sandifer, A.A.E., Executive Vice President and CDO – Mr. Sandifer noted this was an informational item only at this time and that it would be on the regular Board meeting agenda for August 17. He explained staff's recommendation for the adoption of a resolution by the Board due to the number of FAA and NCDOT grants expected for various future projects and the speed with which staff needs to have the grants executed and returned. Staff's recommendation is for authorization for the President and CEO to accept and execute all FAA and NCDOT Grant Offers presented pursuant to their respective airport improvement programs. This authority is consistent with the duties, responsibilities and authority granted to the President and CEO pursuant to Chapter 6 – Administration, of the Ordinances of the Authority. The President and CEO would report acceptance of all FAA and NCDOT Grant Offers to the Authority Board at the first public meeting immediately following acceptance.

Mr. Sandifer addressed questions regarding no known instances where the Board expressed concerns about past grant acceptances, and noted that the terms and conditions are standard with no ability for the Authority to negotiate changes. Chair Hankins asked that General Counsel Locklear add language to the draft resolution to the effect that the President and CEO is authorized to accept grants presented provided the terms and conditions are standard with no unusual requirements.

*Presented for informative purposes at this time.*

- III. Airport Minimum Standards  
Tyler Maheu, Senior Director of Commercial Management Ground Access, introduced Bryan Elliott, AAE and Josh Francosky, AAE of Ricondo & Associates for presentment of an overview of Airport Minimum Standards (AMS). Mr. Elliott detailed key terms including aeronautical service and minimum requirements and explained that AMS are not required but are considered best practice for airports to adopt. He went over the basis for AMS and how commercial aeronautical service providers are handled currently at RDU and the services offered.

Mr. Elliott explained considerations, questions, and documents involved in the development of the initial draft AMS for the airport, and that feedback from RDU stakeholders was under review with recommendations being developed. He showed the timeline from the initial AMS draft in September 2022 through the anticipated period for Board review later this year. Mr. Elliott covered the AMS high level requirements and outline for chapters in the AMS.

Mr. Elliott answered questions about new entrants meeting AMS requirements, which will be addressed in the application process as to matters such as proper certification, licenses, and financial ability to undertake the proposed endeavor, indicating this is a non-discriminatory

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process. Regarding complaints and opposition raised as to the AMS, Mr. Elliott noted it is typically by misconception that pilots raise concerns as the AMS is meant to assure that all providers of services related to aircraft are held to the same standard. Tyler Maheu and David Freedman addressed questions regarding identification of stakeholders involved and explained that one driver for the development of the AMS was to assure that all service providers were being held to the same standard. Mr. Maheu noted that comprehensive feedback had been received from pilots as well as service providers and that Ricondo staff was vetting all comments for consideration. Mr. Elliott responded to questions noting that the AMS was a living document and should be reviewed every 3-5 years and as new technologies are developed and integrated at the airport.

Chair Hankins noted the Board's responsibilities as to airport safety and the provision of a standard of service, as well as the Board's fiduciary obligation to reduce the scope of liability to the airport. He noted that the airport should have sound, reasonable and defensible standards and treat everyone fairly.

*Presented for informative purposes at this time.*

#### IV. Park Economy 3 Environmental Compliance Review Report

Chair Hankins commented that capital projects are undertaken in compliance with federal and state law and that the Authority goes beyond those requirements particularly as to protecting environmental resources, as shown by the adoption of the Sustainability Policy and Project Environmental Compliance Review Policy. He noted that this matter was for presentment of information and discussion by the Board and was not an action item at this time.

Presented by William C. Sandifer, A.A.E., Executive Vice President and CDO – Mr. Sandifer explained the purpose was to share the findings of the draft Environment Compliance Report (ECR) and that the theme of the discussion is “Meeting the needs of our customers while minimizing the impact on the environment – It’s a balance.” Mr. Sandifer gave background information regarding Vision 2040 which is the airport’s long-range master infrastructure plan and the finalized preferred alternative for siting critical infrastructure including the expansion of Park Economy 3 (PE3). He recapped the extensive level of public involvement undertaken and opportunities for public input, noting that Vision 2040 was approved in October 2016 and staff moved forward with the design and assessment of environmental impacts to expand PE3 which has led up to this ECR review. Mr. Sandifer reviewed the Sustainability Policy’s purpose and Project Environmental Compliance Review Policy’s structure and formalized process for evaluating and documenting the environmental effects of a covered project, noting that PE3 Expansion is the first project to following this new process.

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Mr. Sandifer introduced Dave Full the National Environmental Lead for RS&H and John Holmes, RS&H's Project Manager and Lead Design Engineer, who will give information later in the presentation concerning design considerations for the project.

Mr. Sandifer shared the Regional Transportation Alliance's comments and reasons for endorsing the expansion of PE3. He noted recurring themes in the public comments received. The first theme asked why 7,000 more spaces were needed and Mr. Sandifer explained various enplanement forecasts and how those forecasts were modeled. He discussed outside consultants' and independent staff analyses as well as market share considerations. David Freedman, Chief Revenue Officer, noted the factors influencing the Campbell Hill forecast. Mr. Sandifer explained the planning factor for calculating spaces per enplanement and peaking characteristics and surge considerations. While 17,901 public spaces across the airport campus are available now, Mr. Sandifer outlined the various planned projects which will negatively impact that number while the projected demand for public parking rises. At completion of the PE3 project in 2026, 24,901 spaces will be available on campus for public parking and the projected demand is 20,800 – 24,000; however projected parking demand continues to rise and additional projects such as for cargo expansion will again negatively impact available parking. Mr. Sandifer stressed the pressing need for the expansion of PE3.

Secretary Szlosberg-Landis questioned if capping the parking supply had been considered which could drive other alternatives and noted a personal preference to take mobility services rather than utilize onsite parking. Mr. Sandifer indicated that consideration had to be given to the entirety of impacts to available public parking from the various projects including reconfigured roadway system, parking garage renovations, loss of employee parking lots on north side, air cargo growth, and terminal expansion coupled with the forecasted enplanements growth.

The next theme pertained to building vertically. Mr. Sandifer went over construction costs for surface parking compared to structured parking and what the daily parking rates would need to be to recover cost. He commented on the necessity to balance operational, economic, social and environmental considerations in the approach to development and shared a customer's recent concern that \$12/day was too expensive for a working family.

The last recurring theme involves requiring customers to take public transportation to the airport. Mr. Sandifer displayed the map illustrating the customer-base for RDU which includes half of the state as well as portions of Virginia and South Carolina. He noted the area with access to public transportation, pointing out that the buses' schedules do not work for passengers with early flights and first shift workers on the campus. Mr. Sandifer explained the Authority's multi-modal approach towards serving all RDU customers and Vision 2040 includes plans to build a

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ground transportation center to accommodate all modes of commercial transportation. He shared that the Authority works closely with GoTriangle, and that the tax enacted on all rental car transactions at RDU support GoTriangle in its operations.

Mr. Sandifer shared comments from Merle Umstead Richey (in opposition to the PE3 expansion). He explained that the Authority has taken great care in the planning and design of the proposed PE3 expansion on airport property to avoid all direct impacts on Umstead Park that might degrade visitors' use of the park. He discussed that the airport and the park have operated adjoining each other for 84 years and that Umstead Coalition's goal is the protection and preservation of the park; but vastly different perspectives arise from what park "impact" means. Mr. Sandifer referred to the Authority's voluntary leasing of property to Wake County for the mountain bike park and he noted some negative comments for PE3 seem to stem from the fact that the remaining illegal trail system will now be inaccessible to continuing trespassers.

Mr. Sandifer explained that the ECR will be made available to Board members and posted for the general public in the next few days and that the first bid package for this expansion will be brought for consideration at the August 17<sup>th</sup> meeting. He addressed questions raised by Mr. Kushner regarding the acreage to be graded and that the final design reduced as much as possible the acreage determined necessary for clearing and grading. Mr. Sandifer noted the amount of buffer between the PE3 expansion and the park. In answer to Chair Hankins' question, Mr. Sandifer confirmed that the planned storm water control measures vastly exceed the State's water quality requirements

Dave Full of RS&H discussed the ECR findings beginning with biological resources. He detailed the field surveys conducted beyond the project area and the findings of no presence of special status species. Mr. Full explained the water resources and wetlands map and that with the innovative stormwater detention ponds and control measures designed for the PE3 expansion the stormwater discharge rate will not increase off the project site. Further, he confirmed no direct impacts to wetlands, streams or the Neuse River Buffer. As to air quality, he noted Wake County in "attainment" for all six criteria air pollutants. For the emissions model, construction-related air pollutant emissions are below de minimis thresholds and best management practices will be in place to reduce short-term, construction-related emissions. Mr. Full noted that the report with its appendices will show the models or calculations for the conclusions drawn.

Mr. Full discussed cultural resources and recreational facilities, noting no direct effects to Umstead Park.<sup>3</sup> Regarding transportation, Mr. Full noted areas where traffic volumes would increase as well as decreases expected on other roadways. A formal Traffic Impact Analysis is

<sup>3</sup> Vice Chair Hall-Roberts ended virtual participation at 2:00 p.m.

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being conducted to determine if any improvements to roadways and intersections in the project vicinity are necessary. Mr. Full discussed energy, noise and lights noting that use of electric shuttle buses would reduce fossil fuel usage. He noted construction noise would be for a limited duration with noise buffering mitigation measures and use of LED lights focused in the parking area with minimal spillover. Mr. Full concluded his portion of the presentation indicating that while there will be impacts, none are significant and that the ECR process was open and transparent to the public and that some comments influenced the design of the project.

John Holmes of RS&H presented design components and operations. He displayed the concept of operations map showing locations for the bus shelters and answered questions regarding various locations were determined. He described the two bus routes through the parking area. Mr. Holmes explained the construction phasing and how available parking would shift to allow for future phase construction. He detailed FAA guidance prohibiting attractions for waterfowl within five miles of the airport and described various stormwater treatment options. Mr. Holmes went over the concept of submerged gravel wetlands, their function, and the collaboration and coordination efforts with NCSU. Mr. Holmes compared State requirements for treatment, stormwater discharge and attenuation versus the higher and more robust standards achieved through use of these submerged gravel wetlands. He answered questions about maintenance of the wetlands for the first two years until the areas are self-sustaining.

Mr. Holmes explained treatment values, showing the planned submerged gravel wetlands vastly exceeded traditional stormwater approaches as to nutrient removal values. Secretary Szlosberg-Landis questioned monitoring plans for groundwater and how far would impacts be monitored for the surrounding area. Mr. Holmes explained that as water is discharged out of these basins, it is analyzed for treatment values. While the State doesn't require monitoring downstream, the permitting process may result in additional monitoring requirements. Mr. Holmes explained that post-construction sampling for research purposes was planned whether it was required by permitting or not. Secretary Szlosberg-Landis asked about experience and monitoring accuracy of other states utilizing this type of stormwater treatment. Mr. Holmes described utilization by other states and that these intended wetlands for PE3 will be larger than others known. He described the planned stormwater control measures and examples of pilot programs in NC. Mr. Holmes responded to questions about gravel wetlands appearance, how plants are chosen and designed for growth in the area, and that the water while not visible, the ground is marshy.

Mr. Holmes explained PE3 wayfinding and signage as well as camera layout. Signs are planned which will indicate space availability. He answered questions about customer lines and noted that entrance and exit lanes are being expanded and from analysis conducted, lines should not be long. He explained the measures planned to assist customers who may not remember their

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parking area in the lot or to assist them in riding the proper bus. Secretary Szlosberg-Landis inquired about the use of QR codes and Mr. Holmes noted that there would be assistance signage and interactive devices where the customer could enter their license plate number to locate their space. Details of the LED lighting and anticipated cost savings were given and Mr. Holmes answered questions about the costs to retrofit the existing poles with the flat shield fixtures. He explained that drought and deer resistant vegetation would be planted to reduce maintenance and irrigation needs. Due to security and visibility concerns, ornamental trees were not being planted. Mr. Holmes addressed questions regarding use of concrete versus asphalt and noted that the main drive aisles and bus routes would use concrete but it was cost prohibitive to use concrete throughout.<sup>4</sup> Mr. Holmes discussed the various types of fencing and materials that would be used in PE3. He explained the upgrades planned for bus shelters which will include the ability to track the bus location, get flight information, view advertising and RDU news, Wi-Fi and courtesy phones. Mr. Holmes showed the rendering of the proposed Customer Amenity Building (CAB), with adjacent parking, and the services to be offered. He addressed questions as to the determination of the CAB location, noting the areas' topography and that other locations would create site line issues for security and monitoring the lot.

Mr. Holmes described measures considered for addressing the heat island effect. Secretary Szlosberg-Landis questioned why a tree canopy was not a mitigation consideration. Mr. Holmes noted the need for unimpeded security camera access view and in comparison to malls, stores and other hourly parking areas, PE3 is a vehicle storage area with more robust security.

Bill Sandifer explained the opportunities to educate customers and visitors regarding the stormwater wetlands wastewater management process. He explained that the ECR would be finalized in the next few days and the final version together with the presentation slides from this meeting would be posted on the website for access by the Board and the public.

Chair Hankins asked for members' questions. Mr. Kushner asked about the trees to be cleared from PE3 and John Holmes explained that the contractor was obligated to divert 75% of all construction waste. Mr. Kushner inquired if solar panels had been considered. Mr. Sandifer explained that a variety of canopy systems were considered and that solar cost would have been an additional \$21-27M. There was discussion of public-private partnerships (PPP) but Mr. Sandifer explained that with PE3 being for public parking at the airport, a PPP would look for a higher rate of return than the Authority could charge. President and CEO, Michael Landguth, noted that customers surveyed indicated that 65% were not interested in covered parking and only 6% of customers would consider paying \$16 to \$18/day to park, so costs are a concern. Mr. Landguth explained that the Authority looked at solar energy generating options and that

<sup>4</sup> Thompson left the meeting at 2:51 p.m. and Morgan ended virtual participation at 3:00 p.m.

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available funds were put toward electric buses. Mr. Kushner asked about electric vehicle charging and Mr. Landguth explained that grants require that free access be provided to charging stations. The Authority explored the possibility of a PPP providing the cabling and charging for access to the charging stations. Other options such as a mobile charging technology was noted.

Secretary Szlosberg-Landis thanked presenters for the comprehensive report noting this was her first exposure to this information and it was a lot to take in. She commented on no design provision for charging stations in the parking area when vehicles are to be electric by 2030. She mentioned questions and calls received from elected officials and others, and expressed that she did not feel ready to vote on this matter next week and noted the responsibility to officials and constituents.

Chair Hankins explained that a PE3 expansion matter is to be on the agenda for the August 17<sup>th</sup> meeting and there could be further discussion at that time and members will vote as they deem appropriate. He thanked staff and others for the presentation and noted the ECR which will be posted this week on the website.

*Motion by Kushner to adjourn; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

Meeting adjourned at 3:30 p.m.

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## RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES AUGUST 17, 2023

Chair Hankins presided. Present: Hall-Roberts, Hannah, Kushner, Morgan, Polanco-Galdamez, Szlosberg-Landis, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and Chief ISAO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

### I. APPROVAL OF AGENDA

*Motion by Kushner for approval of the agenda; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE

### II. APPROVAL OF MINUTES

*Secretary Szlosberg-Landis noted her review of the minutes of the regular meetings of the Board, the Board committees, and the consent actions of the Board, held on July 20, 2023, asked if any edits were needed. Motion by Szlosberg-Landis for approval of these minutes; Second by Kushner*

ADOPTED BY UNANIMOUS VOTE

*Motion by Morgan for approval of the minutes of the special meeting of the Board held on August 9, 2023; Second by Szlosberg-Landis*

ADOPTED BY UNANIMOUS VOTE

### III. CHAIR COMMENTS

1. Chair Hankins welcomed everyone, noting appreciation for the millions of travelers through RDU this year.
2. New team members were introduced and welcomed and employees with promotions were recognized and congratulated.
3. Chair Hankins recapped the Sustainability Management Plan enacted this year and commented on the internal sustainability committee formed to help develop, guide and implement sustainability actions.

<sup>1</sup>Vice Chair Hall-Roberts and Treasurer Polanco-Galdamez participated remotely via Teams.

<sup>2</sup>The meeting was live streamed at <https://youtube.com/live/KeupA8GqLY0?feature=share>.

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4. Chair Hankins announced the upcoming annual Plane Pull scheduled on October 21 at RDU, to benefit Special Olympics North Carolina where participating teams will see who is fastest to pull a plane 25 feet.
5. Chair Hankins recognized General Counsel, Erin Locklear, an alumni of the NC School of Science and Math (NCSSM), for her recent delivery of the convocation to the incoming students at the NCSSM.

#### IV. OLD BUSINESS

1. Land and Development Committee – Thompson reported Committee members met during the Committee work session on August 17, 2023, and discussed the following:
  - a. Park Economy 3 Expansion - Balfour Beatty/Metcon, JV Construction Phase Amendment for Package 0

Chair Hankins opened the floor for discussion from the Board on this matter. Mr. Kushner commended staff on compiling the Environmental Compliance Review report, addressing the numerous public comments, and the public engagement in the workshops. He expressed pride in the implementation of the Sustainability Policy and the first airport-related Project Environmental Compliance Review Policy. Mr. Kushner summarized the necessity for this parking expansion and the various upcoming projects which will impact available airport parking. He noted specific concerns raised by the public and explained why such alternative suggestions were not feasible including utilization of Park Economy 4 which is slated for future cargo space expansion, and limited capabilities of existing public transportation for areas not serviced by buses and for the early/late airport users' transport needs outside of scheduled times. He briefly recapped the prohibitive cost for building vertically versus horizontal expansion in Park Economy 3, and restrictions on other airport property designated for aeronautical use on the FAA-approved Airport Layout Plan.

Mr. Kushner agreed that this expansion would necessitate the cutting of numerous trees, and he referred to the recent leasing by the Authority of 150 acres to Wake County for use over the next several years as a bike park. He described the efforts and reviews conducted to tightly limit the number of forested acres impacted by the expansion. Mr. Kushner recapped the innovative submerged gravel wetlands for stormwater detention to be put in place as well as the efforts to narrow the scope of light bleed, noise reduction mitigation efforts planned and possibilities of coating asphalt to reduce heat island effect. He noted future discussion topics planned on electric vehicle charging stations and solar panels. He expressed that his concerns about this expansion project were met and he supported the matter.

Secretary Szlosberg-Landis noted her agreement with much of Mr. Kushner's comments and she shared her concerns as to the impact of the airport's overall goals on climate change. She

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indicated her support of this matter with the caveat that projects explore opportunities for electric vehicle charging stations and the introduction of solar panels, and to strive for minimizing environmental impacts. Mrs. Szlosberg-Landis thanked staff for their work and expressed her passion for environmental protection and her duty to bring climate-impacting matters to discussion.

Treasurer Polanco-Galdamez thanked members for their previous comments and for the extensive and independent research by Szlosberg-Landis. Mrs. Polanco expressed appreciation to Bill Sandifer and his team, as well as other staff and consultants for their work on this matter and for the Board and the Authority's concern for the environment. She thanked the public for their involvement and concerns, and noted the balancing mission to meet customer needs and demands of the region while staying true to values. She indicated her intent to support this item.

Thompson and Morgan expressed appreciation for Mr. Kushner's summarization and the discussion surrounding this matter. The number of inter-related capital projects was noted and influence of one project on other pending matters. Appreciation was expressed to staff for planning and efforts to lessen impact to customers during projects.

*Motion by Thompson for approval of this Amendment with Balfour Beatty/Metcon, JV in the amount of \$5,222,418 and authorization for the President and CEO to execute the Amendment; Second by Morgan*

**ADOPTED BY UNANIMOUS VOTE**

2. Operations Committee – Morgan reported Board members met during the Committee work session on August 17, 2023, and discussed the following:

a. Purchase of a Vacuum Truck

*For approval of the purchase of a vacuum truck from Rodders and Jets Supply Co, in the amount of \$168,600 and authorization from the President and CEO to execute any necessary documents to complete the purchase.*

b. Purchase Request to Purchase Motorola Handheld Radios

*For approval of the combined operations Motorola radio purchase in the amount of \$292,366.06 and authorization from the President and CEO to execute the agreement.*

c. Consideration of IT Equipment Upgrades Requested by US Customs and Border Protection

*For approval to fund actual IT equipment and service upgrades, and associated installation expenses requested by US Customs and Border Protection estimated to be a one-time cost of*

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*\$629,149.29, recurring cost of \$31,430.24 commencing in FY 24-25, and authorization for the President and CEO to sign any necessary, related documents.*

*Motion by Morgan for approval of items a. – c.; Second by Kushner*

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda

- a. Agreement with Wake County to use the County Everbridge Mass Notification System
- b. Consideration of Amendment 3 with GFL Environmental for an Additional Cardboard Recycling Dumpster

*Motion by Thompson to approve and adopt the Consent Agenda items; Second by Hannah*

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Thompson thanked member Kushner for his earlier summarization and expressed that he felt the Parker Economy 3 expansion matter will give the public more affordable parking options. He commented on the recent reversal of the denial of Wake Stone's mining permit. Vice Chair Hall-Roberts thanked members for the conversations and informative support to ensure sustainable efficiency in the airport's projects. New hires and promotees were congratulated with a special note of best wishes to James Witherspoon on his promotion to Vice President. Appreciation was expressed for General Counsel Erin Locklear, and she was congratulated on her recent convocation speech at NCSSM.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

Good afternoon Board members, Team RDU, business partners, and guests who are joining us today.

Air Service

RDU experienced another high-water mark in July, with 1,389,232 passengers visiting the airport for the month — the highest monthly count in 2023 so far. That is 3% higher than

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passenger volume the previous month, 25.6% higher than July 2022, and 2% higher than July 2019. Delta had the largest share of the RDU market at 27.7%, followed by American at 26.9% and Southwest at 14.2%.

### Vision 2040 Video

RDU employees and guests will soon start to see more construction activity around campus as major capital projects get underway. The projects -- including replacement of RDU's primary runway, terminal expansion and roadway improvements -- are part of Vision 2040, the airport's master plan for growth. Vision 2040 will touch every corner of the airport in the years to come.

Our team produced a new video that highlights Vision 2040 projects and showcases the RDU of tomorrow. The video, *Ready for Takeoff: RDU Airport's Vision 2040*, was played.

You can learn more about Vision 2040 and watch the video at <https://www.rdu.com/vision2040/>.

### ParkRDU Express

RDU will add 1,000 parking spaces on campus when it reopens ParkRDU Express this fall. Express offers trunk-to-terminal service, with luggage taken from the guest's car and placed on a shuttle bus before they are driven directly to their terminal. The reopening of Express will provide airport guests with more parking choices in addition to the deck and economy lots. Guests will be able to book parking in Express online ahead of their trip. The Express lot is located on International Drive near Park Economy 4.

### Concessions Updates

RDU staff is busy working to bring you more dining and grab-and-go options in the terminals. Cantina Grill recently opened on Terminal 2's C Concourse. It features local craft beer from Bond Brothers and a collection of wines, as well as a variety of breakfast options, sandwiches, salads and snack boxes all day to grab before your flight. There is also a unique menu item on tap at Cantina Grill. Bond Brothers created a specially crafted Session IPA called the "No Turbulence IPA" to serve at RDU.

### CNN Segment

Finally, there's nothing quite as exciting as welcoming an Iron Chef into the kitchen at one of RDU's most exciting dining locations. We recently cooked up some fun with Chef Bobby Flay as part of a CNN Documentary. Flay visited RDU's own getREEF Virtual Food Hall to go behind-the-scenes with our staff and Jason Johnson of HUBB Kitchens. The CNN special aired this past Sunday, August 13.

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[A clip of the getREEF Virtual Food Hall segment from “The Whole Story with Anderson Cooper: Restaurant Nation – What’s Changed” was shown.]

IX. ADJOURNMENT

*Motion by Hannah to adjourn; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE

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## RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT AUGUST 17, 2023

The Board approved the following items on the Consent Agenda:

a) Agreement with Wake County to use the County Everbridge Mass Notification System

Memorandum by David Nicewinter, Director of Emergency Operations – The Raleigh-Durham Airport Authority (Authority), operates a 24-hour, 7 day a week communication center that provides emergency dispatch to airport fire rescue, law enforcement, and operations through an 800 MHz Motorola radio system. In addition, the Communications Center is also responsible for sending mass notifications via text, e-mail, and voicemail to airport stakeholders both internal and external advising of incidents and emergencies occurring at the airport.

The current mass notification system provided by AtHoc has been in place since 2015 and costs RDU approximately \$50,000 annually. This system is only found in 2 airports including RDU and has not seen any major upgrades/enhancements since it was first implemented. In researching the market to improve our capabilities, staff reached out to other airports and local government entities and discovered the opportunity to leverage Wake Counties mass notification at no cost.

Wake County utilizes Everbridge for mass notifications for county wide incidents to the public and internal stakeholders. Wake County's contract with Everbridge allows the county to add local municipalities to their system and create their own notification system. RDU is eligible to participate. This agreement is offered at no cost to the participating agency.

Everbridge is a system much more widely used by airports (and airlines) and would improve the ability for staff to provide timely mass notifications to internal and external airport stakeholders.

Staff is requesting authorization for the President and CEO to sign and execute the agreement necessary to participate in the Wake County Everbridge Mass Notification System and create RDU specific site.

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b) Consideration of Amendment 3 with GFL Environmental for an Additional Cardboard Recycling Dumpster

Memorandum by Steven Yanni, C.M, Director of Contracts Facilities Maintenance – This recommendation is for Board approval of Amendment 3 with GFL Environmental for delivery and service of an additional cardboard recycling dumpster to be located at RDU’s maintenance storage lot. This dumpster will be used by Central Cargo #1 and 2 vendors that need to recycle their cardboard boxes. This is a safer and more secure approach than having these vendors transport these recycling materials to containers located on the airside.

This Amendment will have GFL deliver a cardboard dumpster and they will service the dumpster once a week. To do this service it will cost \$97.12 a month for the remaining 43 months on the contract (September 2023 – March 31, 2027) which would total \$4,176.16. This dumpster is subject to a CPI increase in April 2025, meaning this \$97.12 may increase at that time.

Staff requests approval of Amendment 3 in the amount of \$4,176.16 to GFL Environmental for delivery and service of a cardboard dumpster and authorization for the President and CEO to execute the Amendment.

**Raleigh-Durham Airport Authority Board Members**

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## **RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES AUGUST 17, 2023**

Thompson presided. Present: Hankins, Hannah, Kushner, Morgan, Polanco-Galdamez and Szlosberg-Landis.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and Chief ISAO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following item:

1. Park Economy 3 Expansion - Balfour Beatty/Metcon, JV Construction Phase Amendment for Package 0

Presented by France Campbell, Director of Landside Engineering – At its February 2023 meeting, the Board approved staff’s recommendation to engage the Joint Venture of Balfour Beatty Construction / Metcon as Construction Manager at Risk (CMR) for the expansion of Park Economy 3, and a Master Agreement was executed.

The Preconstruction services amendment was approved by the Board at the March 2023 Board meeting and the amendment was executed on March 19, 2023. In accordance with actions authorized in the amendment, the CMR pre-qualified bidders and executed the prescribed bid process for the first phase of construction.

The first construction package, “Package 0”, was advertised on June 14, 2023. The set of bid documents consists of installing erosion and sedimentation control, site clearing, installing a fence around the construction site, and other miscellaneous services related to construction startup (construction trailers, temporary haul road construction, etc.). A pre-bid and MWSB workshop was hosted by the CMR on June 20, 2023. Bid openings were hosted on July 11, 2023 and July 19, 2023.

The CMR broke the bidding into multiple bid packages to incentivize participation from smaller contractors. Bid Element 01 – General Trades consisted of traffic control/parking modifications, demolition, street maintenance, CMR office cleaning, and storage Connex and tools. Bid Element 02 – Fencing consisted of temporary fencing and permanent fencing.

<sup>1</sup> Treasurer Polanco-Galdamez participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/KeupA8GqLY0?feature=share>.

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Bid Element 03 – Sitework and Clearing consisted of surveying, erosion and sedimentation control, clearing and grubbing, and site setup (site access, staging, and protection).

The proposed amendment establishes the Contract Amount (Fixed Guaranteed Maximum Price) and authorizes construction phase services of the CMR for Package 0.

| <b>Contract Component</b>                       | <b>Amount</b>      |
|-------------------------------------------------|--------------------|
| Cost of the Work                                |                    |
| 01 – General Trades                             | \$180,732          |
| 02 – Fencing                                    | \$842,367          |
| 03 – Sitework and Clearing                      | \$2,567,652        |
| <u>Survey Allowance</u>                         | <u>\$20,000</u>    |
| Total Cost of Work                              | \$3,610,751        |
| Contractor's Contingency (5%)                   | \$180,538          |
| Contractor's Construction Fee (3.5%)            | \$174,325          |
| Misc: Insurances and Performance & Payment Bond | \$67,369           |
| <u>Reimbursable General Conditions</u>          | <u>\$1,189,435</u> |
| Construction Phase Amendment (GMP)              | \$5,222,418        |

The overall Minority and Women-Owned Small Business (MWSB) goals for the Package 0 of the Park Economy 3 Expansion are 13% Minority-owned Small Business (MB) and 9% Women-owned Small Business (WB). After receiving bids for this work, the CMR's proposed MWSB participation for Package 0 is 7.6% MB and 2.9% WB. The Authority's Small Business Program Office has reviewed the proposed participation and considers it acceptable.

This project is subject to the Project Environmental Compliance Review Policy adopted by the Board in April of 2022. Pursuant to the requirements of this Policy, a copy of the Final Environmental Compliance Report can be found at the following link: <https://www.rdu.com/airport-authority/environmental-programs/compliance/>. The Executive Vice President and Chief Development Officer recommends President and CEO approval of this final report.

Staff recommends approval of this Amendment with Balfour Beatty/Metcon, JV in the amount of \$5,222,418 and authorization for the President and CEO to execute the Amendment.

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Staff answered questions regarding layout of the expansion specifically to avoid streams and buffers. Staff explained the second bid opening required due to lack of bids received, and that 3 to 4 more bid packages are anticipated for this project.

Mr. Kushner detailed additional reviews conducted to confirm that the expansion layout was as concise as possible to minimize clearing and tree cutting, with an additional two-thirds of an acre +/- removed from acreage to be cut. Mr. Kushner questioned chipping versus milling of removed trees and it was noted that bidders' pricing was based on milling trees which renders a higher profit.

Mr. Kushner discussed evaluation by staff for solar panel canopies in this project and rejection due to added costs negatively impacting parking charges. He noted that further consideration will be given for possible use in some way of solar panels in this project; however, at this time, this phase of the project is for clearing and grubbing. Mr. Kushner indicated that the same line of discussion was conducted regarding electric vehicle (EV) charging stations.

Committee Chair Thompson inquired about expansion layout affected by rock location in order to minimize necessary blasting and earthwork.

Secretary Szlosberg-Landis expressed concerns regarding the proposed project's impact on commitment to reduce greenhouse gas emissions (GHG) effecting climate change. She noted calls and emails received from citizens as well as legislators and public officials concerned with GHG and that EV charging was not part of this project plan. Mrs. Szlosberg-Landis suggested pausing on this project while all potential solutions are explored including possible grants for solar alternatives, reducing and/or phasing the projected deforestation, and for a hybrid or structured parking facility to lessen footprint and forest loss. There was discussion with representatives from Balfour Beatty/Metcon as to the impact to submitted bids of trying to phase tree cutting and the potential of having to rebid with time delays and higher costs. Bill Sandifer noted staff's efforts to try and balance financial, operational, and environmental needs, and that delays in this parking expansion project would impact upcoming capital projects and further affect the airport's ability to meet growth demands. Mrs. Szlosberg-Landis mentioned having one week to review the project and potential discussion with a developer as to utilizing modular structured parking or the possibility of using parking at local hotels on a short-term basis when Parking Garages 1 and 2 are impacted.

Committee Chair Thompson commented on cost impact to rebid the project with changed scope and terms. He noted that this project was included in Vision 2040 and has been discussed by the Authority Board.

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Secretary Szlosberg-Landis explained that she was raising some issues as Vision 2040 was envisioned years ago and some issues didn't have the urgency that exist today and she was surprised the EV charging wasn't included. She noted other airports offering EV charging. There was discussion about superchargers for areas after exiting the parking lot versus having cars parked in the lot and utilizing chargers for extended periods of time.

Chair Hankins noted that it was not ideal to have the William B. Umstead Park situated next to the airport and the responsibility to continue to make efforts to mitigate adverse effects of projects on the park while accomplishing the airport's growing operation and mission. He commented on the numerous calls and comments received on this project. Chair Hankins explained the responsibility to the region to make improvements to the airport and support the growing and expanding air service. He referred to the interrelation of capital projects and noted that the airport is going beyond what state and federal law requires in implementing and following its Project Environmental Compliance Review Policy.

Chair Hankins noted that Board members raised points for consideration in this and other projects as to EV charging stations, solar panels and renewal energy, forestry management, and policy direction to staff and that a special meeting would be scheduled. He commented on the long-term planning process for the airport and that he gives credence and deference to Board predecessors' efforts. He noted that Vision 2040 has a long-term effect and that this current expansion project is an integral part of the airport improvement plan approved by the FAA.

Chair Hankins referenced recent discussions with Sig Hutchinson, Chair of GoTriangle Board, for upcoming discussions to accelerate enhanced public transportation options. Chair Hankins noted that Park Economy 4 was slated for future cargo expansion use, and that the construction of parking garages was expensive and based on recent surveys, customers were not amenable to paying higher parking fees. He expressed his intent to support this agenda item and urged others to consider doing so.

Mr. Morgan inquired about sediment erosion prevention and representatives from Balfour Beatty explained low charge blasting and erosion control measures. Bill Sandifer answered questions about the timeline of airport parking loss in various areas of the campus due to upcoming projects and the necessity to maintain parking inventory balance for customers' and airport employees' needs.

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Mr. Hannah expressed the need for this project to move forward and voiced his support, noting that innovative ideas can be explored and incorporated if feasible as planned capital projects move forward.

President and CEO, Michael Landguth, requested policy direction from the Board. He expressed understanding concern and passion for climate change but noted challenges faced by staff and the Authority's ongoing efforts through its Sustainability Policy and Sustainability Management Plan, and the hiring of an energy manager. He indicated the need to understand an energy schedule acceptable to the Board and that if the energy program should initiate earlier, that staff needed the Board's direction as to what should be accelerated. Mr. Landguth complimented the efforts of the Facilities Management staff, RS&H and Balfour Beatty/Metcon in creating a parking expansion layout that avoided streams and minimized impact to Neuse River buffers, and in choosing a plan to innovatively and effectively minimize stormwater runoff through utilization of submerged gravel wetland ponds. He referred to staff's extensive public outreach efforts with ten public meetings, an environmental assessment with public comments gathered, and in developing the first Project Environmental Compliance Review Policy to minimize impact to the environment.

Mr. Landguth expressed appreciation to the Board for its guidance. He noted his concern that growth estimates were understated for this region and that the Authority staff was poised to move forward with planned projects in an effort to provide the services and programs needed by the growing customer base and that guidance and policy discussion by the Board would be valuable.

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## **RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES AUGUST 17, 2023**

Morgan presided. Present: Hankins, Hannah, Kushner, Polanco-Galdamez, Szlosberg-Landis, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and Chief ISAO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following items:

### **1. Purchase of a Vacuum Truck**

Presented by Sean Saunders, Vice President Operational Asset Management – Staff recommends approval of the purchase of a vacuum truck for the Fueling Systems department in the amount of \$168,600. The truck will be purchased through the North Carolina Sheriff's Association Heavy Equipment Procurement Program Bid # 24-08-0421.

Air Transport Association for America (ATA) Specification 103: Standard for Jet Fuel Quality Control at Airports requires the removal of accumulated sediment, water and air from the fuel hydrant system and associated piping. This is accomplished during periodic preventative maintenance tasks set forth by ATA using a vacuum truck. This vacuum truck is essential in meeting this objective as well as evacuating fluids at other locations. The existing vacuum truck is 17 years old and is scheduled for replacement due to age, condition, and maintenance history according to RDU's Fleet Management Plan.

In support of the Sustainability Management Plan (SMP), staff reviewed the market for more sustainable options for this type of vehicle (battery electric EV, hybrid, etc.). Due to the specialty nature of this type of vehicle – there are currently no available options on the market that would provide this specialty function. This replacement vehicle is however a newer EPA compliant diesel with lower emissions than the vehicle it will replace. It includes additional emissions controls including Cooled Exhaust Gas Recirculation (EGR), Selective Catalytic Reduction (SCR), a Diesel Particulate Filter (DPF), and an Intake throttle.

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<sup>1</sup> Treasurer Polanco Galdamez participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/KeupA8GqLY0?feature=share>.

### **Raleigh-Durham Airport Authority Board Members**

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Staff requests approval of the purchase of a vacuum truck from Rodders and Jets Supply Co. in the amount of \$168,600 and authorization from the President and CEO to execute any necessary documents to complete the purchase.

## 2. Request to Purchase Motorola Handheld Radios

Presented by T'airra Whitis, MS Airport Communications Center Manager – The Airport Communications Center (ACC) is responsible for managing the airport's 800mhz radio system. This system allows dispatch of emergency and operational personnel including Airport Police, Aircraft Rescue and Fire Fighting (ARFF), Operations, Airport Security, and Maintenance. The system is also interoperable with local mutual aid agencies including Wake County, Durham County, City of Durham and Raleigh.

Several departments require replacement 800 MHz handheld radios for those that have reached end of life and are no longer supported. There are also some additional new radios required due to increased staffing. In an effort to obtain best pricing with a bulk purchase, the ACC has taken the lead in obtaining the radios. This purchase will provide five departments (Law Enforcement, Airport Security Officers, ARFF, Facility Maintenance, and Fields Maintenance) with the new and replacement radio equipment needed to fulfill their daily responsibilities while allowing the ACC to maintain accountability and oversight.

Competitive pricing for this purchase is in accordance with the NC State contract 725G 2 Way Radio Communication Equipment. Section V of the State agreement permits the Authority to piggyback off the state's contract to purchase radio equipment for the Authority.

Staff requests approval for the combined operations Motorola radio purchase in the amount of \$292,366.06 and authorization for the President and CEO to execute the agreement.

## 3. Consideration of IT Equipment Upgrades Requested by US Customs and Border Protection

Presented by Michael McLanahan, Vice President of IT Business Solutions – Staff is seeking approval to fund information technology (IT) equipment and service upgrades requested by US Customs and Border Protection (CBP). The total fixed and annual recurring costs are estimated by CBP to be \$629,149.29 and \$31,430.24, respectively. Actual costs will be derived from actual purchases made by CBP and will be invoiced to the Authority after installation is completed.

The Authority received an itemized list of equipment and services needs from CBP on April 27, 2023, which included various desktops, laptops, tablets, peripherals, cabling, network

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hardware, internet circuit, and associated installation estimates. The expectation is that the Authority would accept financial responsibility and would reimburse CBP for actual costs incurred when installation is completed during FY24-25. Per CBP's Reimbursement Memorandum of Agreement, "the legal authority for CBP to enter into and require such an agreement is found at 8 U.S.C. §§ 1223-1224, 1356(a); 19 U.S.C. §§ 1459, 1461, 1499, 1524, 1644a; 8 C.F.R. Part 234; 19 C.F.R. Part 122."

The CPB will be utilizing their procurement processes to solicit this equipment; MWSB program requirements are not applicable. This initiative has been reviewed and is supported by the Authority's Small Business Programs Office.

Brief discussion on Custom and Border Protection's (CBP) method of procuring equipment and any leverage of the Authority to negotiate agreement terms. Discussion on statutory requirement for agreement's terms and CBP's role enabling an international port at RDU.

Staff requests approval to fund actual IT equipment and service upgrades, and associated installation expenses requested by US Customs and Border Protection estimated to be a one-time cost of \$629,149.29, recurring cost of \$31,430.24 commencing in FY 24-25, and authorization for the President and CEO to sign any necessary, related documents.

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## RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES SEPTEMBER 21, 2023

Chair Hankins presided. Present: Hall-Roberts, Hannah, Morgan, Polanco-Galdamez, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and CRO Freedman, Senior Vice President & COO Connell, Vice President and CFO Kapocius, Vice President and CHRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

### I. APPROVAL OF AGENDA

*Motion by Thompson for approval of the agenda; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### II. APPROVAL OF MINUTES

*Vice Chair Hall-Roberts<sup>3</sup> noted her review of the minutes of the regular meetings of the Board, the Board committees, and the consent actions of the Board, held on August 17, 2023, and asked if any edits were needed. Motion by Morgan for approval of these minutes; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE

### III. OLD BUSINESS

1. Land and Development Committee – Thompson reported Committee members met during the Committee work session on September 21, 2023, and discussed the following:

a. Park Economy 3 Expansion Construction Administration Services

*For approval of Amendment 7 to Task Order 2 with RS&H in the amount of \$1,641,886.00 and authorization for the President and CEO to execute the Amendment*

b. Aviation Parkway and National Guard Drive Interchange – Design Services Amendment

*For approval of Amendment 2 to Task Order 2 with Dewberry Engineers, Inc. in the amount of \$197,452.87 and authorization for the President and CEO to execute the Amendment*

<sup>1</sup>Chair Emeritus Hannah and Treasurer Polanco-Galdamez participated remotely via Teams.

<sup>2</sup>The meeting was live streamed at <https://youtube.com/live/TZR-FXALBh4?feature=share>.

<sup>3</sup>Acted at Chair Hankins' request in the absence of Secretary Szlosberg-Landis.

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c. Runway 5L-23R and Taxiway B Replacement, Final Design Services

*For approval of Amendment 7 to the design agreement with the firm of RS&H Architects-Engineers-Planners, in the amount of \$9,043,630 and authorization for the President and CEO to execute the Amendment*

d. Maintenance Pond Rehabilitation

*For approval of a construction contract with BW Infrastructure LLC, in the amount of \$319,350.00, and authorization for the President and CEO to execute the contract*

e. New Runway 5L/23R Borrow Material and Compaction Testing

*For approval of Amendment 1 to the Preconstruction Services Amendment with Balfour Beatty, in the amount of \$355,840 and authorization for the President and CEO to execute the Amendment*

*Motion by Thompson for approval of items a. – e.; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

2. Operations Committee – Morgan reported Board members met during the Committee work session on September 21, 2023, and discussed the following:

a. Consideration of Multi-Year GateKeeper Systems Agreement

*For approval for a 5-year software maintenance agreement with GateKeeper Systems at a cost of \$325,650 over the 5-year period, and that the President and CEO be given the authority to sign any necessary, related documents*

b. Consideration of Access Control Equipment Purchase

*For approval for a 1-year agreement with two 1-year options with A3 Communications to purchase LenelS2 hardware and related components at a cost of \$332,355.90, and that the President and CEO be given the authority to sign any necessary, related documents*

*Motion by Morgan for approval of items a. – b.; Second by Hall-Roberts*

ADOPTED BY UNANIMOUS VOTE

IV. NEW BUSINESS

1. Consent Agenda

Raleigh-Durham Airport Authority Board Members

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a. Request for Approval – Amendment Two to Services Agreement with Bell & Porter

*Motion by Thompson to approve and adopt the Consent Agenda item; Second by Hall-Roberts*

ADOPTED BY UNANIMOUS VOTE

V. CHAIR COMMENTS<sup>4</sup>

1. Chair Hankins welcomed everyone, noting appreciation for the millions of travelers through RDU this year.
2. There was a moment of silence in honor and memory of longtime RDU volunteer, David Allen Wilson. Chair Hankins remarked on Mr. Wilson's life's accomplishments and passion for volunteering.
3. New team members were introduced and welcomed.
4. Senior Maintenance Mechanic, Richard Stearns, was acknowledged and congratulated for earning his Airfield Lighting Maintenance certification from the American Association of Airport Executives.
5. Chair Hankins recapped the official grand opening for Beyu Caffé, operating pre-security in both terminals. He noted the opening of Lonerider in Terminal 2, which offers food selections as well as craft beers, including the Boots Up Ale exclusive to RDU. Chair Hankins notes his regular discussions with staff regarding the concessions' reinvigoration process.
6. Chair Hankins reminded everyone of the upcoming annual Plane Pull scheduled on October 21 at RDU, to benefit Special Olympics North Carolina where participating teams will see who is fastest to pull a plane 25 feet.
7. Chair Hankins congratulated Michael Landguth, David Freedman, Board members, community partners, and everyone that worked to make the Lufthansa service a reality at RDU.
8. Chair Hankins noted the ongoing struggle to enact the appropriations bill to keep the Federal government operating after October 1<sup>st</sup> and the impact that it would have on essential government workers to continue performing their jobs without pay.

VI. GENERAL COUNSEL'S REPORT

General Counsel Locklear commented on social media claims, including inaccuracies that tracts of land associated with the PE3 expansion were purchased with federal grant funds. Ms. Locklear gave a brief history of the lands comprising PE3 and noted how past Board minutes

<sup>4</sup>To maintain a quorum for matters requiring votes, the Chair's comments were deferred. Morgan left the meeting at 1:15 p.m.

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reflect discussions on different potential grant applications and record actions taken on actual grants received. She expressed her pride and gratefulness for the RDU team's work culminating in the receipt on August 31<sup>st</sup> of the Record of Decision and Finding of No Significant Impact for the replacement runway project.

## VII. MEMBER COMMENTS

Appreciation was expressed for efforts by staff and private partners that worked to make the Lufthansa service a reality for RDU, which is a great opportunity for the region. It was noted that the Board and staff only have one opportunity to get this important runway completed correctly. General Counsel Locklear was thanked for her efforts and representation of the Authority. New hires were welcomed. Vice Chair Hall-Roberts commented on the milestone achievement awarded Elizabeth City State University for accreditation from the Aviation Accreditation Board International for its Bachelor of Science in Aviation Science degree program. Mrs. Hall-Roberts noted the upcoming events planned in Durham on October 5-6<sup>th</sup> for Minority Enterprise Development. There were comments regarding the Lonerider and Beyu openings.

## VIII. PRESIDENT AND CEO'S REPORT

### Welcome

Good afternoon Board members, Team RDU, business partners, and guests who are joining us today.

### Passenger Traffic

RDU set a single-day record for passenger traffic over Labor Day weekend with 56,106 travelers flying through the airport on Friday, September 1st. TSA reported it was the busiest day on record at RDU. That Friday's numbers were 19.3 percent higher than the busiest day of Labor Day weekend in 2019.

Overall, we served 226,678 passengers from Thursday, August 31st through Monday, September 4th, slightly above our projections for the holiday weekend. RDU saw a total of 1,328,966 passengers in August. That is an increase 23.5 percent over August of last year and a one percent increase compared to the same month in 2019.

Delta had 27.5 percent of market share at RDU. American had 26.7 percent and Southwest had a 14.1 percent share of flights.

### J.D. Power Ranking

RDU received great news from J.D. Power again this week. We were named a Top Five Large Airport in North America in their Airport Satisfaction Study. The study measured overall traveler

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satisfaction based on six factors:

- Terminal facilities
- Airport arrival and departure
- Baggage claim
- Security check
- Check-in and baggage check, and
- Food, beverage and retail.

The J.D. Power study is based on surveys from travelers who evaluated their round-trip experience from August 2022 through July 2023. This is the third year in a row RDU has ranked in the J.D. Power Top Five.

I want to thank Team RDU for everything they do to provide a world-class experience for our airport guests..

#### Air Service

RDU will add its eighth international destination and fourth transatlantic flight in June when Lufthansa begins direct service to Frankfurt, Germany. The flight will operate five days a week on an A330-300. The Lufthansa service will be the first nonstop route to Europe from RDU on a Star Alliance carrier.

Europe is the largest long-haul international market for RDU and Germany is our second largest European country destination, behind the UK. RDU travelers will also be able to connect through the Frankfurt hub to dozens of destinations in Europe, Africa, the Middle East, Asia and more.

I would like to thank the Triangle community for helping us recruit Lufthansa to RDU. Our regional economic development partners, several universities and companies were pivotal in making the case for the nonstop Frankfurt service. The route joins RDU's three other transatlantic destinations: Reykjavik, London and Paris.

In other air service news, Breeze Airways added service from RDU to Tampa and Las Vegas this month. Both routes will fly on Tuesdays, Thursdays and Sundays. Breeze launched from RDU in February and now provides year-round and seasonal nonstop service to nine destinations.

#### Runway Approval

The Airport Authority received great news from the FAA late last month. The agency issued a Record of Decision that authorizes us to seek final permits and begin construction on the replacement of 5L/23R, our primary runway. The Authority and the FAA conducted an

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Environmental Assessment that defined the purpose and need for the project, analyzed the potential impacts of the project and provided opportunities for public participation, review and comment.

The new runway will provide greater economic opportunities for the Triangle region by ensuring RDU maintains its transatlantic connections and allowing long-haul aircraft to move more passengers and cargo. It is expected to be completed by early 2028 at a cost of more than \$500 million. The relocated runway will also make room for the future addition of more gates at Terminal 2.

#### Restoration Award

I want to congratulate a project team who received a national award for keeping 5L/23R and Taxiway B operational until we build a replacement. The American Concrete Pavement Association honored the team of Balfour Beatty, Zachry Construction Corporation, Parsons, and Jacobs in the Concrete Pavement Restoration category. The award is considered the Oscars of the industry.

Over the last few years, the Balfour Beatty crews have been replacing worn concrete slabs as part of the ongoing maintenance of our primary runway and adjacent taxiway. The carefully orchestrated project includes nearly 20 hours a day of preservation work that involves demolishing 625-square-foot slabs of concrete, pouring new ones, and letting them cure before it's time to reopen the runway to air traffic.

Congratulations to Balfour Beatty, Zachry Construction, Parsons, and Jacobs, as well as staff members of RDU.

#### ARFF Recognition

I'd like to wrap up today by recognizing members of our Airport Rescue and Fire Fighting team for saving a life in Terminal 2. On September 8th, they responded to medical call for a passenger who went into cardiac arrest on an aircraft.

Our team, including Captain Brandon Bryant, Lieutenant Jerry White and Fire Engineers Grant Huffman and Chris Pearsall removed the passenger from the plane, immediately administered CPR and used a defibrillator until the passenger had a pulse and was breathing again. The passenger was conscious and talking when they were transported to a local hospital.

I want to offer my deepest thanks to everyone involved for taking quick action and preventing what could have been a tragedy at RDU. Thank you. [Standing ovation was given for the ARFF Team.]

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IX. ADJOURNMENT

*Motion by Thompson to adjourn; Second by Hall-Roberts*

ADOPTED BY UNANIMOUS VOTE

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## **RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT SEPTEMBER 21, 2023**

The Board approved the following item on the Consent Agenda:

a) Request for Approval – Amendment Two to Services Agreement with Bell & Porter

Memorandum by Dan Miller, VP of Marketing – As the Authority successfully recruits new airlines and destinations, implements its rapidly growing concessions program and offers new eCommerce products, the Marketing team must promote these new products, amenities and services. In 2022, the RDUAA Board approved the Air Service Development Policy, including the Air Service Incentive Program (ASIP), which provides funds to promote qualified new carriers and destinations. To successfully promote new air service the Authority requires marketing and media buying services to complete complex advertising campaigns across various media channels including: radio, outdoor, and paid digital and social media. The Marketing team must be prepared to promote qualified new air service as it is announced. Recently, Lufthansa qualified for \$600,000 in ASIP marketing funds.

The Authority also maintains the Concessions Marketing Fund, a non-Authority operating budget account to which the Concessionaires contribute monthly; the Authority invests dollars from this fund to promote the concessions program through various activities including paid advertising, live activations and events; and to pay for the vital related resources, such as staff augmentation, logistics and equipment providers.

Following a solicitation process, in June, the Authority entered a 1-year service agreement in the amount of \$75,150 with Bell & Porter, LLC (B&P), a woman-owned marketing and media buying agency based in Raleigh. Subsequently, the Authority completed Amendment One in the amount of \$95,000 for promotion of new air service. This request is for approval of Amendment Two in an amount up to \$693,050. Amendment Two will allow B&P to provide critical marketing and advertising consulting and media buying services required to promote the new Lufthansa service, as well as the Authority's concessions program. The total contract not-to-exceed amount is \$863,200. Note that \$685,750 is allocated for pass-through media spend. Funding for this amendment is in the Air Service Development budget (\$505,000), and the Authority's Concessions Marketing Fund (\$188,050).

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The MWSB goal for Amendment Two is 100% WB and 0% MB. The Small Business Program Office has reviewed the services agreement and concurs with the proposed participation.

|                                               |                  |                                                                   |
|-----------------------------------------------|------------------|-------------------------------------------------------------------|
| <b>Original Agreement:</b>                    | <b>\$ 75,150</b> | <b>Amendment Two: (Air Svc &amp; Concessions Promo) \$693,050</b> |
| Media Spend (Pass-through):                   | \$33,000         | Media Spend (Pass-through): \$572,000                             |
| Agency Consulting:                            | \$42,150         | (Air Svc: \$444,400; Conc: \$127,600)                             |
| <b>Amendment One: (Air Service Promotion)</b> | <b>\$ 95,000</b> | Agency Commission (12%): \$78,000                                 |
| Media Spend (Pass-through):                   | \$80,750         | Agency Consulting: \$43,050                                       |
| Agency Commission (15%)                       | \$14,250         | <b>Total Contract Not to Exceed: \$863,200</b>                    |
|                                               |                  | <b>Total Pass-through Media Spend: \$685,750</b>                  |

Staff requests approval for Amendment Two to the Services Agreement with Bell & Porter, LLC, for an amount not-to-exceed \$693,050 for marketing and advertising consulting and media buying services to be performed between September 22, 2023, and June 21, 2024, authorizing the President and Chief Executive Officer to execute the agreement.

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## RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES SEPTEMBER 21, 2023

Thompson presided. Present: Hall-Roberts, Hankins, Hannah, Morgan, and Polanco-Galdamez.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and CRO Freedman, Senior Vice President & COO Connell, Vice President and CFO Kapocius, Vice President and CHRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following items:

### 1. Park Economy 3 Expansion Construction Administration Services

Presented by France Campbell, Director of Landside Engineering – This proposed Amendment 7 to Task Order 2 with RS&H for the PE3 Expansion authorizes Construction Administration (CA) Services for the first three construction packages for the proposed expansion and rehabilitation of Park Economy 3 including the Clearing and Grubbing Package (approved by the Board on August 17), Lot Expansion Package, and Lot Rehabilitation Package. CA Services for the construction package for the Customer Amenities Building are not included in this scope. The construction phase of these packages is anticipated to be approximately 120 weeks from the estimated start date in early September 2023. Proposed Amendment 7 also includes monitoring of the stormwater control measures related to Park Economy 3, specifically the submerged gravel wetlands, to be performed by NC State University at a cost not-to-exceed \$256,051 for a 3-year period.

Total compensation under this proposed Amendment is a not-to-exceed amount of \$1,641,886.00. Labor (\$1,371,866.00) will be billed at established hourly rates, and expenses (\$270,020.00) will be billed at direct cost. The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Small Businesses (MB) and 5% for Women-owned Small Businesses (WB). The proposed amendment includes commitments of 6.97% for MB and 3.93% WB. With this amendment, total commitments for the PE3 Expansion will be 21.30% for MB and 13.31% for WB. The Authority's Director of Small Business Programs concurs with this commitment.

Staff requests approval of Amendment 7 to Task Order 2 with RS&H in the amount of \$1,641,886.00 and authorization for the President and CEO to execute the Amendment.

<sup>1</sup> Chair Emeritus Hannah and Treasurer Polanco-Galdamez participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/TZR-FXALBh4?feature=share>.

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## 2. Aviation Parkway and National Guard Drive Interchange – Design Services Amendment

Presented by France Campbell, Director of Landside Engineering – The firm of Dewberry Engineers Inc. (Consultant) is providing Planning and Schematic Design services for improvements to the intersection of Aviation Parkway and National Guard Drive. The Project involves capacity enhancements to Aviation Parkway and National Guard Drive that allow the Authority's bussing operation to get to and from both terminals as expeditiously as possible.

Amendment 1 authorized expanded traffic analysis services required to modify the original study limits to include the evaluation of a concept to add a dedicated lane for traffic originating in the Park Economy 3 lot destined for the Terminal area. This proposed Amendment 2 authorizes design services needed for the completion of the expanded concept of a dedicated lane from Park Economy 3 to the Terminal area, as well as the environmental review/analysis, functional and schematic design, and survey. Total compensation under this proposed Amendment is a not-to-exceed amount of \$197,452.87. Labor (\$197,452.87) will be billed at established hourly rates, and expenses (\$0) will be billed at direct cost.

The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Small Businesses (MB) and 5% for Women-owned Small Businesses (WB). The proposed amendment includes commitments of 11.78% for MB and 0% WB. With this amendment, total commitments for Task Order 2 will be 9.83% for MB and 15.68% for WB. The Authority's Director of Small Business Programs concurs with this commitment.

Staff requests approval of Amendment 2 to Task Order 2 with Dewberry Engineers, Inc. in the amount of \$197,452.87 and authorization for the President and CEO to execute the Amendment.

## 3. Runway 5L-23R and Taxiway B Replacement, Final Design Services

Presented by Jim Novak, Director Airside Engineering – Proposed Amendment 7 authorizes RS&H to finalize design for the new Runway 5L/23R resulting in documents that will support the CMAR to bid packages for construction. The scope of work includes four primary bid packages for design: 1) Grading and Drainage, 2) Paving and Electrical, 3) New Airfield Lighting Vault, and 4) FAA Navigational Aids (NAVAIDs). For Amendment 7, the compensation to the Consultant and subconsultants for basic services is an hourly not to exceed amount of \$8,655,237. The compensation to the Consultant and subconsultants for

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reimbursable expenses including travel, printing, and miscellaneous other expenses shall be direct costs up to fixed ceiling amount of \$388,393. The total maximum compensation under Amendment 7 is \$9,043,630.

The Disadvantaged Business Enterprise (DBE) goal for this consulting services assignment is 15%. Amendment 7 includes participation of 15.3%. In Amendment 7 the contributing DBE subconsultants are Connico, Incorporated; Walls Engineering, PLLC; Martinez Geospatial, Inc; Lynch Mykins Structural Engineers, PC; and Aulick Engineering, LLC. With the inclusion of Amendment 7, RS&H's total proposed DBE commitment is 16.35%. The Small Business Program Director has favorably reviewed the commitment.

Staff requests approval of Amendment 7 to the design agreement with the firm of RS&H Architects-Engineers-Planners, in the amount of \$9,043,630 and authorization for the President and CEO to execute the Amendment.

Staff answered questions about the bidding packages and project phases, and maximizing federal funding available. Vice Chair Hall-Roberts commended the CMAR team for the community outreach for subcontractors for these projects. Staff answered questions about how RS&H was selected, the RS&H team and such team's experience in runway design services. There was discussion on how the Board could assist in the funding process, and Michael Landguth explained the challenge in getting the four sponsors to timely approve and execute airport-related emergency grants within short timeframes.

#### 4. Maintenance Pond Rehabilitation

Presented by Jim Novak, Director Airside Engineering – Staff requests approval of a construction contract with BW Infrastructure LLC, for the Maintenance Facility Pond Rehabilitation project (RDU project 453000). The pond is necessary to control stormwater runoff associated with the Maintenance Facility which is located adjacent to Haley's Branch Road. The rehabilitation project will include the installation of erosion control measures, relocation and replacement of the existing flow management structure, slip-lining of the existing 42" CMP outlet pipe with a new 30" CMP or HDPE outlet pipe, and selective grading to promote positive drainage to the newly installed stormwater management structure.

On June 27, 2023, the project was advertised for bid. A pre-bid meeting was held on July 7. At the initial bid opening on July 20 four bids were received and publicly read. The bids ranged from approximately \$202,000 to \$424,000. After careful review of all bids and consultation with the engineer, all bids were rejected. A re-designed project was re-

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advertised on August 23. Two bids were received and opened on August 31, 2023. The bids ranged from approximately \$312,000 to \$319,000, with A&D Environmental Services being the apparent low bidder in the amount of \$312,383.00. Based on review of the bid documents provided by A&D they were determined not to be a responsive and responsible bidder. Accordingly, the bid is rejected, and the Authority will move to the second lowest bidder, BW Infrastructure LLC, who was found to be responsible and responsive in the amount of \$319,350.00. The engineer's estimate for this project is \$325,000.00.

Bid documents included a Minority-Owned Small Business (MB) goal of 5% and a Women-Owned Small Business (WB) goal of 5%. BW Infrastructure committed to 5% MB participation and 5% WB participation. The Authority's Small Business Program has reviewed the commitment and found that it meets the MWSB program requirements.

Staff requests approval of a construction contract with BW Infrastructure LLC, in the amount of \$319,350.00, and authorization for the President and CEO to execute the contract.

#### 5. New Runway 5L/23R Borrow Material and Compaction Testing

Presented by Ron Jewett, Vice President Facilities Asset Management – Ongoing geotechnical investigations and engineering efforts have revealed the opportunity to excavate and process available borrow material on the site. A good deal of the material is known to be partially weathered rock, which will require some amount of breaking or blasting for removal and crushing and filtering to be used for embankment. It is anticipated that this proposed testing, involving approximately 1,000 cubic yards of material, will confirm that the material is economically viable to be used. With the results, the design team and CMAR will be able to establish the specifications for processing and to create cost estimates and schedules for the upcoming work. The time required for such processing will have an impact upon the construction schedule.

The scope of this task includes clearing of less than 1 acre, removal of topsoil, excavation, rock removal, rock crushing and filtering, stockpiling, and site restoration. An allowance for compaction testing as prescribed by the Engineer is included in the fee.

Staff concurs and recommends approval of the exercise to identify and mitigate schedule and cost risks associated with this critical element of the project.

The existing preconstruction services Amendment with Balfour Beatty is in the not-to-exceed amount of \$469,660. It covers known services relative to the 60% design level. The

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amount of this proposed amendment is \$355,840, therefore the not-to-exceed costs for preconstruction services will become \$825,500.

The overall Disadvantaged Business Enterprise (DBE) goal for the existing Master Agreement is 20%. The existing preconstruction services include a commitment of 20%. Although this amendment includes no additional DBE commitment, the impact to the overall construction Agreement, which will ultimately have a value in the hundreds of millions of dollars, is insignificant. Therefore, the commitment in this amendment is acceptable with the understanding and expectation that the CMAR will ultimately meet or exceed the 20% goal.

Staff requests approval of Amendment 1 to the Preconstruction Services Amendment with Balfour Beatty, in the amount of \$355,840 and authorization for the President and CEO to execute the Amendment.

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## **RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES SEPTEMBER 21, 2023**

Morgan presided. Present: Hall-Roberts, Hankins, Hannah, Polanco-Galdamez, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and CRO Freedman, Senior Vice President & COO Connell, Vice President and CFO Kapocius, Vice President and CHRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following items:

### **1. Consideration of Multi-Year GateKeeper Systems Agreement**

Presented by Tyler Maheu, Senior Director of Commercial Management<sup>3</sup> – Commercial Management utilizes GateKeeper Systems software to manage commercial vehicle (e.g., taxi, shuttle) activity and TNC (e.g., Uber, Lyft) activity at RDU. This request is to purchase technical support and licenses for two Gatekeeper Systems software products: the Commercial Vehicle Management System with the associated Dispatch, Financial, and Customer Portal modules and the TNC-OPS Tracking and Compliance software. Information Services is seeking approval of a 5-year software maintenance agreement with GateKeeper Systems at a cost of \$325,650 over the 5-year period.

The GateKeeper Systems product suite provides RDUAA with the ability to track and control commercial vehicle movement, dispatch taxis, generate invoices for and accept payments from commercial vehicle operators, analyze TNC vehicle trips, and validate fees paid by the TNCs.

The Information Services and Procurement departments collaborated on the procurement strategy for the GateKeeper Systems agreement. GateKeeper Systems software licenses and technical support are sold exclusively by GateKeeper Systems.

This procurement initiative has been reviewed and is supported by the Authority's Small Business Programs Office.

<sup>1</sup> Chair Emeritus Hannah and Treasurer Polanco Galdamez participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/TZR-FXALBh4?feature=share>.

<sup>3</sup> Presented in place of Michael McLanahan

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Staff requests approval for a 5-year software maintenance agreement with GateKeeper Systems at a cost of \$325,650 over the 5-year period, and that the President and CEO be given the authority to sign any necessary, related documents.

## 2. Consideration of Access Control Equipment Purchase

Presented by David Kruse, Vice President of IT Infrastructure – Throughout the RDUAA campus, door access is managed by LenelS2 access control boards; fire alarms and duress alarms are also integrated with these access control boards. This infrastructure allows the Airport Communications Center (ACC) to monitor and address security and emergency incidents. The LenelS2 access control boards are 15 years old and need to be replaced as part of the Information Services Life Cycle Management initiative. Information Services is seeking approval of a 1-year agreement with two 1-year options with A3 Communications to purchase LenelS2 hardware and related components at a cost of \$332,355.90.

It is a challenge to maintain the access control infrastructure with the old LenelS2 access control boards. The manufacturer no longer supports this equipment, and updated software includes features that are not supported by the old equipment. The new LenelS2 access control boards will support the biometric readers in the marketplace that identify people through fingerprint scans and facial recognition.

This procurement initiative has been reviewed and is supported by the Authority's Small Business Programs Office. A3 Communications was the lowest responsive responsible bidder for an Open Business Solicitation (IFB# 554-2023-0004-DSP).

Staff requests approval for a 1-year agreement with two 1-year options with A3 Communications to purchase LenelS2 hardware and related components at a cost of \$332,355.90, and that the President and CEO be given the authority to sign any necessary, related documents.

## Raleigh-Durham Airport Authority Board Members

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**RALEIGH-DURHAM AIRPORT AUTHORITY  
SPECIAL BOARD MEETING MINUTES  
SEPTEMBER 26, 2023 at 1:00 p.m.**

Chair Hankins presided. Present: Hall-Roberts, Hannah, Kushner, Morgan, Polanco-Galdamez, and Szlosberg-Landis.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and Chief ISAO McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CFO Kapocius, Vice President and CHRO Armstrong, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

President and CEO Landguth gave initial remarks regarding the development of the Authority's Sustainability Policy, balanced on the four pillars of economic viability, environmental stewardship, social responsibility, and operational efficiency. He discussed the RDU Sustainability Management Plan, which is the living document and framework for improving sustainable performance as the foundation roadmap for scheduling objectives to accomplish. Mr. Landguth referred to current and upcoming capital projects and the need for policy direction from the Board as to the approach and sequencing of actions in the roadmap.

Delia Chi, Vice President of Planning and Sustainability, briefly covered the history of the Sustainability Policy and its intent. She explained how developing a strong foundation on the four pillars takes time in order to guide the Authority in being strategic and responsible in its endeavors. Ms. Chi discussed how comments received aided staff in developing the Sustainability Management Plan to create a program reflective of the community's needs while aligned with the airport's mission, vision and core values. She described the nine focus areas, the first twelve of 42 actions being implemented by the Authority, and the sustainability roadmap with target dates for evolving these actions. Ms. Chi noted progress accomplished to-date in the energy focus area with the hiring of the Energy Manager and the establishment of the Authority's internal sustainability committee.

Secretary Szlosberg-Landis questioned how the Sustainability Management Plan overlays the Authority's capital project plan. Ms. Chi referred to the sustainability roadmap allowing for the building of a foundation which then provides for deliberate and informed decisions allowing staff to strategically implement sustainability measures into upcoming capital projects. Mr. Landguth

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<sup>1</sup>Chair Emeritus Hannah and Vice Chair Hall-Roberts participated remotely via Teams.

<sup>2</sup>The meeting was live streamed at <https://youtube.com/live/XEEPgyMrQpg?feature=share>.

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explained that staff needed to have a plan in place in order to execute the appropriate approach for a project.

Ms. Chi shared the Authority's desire for the Board's input to set the direction for FY24-25 planning efforts as to key focus areas and scheduling milestones to accomplish the Authority's sustainability goals. She noted that energy was the first focus area for this meeting due to the Board's interest in solar power and electric vehicle charging. She explained how the target of developing a strategic energy management plan by 2026 is already in progress and how this plan would help the Authority determine its current energy usage and status to help quantify future consumption and demand.

Secretary Szlosberg-Landis expressed concern regarding the timeline for developing a plan given present real world issues and time-sensitive availability of potential funding and credits. She noted the importance of having Board discussion on the direction to be taken in sustainability actions for projects such as the PE3 expansion. Mr. Landguth explained that not all information is available at this time for the proposed tax credits. He referred to grants the Authority was successful in obtaining for electric buses. Mr. Landguth detailed how staff was accelerating efforts now for the energy management plan originally slated to begin in 2026, noting that only a few airports currently have such a plan in place. There was further discussion about no precise formulaic process at this time and that each of the four pillars were important. Secretary Szlosberg-Landis expressed the desire for a metric to evaluate that targets are being achieved for a project which would assist the Board in its decision-making process, and she referred to the targets set for greenhouse gas emissions by Wake and Durham Counties and the cities of Raleigh and Durham.<sup>3</sup>

Abhi Bathula, the Authority's Energy Manager, shared the objectives and areas of focus of an energy management plan and the numerous considerations staff needed to research and investigate, some actions which may only require months while others span multiple years for performance reporting. He explained how quantifying the Authority's energy usage would help build a baseline for managing energy usage. Mr. Bathula explained the benefits from conducting a feasibility study and how investigating funding sources could identify potential revenue streams for the Authority. He explained the energy plan deliverables as well as the schedule for the energy management consultant Request for Qualifications, currently posted for the Authority.

Board member Morgan noted that an energy management plan and program would take time to get into place and he would appreciate more deliverables in components presented in stages to the Board. Mr. Morgan added that as capital projects are brought to the Board, it would be beneficial to see what sustainability-related focus areas could be applicable to the project, perhaps in incremental

<sup>3</sup>Chair Emeritus Hannah ended his virtual meeting participation at 2:00 p.m.

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deliverables over the project's schedule, with metrics as to overall tracking to sustainability goals and the program.

Board member Kushner expressed he thoughts that this would be a more focused discussion regarding sustainability measures for the PE3 expansion project, which he felt unprepared to move forward in October. He explained that for specific projects before the Board, it would be beneficial to have information as to how the nine focus areas associated with the projects.

Chair Hankins summarized members' comments for staff to focus on incorporating some meaningful solar energy component in the PE3 expansion project. He referred to a recent discussion with experts in the area of solar projects, which included representatives from Duke Energy and the Governor's office. Secretary Szlosberg-Landis agreed that a roadmap for the program was necessary but that a parallel track allowing for consideration of then-available opportunities was needed. She voiced that considering solar panels for walkways which could perhaps power electric vehicle charging stations would be a start and it was much harder and more costly to retrofit a completed project. Secretary Szlosberg-Landis reiterated the opportunity to reduce greenhouse gas emissions. Treasurer Polanco-Galdamez noted her appreciation for the comprehensive overview and that considering sustainability measures applicable to current projects was important.

President and CEO Landguth explained that staff has not had the time or personnel to fully develop and research the nine focus areas. He noted that while the energy management plan is being developed, the Authority's leadership looked forward and started purchasing electric buses while the Authority's transportation plan is still developing. Mr. Landguth stated that if the Board directs that a particular action occur, the Authority will act to achieve those objectives; however, being systematic and planning appropriately provides for timely execution of a project on budget. Chair Hankins commented that performing the essential work of developing a long-range plan shouldn't deter the Authority from doing something reasonable and practical in the short term. Chair Hankins questioned the possibility of staff developing an approach as to items that might be feasible regarding a solar component at PE3, as well as to electric vehicle charging, giving an example of perhaps provisioning conduit for future cable needs without incurring excessive outlay of funds.

President and CEO Landguth voiced that the Authority needed clear direction from the Board as to the need to accelerate certain focus areas. He mentioned that staff can evaluate sustainability measures for PE3 but noted that a new substation may be necessary and that moving forward without a formal plan in place could create a downstream side effect such as negatively impacting power to the terminals. He gave brief details on the solar panel project undertaken during his tenure at Chattanooga Regional.

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Secretary Szlosberg-Landis mentioned the heat island effect from tree clearing and the negative impact from not incorporating electric vehicle chargers in the PE3 expansion. Chair Hankins requested consideration of incorporation of solar panels in some aspect and Mr. Kushner asked for a variety of scenarios for consideration by the Board including costs and availability of any grants. Treasurer Polanco-Galdamez echoed wanting possible options for implementation at PE3 but expressed that if this wasn't the appropriate time for incorporation into this project, having information as to what aspects could be part of a longer term plan would be helpful.

Executive Vice President and CDO, Bill Sandifer, clarified that any further matters for Board consideration as to PE3 expansion were not anticipated before December or January. He explained that staff would be presenting information at the October regular meeting regarding sustainability measures for PE3 and noted that any solar power at PE3 could only be for that lot alone and would not transfer to the grid. There were comments regarding Duke Energy's authority for standalone solar power storage.<sup>4</sup>

Due to time constraints, staff's overview of the nine focus areas paused to allow time for Senior Vice President and COO, John Connell, to discuss the bus replacement and expansion plan. Mr. Connell outlined the current fleet composition, and the need for fleet expansion due to increased service needs for passengers and airport workers, as well as for replacement of older buses. He explained the long lead time to obtain buses prompting the Authority to consider this issue now while the Sustainable Transportation Policy and Plan are still in progress. Mr. Connell detailed the number of buses anticipated and timeline for this growth. Mr. Connell went over the current field battery electric ZEV transit buses, those already on order, and the Request for Bid (RFP) pending for additional ZEV buses, as well as the \$8M+ grant funding utilized.

Mr. Connell briefly explained the 2005 Policy on biodiesel, and the Environmental Protection Agency's (EPA) transition to ultra-low-sulfur diesel (ULSD) and the tiers of diesel engine technology. He provided information on buses RDU purchased are compliant with the EPA's Tier IV standards and the emissions controls, reliability, and maintenance costs for these engines. Mr. Connell explained the Authority's request to phase out biodiesel, noting the cost savings of approximately \$200,000 in the upcoming fuel farm project if a separate biodiesel tank is not required. He shared the greenhouse gas emissions comparison between ULSD and B20 biodiesel (using Tier IV engines). Mr. Connell set out the Authority's upcoming request to increase the budgeted bus order from four to eight ZEV buses, which contract and corresponding budget amendment will be brought to the Board once the bids received from the RFP were opened. Staff is recommending repowering of existing diesel fleet to extend useful life and bridge the gap as we transition to electric vehicles. As to the Authority's

<sup>4</sup> Vice Chair Hall-Roberts ended her virtual meeting participation at 2:50 p.m.

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request to rescind the 2005 Biodiesel Policy in favor of the ZEV transition, there was Board discussion on amending or refining the policy versus rescinding it.

Secretary Szlosberg-Landis expressed appreciation for the presentation of data and facts between ULSD and biodiesel fuels. Mr. Morgan asked questions about the repowering status of the current diesel fleet. Mr. Connell addressed Mr. Kushner's questions regarding the Tier V engines currently under-development and any impact to the fuel farm infrastructure. Mr. Landguth answered questions regarding the limited funding pool available if grants are utilized for electric buses versus solar panels, and noted that information on potential grant opportunities would be presented at the October regular meeting.

Due to the exceeded meeting length, Mr. Landguth indicated that additional meetings with the Board members would be scheduled to discuss the remaining sustainability focus areas. He recapped the take-aways from the meeting as: (i) a presentation at the October regular meeting on solar and electric vehicle charging alternatives for PE3 expansion; (ii) suggestions for incremental components of the Energy Management Plan; and (iii) a suggested scorecard for the nine focus areas.

*Motion by Morgan to adjourn; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

Meeting ended at 3:12 p.m.

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**RALEIGH-DURHAM AIRPORT AUTHORITY  
SPECIAL BOARD MEETING MINUTES  
OCTOBER 6, 2023 at 12:00 p.m.**

Chair Hankins presided. Present: Hall-Roberts, Morgan, Polanco-Galdamez, Szlosberg-Landis and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer. SVP and General Counsel Locklear, and other staff members and guests.<sup>2</sup>

The Board discussed the following item:

1. Runway 5L/23R Ground-Breaking Ceremony

Michael Landguth, President and CEO, noted the wellness event held for staff today including the Run the Runway 5k. Mr. Landguth discussed Team RDU's efforts since 2016 which culminated in the recent Record of Decision issued by the FAA for permitting and construction to begin on the replacement of Runway 5L/23R. For this once-in-a-lifetime occurrence, the Authority will be hosting a celebratory groundbreaking. This event is to include the community and regional leadership, whose continued engagement and voice for solicitation of funding will be needed, as multi-year funding has not been committed for this project. Mr. Landguth gave initial comments on the additional staff, equipment, and supplies needed for this event and the anticipated costs.

William C. Sandifer, A.A.E., Executive Vice President & Chief Development Officer – Now that the Federal Aviation Administration has issued a Record of Decision for the Environmental Assessment of Replacement Runway 5L/23R, the project can proceed with final design and construction. The purpose of this Board item is to seek authorization for the President & CEO to execute a Supplemental Amendment to the Pre-Construction Services Agreement for New Runway 5L/23R with Balfour Beatty Construction, LLC, who has been supporting Authority staff in securing the necessary equipment, materials, supplies and staff to conduct a ground-breaking ceremony on October 11.

Through this amendment staff will secure the following services and equipment on a rental basis from The Special Event Company:

1. Audio and video equipment, lighting, and technical staff support and production labor

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<sup>1</sup>Board members participated remotely via Teams.

<sup>2</sup>The meeting was live streamed at <https://youtube.com/live/I2Q6HgUnNXs?feature=share>.

**Raleigh-Durham Airport Authority Board Members**

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2. Tenting (66'x114'), small catering tent, stage/risers, tables, chairs, pipe and drape, etc., with labor for setup and takedown
3. Portable restroom trailers.

The not-to-exceed cost for the above referenced equipment and labor is \$174,303. All the services under this Supplemental Agreement will be performed by The Special Event Company, a DBE, at a not-to-exceed cost of \$166,577.

Board members commented on this momentous event in airport history and the need to celebrate with the Triangle community and regional leaders.

*Motion by Thompson for approval of a Supplemental Amendment to the Pre-Construction Services Agreement with Balfour Beatty Construction, LLC, for Runway 5L/23R, in an amount not-to-exceed \$174,303 and authorization for the President and CEO to execute the Amendment; Second by Morgan.*

ADOPTED BY UNANIMOUS VOTE

*Motion by Thompson to adjourn; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

Meeting adjourned at 12:11 p.m.

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## RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES OCTOBER 19, 2023<sup>1</sup>

Chair Hankins presided. Present: Hall-Roberts, Morgan, Kushner, Polanco-Galdamez, Szlosberg-Landis, and Thompson.<sup>2</sup> Staff present included: President and CEO Landguth, Senior Vice President and CISA McFall, Vice President and CFO Kapocius, Vice President and CHRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>3</sup>

### I. APPROVAL OF AGENDA<sup>4</sup>

*Motion by Szlosberg-Landis for approval of the agenda; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### II. APPROVAL OF MINUTES

*Vice Chair Hall-Roberts<sup>5</sup> noted her review of the minutes of the regular meetings of the Board, the Board committees, and the consent actions of the Board, held on September 21, 2023, and of the minutes of the special meetings of the Board held on September 26 and October 6, 2023, and asked if any edits were needed. General Counsel Locklear provided guidance that a director's presence at a meeting is not required for that director to vote on the meeting's minutes. Motion by Polanco-Galdamez for approval of these minutes; Second by Thompson*

ADOPTED BY UNANIMOUS VOTE

### III. OLD BUSINESS

1. Land and Development Committee – Thompson reported Committee members met during the Committee work session on October 19, 2023, and discussed the following:<sup>6</sup>

- a. Closed Session

<sup>1</sup> Due to length of Committee Work Sessions, Board meeting started at 2:00 p.m.

<sup>2</sup> Vice Chair Hall-Roberts participated remotely via Teams.

<sup>3</sup> The meeting was live streamed at <https://youtube.com/live/WdiQVjqSBBU?feature=share>.

<sup>4</sup> Chair Hankins requested latitude in deferring the Chair's comments to follow Old and New Business to allow for a quorum of members on voting matters.

<sup>5</sup> Acted at Chair Hankins' request in place of Secretary Szlosberg-Landis.

<sup>6</sup> Two items on the Committee's work session agenda, RDU Sustainability – Greenhouse Gas Emissions Roadmap Presentation and LEED Building Certification were deferred.

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*Committee met in closed work session in order to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3) and to protect sensitive security information from disclosure pursuant to NCGS §143-318.11(a)(1) and 49 CFR parts 15 and 1520.*

b. Terminal 2 Landside Expansion Final Design

*Motion by Thompson for approval of Task Order OBA08.2023 with O'Brien Atkins Associates, PA for Design Development, Construction Documents in the amount of \$31,002,879.00 for the T2 Landside Expansion Program (RDU Project #331000), and authorization for the President and CEO to execute the Task Order, subject to the approval of a capital budget amendment; Second by Kushner*

ADOPTED BY UNANIMOUS VOTE

c. Park Economy 3 Design Solar and EV Concepts Presentation

*Presentation to Board in committee work session for informative purposes only. No Board action requested.*

2. Finance Committee – Chair Hankins<sup>7</sup> reported Board members met during the Committee work session on October 19, 2023, and discussed the following:

a. RDU Grant Opportunities Update

*Presentation to Board in committee work session for informative purposes only. No Board action requested.*

IV. NEW BUSINESS

1. Consent Agenda

- a. Consideration of Capital Project Ordinance Amendment #4
- b. Terminal 2: Low Roof Replacement
- c. Consideration of Advanced Visual Docking Guidance System Owner's Representative Services
- d. Consideration of Computer Refresh Purchase
- e. Consideration of Peer-to-Peer Vehicle Sharing Permit Agreement with Turo, Inc.

<sup>7</sup> Acted in the absence of Committee Chair Hannah

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- f. Consideration of a Contract with Siemens Industry, Inc. for Building Management Systems
- g. Consideration of Amendment 2 with Flagship Aviation Services
- h. Consideration of a Service Agreement with Segal Consulting for Compensation and Classification Services

*Motion by Thompson to approve and adopt the Consent Agenda items a.-h.; Second by Kushner*

ADOPTED BY UNANIMOUS VOTE

#### V. CHAIR COMMENTS<sup>8</sup>

- 1. Chair Hankins welcomed everyone and noted his attendance at the historic groundbreaking ceremony for the new Runway 5L/23R last week. He thanked Team RDU for the years of hard work that brought us to that historic occasion, and for helping the airport fulfill its Vision 2040 master plan for growth.
- 2. A new team member was introduced and welcomed. Service awards were given.<sup>9</sup>
- 3. Chair Hankins recapped the first Runway 5K recently held as a thank-you to the RDU Team, organized by the Authority's Health and Wellness team.
- 4. Chair Hankins reminded everyone of the upcoming annual Plane Pull scheduled on October 21 at RDU, to benefit Special Olympics North Carolina where participating teams will test their speed and strength to see who is fastest to pull a plane 25 feet, and how supporting the teams helps provide aid for nearly 40,000 registered athletes who train and compete in year-round programs.

#### VI. GENERAL COUNSEL'S REPORT

No items were reported.

#### VII. MEMBER COMMENTS

Members commented on the great groundbreaking event for RDU's new runway 5L-23R, which is called "the most important two miles of pavement in the Triangle" and was well attended by community leaders and government officials. It was noted how the airport has grown and evolved over the past several years. Staff was thanked for their work and presentation on the solar panels and EV charging, and it was noted the importance of this effort for the environment. New hires and service awardees were congratulated, and staff was thanked for their dedication and service. Vice Chair Hall-Roberts complimented the appearance of Terminal 1 which she

<sup>8</sup>To maintain a quorum for matters requiring votes, the Chair's comments followed Old and New Business.

<sup>9</sup> Due to time constraints, recognition of employees' promotions was deferred.

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had recently traveled through. Four Board members' attendance and representation of RDU at the recent ACI conference was noted. Chair Hankins congratulated Director Morgan for his service on the Durham City Planning Commission. Chair Hankins noted legislation passed to temporarily extend the statutory authorities of the FAA, as well as the extension for fiscal year appropriations to Federal agencies.

## VIII. PRESIDENT AND CEO'S REPORT

### Welcome

Good afternoon Board members, Team RDU, business partners, and guests who are joining us today.

### Passenger Traffic

Passenger traffic remains strong at RDU, with 1,236,472 travelers flying through the airport in September. That number was down 7 percent compared to August, with the expected drop off after the end of the summer travel season. RDU continues to outpace previous years, with a 30 percent increase over September of 2022 and an 8.8 percent increase over our record-breaking year in 2019. Delta led the airlines in market share at 27.6 percent, American had 26.6 percent and Southwest had 14.1 percent of the RDU market.

### Air Service

Air France will join the lineup of international airlines that serve RDU later this month. The airline will take over our nonstop service to Paris from their business partner, Delta Air Lines, on October 30<sup>th</sup>. Air France will increase the frequency of the route next spring, offering daily nonstop service between RDU and Paris-Charles de Gaulle Airport beginning in March. The Paris service is timed to provide ideal connections from CDG to Air France's network of nearly 200 destinations and 89 countries. Delta will discontinue the route it has served since 2016, but travelers will still be able to purchase tickets through both Delta and Air France.

### Runway Groundbreaking

It was my honor last week to join the Board, along with state and local dignitaries and business and community leaders for a major milestone in airport history. On the morning of October 11<sup>th</sup>, we gathered on 5L-23R to "officially" break ground on our replacement runway.

RDU first notified the FAA in 2016 that we would need to build a new runway, and in August of this year, we received approval to seek final permits and begin construction. 5L was built in the 1980s and is due to be replaced after nearly four decades of use. The new runway is expected to be completed in 2028 at a projected cost of \$534 million. The relocated runway will also make room for the future addition of more gates at Terminal 2.

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I'd like to take this opportunity today to again thank the Board and Team RDU for their dedication to making the historic runway project a reality.

### Whisky River

A restaurant in Terminal 2 made two appearances this year in the USA Today 10 Best Reader's Choice awards. Dale Earnhardt Jr.'s Whisky River restaurant ranked number six in the category of best sit-down restaurants for travelers. USA Today noted the menu, which features favorites like Whisky River chili, beer can chicken, and one of Earnhardt's personal favorites, the Buffalo Chop Salad. The newspaper also named Whiskey River number five in the best sit-down bar category and recommended that travelers flying through RDU make a pit stop there.

### Concessions Openings

New food and beverage offerings are now open in our terminals. Julius Meinl is open in Terminal 2 at Gate C18 from 4 a.m. through the last departure. Stop by one of the oldest coffee roasters in the world for a cup of gourmet coffee and on-the-go meal. You can choose from grab-and-go options including breakfast yogurt parfaits and pastries from a Raleigh favorite, The Blue Ox Bakery, along with a variety of sandwiches, wraps, and salads.

Ready to Fly Grab & Go is now located in both terminals, one in Terminal 1 at Gate A4 and one in Terminal 2 at Gate C3. You can enjoy a local cup of coffee from Dilworth Coffee with a scone in the morning. For lunch and dinner, pick up a sandwich, wrap, or salad. For the moments in between, try a pimento cheese box or treat yourself to a made-from-scratch cupcake from Durham bakery Favor Desserts. Ready to Fly Grab & Go locations are open 6 a.m. to 4 p.m.

### SIXT Opening

RDU also expanded its rental car options this month with the addition of SIXT, the fourth rental car company to join our lineup. RDU guests can now enjoy even more choices when renting a car for their journeys throughout the Triangle and surrounding areas. SIXT takes your travel experience to the next level by offering an impressive selection of luxury vehicles for rent. Whether you're in the mood for a sleek and stylish ride or want to make a statement with a high-end car, SIXT at RDU Airport has you covered. SIXT is located at 1015 Trade Drive, in the lot previously occupied by Advantage.

### Express Opening

RDU continues to improve the airport experience for our guests. We reopened ParkRDU Express this month, adding 1,000 parking spaces on campus. Express offers trunk-to-terminal service, with

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luggage taken from the guest's car and placed on a shuttle bus that takes them directly to their terminal.

Parking in Express can be booked online in advance of your travels at rdu.com. The lot is located off International Drive near Park Economy 4. The Express lot had been closed since March of 2020. As of October 1<sup>st</sup>, all of RDU's parking lots have reopened.

IX. ADJOURNMENT

*Motion by Kushner to adjourn; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

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## **RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT OCTOBER 19, 2023**

The Board approved the following items on the Consent Agenda:

a) Consideration of Capital Project Ordinance Amendment #4

Memorandum by Sharyar Ahmed, Director of Financial Planning & Analysis – This item is to provide a staff recommendation to approve the Capital Project Ordinance Amendment #4 increase of \$32,500,000 for the following existing and new projects:

- Capital Project 331000, “Terminal 2 Landside Expansion Program Design”, was created with an overall budget of \$25,000,000. The purpose of the project is to expand Terminal 2 Landside facilities to include an extension and relocation of John Brantly Blvd. (JBB), demolition and replacement of Parking Garages 1 and 2 (PPG) and the implementation of a Ground Transportation Center (GTC). The expansion of T2 involves balancing the landside facilities with airside functions. To meet the T2 passenger demand potential project components include expanding the security checkpoint area, modifying or expanding ticket counters and associated bag take away belts and sortation system, lobby areas, concessions, various airline operational areas, expansion of the Customs and Border Protection facilities and associated support spaces. The Authority requires additional funding of \$15,000,000 to complete the design portions of the project. The new project total will be \$40,000,000. The JBB/PPG/GTC portions of the project are now being budgeted separately as described below.
- Capital Project 881440 “John Brantley Blvd Extension (CONRAC) Design” was created with an overall budget of \$2,500,000 for the extension of John Brantley BLVD to accommodate the future development of a consolidated rental car facility (CONRAC). This project is being amended to include a significant additional modification of the terminal roadway system intended to increase capacity and efficiency, plus when complete, provide additional curbside capacity at Terminal 2. The Authority requires additional funding of \$7,500,000 to continue the design efforts. The new project total will be for \$10,000,000.
- New Capital Project 621030 “Parking Garage Replacement and Ground Transportation Center” is a new project with an initial budget of \$10,000,000 for projection design. The scope of this project is the replacement of Parking Garage 1 and 2 on the same site that

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shall include a bridge and tunnel connections to Terminal 2. This project will also establish a Ground Transportation Center within the existing Parking Garage 3 and 4 and study the possibility of using the top of a new or existing garage to accommodate future vertical takeoff and landing vehicles. The Authority requires funding of \$10,000,000 for project design.

Staff anticipates no additional cash spend is needed at the time for the 2023-2024 Budget Ordinance for these capital projects.

Staff requests approval of Amendment #4 to increase the Capital Project Ordinance by \$32,500,000.

[Amendment #4 to Capital Project Ordinance appears on following page]

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RALEIGH-DURHAM AIRPORT AUTHORITY  
2023-2024 CAPITAL PROJECT ORDINANCE AMENDMENT #4

BE IT ORDAINED by the Raleigh-Durham Airport Authority, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The following amount is appropriated for the projects:

\$ 725,855,881

Section 2. The following funds are anticipated to be available for the projects; total project amount will be funded through net revenues or appropriate financing:

Transfer Cash from Operating \$ 684,812,201

Total Grant Funds \$ 41,043,680

Section 3. The projects authorized are as follows and funded by Raleigh-Durham Airport Authority funds on hand in operations:

| New 23/24 Projects |                                                                 | Original <sup>1</sup> | Change <sup>1</sup><br>05/18/2023 | Change <sup>2</sup><br>6/15/2023 | Change <sup>3</sup><br>7/20/2023 | Change <sup>4</sup><br>10/19/2023 | Amended        |
|--------------------|-----------------------------------------------------------------|-----------------------|-----------------------------------|----------------------------------|----------------------------------|-----------------------------------|----------------|
| 211230             | Runway 5R-23L Pavement Repairs                                  | \$ 5,100,000          |                                   |                                  |                                  |                                   | \$ 5,100,000   |
| 331070             | Terminal 2 Concessions Development Program Phase 2              | 4,500,000             | 18,252,000                        |                                  |                                  |                                   | \$ 22,752,000  |
| 677003             | T1 Expansion Program - Planning Strategy and PDD                | 1,800,000             |                                   | 2,200,000                        |                                  |                                   | \$ 3,800,000   |
| 331060             | PC Air Units Replacement for T1 & T2                            | 3,100,000             |                                   |                                  |                                  |                                   | \$ 3,100,000   |
| 881450             | Rental Car Road, Trade Drive & Admin Parking Lot Rehabilitation | 500,000               |                                   |                                  |                                  |                                   | \$ 500,000     |
| 331071             | CBP Biometrics                                                  | 750,000               |                                   |                                  |                                  |                                   | \$ 750,000     |
| 454001             | (AOC) Air Cooled Chiller Replacement                            | 250,000               |                                   |                                  |                                  |                                   | \$ 250,000     |
| 321004             | Building Management System upgrade                              | 500,000               |                                   |                                  |                                  |                                   | \$ 500,000     |
| 341001             | CEP Boiler Burner and Expansion Tank Replacement                | 200,000               |                                   |                                  |                                  |                                   | \$ 200,000     |
| 331080             | T2 Landside Bathroom Refresh                                    | -                     | 250,000                           |                                  |                                  |                                   | \$ 250,000     |
| 621030             | Parking garage Replacement and Ground Transportation Center     |                       |                                   |                                  |                                  | 10,000,000                        | \$ 10,000,000  |
|                    |                                                                 | \$ 16,500,000         | \$ 18,502,000                     | \$ 2,200,000                     | \$ -                             | \$ 10,000,000                     | \$ 47,202,000  |
| Amended Projects   |                                                                 | Original <sup>1</sup> | Change <sup>1</sup><br>05/18/2023 | Change <sup>2</sup><br>6/15/2023 | Change <sup>3</sup><br>7/20/2023 | Change <sup>4</sup><br>10/19/2023 | Amended        |
| 211140             | Enhanced Security Perimeter Gates (TSA)                         | \$ 3,800,000          |                                   |                                  |                                  |                                   | \$ 3,800,000   |
| 211170             | North Cargo Apron Reconstruction                                | 39,000,000            |                                   |                                  |                                  |                                   | \$ 39,000,000  |
| 211200             | Taxiway E Rehabilitation - Design                               | 15,000,000            |                                   |                                  |                                  |                                   | \$ 15,000,000  |
| 321001             | Modular Unit Furniture building                                 | 850,000               |                                   |                                  |                                  |                                   | \$ 850,000     |
| 321002             | AOC 1st/4th Floor Work                                          | 200,000               |                                   |                                  |                                  |                                   | \$ 200,000     |
| 321003             | Terminal 2 Conference Room                                      | 300,000               |                                   |                                  |                                  |                                   | \$ 300,000     |
| 331000             | T2 Landside Expansion Program - preliminary design              | 25,000,000            |                                   |                                  |                                  | 15,000,000                        | \$ 40,000,000  |
| 489000             | New Vehicles and Equipment - FY24                               | 11,057,881            |                                   |                                  |                                  |                                   | \$ 11,057,881  |
|                    |                                                                 | \$ 95,207,881         | \$ -                              | \$ -                             | \$ -                             | \$ 15,000,000                     | \$ 110,207,881 |

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| Ongoing Projects                                                    | Original <sup>1</sup> | Change <sup>1</sup><br>05/18/2023 | Change <sup>2</sup><br>6/15/2023 | Change <sup>3</sup><br>7/20/2023 | Change <sup>4</sup><br>10/19/2023 | Amended        |
|---------------------------------------------------------------------|-----------------------|-----------------------------------|----------------------------------|----------------------------------|-----------------------------------|----------------|
|                                                                     |                       |                                   |                                  |                                  |                                   |                |
| 080879 Runway 5L/23R and Taxiway B Replacement Program              | \$ 372,300,000        |                                   |                                  |                                  |                                   | 372,300,000    |
| 211220 Runway 5L/23R & Taxiway B Preservation Program               | 15,000,000            |                                   |                                  |                                  |                                   | 15,000,000     |
| 211110 West RON Apron Rehabilitation                                | 38,000,000            |                                   |                                  |                                  |                                   | 38,000,000     |
| 211120 Taxiway B Rehabilitation (North of TW D)                     | 36,000,000            |                                   |                                  |                                  |                                   | 36,000,000     |
| 331030 Terminal 2 Concessions Development Program Phase 1           | 5,900,000             | 3,600,000                         |                                  |                                  |                                   | 9,500,000      |
| 331040 T2 Bathroom Refresh and Pet Relief Area - Planning           | 175,000               |                                   |                                  |                                  |                                   | 175,000        |
| 331050 Ramp Information Display System - Planning                   | 4,600,000             |                                   |                                  |                                  |                                   | 4,600,000      |
| 321010 T1 Generator Replacement                                     | 345,000               |                                   |                                  |                                  |                                   | 345,000        |
| 321000 Terminal 1 Flooring Replacement                              | 1,000,000             |                                   |                                  |                                  |                                   | 1,000,000      |
| 321020 T1 Chiller Replacement                                       | 515,000               |                                   |                                  |                                  |                                   | 515,000        |
| 080799 Expanded Park Economy 3                                      | 44,000,000            |                                   |                                  |                                  |                                   | 44,000,000     |
| 621020 Parking Guidance System                                      | 7,000,000             |                                   |                                  |                                  |                                   | 7,000,000      |
| 621040 Parking Garage Rehabilitation - Phase 3                      | 4,000,000             |                                   |                                  |                                  |                                   | 4,000,000      |
| 881430 Aviation Parkway/National Guard Drive Interchange - Planning | 2,300,000             |                                   |                                  |                                  |                                   | 2,300,000      |
| 881440 John Brantley Blvd Extension (CONRAC)                        | 2,500,000             |                                   |                                  |                                  | 7,500,000                         | 10,000,000     |
| 881260 Maintenance Facility HVAC Replacement                        | 525,000               |                                   |                                  |                                  |                                   | 525,000        |
| 881180 Consolidated Trash Facility Concrete Dumpster Slabs          | 300,000               |                                   |                                  |                                  |                                   | 300,000        |
| 453000 Maintenance Building Parking Lot Rehabilitation              | 5,200,000             |                                   |                                  |                                  |                                   | 5,200,000      |
| 441000 Fuel Farm Facility Improvement Plan                          | 9,186,000             |                                   |                                  |                                  |                                   | 9,186,000      |
| 881380 AOC 5th Floor Buildout                                       | 3,000,000             |                                   |                                  |                                  |                                   | 3,000,000      |
| 456000 New AOC/EOC/ARFF                                             | 500,000               |                                   |                                  | 500,000                          |                                   | 1,000,000      |
| 381000 GA Area Pavement Rehabilitation                              | 4,500,000             |                                   |                                  |                                  |                                   | 4,500,000      |
|                                                                     | \$ 556,846,000        | \$ 3,600,000                      | \$ -                             | \$ 500,000                       | \$ 7,500,000                      | \$ 568,446,000 |
|                                                                     | \$ 668,553,881        | \$ 22,102,000                     | \$ 2,200,000                     | \$ 500,000                       | \$ 32,500,000                     | \$ 725,855,881 |

Section 4. This Capital Project Ordinance includes all amended, new and ongoing projects and replaces all previous capital project ordinances.

Section 5. Subject to approval and acceptance of bids by the Raleigh-Durham Airport Authority, the appropriate officers of the Raleigh-Durham Airport Authority are hereby authorized and empowered to enter into contracts and to carry out the necessary work for the completion of the above listed projects within the funds appropriated herein.

Section 6. The Finance Officer is hereby directed to report quarterly on the financial status of the aforesaid projects. The Finance Officer shall also keep the Authority informed at each regular meeting of any unusual occurrences.

This Capital Project Ordinance shall be entered in the minutes of the Raleigh-Durham Airport Authority and within five (5) days after its adoption, copies shall be filed with the Finance Officer, The Budget Officer and the Secretary of the Raleigh-Durham Airport Authority, who, for the purposes of this ordinance, is designated as the Clerk to the Raleigh-Durham Airport Authority as described in G.S. 159-13.2.

Amended this 19 day of October 2023

Notes:

<sup>1</sup> Original- budget ordinance adopted March 16, 2023

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b) Terminal 2: Low Roof Replacement

Memorandum by Jaymes Carter, Vice President of Buildings & Building Systems – The purpose of this item is to provide a staff recommendation for the selection of Andre Johnson Architects to provide low roof replacement design and construction administration services for the Terminal 2 USO/3rd Floor Roof Area, and roof system repair design and construction administration services at the Customs North Roof area.

The overall Minority and Women Owned Small Business (MWSB) goals for the existing Master Agreement are 10.0% for Minority Small Owned Businesses (MB) and 5.0% for Women Small Owned Businesses (WB). MSB and WSB participation goals for the Task Order are 10.45% for MB and 0.0% for WB. This Task Order has been discussed with Small Business Program Manager.

The Authority will compensate the Consultant for services rendered for this Task Order an amount not to exceed \$156,194.00. Allowable reimbursable expenses are also specified in the Agreement and shall not exceed \$7,614.00.

Staff requests approval and authorization of the Task Order AJA 13.2023 for Andre Johnson Architect in the amount of \$163,808.00.

c) Consideration of Advanced Visual Docking Guidance System Owner's Representative Services

Memorandum by Michael McLanahan, Vice President IT Business Solutions – Staff is seeking Board approval for a Master Services Agreement and Task Order #1 with Barich, Inc. to provide Advanced Visual Docking Guidance System (AVDGS) Owner's Representative Services.

The Authority intends to issue a Request for Proposals to interested firms to install an AVDGS. To prepare for the RFP issuance, staff needs the expert services of a firm with related project experience to represent the Authority in preparing detailed specification and procurement documents, and providing project oversight during final design, installation, and acceptance testing.

A Request for Letters of Interest and Qualifications was released on January 26, 2023. Three firms responded by the February 17, 2023 deadline with proposals to provide AVDGS Owner's Representative Services. Once received, each proposal was scored and Barich, Inc. was the highest ranked firm.

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The Minority and Women-Owned Small Business participation goals for this assignment were 7% minority-owned firms and 4% women-owned firms. Barich has proposed to meet these goals. The Small Business Program Officer has reviewed and approved this proposed level of participation.

The term of the agreement for both the Master Services Agreement and Task Order 1 is for two years. The total cost of TO 1 will be \$297,470 which includes \$271,970 in labor and \$25,500 in reimbursable expenses.

Staff requests approval for a 2-year Master Services Agreement and Task Order 1 with Barich, Inc. at a cost of \$297,470 over the 2-year period, and that the President and CEO be given the authority to sign any necessary, related documents.

d) Consideration of Computer Refresh Purchase

Memorandum by Michael McLanahan, Vice President IT Business Solutions – Information Services is seeking approval of a 1-year agreement with two 1-year options with Y&S Technologies to purchase 125 replacement Windows computers at a maximum cost of \$200,025.

Microsoft has announced an end-of-life to Windows 10 as of October 2025. Information Services has planned to upgrade all computers to the Window 11 operating system as part of the IT Master Plan by the 2025 deadline. The Master Plan has identified 269 computers that do not meet Windows 11 hardware requirements. For FY 23-24 we have budgeted to replace 125 of these units.

This request will cover this year's Master Plan needs. Going forward, similar requests will be brought forward for consideration during future fiscal years as budgets will allow.

Information Services and Procurement teams collaborated to issue an Open Business Solicitation (IFB #554-2023-0031-DSP) on August 31, 2023. Seven responses were received by the September 21<sup>st</sup> deadline with the lowest responsive bid from Y&S Technologies.

Y&S Technologies is a certified WBE with the State of NC and the Authority. This procurement initiative has been reviewed and is supported by the Authority's Small Business Programs Office.

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Staff requests approval for a 1-year agreement with two 1-year options with Y&S Technologies to purchase 125 computers at a maximum cost of \$200,025, and that the President and CEO be given the authority to sign any necessary, related documents.

e) Consideration of Peer-to-Peer Vehicle Sharing Permit Agreement with Turo, Inc.

Memorandum by Tyler Maheu, C.M., Senior Director of Commercial Management – The Authority has been approached by Turo, Inc. (“Turo”), a peer-to-peer vehicle sharing company, requesting a permit to conduct business at RDU. Turo is defined by North Carolina state law as a “Vehicle sharing provider – The person or entity that operates, facilitates, or administers the provision of personal vehicle sharing through a peer-to-peer vehicle sharing program.” Turo operates similarly to AirBnB, only with cars instead of homes, in that it is an online platform that facilitates vehicle sharing transactions between personal vehicle owners and consumers.

Turo has entered agreements with a number of airports across the US and wishes to offer their services to consumers at RDU. Under the Peer-to-Peer Vehicle Sharing Permit Agreement (“Agreement”), Turo users will be permitted to conduct vehicle sharing transactions in the airport parking facilities. In exchange, Turo users will pay the then-current rates for use of the parking facilities, and Turo will pay ten percent (10%) of their Gross Receipts to the Authority. The term of the agreement will be one year.

Staff requests approval of the Peer-to-Peer Vehicle Sharing Permit Agreement with Turo, Inc. and authorization for the President and CEO to execute the Agreement.

f) Consideration of a Contract with Siemens Industry, Inc. for Building Management Systems

Memorandum by Steven Yanni, Director of Contracts Facilities Maintenance – This recommendation is for Board approval of a Contract with Siemens Industry, Inc. for Building Management Systems (BMS). This contract is a sole source as the BMS system is a proprietary system that was installed during the original T2 and Central Energy Plan project and only supported by Siemens.

The BMS monitors the functionality of several items in Terminal 2 and the Central Energy Plant (CEP). Some of those items include boilers, chillers, pumps, fire alarm devices, variable volume boxes (VAV), etc. The proprietary BMS was installed when Terminal 2 was erected, and it can only be modified by Siemens. An effective BMS provides the core management tool to ensure monitoring and efficient management of energy and occupant comfort.

This contract supports the overall operations of the BMS system and includes an on-site building automation specialist for four (4) days a month (48 days a year), software services,

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firmware updates and system optimization and maintenance program. This contract is substantially larger than the current contract (set to expire on October 31, 2023). This is due to an additional day per month for on-site support, historical inflation, software and firmware increases (two additional on-site days for updates, annual updates and licensing for 787 items, annual licensing fees and firmware updates increase from 38 panels to 59) and optimization and maintenance adjustment. Much of this increase is due to a system upgrade that occurred during the term of the last agreement which enhanced and expanded the system.

This sole source agreement will not have any MWSB participation as the work will be completed by Siemens in-house staff. This has been discussed and approved by RDU's small business office. The overall cost for this service will be \$1,240,449 over five (5) years, includes escalation per year and undeterminable services (repair) fund which may also be used for any potential energy saving initiatives to support the RDU Energy Manager.

Staff requests approval of a Contract Extension with Siemens Industry, Inc. for Building Management Systems and authorization for the President and CEO to execute the extension.

g) Consideration of Amendment 2 with Flagship Aviation Services

Memorandum by Steven Yanni, Director of Contracts Facilities Maintenance – This recommendation is for Board approval to amend Flagship Aviation Services Scope of Work to remove the Terminal 1 Appearance Maintenance scope of services. The Appearance Maintenance scope of services is a new concept that RDU implemented with this contract. The contractor, Flagship, was to hire experienced maintenance technicians to repair minor items in the public Terminal restrooms such as paper towel dispensers, flush valves, partition locks/hinges, lightbulb replacements, etc. This would allow RDU maintenance staff to focus their efforts on other critical infrastructure. Due to the inability for Flagship to fully staff this scope item and the subsequent drop in quality of service, RDU has resumed control of maintaining all public facing Terminal 1 Restrooms. With RDU resuming control in T1, this will allow Flagship to refocus their maintenance staff on maintaining Terminal 2 Restrooms.

Removing Terminal 1 from Flagship's scope of work does not affect the overall contract value as the staff is being reallocated to T2. If service levels do not increase, staff will fully remove this scope from Flagship's contract and reduce the contract value accordingly. This amendment has been discussed with the Small Business Office and it does not affect MWSB participation.

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Patrick Hannah

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Dickie Thompson

**DURHAM COUNTY**  
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David Morgan



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Staff requests approval to amend Flagship Aviation Services Scope of Work to Remove Terminal 1 Appearance Maintenance and authorization for the President and CEO to execute the extension.

h) Consideration of a Service Agreement with Segal Consulting for Compensation and Classification Services

Memorandum by Donald Armstrong, Vice President and Chief Human Resources Officer – Segal Consulting is a consulting firm that provides compensation and classification consulting services for a wide variety of employers in various industries across the country. The Authority began working with Segal in 2018 on a market study. Since then, Segal has assisted the Authority with conducting compensation and classification studies in 2021 (market study), 2022 (work history review) and in 2023 (jobs analysis and pay equity study).

Staff requests approval of an agreement with Segal authorizing continuance of the implementation of the Authority's compensation and classification plan. Under the agreement, Segal would continue to assist the Authority in its efforts to attract and retain highly qualified staff by providing competitive compensation. The services under the master agreement would be specified and described in each task order over a five-year period.

Using a different vendor would be difficult in that the consultant is currently working with the Authority on a fourth compensation and classification study. Segal services are available through an agreement procured by Travis County (TX). That agreement establishes maximum hourly rates for each role and includes a 4% annual escalator. The proposed five-year agreement has an average hourly rate lower than the agreement with Travis County and the same 4% escalator. Those hourly rates range between \$225 and \$547. Individual task orders over the five-year term will be built upon these hourly rates.

Staff requests approval of a five-year Master Services Agreement with the Segal Consulting with the authorization of the President and CEO to execute the agreement.

**Raleigh-Durham Airport Authority Board Members**

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## RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES OCTOBER 19, 2023

Thompson presided. Present: Hall-Roberts, Hankins, Hannah, Kushner, Morgan, Polanco-Galdamez and Szlosberg-Landis.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CISA McFall, Vice President and CFO Kapocius, Vice President and CHRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

*Motion by Thompson to enter into a closed session in order to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3) and to protect sensitive security information from disclosure pursuant to NCGS §143-318.11(a)(1) and 49 CFR parts 15 and 1520; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

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### CLOSED SESSION

Closed session from 11:05 a.m. until 12:19 p.m.

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The Committee discussed the following items:<sup>3</sup>

#### 1. Terminal 2 Landside Expansion Final Design

Presented by Jennifer Evangelist, Design Manager at Parsons Corporation – For the past year, the Authority has performed advanced planning, programming, and schematic design for the reconfiguration and expansion of Terminal 2 (T2) Landside (area between / including the terminal curbside and ticketing / baggage claim areas, and post-security checkpoint steps/escalators on the upper departures and lower arrival levels) and Federal Inspection Services (FIS) facilities. The work also includes concessions, administrative and TSA areas, loading dock, other support areas, as well as consideration of future technology. This expansion is necessary to ensure adequate capacity to meet existing/future passenger demand.

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<sup>1</sup> Chair Emeritus Hannah (joined at 1:00 p.m.) and Vice-Chair Hall-Roberts (joined at 12:40 p.m.) participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/WdiQVjqSBBU?feature=share>.

<sup>3</sup> Due to time constraints, the order of items before the committee was rearranged and some were deferred.

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### Raleigh-Durham Airport Authority Board Members

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The scope of the proposed task order consists of Project Management, Data Collection, final design, Stakeholder Engagement, Technology Integration, Code Review and Analysis, Design Development and Construction Documents. Total compensation under this proposed task order is a not-to-exceed amount of \$31,002,879.00. Labor (\$30,454,436.00) will be billed at hourly rates and expenses (\$548,443) will be billed at direct cost.

The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Small Businesses (MB) and 5.0% for Women-owned Small Businesses (WB). Total commitments for this proposed task order are 9.0% for MB and 7.7% for WB. The MWSB Commitment was reviewed by the Authority's Director of Small Business Programs.

Ms. Evangelist answered questions regarding current baggage systems operations and future consideration of transitioning to self-service bag drops at ticketing. She explained Balfour Beatty's involvement in the project as the construction manager-at-risk, and how cost estimates at each drawing phase are reconciled. Ron Kapocius, the Chief Revenue Officer, briefly explained how projects' costs are updated annually for the 10-year finance plan. Ms. Evangelist explained how the terminal infrastructure space for ticketing would be built out and used for other purposes until needed, which allowed for construction impact to operations to be dealt with one time. There were positive comments on sustainability goal metrics being planned for now and embedded as the project moves forward.

Staff requests approval of Task Order OBA08.2023 with O'Brien Atkins Associates, PA for Design Development, Construction Documents in the amount of \$31,002,879.00 for the T2 Landside Expansion Program (RDU Project #331000), and authorization for the President and CEO to execute the Task Order, subject to the approval of a capital budget amendment.

## 2. Park Economy 3 Design Solar and EV Concepts Presentation

Presented by John Holmes, P.E., Airfield Civil Engineer II, RS&H, Inc. – Mr. Holmes presented solar basics, discussing types of systems and comparing net metering (being the most feasible) and battery storage. He explained commercial solar challenges in North Carolina, showing energy rates by state and detailing how power purchase agreements (PPA) operate, which are not currently available in North Carolina. Mr. Holmes displayed solar research conducted for PE3 including expected energy demand, solar capabilities of this geographic location, and energy to square foot ratio approximations provided by various solar vendors.

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Mr. Holmes explained the three levels of electric vehicle (EV) charging and how airport parking resembles a vehicle storage lot which diminishes EV charges' effectiveness as well as availability. He presented two scenarios for solar power: (1) generating power for the Customer Amenities Building (CAB) with approximately 20% of the covered walkways having panels; and (2) generating power for the CAB and parking lot lights with approximately 85% of the covered walkways having panels. Mr. Holmes shared the estimated return on investment for each scenario, noting that the very low energy cost in North Carolina negatively impacts the economic value in both scenarios, even with a proposed 30% IRA credit.

Mr. Holmes described a third scenario of a local EV charging lot with approximately 50 spaces adjacent and accessible to PE3 users and the public. He explained the unknown demand for such a facility, noting this could be an opportunity for a RFP and market-driven leasing agreement. He noted that Sheetz was installing twelve near-by Tesla chargers.

A fourth scenario presented by Mr. Holmes was an EV charging and solar combination which is a semi-permanent and scalable solution at an approximate per unit cost of \$50,000. This type of unit is estimated to need to generate \$500,000 annually for return on construction cost.

A summary was provided with staff suggesting that a solar consultant could be contracted with to evaluate and generate conceptual design for a project-specific solution and that an RFP for a third-party EV charging lot could be created. Mr. Holmes noted that the solar and battery market is advancing and rapidly changing, and as new technology is developed, costs will trend down which will help with financial viability of future projects. It was noted that the Authority's Energy Management Plan RFP is underway and there was very high interest at the pre-proposal conference.

Board members commented on financial return, and other members voiced the importance of reducing the airport's carbon footprint and greenhouse gas emissions reduction. The proposed structure of the PE3 walkways was noted and that the additional weight of solar panels may require different material adding additional cost to the project. Mr. Holmes commented that this may require a custom design which could be examined by the proposed solar consultant for possible solutions.

Abhi Bathula, the Authority's Energy Manager, explained how the cost of solar power and the EV battery market will trend down in the upcoming few years, which will positively impact materials and installation. He noted that battery recycling is an issue to be considered.

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He reiterated that sustainability is important to the Authority and that there are other sites and projects upcoming, and staff will continue looking for opportunities where sustainable efforts can be implemented. He noted again that the Energy Management Plan is moving forward and a vendor will be selected from the RFP process, which will help staff identify effective utilization in upcoming projects.

Presentation for informative purposes only. No Board action requested.

3. RDU Sustainability – Greenhouse Gas Emissions Roadmap Presentation

Due to time constraints, this matter was deferred.

4. LEED Building Certification

Due to time constraints, this matter was deferred.

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## **RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES OCTOBER 19, 2023**

Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, Szlosberg-Landis, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CISA McFall, Vice President and CFO Kapocius, Vice President and CHRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following item:

### **1. RDU Grant Opportunities Update**

Presented by Ron Kapocius, Chief Financial Officer and Carey Barr, P.E. Consulting Manager, AECOM – Ron Kapocius briefly explained the numerous projects in the Project Portfolio/Capital Program, coordination with the Sustainability Management Plan, and the Authority’s ongoing interest in capitalizing on non-FAA grants. He noted the complexity in qualifying and applying for these funds and the increased competition and the Authority’s efforts to monitor grant options. Mr. Kapocius detailed the RDU team working on grant opportunities and introduced grant specialist Carey Barr.

Ms. Barr detailed the complexities around grant monitoring including consideration of the time and effort for the application level versus the potential award, as well as possible fund match commitments, and project readiness. She stressed that timing is a critical factor. Ms. Barr explained that the RDU team meets biweekly for review of notice of funding opportunities and considering correlation with the Sustainability Management Plan. She referred to a snapshot of the grant matrix opportunity workbook developed by the RDU Team which details specifics for each identified grant opportunity including notes on probability of award with recommendations as to whether the opportunity should be pursued. Ms. Barr went into the elements considered when the team evaluates grant opportunities.

Ms. Barr referred to grant programs under the Infrastructure Investment and Jobs Act (IIJA) and how RDU’s eligibility is evaluated by the team to determine priority programs to monitor. She noted that opportunities are examined for potential available tax credits in IRA programs. Ms. Barr concluded with a summary of next steps including frequent updates to the grant

<sup>1</sup> Chair Emeritus Hannah and Vice Chair Hall-Roberts participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/WdiQVjqSBBU?feature=share>.

### **Raleigh-Durham Airport Authority Board Members**

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matrix, continued project prioritization, and alerting applicable departments when notices of funding opportunities are open. Additional Board members' questions were answered regarding tax credits as well as discussion on the National Electric Vehicle Infrastructure (NEVI) formula program funding, and the potential for the RDU campus to have EV chargers along the highway corridor.

Presentation for informative purposes only. No Board action requested.

#### Raleigh-Durham Airport Authority Board Members

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## RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES NOVEMBER 16, 2023

Chair Hankins presided. Present: Hall-Roberts, Hannah, Morgan, Kushner, Polanco-Galdamez, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISA McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CHRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

### I. APPROVAL OF AGENDA

Chair Hankins noted the added item d. Consideration to Replace Thirty (30) License Plate Reader (LPR) Cameras with SKIDATA, Inc. in NEW BUSINESS on the Consent Agenda.

*Motion by Thompson for approval of the Agenda as amended; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### II. APPROVAL OF MINUTES

Vice Chair Hall-Roberts<sup>3</sup> noted her review of the minutes of the regular meetings of the Board, the Board committees, and the consent actions of the Board, held on October 19, 2023, and asked if any edits were needed.

*Motion by Thompson for approval of these minutes; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### III. CHAIR COMMENTS

1. Chair Hankins welcomed everyone. New team members were introduced and welcomed. Christopher Rosette was congratulated on his promotion to Assistant General Counsel and VP of Legal Affairs.
2. Chair Emeritus Hannah was recognized, and appreciation expressed for his leadership as Board Chair, during which term he helped guide the Authority through the pandemic's challenges. Under his leadership the Authority charted its current Strategic Plan and adopted

<sup>1</sup> Kushner and Treasurer Polanco-Galdamez participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/w3cl3xqWtJY?feature=share>.

<sup>3</sup> Acted at Chair Hankins' request in the absence of Secretary Szlosberg-Landis.

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innovative initiatives, as well as expanded air service. Mr. Hannah was presented with a plaque memorializing moments of travel through RDU by his family.

3. Vice Chair Hall-Roberts was recognized for receiving the Champion of Diversity Award from the NC MWBE Coordinators Network.
4. Chair Hankins reminded everyone of the annual Thanksgiving food drive, and the upcoming December drive, both to benefit the Food Bank of Central and Eastern North Carolina.
5. Chief Witherspoon and the Law Enforcement team were recognized for the online and in-person training conducted to assist the U.S. Bureau of Diplomatic Security in its mission to provide a safe and secure environment of officials traveling through RDU.

#### IV. OLD BUSINESS

1. Land and Development Committee – Thompson reported Committee members met during the Committee work session on November 16, 2023, and discussed the following:

- a. Closed Session

*Committee met in closed work session in order to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3).*

- b. Reimbursable Agreement with Duke Energy to Relocate Power Lines for Phase 1A (Permanent) and Phase 1A/1B (Temporary) in connection with the Runway 5L-23R and Taxiway B Replacement, RDU 080879

*Request for approval of a Reimbursable Agreement with Duke Energy to relocate power lines for Phase 1A (Permanent) and Phase 1A & Phase 1B (Temporary) in the amount of \$1,974,293, for the Replacement Runway 5L-23R, RDU Project 080879; and authorization for the President and CEO to execute the Agreement.*

- c. Consideration of a Reimbursable Agreement with the Federal Aviation Administration for Equipment and Related Services Necessary for the Replacement of Runway 5L-23R, Capital Project 080879

*Request for approval of the FAA's Reimbursable Agreement in the amount of \$5,473,419.18 and authorization for the President & CEO to execute the Agreement.*

- d. Contract with Kear Civil Corporation for Fuel Facility Improvements, Project ID 441000

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*Subject to approval of the associated Capital Project Ordinance Amendment, request for award of a construction contract to Kear Civil Corp in the amount of \$9,373,940.88 for the Fuel Facility Improvements and authorization for the President and CEO to execute the contract.*

- e. Task Order 3 for Construction Administration Services with Pond & Company for Fuel Facility Improvements, Project ID 441000

*Subject to approval of the associated Capital Project Ordinance Amendment, request for approval of Task Order 3 for Construction Administration Services with Pond & Company at a cost of \$247,016 and authorization for the President and CEO to execute the agreement.*

*Motion by Thompson for approval of above items b. through e.; Second by Hannah*

ADOPTED BY UNANIMOUS VOTE

2. Operations Committee – Morgan reported Board members met during the Committee work session on November 16, 2023, and discussed the following:

- a. Consideration of Minimum Standards for Commercial Aeronautical Activities

*Motion by Morgan for approval of the Minimum Standards for Commercial Aeronautical Activities and authorization for the President and CEO to execute Agreements with commercial aeronautical service providers following the process prescribed within the Minimum Standards; Second by Hall-Roberts*

ADOPTED BY UNANIMOUS VOTE

3. Law and Personnel Committee – Polanco-Galdamez reported Board members met during the Committee work session on November 16, 2023, and discussed the following:

- a. Consideration of Appointments to RDU Fire-Rescue Firefighters' Relief Fund Board

Polanco-Galdamez expressed appreciation to Chief Stanley for his work as Fire Chief and for his commitment to the firefighters. She asked if anyone else was interested in being considered for the two open seats on the Relief Fund Board and hearing none, she nominated Ron Kapocius, the Authority's CFO, and Authority Board member David Morgan.

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*Motion by Thompson for approval of the appointments of David Morgan and Ron Kapocius to the RDU Fire-Rescue Firefighters' Relief Fund Board, to serve at the pleasure of the Authority Board; Second by Hall-Roberts*

ADOPTED BY UNANIMOUS VOTE

4. Finance Committee – Chair Hannah reported Board members met during the Committee work session on November 16, 2023, and discussed the following:

- a. FY23-24 Q2 TYD Finance Performance Update

*Presentation to Board in committee work session for informative purposes only. No Board action requested.*

V. NEW BUSINESS

1. Consent Agenda

- a. Consideration of Grove Bay Crawford JV, LLC Terminal Support Space Lease Agreement
- b. Consideration of MERA RD2, LLC Terminal Support Space Lease Agreement
- c. Consideration of Capital Project Ordinance Amendment #5
- d. Consideration to Replace Thirty (30) License Plate Reader (LPR) Cameras with SKIDATA, Inc.<sup>4</sup>

*Motion by Thompson to approve and adopt the Consent Agenda items a.-d.; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

New hires were welcomed, and Christopher Rosette was congratulated on his promotion. Appreciation and gratitude were expressed to Hannah for his leadership as Board Chair, and for his continued service on the Board. Hannah expressed his thanks for the recognition and named and thanked previous Board Chairs for their guidance and leadership. RDU personnel were thanked for their continued service, especially during the busy holiday travel season. Thompson noted the recent settlement reached regarding Wake Stone's Triangle Quarry mining permit, and

<sup>4</sup> Item moved from Operations Committee to Consent Agenda

**Raleigh-Durham Airport Authority Board Members**

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the potential for use of local quarried stone for upcoming projects at RDU. Everyone was wished a great Thanksgiving.

## VIII. PRESIDENT AND CEO'S REPORT

### Welcome

Good afternoon Board members, Team RDU, business partners, and guests who are joining us today.

### Passenger Traffic

RDU continues to observe a record pace of passenger traffic. 1,366,603 travelers flew into or out of RDU in October. That is 19.5% higher than October 2022, and 7.1% higher than October 2019. We continue to see a highly diverse airline market share:

- Delta led all airlines, with 27.4%;
- then American, with 26.6%;
- then Southwest, with 14.2%; and,
- finally, United, with 12.3%.

### Air Service

RDU continues to attract new airlines and international destinations, with Aeroméxico as the latest entry into the Raleigh-Durham market. Aeroméxico will begin nonstop daily service to Mexico City in July, becoming RDU's 17th airline and the first to serve Mexico's capital city. We are excited to welcome them to North Carolina and provide travelers with direct access to Mexico City and an extensive network of flights through Aeroméxico and its partner airline, Delta. The Aeroméxico service launches July 1, and will fly out of Terminal 2 on a two-cabin, 99-seat Embraer E-190. We look forward to finally connecting the region's Hispanic community and travel enthusiasts alike nonstop to Mexico City, one of our most in-demand previously unserved destinations.

Mexico City is not the only new international destination on its way to RDU. Lufthansa announced in September it would begin direct flights to Frankfurt, Germany in June. When Aeroméxico and Lufthansa arrive next summer, they will bring RDU's number of international flag carriers to six. Five of those will have launched in just the past couple years — a remarkable accomplishment for our international community.

We welcomed another new international airline to the Triangle region in October when the inaugural Air France flight from Paris arrived at RDU. We are also looking forward to welcoming a new nonstop flight from Breeze Airways, when the airline's inaugural service to Fort Myers, Fla. launches tomorrow.

## Raleigh-Durham Airport Authority Board Members

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### Travel Tips

RDU expects a busy Thanksgiving weekend as travelers visit family and friends or welcome them to the Triangle for the long weekend. A few simple tips can make your holiday travel more convenient:

- Travelers can book parking at [parkrdu.com](http://parkrdu.com) for guaranteed entry into the deck or lot of their choice. Reservations must be made at least 24 hours in advance.
- For the first time since 2019, all RDU parking facilities will be open. ParkRDU Express reopened in October, adding 1,000 more parking spaces on campus.
- The convenient trunk-to-terminal service offers airport guests assistance with their luggage and a direct shuttle to the terminals. The Express lot is located on International Drive near Park Economy 4.
- Increased passenger traffic makes it even more important for travelers to allow plenty of time to park, check in and go through security. We recommend arriving at least two hours early for domestic flights and three hours in advance for international flights.
- If you're picking someone up from the airport, use our free Cell Lot to make curbside pickup a breeze. That's the parking lot for this building.
- You can wait here for a call or text letting you know your loved one has arrived. Be sure to give them 30 minutes after their arrival time to pick up their bags and meet you on the curb. In order to ease congestion on the curb, travelers at Terminal 2 can be picked up at either departures or arrivals.
- Guests will see some favorite annual traditions during the holidays, including live music. We're looking forward to being part of our guests' holiday season as they welcome loved ones to the Triangle or visit family and friends.

### Sheetz Reopens

The new Sheetz convenience store and gas station at Aviation Parkway and National Guard Drive will reopen tomorrow - Friday, November 17 at 9 a.m. The Sheetz closed in January to allow the store to be demolished and rebuilt. Sheetz now has enhanced kitchen facilities, expanded indoor and outdoor seating and a food and beverage drive-through. It also has more pump stations for fuel, making it a convenient place to gas up and get a snack on the airport campus.

### Federal Runway Funding

I want to conclude my remarks with a sincere thank you to one of our community partners for sending a letter to USDOT and FAA leadership in Washington, D.C. Earlier this month, The Umstead Coalition sent a letter to Secretary Buttigieg and FAA officials to request that RDU receive a Letter of Intent for a federal grant to help pay for RDU's replacement runway. Securing our fair share of federal funding for the airport's most important capital project is our top priority, and we truly appreciate the coalition vocalizing its support of that effort.

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IX. ADJOURNMENT

*Motion by Morgan to adjourn; Second by Hall-Roberts*

ADOPTED BY UNANIMOUS VOTE

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## RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT NOVEMBER 16, 2023

The Board approved the following items on the Consent Agenda:

a) Consideration of Grove Bay Crawford JV, LLC Terminal Support Space Lease Agreement

Memorandum by Kimberly Stewart, Vice President of Concessions – Staff requests consideration of Terminal Support Space Lease Agreement between the Authority and Grove Bay Crawford JV, LLC (“Grove Bay”). Grove Bay will manage and operate five (5) new concepts under their Airport Food and Beverage Program Operator Agreement, executed on June 24, 2023.

Support Space Room 1145A comprised of 180.57 square feet provides storage space to support the temporary Cantina unit. The annual rental to the Authority is \$9,624.38.

The Terminal Support Space Lease Agreement will continue on a month-to-month basis and run concurrent with the Airport Food and Beverage Program Operator Agreement which carries a 10-year term. The support space supports Cantina as a temporary until but will transition to support for the permanent, long-term unit, Adios which is anticipated to open late 2024.

Staff requests approval of the Terminal Support Space Lease Agreement with Grove Bay Crawford JV, LLC and authorization for the President and CEO to execute the agreement.

b) Consideration of MERA RD2, LLC Terminal Support Space Lease Agreement

Memorandum by Kimberly Stewart, Vice President of Concessions – MERA RD2, LLC (MERA RD2) entered into an Airport Food and Beverage Program Operator Agreement on May 30, 2023. MERA RD2 will manage and operate five (5) new concepts in Terminal 1 and Terminal 2.

Staff requests consideration of Terminal Support Space Lease Agreement to lease storage space in Terminal 2, Room 1250C, representing 192.93 s.f. to support the temporary Lonerider unit and will support the future permanent Lonerider concept.

The Terminal Support Space Lease Agreement requires MERA RD2 to pay the Authority annual rent of \$10,283.17 with monthly installments of \$856.93 for the support space. Fixed rents are subject to annual adjustment based on the rental rates established by the operating budget.

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The Terminal Support Space Lease Agreement runs concurrently with MERA RD2, Airport Food and Beverage Program Operator Agreement which carries a 10-year term.

Staff requests approval of the Terminal Support Space Lease Agreement with MERA RD2, LLC and authorization for the President and CEO to execute the agreement.

c) Consideration of Capital Project Ordinance Amendment #5

Memorandum by Sharyar Ahmed, Director of Financial Planning & Analysis – This item is to provide a staff recommendation to approve the Capital Project Ordinance Amendment #5 increase of \$1,914,000 for the following existing project:

- Capital Project 441000 “Fuel Farm Facility Improvement Plan” was created with an overall budget of \$9,186,000. The purpose of the project is to improve the Fuel Facility which includes building, site, and fuel storage/hydrant pumping system and glycol storage/dispensing system improvements. The Authority finally received the construction bids which has put the project cost over budget. The estimated cost of construction, construction administration services, and inspection services is \$11,100,000, which includes a 10% contingency. The Authority requires additional funding of \$1,914,000. The new project total will be \$11,100,000.

Staff anticipates no additional cash spend is needed at the time for the 2023-2024 Budget Ordinance for these capital projects.

Staff requests approval of Amendment #5 to increase the Capital Project Ordinance by \$1,914,000.

[Amendment #5 to Capital Project Ordinance appears on following pages]

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RALEIGH-DURHAM AIRPORT AUTHORITY  
2023-2024 CAPITAL PROJECT ORDINANCE AMENDMENT #5

BE IT ORDAINED by the Raleigh-Durham Airport Authority, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The following amount is appropriated for the projects:

\$ 727,769,881

Section 2. The following funds are anticipated to be available for the projects; total project amount will be funded through net revenues or appropriate financing:

Transfer Cash from Operating \$ 686,726,201

Total Grant Funds \$ 41,043,680

Section 3. The projects authorized are as follows and funded by Raleigh-Durham Airport Authority funds on hand in operations:

| New 23/24 Projects |                                                                 | Original <sup>1</sup> | Change <sup>1</sup><br>05/18/2023 | Change <sup>2</sup><br>6/15/2023 | Change <sup>3</sup><br>7/20/2023 | Change <sup>4</sup><br>10/19/2023 | Change <sup>5</sup><br>11/16/2023 | Amended        |
|--------------------|-----------------------------------------------------------------|-----------------------|-----------------------------------|----------------------------------|----------------------------------|-----------------------------------|-----------------------------------|----------------|
| 211230             | Runway 5R-23L Pavement Repairs                                  | \$ 5,100,000          |                                   |                                  |                                  |                                   |                                   | \$ 5,100,000   |
| 331070             | Terminal 2 Concessions Development Program Phase 2              | 4,500,000             | 18,252,000                        |                                  |                                  |                                   |                                   | \$ 22,752,000  |
| 677003             | T1 Expansion Program - Planning Strategy and PDD                | 1,600,000             |                                   | 2,200,000                        |                                  |                                   |                                   | \$ 3,800,000   |
| 331060             | PC Air Units Replacement for T1 & T2                            | 3,100,000             |                                   |                                  |                                  |                                   |                                   | \$ 3,100,000   |
| 881450             | Rental Car Road, Trade Drive & Admin Parking Lot Rehabilitation | 500,000               |                                   |                                  |                                  |                                   |                                   | \$ 500,000     |
| 331071             | CBP Biometrics                                                  | 750,000               |                                   |                                  |                                  |                                   |                                   | \$ 750,000     |
| 454001             | (AOC) Air Cooled Chiller Replacement                            | 250,000               |                                   |                                  |                                  |                                   |                                   | \$ 250,000     |
| 321004             | Building Management System upgrade                              | 500,000               |                                   |                                  |                                  |                                   |                                   | \$ 500,000     |
| 341001             | CEP Boiler Burner and Expansion Tank Replacement                | 200,000               |                                   |                                  |                                  |                                   |                                   | \$ 200,000     |
| 331080             | T2 Landside Bathroom Refresh                                    | -                     | 250,000                           |                                  |                                  |                                   |                                   | \$ 250,000     |
| 621030             | Parking garage Replacement and Ground Transportation Center     |                       |                                   |                                  |                                  | 10,000,000                        |                                   | \$ 10,000,000  |
|                    |                                                                 | \$ 16,500,000         | \$ 18,502,000                     | \$ 2,200,000                     | \$ -                             | \$ 10,000,000                     | \$ -                              | \$ 47,202,000  |
| Amended Projects   |                                                                 | Original <sup>1</sup> | Change <sup>1</sup><br>05/18/2023 | Change <sup>2</sup><br>6/15/2023 | Change <sup>3</sup><br>7/20/2023 | Change <sup>4</sup><br>10/19/2023 | Change <sup>5</sup><br>11/16/2023 | Amended        |
| 211140             | Enhanced Security Perimeter Gates (TSA)                         | \$ 3,800,000          |                                   |                                  |                                  |                                   |                                   | \$ 3,800,000   |
| 211170             | North Cargo Apron Reconstruction                                | 39,000,000            |                                   |                                  |                                  |                                   |                                   | \$ 39,000,000  |
| 211200             | Taxiway E Rehabilitation - Design                               | 15,000,000            |                                   |                                  |                                  |                                   |                                   | \$ 15,000,000  |
| 321001             | Modular Unit Furniture building                                 | 850,000               |                                   |                                  |                                  |                                   |                                   | \$ 850,000     |
| 321002             | AOC 1st/4th Floor Work                                          | 200,000               |                                   |                                  |                                  |                                   |                                   | \$ 200,000     |
| 321003             | Terminal 2 Conference Room                                      | 300,000               |                                   |                                  |                                  |                                   |                                   | \$ 300,000     |
| 331000             | T2 Landside Expansion Program - preliminary design              | 25,000,000            |                                   |                                  |                                  | 15,000,000                        |                                   | \$ 40,000,000  |
| 489000             | New Vehicles and Equipment - FY24                               | 11,057,881            |                                   |                                  |                                  |                                   |                                   | \$ 11,057,881  |
|                    |                                                                 | \$ 95,207,881         | \$ -                              | \$ -                             | \$ -                             | \$ 15,000,000                     | \$ -                              | \$ 110,207,881 |

(continued)

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| Ongoing Projects |                                                              | Original <sup>1</sup> | Change <sup>1</sup><br>05/18/2023 | Change <sup>2</sup><br>6/15/2023 | Change <sup>3</sup><br>7/20/2023 | Change <sup>4</sup><br>10/19/2023 | Change <sup>5</sup><br>11/16/2023 | Amended        |
|------------------|--------------------------------------------------------------|-----------------------|-----------------------------------|----------------------------------|----------------------------------|-----------------------------------|-----------------------------------|----------------|
| 080879           | Runway 5L/23R and Taxiway B Replacement Program              | \$ 372,300,000        |                                   |                                  |                                  |                                   |                                   | 372,300,000    |
| 211220           | Runway 5L/23R & Taxiway B Preservation Program               | 15,000,000            |                                   |                                  |                                  |                                   |                                   | 15,000,000     |
| 211110           | West RON Apron Rehabilitation                                | 38,000,000            |                                   |                                  |                                  |                                   |                                   | 38,000,000     |
| 211120           | Taxiway B Rehabilitation (North of TW D)                     | 36,000,000            |                                   |                                  |                                  |                                   |                                   | 36,000,000     |
| 331030           | Terminal 2 Concessions Development Program Phase 1           | 5,900,000             | 3,600,000                         |                                  |                                  |                                   |                                   | 9,500,000      |
| 331040           | T2 Bathroom Refresh and Pet Relief Area - Planning           | 175,000               |                                   |                                  |                                  |                                   |                                   | 175,000        |
| 331050           | Ramp Information Display System - Planning                   | 4,600,000             |                                   |                                  |                                  |                                   |                                   | 4,600,000      |
| 321010           | T1 Generator Replacement                                     | 345,000               |                                   |                                  |                                  |                                   |                                   | 345,000        |
| 321000           | Terminal 1 Flooring Replacement                              | 1,000,000             |                                   |                                  |                                  |                                   |                                   | 1,000,000      |
| 321020           | T1 Chiller Replacement                                       | 515,000               |                                   |                                  |                                  |                                   |                                   | 515,000        |
| 080799           | Expanded Park Economy 3                                      | 44,000,000            |                                   |                                  |                                  |                                   |                                   | 44,000,000     |
| 621020           | Parking Guidance System                                      | 7,000,000             |                                   |                                  |                                  |                                   |                                   | 7,000,000      |
| 621040           | Parking Garage Rehabilitation - Phase 3                      | 4,000,000             |                                   |                                  |                                  |                                   |                                   | 4,000,000      |
| 881430           | Aviation Parkway/National Guard Drive Interchange - Planning | 2,300,000             |                                   |                                  |                                  |                                   |                                   | 2,300,000      |
| 881440           | John Brantley Blvd Extension (CONRAC)                        | 2,500,000             |                                   |                                  |                                  | 7,500,000                         |                                   | 10,000,000     |
| 881260           | Maintenance Facility HVAC Replacement                        | 525,000               |                                   |                                  |                                  |                                   |                                   | 525,000        |
| 881180           | Consolidated Trash Facility Concrete Dumpster Slabs          | 300,000               |                                   |                                  |                                  |                                   |                                   | 300,000        |
| 453000           | Maintenance Building Parking Lot Rehabilitation              | 5,200,000             |                                   |                                  |                                  |                                   |                                   | 5,200,000      |
| 441000           | Fuel Farm Facility Improvement Plan                          | 9,186,000             |                                   |                                  |                                  |                                   | 1,914,000                         | 11,100,000     |
| 881380           | AOC 5th Floor Buildout                                       | 3,000,000             |                                   |                                  |                                  |                                   |                                   | 3,000,000      |
| 456000           | New AOC/EOC/ARFF                                             | 500,000               |                                   |                                  | 500,000                          |                                   |                                   | 1,000,000      |
| 381000           | GA Area Pavement Rehabilitation                              | 4,500,000             |                                   |                                  |                                  |                                   |                                   | 4,500,000      |
|                  |                                                              | \$ 556,846,000        | \$ 3,600,000                      | \$ -                             | \$ 500,000                       | \$ 7,500,000                      | \$ 1,914,000                      | \$ 570,360,000 |
|                  |                                                              | \$ 668,553,881        | \$ 22,102,000                     | \$ 2,200,000                     | \$ 500,000                       | \$ 32,500,000                     | \$ 1,914,000                      | \$ 727,769,881 |

Section 4. This Capital Project Ordinance includes all amended, new and ongoing projects and replaces all previous capital project ordinances.

Section 5. Subject to approval and acceptance of bids by the Raleigh-Durham Airport Authority, the appropriate officers of the Raleigh-Durham Airport Authority are hereby authorized and empowered to enter into contracts and to carry out the necessary work for the completion of the above listed projects within the funds appropriated herein.

Section 6. The Finance Officer is hereby directed to report quarterly on the financial status of the aforesaid projects. The Finance Officer shall also keep the Authority informed at each regular meeting of any unusual occurrences.

This Capital Project Ordinance shall be entered in the minutes of the Raleigh-Durham Airport Authority and within five (5) days after its adoption, copies shall be filed with the Finance Officer, The Budget Officer and the Secretary of the Raleigh-Durham Airport Authority, who, for the purposes of this ordinance, is designated as the Clerk to the Raleigh-Durham Airport Authority as described in G.S. 159-13.2.

Amended this 16 day of November 2023

Notes:  
1 Original- budget ordinance adopted March 16, 2023

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- d) Consideration to Replace Thirty (30) License Plate Reader (LPR) Cameras with SKIDATA, Inc.<sup>1</sup>  
Memorandum by Jeffrey A. Slayton, PMP, Director of Parking Operations – The current INEX IZA300 License Plate Recognition (LPR) cameras were originally installed with the Parking and Revenue Control System (PRCS) in 2016 and can no longer be upgraded to meet the Authority's IT security standards without removing vital capabilities. Over the past year, Parking has replaced two (2) of the original cameras due to component failures and the inability to affect repairs due to the age of the cameras.

Parking and RDU-IT security have collaborated and determined that the appropriate course of action is to replace the cameras allowing them to be compliant with RDU security standards as required without removing capabilities and functionality.

Staff recommends replacing thirty (30) INEX IZA300 LPR cameras with INEX IZA500G LPR cameras in the following locations:

- Main Entry Plaza – Nine (9) cameras
- Main Exit Plaza – Thirteen (13) cameras
- Express Entry/Exit – Four (4) cameras
- Economy 4 Entry/Exit – Four (4) cameras

Funds for this project are included in Parking's FY23/24 operating budget.

Staff requests that the Authority approve the purchase and installation of thirty (30) license plate recognition cameras with SKIDATA, Inc. for a total of \$194,884. Staff requests authorization for the President and CEO to execute the purchase agreement.

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<sup>1</sup> Item moved from Operations Committee Work Session Agenda to Consent Agenda

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## RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES NOVEMBER 16, 2023

Thompson presided. Present: Hall-Roberts, Hankins, Hannah, Kushner, Morgan, Polanco-Galdamez and Szlosberg-Landis.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISA McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CHRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

*Motion by Morgan to enter into a closed session in order to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3); Second by Hall-Roberts*

ADOPTED BY UNANIMOUS VOTE

### CLOSED SESSION

Closed session from 11:05 a.m. until 11:15 a.m.

The Committee discussed the following items:

1. Reimbursable Agreement with Duke Energy to Relocate Power Lines for Phase 1A (Permanent) and Phase 1A/1B (Temporary) in connection with the Runway 5L-23R and Taxiway B Replacement, RDU 080879

Presented by Jim Novak, Director Airside Engineering – Authority staff collaborated with Duke Energy (Duke) representatives to develop a plan to relocate certain electrical facilities prior to commencement of earth moving activities for the Runway 5L-23R Replacement project. Duke assets will be relocated in three primary phases including temporary relocation. The permanent relocation is called Phase 1A and will entail moving existing overhead permanent lines westward to a new utility corridor located outside the limits of disturbance for the relocated runway. There will be two follow-on permanent installations called Phases 2 and 3 that will occur at a later time which is dependent on the final sequencing of the runway construction. Phase 1A (Temporary) needs to be installed to maintain power to

<sup>1</sup> Chair Emeritus Hannah joined at 11:25 a.m. Kushner, Secretary Szlosberg-Landis, and Treasurer Polanco-Galdamez participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/w3c13xqWtJY?feature=share>.

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critical navigational aids along existing Runway 5L-23R. Phase 1B (Temporary) is needed to maintain power from the south electrical feeder.

This Agreement with Duke Energy includes design, material procurement, installation, and inspection for Permanent Phase 1A and Temporary Phases 1A/1B work activities. Installation primarily includes 7,500 feet of overhead power line, 37 poles, and 5,200 feet of underground conduit, cable, connections, and switchgear. Compensation to Duke for this work will be paid at cost based on initial estimates in the amount of \$1,974,293. Fifty percent of the contract amount will be paid in advance with the remaining balance paid at project completion.

Staff answered questions about aboveground versus underground placement of power lines, noting terrain considerations, including choice to avoid streams and minimize disturbance to environment, Duke's need for access to the lines, and that for clear approaches, the lines had to be underground at the runway ends. Board members expressed preference for underground utilities as much as possible and, for future installations, information as to the cost differential for underground versus aboveground utilities.

Staff requests approval of a Reimbursable Agreement with Duke Energy to relocate power lines for Phase 1A (Permanent) and Phase 1A & Phase 1B (Temporary) in the amount of \$1,974,293, for the Replacement Runway 5L-23R, RDU Project 080879; and Authorization for the President and CEO to execute the Agreement.

2. Consideration of a Reimbursable Agreement with the Federal Aviation Administration for Equipment and Related Services Necessary for the Replacement of Runway 5L-23R, Capital Project 080879

Presented by Ronald Jewett, Vice President Facilities Asset Management – With the Environmental Assessment complete and the runway design above the 60% design level, staff members are prepared to engage the FAA for services and procurement of select navigational aid equipment required for the new runway.

This proposed Reimbursable Agreement will authorize the FAA to perform the following:

Procurement of select equipment (RW 23R DME, ILS, ALSPF-2, Generator)

Provision of reference drawings for existing and new equipment

Provision of design standards

Participation in design meetings and related consulting

Reviews of the Design Engineers' work product

Coordination with local FAA staff regarding existing equipment and the delivery of new

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Assistance with sequencing construction to minimize equipment downtime  
Assistance with scheduling in terms of equipment procurement, installation, and testing  
Assistance with installation certification

The proposed Agreement cost to the Authority is \$5,473,419.18. The FAA requires payment upon execution of the agreement with expenses reported quarterly to the Authority as work progresses. The cost of the Agreement is covered in Capital Project 080879. The term of the Agreement is up to 5 years, beginning upon Agreement execution. It is expected this Agreement will be amended at a later date to include the FAA's Construction Phase services.

There was discussion regarding the potential impact to air traffic due to equipment installation. Staff answered questions on equipment covered by this agreement with the FAA and other navigational equipment that would be procured separately by the Authority. Bill Sandifer answered questions about runway approach clearances and visibility requirements. He noted that upcoming projects are detailed in the monthly report sent to Board members.

Staff requests approval of the FAA's Reimbursable Agreement in the amount of \$5,473,419.18 and authorization for the President & CEO to execute the Agreement.

3. Contract with Kear Civil Corporation for Fuel Facility Improvements, Project ID 441000

Presented by John Connell, Senior Vice President and Chief Operating Officer and Alex Romel, Fuel Systems Manager – The purpose of this memorandum is to provide a staff recommendation on the award of a construction contract to Kear Civil Corp for the Fuel Facility Improvements project.

The purpose of this project is to complete the construction of the recommendations identified in the assessment report and subsequent design documents provided by Pond & Company. This included improvements and updates to the following systems/locations: RDU Fuel Facility, Glycol Facility, T2 Hydrant System, T1 Truck Load Racks, Maintenance Fleet Fuel Facility, and the associated Cathodic Protection system.

This project was advertised for bid on August 1, 2023. A pre-bid meeting, Minority and Woman-owned Small Business Enterprise (MWSB) workshop, and site visit was conducted on August 15, 2023. The first bid opening was scheduled on September 19, 2023. Only two bids were received, so the closed bids were returned, and the project was readvertised for a second bid opening on September 28, 2023. Again, only two contractors submitted a bid at

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the second opening on September 28, 2023, at which time the bids were opened and publicly read.

The apparent low bidder was found to be non-responsive because the bidder did not provide a Bid Security as required by N.C. General Statute. There were also other irregularities with their bid. The next lowest and only remaining bid received from Kear Civil Corp, in the amount of \$10,989,175. This was over the overall programmed capital budget amount of \$9,186,000, so the remaining bid was over budget.

Having only one interested responsible and responsive contractor, staff began negotiations with the successful bidder on October 17, 2023, to evaluate options to lower the cost of work. The successful bidder submitted a cost reduction Negotiation Summary and Revised Bid Proposal on October 27, 2023 that included the following: 1) revised contract time, 2) potential scope deletion items, and 3) additional value engineering items. The Authority reviewed the selected options and made other scope adjustments on October 30, 2023. The successful bidder confirmed a revised proposal of \$9,373,940.88.

This \$9,373,940.88 still exceeds the overall project budget but a detailed cost analysis conducted supports the appropriateness of this pricing. Additionally, staff does not recommend removing any additional scope due to the critical nature of this work and need to ensure long-term reliability and performance of these systems to support daily airline flight operations.

The Minority and Woman-owned Small Business (MWSB) Goals for this project was set at 6% Minority owned Businesses (MB) and 6% Women-owned Business (WB). Within the current negotiated price, the contractor proposes MWSB participation in the amount of 0.5 % MB and 0.2% WB. Due to the specialized nature of this work and the work being largely self-performed, there was limited opportunity for MWSB participation. The Authority's Director of Small Business Programs concurs with this commitment.

Funds for the project in the amount of \$9,186,000 are in the Capital Budget but are insufficient to cover the anticipated full expenditures for the project. Therefore, staff has coordinated with Finance to reflect in a proposed budget Ordinance Amendment to cover the construction, construction administration, inspection services and contingency necessary to complete the project.

Subject to approval of the associated Capital Project Ordinance Amendment, staff recommends award of a construction contract to Kear Civil Corp in the amount of

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\$9,373,940.88 for the Fuel Facility Improvements and authorization for the President and CEO to execute the contract.

4. Task Order 3 for Construction Administration Services with Pond & Company for Fuel Facility Improvements, Project ID 441000

Presented by John Connell, Senior Vice President and Chief Operating Officer – The purpose of this memorandum is to provide a staff recommendation on the award of Task Order 3 for Construction Administration with Pond & Company for the Fuel Facility Improvements.

The purpose of this project is to execute on the construction of the recommendations identified in the assessment report and subsequent design provided by Pond & Company. This included improvements and updates to the following systems/locations: Fuel Facility, Glycol Facility, T2 Hydrant System, T1 Truck Load Racks, Maintenance Fleet Fuel Facility, and associated Cathodic Protection systems.

The scope of services of this Task Order includes: Pre-construction Conference, Construction Meetings, Periodic Construction Site Visits, Testing and Inspections, Shop Drawing/Submittal Review, Clarifications/RFI Review, Change Order Review, Contractor Pay Request Review, Substantial/Final Completion Inspections and Punch List, and completion of Record Drawings.

The labor compensation under this Agreement is \$210,480 based on hourly rates outlined in the Master Services Agreement. The compensation for subcontracted Testing and Inspections is \$20,000. The estimated reimbursable expense (actual costs) is \$36,536, for a total maximum not-to-exceed cost of \$247,016.

The overall Minority and Woman-owned Small Business (MWSB) Goals for the existing Master Services Agreement are 1.17% Minority-owned Businesses (MB) and 3.54% Women-owned Businesses (WB). Total commitments for this proposed Task Order 3 are 8.1% MB and 0% WB. The Authority's Director of Small Business Programs concurs with this commitment. Thianè Carter, Director of Small Business Programs, answered questions regarding determination of a project's scope of work, the setting of MWSB goals, and searches conducted for available MB and WB firms.

Subject to approval of the Capital Project Ordinance Amendment, staff requests approval of Task Order 3 for Construction Administration Services with Pond & Company at a cost of \$247,016 and authorization for the President and CEO to execute the agreement.

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## RALEIGH- DURHAM AIRPORT AUTHORITY LAW AND PERSONNEL COMMITTEE WORK SESSION MINUTES NOVEMBER 16, 2023

Polanco-Galdamez presided. Present: Hall-Roberts, Hankins, Hannah, Kushner, Morgan, Szlosberg-Landis, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISA McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CHRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following item:

### 1. Consideration of Appointments to RDU Fire-Rescue Firefighters' Relief Fund Board

Presented by Russell Stanley, A.M.F., Fire Chief – Staff is requesting the Authority Board of Directors appoint two members to the RDU Fire-Rescue Firefighters' Relief Fund Board. This board oversees the funds allocated by the NC Insurance Commissioner

The Firefighters' Relief Fund (FRF) was established in 1907 to financially assist firefighters that are injured while performing their duties, and to ensure that no firefighter would become financially destitute through no fault of their own. The fund is distributed by the Commissioner of Insurance to local firefighter relief funds (LFRF) annually. The amount each department receives is based upon several calculations.

The Local Relief Fund Board (LFRB) consists of five members (GS 58-84-30): two members serving at the pleasure of the fire department elected by the membership who are qualified as beneficiaries of the fund; two of whom shall be elected or appointed by the Mayor, Board of Alderman, or City Council if it is a municipal department, or other local governing body to serve at their pleasure, or, if it is a non-municipal department, two appointed by the County Commissioners to serve at their pleasure; and one appointed by the Commissioner of Insurance. If the local fire chief is not one of the members appointed, they shall serve as ex-officio members of the local Board.

The LFRB board usually meets sometime in November each year to discuss conduct board business but may need to meet at various other times as the need arises. At this time, RDU's

<sup>1</sup> Kushner, Secretary Szlosberg-Landis, and Treasurer Polanco-Galdamez participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/w3c13xqWtJY?feature=share>.

### Raleigh-Durham Airport Authority Board Members

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LRFB has 2 vacancies that need to be filled. The two vacancies in question shall be elected or appointed by the Mayor, Board of Alderman, or City Council if it is a municipal department, or other local governing body to serve at their pleasure, or, if it is a non-municipal department, two appointed by the County Commissioners to serve at their pleasure.

Chief Stanley answered questions regarding the upcoming deadline for appointments to fill the two vacancies, and the meeting schedule of the Authority's LRFB. Chair Hankins noted Robb Teer's and Patrick Hannah's service on the LRFB, and that these two seats are now ready for new appointments by the Authority Board. He offered that Ron Kapocius, the Authority's CFO, would be of benefit to the LRFB with his financial background and Michael Landguth relayed Mr. Kapocius' willingness to serve. Board members discussed the challenges faced by firefighters and the potential long-term impact job-related injuries or illnesses can have. Chief Stanley answered questions regarding annual Local Relief Fund appropriations and the allocation of funds in accordance with the program's strict guidelines. The Board discussed the composition of the LRFB and considered the possibility of an interested citizen being appointed. Recognizing the need to fill the vacancies, the Board determined that nominations would be made and voted on in the Board meeting.

Staff requests the Authority Board appoint two individuals to the RDU Fire-Rescue Firefighters' Relief Fund Board.

#### Raleigh-Durham Airport Authority Board Members

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**RALEIGH- DURHAM AIRPORT AUTHORITY  
FINANCE COMMITTEE WORK SESSION MINUTES  
NOVEMBER 16, 2023**

Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, Szlosberg-Landis, and Thompson.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISA McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CHRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following item:

**1. FY23-24 Q2 TYD Finance Performance Update**

Presented by Sharyar Ahmed, Director of Financial Planning and Analysis – Sharyar Ahmed gave an update on the FY23-24 Quarter 2 year-to-date financial performance. He displayed historical enplanement numbers and the FY2024 projection of 7.3M enplanements. Mr. Ahmed detailed the FY23-24 operating results, explaining the actual vs. the budgeted numbers, and detailing the variances for both the revenue and expense budgets. He went over the capital projects annual budget and the year-to-date spend for the major projects.

Presentation for informative purposes only. No Board action requested.

<sup>1</sup> Kushner, Secretary Szlosberg-Landis, and Treasurer Polanco-Galdamez participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/w3c13xqWtJY?feature=share>.

**Raleigh-Durham Airport Authority Board Members**

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## **RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES<sup>1</sup> NOVEMBER 16, 2023**

Morgan presided. Present: Hall-Roberts, Hankins, Hannah, Kushner, Morgan, Polanco-Galdamez, Szlosberg-Landis and Thompson.<sup>2</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Executive Vice President and CISA McFall, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CHRO Armstrong, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>3</sup>

The Committee discussed the following item:

### **1. Consideration of Minimum Standards for Commercial Aeronautical Activities**

Presented by Tyler Maheu, C.M., Sr. Director of Commercial Management and Bryan Elliott, Vice President of Ricondo – Raleigh-Durham International Airport is a public-use aviation facility serving a wide range of aeronautical uses. As a recipient of federal grant funds, the Airport is required to meet certain federal obligations, including treating aeronautical users without unjust discrimination, and operating in as financially self-sufficient manner as possible.

The Airport is home to a variety of commercial aeronautical service providers, including fixed base operators, aircraft cleaners, and aircraft mechanics. Under the Ordinances of the Raleigh-Durham Airport Authority, entities wishing to perform commercial services on Airport are required to enter an agreement with the Authority. Historically, the Authority has considered requests from entities wishing to perform commercial aeronautical services on a case-by-case basis. To provide a more consistent standard of evaluation and process, staff recommends implementing Minimum Standards for Commercial Aeronautical Activities. Minimum Standards are used effectively at airports across the country under the guidance of FAA Advisory Circular 150/5190-7.

By implementing these Minimum Standards for Commercial Aeronautical Activities, the Authority will provide a comprehensive, standardized, consistent process and set of

<sup>1</sup> Work sessions were reordered, and the Operations Committee moved to last to accommodate a proposed closed session, which did not occur.

<sup>2</sup> Kushner and Treasurer Polanco-Galdamez participated remotely via Teams, along with Secretary Szlosberg-Landis who ended her participation at 1:10 pm.

<sup>3</sup> The meeting was live streamed at <https://youtube.com/live/w3c13xqWtJY?feature=share>.

### **Raleigh-Durham Airport Authority Board Members**

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requirements for commercial aeronautical service providers to apply for, and be granted, the privilege to conduct business at RDU.

The Minimum Standards apply to aircraft charter, aircraft management, pilot training, aircraft rental, sightseeing flights, aerial photography, agricultural applications, aerial advertising, air ambulance services, surveying, aircraft sales and transactional services, sale of aircraft fuel, repair and maintenance of aircraft, sale of aircraft parts, and other aeronautical users.

Under the Minimum Standards, entities wishing to provide aeronautical services at RDU will be required to submit an application, which includes information about the entity and the services they wish to perform, and to provide proof of insurance. Entities approved to provide services will be granted the right to do so under an agreement with the Authority to be approved by the President and CEO. The terms of the agreements will be either one year or co-terminus with an accompanying lease agreement (for example, a company with a ten-year ground or facility lease would be granted an Agreement to provide commercial aeronautical services with a term of ten years). Commercial aeronautical service providers will be required to pay a fee of one percent (1%) of gross sales per year, which may be adjusted at the sole discretion of the Authority as part of the annual Rates & Charges budgetary process. If approved, the Minimum Standards will become effective on April 1, 2024.

Bryan Elliott gave an overview of Airport Minimum Standards, explaining the basis and need for minimum threshold requirements for aeronautical service providers at RDU. He went over the Authority's historical process and documents with such service providers and, at a high level, explained the requirements set out in the draft standards. Mr. Elliott explained the timeline for the standards, and the various reviews conducted by staff, the FAA, and stakeholders. He summarized the feedback themes received from the airport community on these draft standards. Mr. Elliott went over how the fees for commercial operators may be set or amended annually by the Board during the rates and charges process.

James Witherspoon, Vice President of Risk Management, Safety and Insurance and his team were recognized for their extensive review of the insurance requirements for the standards. Staff answered questions regarding insurance requirements based on the types of businesses of the various service providers, with limits based on industry standards.

Chair Hankins thanked staff and consultants for their work during this process and for the quality of the final recommended standards. The Chair noted that standards are important to protect the Authority and airport against liability, as well as for protection of the users of the

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services, and that the process promotes competition while being fair and reasonable for qualified service providers.

Staff requests approval of the Minimum Standards for Commercial Aeronautical Activities and authorization for the President and CEO to execute Agreements with commercial aeronautical service providers following the process prescribed within the Minimum Standards.

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## RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES DECEMBER 21, 2023

Chair Hankins presided. Present: Hall-Roberts, Hannah, Morgan, Kushner, Polanco-Galdamez, and Szlosberg-Landis.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CHRO Armstrong, Vice President and CFO Kapocius; Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

### I. APPROVAL OF AGENDA

*Motion by Szlosberg-Landis for approval of the Agenda; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

### II. APPROVAL OF MINUTES

Secretary Szlosberg-Landis noted her review of the minutes of the regular meetings of the Board, the Board committees, and the consent actions of the Board, held on November 16, 2023, and asked if any edits were needed.

*Motion by Szlosberg-Landis for approval of these minutes; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

### III. CHAIR COMMENTS

1. Chair Hankins welcomed everyone.
2. Chair Hankins referred to October's Plane Pull hosted by the Authority, which raised more than \$115,000 benefiting Special Olympics of North Carolina (SONC). He recognized Keith Fishburne, President and CEO of SONC who thanked the Authority for hosting the past 24 annual Plane Pulls and introduced Kristine Hughes, Athlete Leadership Manager and Global Messenger. Ms. Hughes explained her role at SONC and how proceeds from events like the Plane Pull benefit the athletes and programs at SONC. On behalf of SONC, Ms. Hughes presented Chair Hankins with a plaque thanking the Authority and Board for their support of SONC.

<sup>1</sup> Kushner and Vice Chair Hall-Roberts participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/ownalePiTP4?feature=share>.

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3. New team members were introduced and welcomed. Gray Wilson, the new Assistant VP of Legal Affairs was introduced to the Board.
4. Chair Hankins commented on the Envision verification process. He noted that the Authority will seek Envision status for the Park Economy 3 expansion project and will post project updates and seek public comment as to sustainable elements of the project.
5. Chair Hankins briefly recapped airport achievements in 2023 including new airlines and routes, the groundbreaking for replacement of Runway 5L-23R, the implementation of the Authority's first Sustainability Management Plan, and the airport's continued top five large airport rating for passenger satisfaction by J.D. Power.
6. The successful food drives by the Authority in November and December, collecting a total of 817 pounds of food, were noted by Chair Hankins and he thanked Team RDU for their generosity and community support.

#### IV. OLD BUSINESS

1. Land and Development Committee – Szlosberg-Landis<sup>3</sup> reported Board members met during the Committee work session on December 21, 2023, and discussed the following:

- a. Replacement Runway 5L-23R Environmental Mitigation – Water Resources

*Request for authorization for the President and CEO to execute all agreements necessary for the purchase of environmental mitigation credits from private mitigation banks in the Neuse River watershed, and from the North Carolina Department of Mitigation services, in a total amount not to exceed \$12,600,000*

- b. Runway 5L-23R Replacement Program - Balfour Beatty GMP-01 - Utility Relocation Enabling Package

*Request for approval of GMP-01 with Balfour Beatty Construction in the amount of \$5,565,818 and authorization for the President and CEO to execute the Amendment*

- c. Parking Garages 1 and 2 Restoration Services – Design and Construction Administration Services

*Request for approval of Amendment 2 to Task Order 4 with Kimley-Horn in the amount of \$129,918.70 and authorization for the President and CEO to execute the Amendment.*

- d. Pavement Preservation of Runway 5L-23R, Taxiway B, and Taxiway J

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<sup>3</sup> Secretary Szlosberg-Landis acted in Thompson's absence as Committee Chair at Chair Hankins request

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*Request for approval of Amendment 1 to Task Order 4 with Jacobs Engineering Group Inc. in the amount of \$94,240.07 to provide Design through Bidding Services for Pavement Preservation of Runway 5L-23R, to include portions of Taxiway B and Taxiway J, and authorization for the President and CEO to execute the Amendment.*

*Motion by Szlosberg-Landis for approval of above items a. through d.; Second by Morgan*

**ADOPTED BY UNANIMOUS VOTE**

2. Operations Committee – Morgan reported Board members met during the Committee work session on December 21, 2023, and discussed the following:

a. Updates to Alternative Fuels Policy

*Request for approval of updates to the Alternative Fuels Policy to reflect changes with diesel engine technology, electric vehicles, and the introduction of the Sustainability Management Plan, since its adoption in 2005*

b. Approval of a Contract with Bond Water Technologies for HVAC Water Treatment

*Request for approval of a 5-year contract with Bond Water Technologies for HVAC Water Treatment in the amount of \$144,400 and authorization for the President and CEO to execute the contract*

c. Purchase of Three Replacement Fleet Vehicles (Hybrid)

*Request for approval to purchase two (2) Ford F-150 Hybrid Trucks and one (1) Ford Explorer Police Interceptor Utility Hybrid Vehicle in the amount of \$144,928.82 and authorization for the President and CEO to execute any necessary documents to complete the purchases*

*Motion by Morgan for approval of above items a. through c.; Second by Szlosberg-Landis*

**ADOPTED BY UNANIMOUS VOTE**

3. Law and Personnel Committee – Polanco-Galdamez reported Board members met during the Committee work session on December 21, 2023, and discussed the following:

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- a. Consideration of a Service Agreement with the Institute of Lifestyle and Weight Management for Authority's Wellness Program

*Motion by Polanco-Galdamez for approval of a three-year Service Agreement with the Institute of Lifestyle and Weight Management, Inc. with the authorization for the President and CEO to execute the agreement; Second by Hannah*

ADOPTED BY UNANIMOUS VOTE

4. Minority & Women Owned Small Business Program Committee – Hall-Roberts reported Board members met during the Committee work session on December 21, 2023, and discussed the following:

- a. Consideration of a Master Services Agreement and Task Order #01 with BCT Partners, LLC

*Motion by Morgan for approval of a Master Services Agreement with BCT Partners, LLC for a term of 3 years with two optional one-year extensions, and the approval of Task Order #01 in the amount of \$105,000, and authorization for the President and CEO to execute the agreement and task order; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

## V. NEW BUSINESS

### 1. Consent Agenda

- a. Consideration of a Master Services Agreement with Campbell-Hill Aviation Group, LLC for Air Service Consulting and for the associated Task Order 1

*Motion by Polanco-Galdamez to approve and adopt the Consent Agenda item; Second by Morgan*

ADOPTED BY UNANIMOUS VOTE

## VI. GENERAL COUNSEL'S REPORT

No items were reported.

## VII. MEMBER COMMENTS

New hires were welcomed, including the new K9 addition. Everyone was wished happy holidays and for a wonderful and prosperous New Year. Secretary Szlosberg-Landis expressed

## Raleigh-Durham Airport Authority Board Members

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appreciation for assistance to her during this first year serving on the Board; Chair Emeritus Hannah introduced his son, William, and noted that accessibility for services and programs at the airport was a passion for him and he appreciated the continued work to support the Special Olympics. Vice Chair Hall-Roberts asked for healing thoughts and well wishes for her mother's upcoming surgery. RDU personnel were thanked for their continued service, especially during the busy holiday travel season. Morgan expressed thanks to Chief Stanley for the recent meeting and exchange of information regarding the Firefighters' Relief Fund and the benefit that the fund provides. The busy holiday traffic was noted emphasizing the increased need for the future planned ground transportation center.

## VIII. PRESIDENT AND CEO'S REPORT

### Welcome

Good afternoon Board members, Team RDU, business partners, and guests who are joining us today.

### Air Service Report

Passenger traffic in November exceeded 2022 and 2019 levels, with 1,259,984 passengers flying through RDU during the month. That was a 17.8% increase over November of last year and a 5.7% increase over November of 2019, RDU's busiest year on record.

Delta Air Lines had the highest market share at RDU in November at 27.4 percent. American Airlines had 26.7 percent, and Southwest had 14.4 percent of the market.

### Federal Funding

I am pleased to announce that the Airport Authority will receive more than \$24 million in community grant funding from the FAA. Former congressman David Price secured the funding for airport projects before his retirement. Two grants totaling more than \$21 million will go toward our most significant capital project – the replacement of runway 5L-23R.

A third grant for \$3.4 million will be used to purchase four additional zero emission vehicles and charging infrastructure. On behalf of the Authority, I would like to extend my thanks to Congressman Price for securing this funding and for advocating for the airport throughout his career.

### Buttigieg Visit

I had the honor of speaking with U.S. Department of Transportation Secretary Pete Buttigieg when he flew into town earlier this month to announce and celebrate the federal government's investment to build passenger rail service between Raleigh and Richmond.

## Raleigh-Durham Airport Authority Board Members

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We had a brief conversation about the airport's most significant capital project, the replacement of primary runway 5L/23R, and the importance of RDU to the regional economy and national transportation network. I thanked Secretary Buttigieg for the administration's support of the Bipartisan Infrastructure Law and encouraged additional federal funding to help RDU pay for critical airport projects.

Next year we plan to invite the secretary to come back to RDU to view the runway construction and see firsthand the complexity of the project.

### Travel Tips

Next, let's talk about holiday travel. Passenger traffic is already picking up this month as airport guests fly through RDU to visit friends and relatives or welcome their loved ones to the Triangle. We are expecting a busy holiday season from this week through the first week of January, with the potential to break our 2019 record for annual passenger traffic. That makes it even more important for travelers to follow a few simple tips to make their journey more convenient:

- You can find valuable information on our home page at [rd�.com](http://rd�.com), including flight status and parking availability. We suggest you check both before you head to the airport. You can also check the status of your flight using your airline's mobile app.
- Travelers can book parking at [parkrd�.com](http://parkrd�.com) for guaranteed entry into the deck or lot of their choice. Reservations must be made at least 24 hours in advance.
- Airport guests have more parking options than any year since 2019. ParkRDU Express reopened in October, adding 1,000 more parking spaces on campus.
- The convenient trunk-to-terminal service offers airport guests assistance with their luggage and a direct shuttle to the terminals. The Express lot is located on International Drive near Park Economy 4.
- We recommend arriving two hours early for domestic flights and three hours in advance for international flights, so you'll have enough time to park, check in and go through security.
- If you're picking someone up from the airport, it is unsafe to idle on the side of the road while you wait for their arrival. Use our free Cell Phone Lot, located at 1000 Trade Drive near the rental car companies, which is minutes away from the terminals.
- You can wait there for a call or text letting you know your loved one has arrived. Be sure to give them 30 minutes after they touch down to pick up their bags and meet you on the curb.
- Arriving passengers at Terminal 2 can be picked up on the upper or lower level.

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### Year in Review

Finally, I'd like to look back at some of Team RDU's achievements over the past year. There are many of them, beginning with a record-setting year for air service. We brought Breeze Airways to RDU, welcomed Air France's inaugural service to Paris and made two announcements about new international destinations. Next year, Lufthansa will begin flights to Frankfurt, Germany and Aeromexico will start flying to Mexico City. Icelandair continued to invest in RDU by expanding from seasonal to year-round service.

RDU now serves nine international destinations – the most in the airport's history. We added a total of 25 new destinations in 2023, giving the Triangle region more choices about where to go and how to get there than ever before.

The Airport Authority made significant progress on capital projects found in our Vision 2040 master plan, including opening a new West Remain Overnight aircraft parking area to allow planes that arrive late at night and depart early the next day to park closer to Terminal 2.

We also held a groundbreaking ceremony for the replacement of our primary runway, the Authority's most important capital project. The replacement runway for 5L-23R will be the most important two miles of pavement in the Research Triangle region when it opens, connecting our region with the world and ensuring that we can keep recruiting new airlines and long-haul routes.

RDU made travel even more convenient when it began installing a parking guidance system throughout the deck to help guests find a space faster. The system will be installed on all levels of the deck in 2024.

None of this would be possible without the dedication of each member of Team RDU. I am proud of what we've accomplished together, and I am looking forward to another successful year in 2024.

### IX. ADJOURNMENT

*Motion by Szlosberg-Landis to adjourn; Second by Polanco-Galdamez*

ADOPTED BY UNANIMOUS VOTE

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## RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT DECEMBER 21, 2023

The Board approved the following item on the Consent Agenda:

a) Consideration of a Master Services Agreement with Campbell-Hill Aviation Group, LLC for Air Service Consulting and for the associated Task Order 1

Memorandum by David S. Freedman, SVP and Chief Revenue Officer – As the Raleigh-Durham Airport Authority (“Authority”) continues its strategic air service pursuits, including primarily long-haul domestic and international service, the continued utilization of air service expertise is an essential component to the process. The Authority’s air service consultant, Campbell-Hill Aviation Group, LLC (“Campbell-Hill”), is currently under a Master Services Agreement (“MSA”) through December 31, 2023. Staff requests approval of a MSA with Campbell-Hill authorizing continuance of their air service consulting services. This MSA will provide the Authority with important and uninterrupted air service expertise and support, during a critical, complex and evolving strategic period. The MSA for consideration is for an initial three (3) year term, with one, two-year (2) renewal option and the scope of work for the agreement term will be specified and described in subsequent task orders.

CH services are available through an agreement procured by the Oklahoma City Airport Trust. During the initial term of the MSA, CH’s hourly rates will be consistent with the rates in the agreement between CH and the Oklahoma City Airport Trust.

Task Order 1 would cover the remaining period of the current fiscal year, from January 1, 2024 through March 31, 2024. In general, the air service consulting services in Task Order 1 includes among other items: airline meetings and air service conference support, monthly consulting and support services, forecasting and providing continued air service incentive program support.

For the MSA under consideration, Campbell-Hill has a proposed commitment of 3% Minority-owned Businesses and 3% Women-owned Businesses. This has been reviewed by the Authority’s Small Business Program Office.

Board Action Requested

Staff recommends approval of a Master Services Agreement with Campbell-Hill Aviation Group for an initial three (3) year term, with one, two-year (2) renewal option as well as for the approval of Task Order 1 and authorization for the President and CEO to execute the Master Services Agreement and Task Order 1.

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## **RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES DECEMBER 21, 2023**

Szlosberg-Landis presided.<sup>1</sup> Present: Hall-Roberts, Hankins, Hannah, Kushner, Morgan, and Polanco-Galdamez.<sup>2</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CHRO Armstrong, Vice President and CFO Kapocius, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>3</sup>

The Committee discussed the following items:

### **1. Replacement Runway 5L-23R Environmental Mitigation – Water Resources**

Presented by William C. Sandifer, A.A.E., Executive Vice President and Chief Development Officer – On August 31, 2023 the Federal Aviation Administration issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) for the Runway 5L/23R Replacement Program at Raleigh-Durham International Airport. This FONSI/ROD documents anticipated environmental impacts and identifies mitigation requirements. Water resource impacts include construction related activities within wetlands, streams, non-stream surface waters and riparian buffers. All construction impacts must be approved by applicable state and federal agencies and permits issued before construction begins. Those permits will also specifically quantify the water resource impacts and required mitigation. The purpose of this Board action item is to discuss the water resources impacts, associated mitigation requirements and present a staff recommendation.

Federal and state requirements dictate that mitigation for the water resource impacts discussed above be accomplished first through the purchase of available credits from private mitigation banks in the Neuse River watershed. If insufficient mitigation credits are available from private mitigation banks, the Authority will be required to purchase the remaining mitigation credits from the North Carolina Department of Mitigation Services' (NCDMS) "in-lieu" fee program.

Bill Sandifer introduced Bob Zarzecki, of Soil & Environmental Consultants (S&EC), who discussed the Neuse River Watershed. Mr. Zarzecki explained the Section 404/401 Clean

<sup>1</sup> In the absence of Committee Chair Thompson, Secretary Szlosberg-Landis presided at Chair Hankins' request.

<sup>2</sup> Kushner and Vice Chair Hall-Roberts participated remotely via Teams. Chair Emeritus Hannah joined remotely at 11:40 a.m.

<sup>3</sup> The meeting was live streamed at <https://youtube.com/live/ownalePiTP4?feature=share>.

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Water Act impacts to streams, jurisdictional and non-jurisdictional wetlands, and Neuse River buffers as well as the required mitigation. Mr. Sandifer explained that as the project design evolved, some impacts to wetlands and streams were eliminated, and necessary clearing was reduced. Mr. Sandifer noted that all project efforts were consistent with the Authority's Sustainability Management Plan. Mr. Zarzecki briefly went over federal and state requirements regarding wetlands and streams and the prioritized list of banks and programs for compensatory mitigation. Mr. Sandifer detailed the estimated maximum mitigation costs.

Mr. Sandifer addressed questions regarding mitigation credits. Bob Zarzecki explained how private mitigation banks locate degraded wetland sites and through an approved process, restore and monitor those sites. Mr. Sandifer answered questions regarding unused credits that can be applied to future projects. There were additional questions regarding the timeline when wetland areas will be impacted and the requirement that clear-cut acreage be revegetated to mitigate run-off. Secretary Szlosberg-Landis referred to her years of service on NC Board of Transportation, and previous involvement with mitigation services. Mr. Sandifer and Mr. Zarzecki answered Szlosberg-Landis' questions about use of mitigation banks regulated by the State and that credits were not available in the Crabtree Watershed.

Staff requests authorization for the President & CEO to execute all agreements necessary for the purchase of environmental mitigation credits from private mitigation banks in the Neuse River watershed, and from the North Carolina Department of Mitigation services, in a total amount not to exceed \$12,600,000.

2. Runway 5L-23R Replacement Program - Balfour Beatty GMP-01 - Utility Relocation Enabling Package

Presented by Jim Novak, Director Airside Engineering – At its January 2022 meeting, the Board approved staff's recommendation to engage Balfour Beatty Construction (BBC) as Construction Manager at Risk (CMAR) for the Runway 5L-23R Replacement Program, and a Master Agreement was executed. The first construction package, "Utility Relocation Enabling GMP-01", was advertised by the CMAR on October 23, 2023. A pre-bid and DBE workshop was hosted by the CMAR on November 6, 2023.

The proposed amendment establishes the Contract Amount (Fixed Guaranteed Maximum Price), for the bid packages. Approval of the Contract authorizes construction phase services of the CMAR for the Utility Relocation Enabling GMP-01 package.

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| <b>Contract Component</b>                             | <b>Amount</b>      |
|-------------------------------------------------------|--------------------|
| Cost of the Work:                                     |                    |
| BP 02 (A-C) – Building Demolition (4)                 | \$106,930          |
| BP 26A – Fiber Optic Cable (from Old Parson Building) | \$124,466          |
| BP 31B – Clearing & Erosion Control (Phase 1A)        | \$824,185          |
| <u>SSFM Pipe Procurement</u>                          | <u>\$3,784,003</u> |
| Total Cost of Work                                    | \$4,839,584        |
| Contractor’s Contingency (5%)                         | \$241,979          |
| Contractor’s Construction Fee (3.5%)                  | \$185,901          |
| Misc: Insurances and Performance & Payment Bond       | \$68,459           |
| <u>Reimbursable General Conditions</u>                | <u>\$229,895</u>   |
| Construction Phase Amendment (GMP-01)                 | \$5,565,818        |

The overall Minority and Women-owned Small Business (MWSB) goals for the existing CMAR Agreement are 10% for Minority-owned Small Businesses (MB) and 10% for Women-owned Small Businesses (WB). The proposed amendment includes commitments of 0.4% for MB and 2.1% for WB. This percentage is detrimentally impacted by procurement of the SSFM pipe which is 78% of the Cost of the Work. The material will be ordered well in advance of construction from a large pipe vendor, the low bidder, since it is a long lead time item (6 months) and will ultimately be assigned to the low bidder in a future bid package. The Authority’s Small Business Program determined that the contractor made sufficient good faith efforts to achieve these goals.

Mr. Novak answered questions regarding cost of pipe and that the pipe would be transferred to the low bidder for use in installation. Thianè Carter addressed questions regarding minority and women-owned business goals.

Staff recommends approval of GMP-01 with Balfour Beatty Construction in the amount of \$5,565,818 and authorization for the President and CEO to execute the Amendment.

3. Parking Garages 1 and 2 Restoration Services – Design and Construction Administration Services

Presented by France Campbell, Director of Landside Engineering – Parking Garage 1 (PG1) and Parking Garage 2 (PG2) are currently planned to be replaced within the next five years. In the meantime, ongoing deterioration requires repair prior to demolition of these facilities. Kimley-Horn performed a condition assessment of both facilities and prepared a condition assessment memo dated August 11, 2023. This assessment identified recommended repairs

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to structural and waterproofing systems. The scope of services in this Amendment 2 are based on the recommended repairs outlined in the August 2023 report. Consideration will be provided for future replacement of both PG1 and PG2. As such, repair recommendations will recognize the near-future demolition of the existing facilities. Prioritized recommendations will take this into consideration.

This proposed Amendment 2 to Task Order 4 authorizes design services needed for the Parking Garages 1 and 2 Restoration Services. Services for the project include project management and coordination, preparation of repair construction documents, bid phase services, and construction phase services. Total compensation under this proposed Amendment is a not-to-exceed amount of \$129,918.70. Labor (\$128,617.50) will be billed at established hourly rates, and expenses (\$1,301.20) will be billed at direct cost. The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Small Businesses (MB) and 5% for Women-owned Small Businesses (WB). The proposed amendment includes commitments of 13.31% for MB and 0% WB. With this amendment, total commitments for the Task Order 4 will be 8.75% for MB and 0% for WB. The Authority's Director of Small Business Programs concurs with this commitment.

Staff requests approval of Amendment 2 to Task Order 4 with Kimley-Horn in the amount of \$129,918.70 and authorization for the President and CEO to execute the Amendment.

4. Pavement Preservation of Runway 5L-23R, Taxiway B, and Taxiway J

Presented by Ron Jewett, VP Facilities Asset Management – In September of 2023, the firm of Jacobs Engineering Group Inc. (Jacobs) was engaged under an on-call task order, in the amount of \$18,005.43, to conduct site investigation and document reviews to determine the extent and timing of the recommended next steps for pavement preservation on Runway 5L-23R. Upon the successful conclusion of said services, staff recommends authorization of design and bidding services for the next round of pavement repairs and slab replacements. The scope of work will include portions of Taxiway B and Taxiway J.

Proposed Amendment 1 authorizes design through bidding services necessary to replace or repair deteriorating concrete panels. The Consultant's work product will include design details, technical specifications, cost estimates, collaboration with the Construction Manager at Risk Contractor, construction phasing and safety plans, and bidding services. Total compensation under proposed Amendment 1 is a not-to-exceed amount of \$94,240.07. Labor (\$94,240.07) will be billed at established hourly rates, and expenses (\$0) will be billed

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at direct cost. With the addition of Amendment 1, the total value of Task Order 4 will be \$112,245.50.

The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Small Businesses (MB) and 5% for Women-owned Small Businesses (WB). The proposed amendment includes commitments of 0% for MB and 0% WB. With this amendment, total commitments under the Master Agreement including Task Order 4 will be 13% MB, 1.8% WB, and 26.3% DBE (for projects that involve FAA funding). The Authority's Director of Small Business programs concurs with this commitment.

Staff requests approval of Amendment 1 to Task Order 4 with Jacobs Engineering Group Inc. in the amount of \$94,240.07 to provide Design through Bidding Services for Pavement Preservation of Runway 5L-23R, to include portions of Taxiway B and Taxiway J, and authorization for the President and CEO to execute the Amendment.

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**RALEIGH- DURHAM AIRPORT AUTHORITY  
OPERATIONS COMMITTEE WORK SESSION MINUTES  
DECEMBER 21, 2023**

Morgan presided. Present: Hall-Roberts, Hankins, Hannah, Kushner, Polanco-Galdamez, and Szlosberg-Landis.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CHRO Armstrong, Vice President and CFO Kapocius, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following items:

**1. Updates to Alternative Fuels Policy**

Presented by John A. Connell, A.A.E., P.E., SVP and Chief Operating Officer – The purpose of this memorandum is to provide a staff recommendation to make updates to the 2005 RDU Alternative Fuels Policy.

Before discussing the Alternative Fuels Policy, Mr. Connell gave a brief update on the Authority's bus fleet comprised of twelve Gillig buses and four Proterra electric buses. He referred to Proterra's ongoing Chapter 11 bankruptcy and the potential impacts to the Authority for receiving parts to service current buses. He referred to the Authority's pending order for four buses, which are tied to grant funds, and the uncertainty of when the manufacturing lines will start again, pending court approval of the sale of Proterra's businesses. Mr. Connell explained the Authority's intent to issue a Request for Bids as a contingency measure to explore other options should the Proterra order not continue. Secretary Szlosberg-Landis noted Thomas Built buses in North Carolina as a potential supplier.

Mr. Connell explained the existing Alternative Fuels Policy was approved by the Board in 2005 and mandated the use of biodiesel in diesel powered buses and passenger vans. At the time, existing diesel engines in service at RDU did not have any type of emissions controls and the use of biodiesel was an appropriate strategy to reduce emissions.

Over subsequent years, EPA mandated the implementation of Ultra-Low-Sulfur-Diesel which paved the way for diesel engine manufacturers to incorporate more advanced emissions controls on newer diesel engines. EPA began phasing in Tier IV emissions standards in 2008 which

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<sup>1</sup> Chair Emeritus Hannah, Vice Chair Hall-Roberts, and Kushner participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/ownalePiTP4?feature=share>.

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significantly reduced NOx and PM emissions. Since 2008, RDU began replacing their buses with those with Tier IV engines and the current diesel bus fleet consists only of Tier IV diesel engines.

Although Tier IV engines are “approved” to run on biodiesel, in practice, this does create an increase in maintenance and reliability issues, specifically with the fuel system and advanced emissions controls. It is due to this reason, staff is requesting to utilize only ULSD to improve the operational reliability of the fleet. The use on ULSD versus biodiesel has a negligible difference in greenhouse gas (GHG) emissions in a Tier IV engine due to the additional emissions controls.

The existing Alternative Fuels Policy did not anticipate the introduction of battery electric technology in both the transit and passenger vehicle market when it was issued in 2005. In 2019, RDU was the first in the region to introduce fully battery electric transit buses into its fleet. Since that time RDU has also begun to introduce various hybrid and electric vehicles into its fleet, further contributing to emissions reductions.

Finally, the Alternative Fuels Policy was one of the first albeit limited efforts towards sustainability at RDU. In April 2023, RDU approved and began implementing its first Sustainability Management Plan (SMP). This is a comprehensive plan that not only much more comprehensively addresses emissions reduction but numerous other focus areas concerning sustainability at RDU.

Staff recommends updates to the Alternative Fuels Policy to reflect changes with diesel engine technology, electric vehicles, and the introduction of the SMP since its adoption in 2005.

## 2. Approval of a Contract with Bond Water Technologies for HVAC Water Treatment

Presented by Steven Yanni, C.M, Director of Contracts Facilities Maintenance – Staff is seeking Board approval of a five-year agreement with Bond Water Technologies (Bond) for HVAC Water Treatment Services. The proposed contract includes monitoring and maintaining all chemical feed equipment, controls, and chemical inventories. Utilizing this equipment will ensure that the water chemistry in the open and closed loop hydronic systems are optimal. Bond will provide services at Terminal 1, the Central Energy Plant, RDU Center, Maintenance Facility, Airport Operations Center and the NCDOT Aviation Facility. Provision of all chemicals and chemical feed equipment is also included along with laboratory and management reporting. Laboratory and management reporting includes monthly reports of water sample test results, water balancing and water usage.

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Competitive pricing for these services was solicited through the RDU website as a Request for Proposals, and responses were received from four (4) firms. Of the four proposals, Bond provided the lowest price and met all the requirements of responsiveness and responsibility. MWSB goals for the solicitation were: 7% MB and 4% WB; Bond proposed 0% MB and 0% WB. The Small Business Office has reviewed the good faith effort documentation; this documentation meets MWSB program requirements. The evaluation team unanimously recommends the Bond proposal as the best value for the Authority.

| Bidder Name                    | Total Score | Total Price  |
|--------------------------------|-------------|--------------|
| Barclay Water Management, Inc. | 293.75 pts. | \$183,304.67 |
| Bond Water Technologies        | 306.50 pts. | \$144,400.00 |
| CHEMSEARCH                     | 247 pts.    | \$155,300.00 |
| ChemTreat, Inc.                | 266 pts.    | \$174,829.00 |

The proposed contract will be for a term of five years beginning on January 1st, 2024. The contract amount for the five-year term will be \$144,400. The annual cost for Year 1 is \$27,800 with 0% escalation in Year 2. Years 3-5 have an annual average escalation of 2.9%. As a basis of comparison – the current contract was for a 3-year term with an annual cost of \$23,350.

Mr. Yanni noted that these chemicals were for HVAC water treatment only and not drinking water. Secretary Szlosberg-Landis suggested that when introducing chemicals that the information be provided to the Authority's Environmental Department.

Staff requests approval of a 5-year contract with Bond Water Technologies for HVAC Water Treatment in the amount of \$144,400 and authorization for the President and CEO to execute the contract.

### 3. Purchase of Three Replacement Fleet Vehicles (Hybrid)

Presented by Brian Mclean, OAM, Fleet Manager – Staff recommends approval to purchase two (2) Ford F-150 Hybrid Trucks for Operational Asset Management (OAM), and one (1) Ford Explorer Police Interceptor Utility Hybrid Vehicle for the Law Enforcement Department in the amount of \$144,928.82. These vehicles will be purchased through the North Carolina Statewide Term Contract 070A, Bid # 202100002.

The current vehicles have exceeded their useful life based on the scoring criteria from the RDU's Fleet Management Plan. Retired vehicles will be sent to the State Surplus auction and the proceeds will be returned to RDU.

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Mr. Mclean explained that due to the potential use of the vehicles for towing and snow removal, electric vehicles were not considered.

Staff requests Board approval to purchase two (2) Ford F-150 Hybrid Trucks and one (1) Ford Explorer Police Interceptor Utility Hybrid Vehicle in the amount of \$144,928.82 and authorization for the President and CEO to execute any necessary documents to complete the purchases.

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**RALEIGH- DURHAM AIRPORT AUTHORITY  
LAW AND PERSONNEL COMMITTEE WORK SESSION MINUTES  
DECEMBER 21, 2023**

Polanco-Galdamez presided. Present: Hall-Roberts, Hankins, Hannah, Kushner, Morgan, and Szlosberg-Landis.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CHRO Armstrong, Vice President and CFO Kapocius, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

The Committee discussed the following item:

**1. Consideration of a Service Agreement with the Institute of Lifestyle and Weight Management for Authority's Wellness Program**

Presented by Donald Armstrong, Vice President and Chief Human Resources Officer – The Authority has provided a Wellness Program (the Program) to its employees since 2009. The Program has various events and content related to total wellness. The Authority engages a contractor to assist with the design and implementation of the Program, including assistance with compliance with federal laws and regulations. The current provider's contract is ending, and the Authority engaged in a competitive Request for Proposals process. Four proposals were received, reviewed, and ranked by Authority staff. Those proposals were from (in ranked order): (1) the Institute of Lifestyle and Weight Management, Inc. (ILWM); (2) Kemp Creations; (3) US Wellness; and (4) Employee Network Inc. Staff determined that ILWM's proposal was the most responsive to the needs of the Authority.

ILWM is a health and wellness provider focusing on total wellness solutions based and is located in Raleigh. ILWM has a medical practice that provides consultation, access to gym equipment, trained professionals for onsite programming, and valuable data analytics. ILWM is the Authority's incumbent Wellness Program consultant.

The proposed agreement provides for services that include Strategic Planning, Cultural Support, Individual and Population-Based Behavior Change Programs, Engagement Support and Measurement & Evaluation. ILWM's fee for services for the first year is \$174,480, the second-year fee is \$182,549 and the third-year fee is \$194,717. All fees include the costs for

<sup>1</sup> Chair Emeritus Hannah, Vice Chair Hall-Roberts, and Kushner participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/ownalePiTP4?feature=share>.

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Virgin Pulse technology system to increase engagement and track participation in the wellness activities.

Staff requests approval of a three-year Service Agreement with the Institute of Lifestyle and Weight Management, Inc. with the authorization for the President and CEO to execute the agreement.

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**RALEIGH- DURHAM AIRPORT AUTHORITY  
MINORITY & WOMEN OWNED SMALL BUSINESS PROGRAM  
COMMITTEE WORK SESSION MINUTES  
DECEMBER 21, 2023**

Hall-Roberts presided. Present: Hankins, Hannah, Kushner, Morgan, Polanco-Galdamez and Szlosberg-Landis.<sup>1</sup> Staff present included: President and CEO Landguth, Executive Vice President and CDO Sandifer, Senior Vice President and CRO Freedman, Senior Vice President and COO Connell, Vice President and CHRO Armstrong, Vice President and CFO Kapocius, Vice President Feldman, SVP and General Counsel Locklear, Executive Assistant Rosales, and other staff members and guests.<sup>2</sup>

Committee Chair Hall-Roberts noted that task orders had been presented with seemingly little to no Minority and Women-owned Small Business (MWSB) participation. She explained that many projects have several task orders and at a particular phase in a project, there may not be a MWSB firm for the scope of work needed. Committee Chair Hall-Roberts commented that when the MWSB goals for a project's duration are reviewed, many will meet or exceed the MWSB goals. Thiané Carter, Director of Small Business Programs added that the Authority monitors MWSB goals and works with its contractors to meet MWSB goals. Ms. Carter explained the term "self-perform" and its meaning for MWSB goals and participation.

The Committee discussed the following item:

1. Consideration of a Master Services Agreement and Task Order #01 with BCT Partners, LLC  
Presented by Thiané Carter, Director of Small Business Programs – Staff is seeking approval of a Master Services Agreement (MSA) with BCT Partners, LLC (BCT) for Diversity, Equity and Inclusion (DEI) Consultant Services. In 2022, the Authority issued a Request for Proposals for DEI Consultant Services. After a comprehensive proposal review process with stakeholders from multiple departments, BCT was the selected vendor. As a result of its selection in the competitive process, the Authority engaged BCT to provide DEI training and coaching to the C-Suite members and Vice Presidents. Following up on that training, staff recommends an MSA with BCT to provide additional DEI services. The proposed MSA will be for a term of three years beginning January 2024, with an option for two one-year extensions.

BCT is a minority-owned small business and the Minority and Women-owned Small Business commitment is 100% Minority-owned Businesses and 0% Women-owned Business. This commitment has been reviewed by the Authority's Small Business Office.

<sup>1</sup> Chair Emeritus Hannah, Vice Chair Hall-Roberts, and Kushner participated remotely via Teams.

<sup>2</sup> The meeting was live streamed at <https://youtube.com/live/ownalePiTP4?feature=share>.

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The proposed first Task Order will expand the DEI training and education received by the C-Suite and Vice Presidents to include Directors and Managers. Total compensation under Task Order #01 is \$105,000.

Staff requests approval of a Master Services Agreement with BCT Partners, LLC for a term of 3 years with two optional one-year extensions, and the approval of Task Order #01 in the amount of \$105,000, and authorization for the President and CEO to execute the agreement and task order.

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