



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

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RALEIGH-DURHAM AIRPORT AUTHORITY COMMITTEE WORK SESSION MINUTES MAY 14, 2026

Chair Hall-Roberts presided. Present: Asante-Smith, Hankins, Ghosh, Kushner¹, Polanco-Galdamez, Szlosberg-Landis, and Winters². Staff present included: President and CEO Landguth, and General Counsel Locklear, and other staff members and guests³.

I. Finance Committee – Winters presided over the following item:

1. Consideration of Proposed FY26-27 Internal Audit Plan

Brandon L. Averette, Internal Audit Manager - The Internal Audit Department requests approval of the FY26-27 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 four (4) 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 advisory services designed to add value.

Board Action Requested

Staff requested approval of the FY26-27 Internal Audit Plan and authorization for the Internal Audit Department to proceed according to the Plan.

II. Construction Committee - Ghosh presided over the following items:

1. Consideration of Approval of RS&H Amendment 14 – Construction Administration Phase Services Runway 5L-23R & Taxiway B Replacement Program

France Campbell, Vice President, FAM - This proposed Amendment 14 authorizes RS&H to perform additional Construction Administration (CA) services in support of future Guaranteed Maximum Price Amendments which will be needed to reach completion and opening of the new Runway 5L-23R. CA services include participation in preconstruction meetings, weekly progress meetings, and conducting periodic site visits; review of submittals/shop drawings, requests for information (RFI's), change order requests, substitution of materials, contractor pay requests, and material acceptance test results; preparing punch lists at substantial and final

¹ Kushner was absent from the committee work session.

² Winters attended the committee work session virtually.

³ The meeting was live streamed on YouTube.

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Nana Asante-Smith

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Shelley Winters, **Treasurer**

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Yesenia Polanco-Galdamez, **Secretary**
Nil Ghosh

WAKE COUNTY
Ellis Hankins
David Kushner



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completion and record drawings; coordination with permit agencies; project management; and Envision oversight and coordination. Total compensation under this proposed Amendment 14 is a not-to-exceed amount of \$14,758,909. Labor (\$13,930,781) will be billed at established hourly rates, and expenses (\$828,128) will be billed at direct cost.

Board Action Requested

Staff recommends approval of Amendment 14 with the firm of RS&H in the amount of \$14,758,909 for Construction Administration Phase Services for Runway 5L-23R & Taxiway B Replacement Program.

2. Consideration of Approval of Guaranteed Maximum Price (GMP) Agreement-06 with Balfour Beatty Construction for the Runway 5L-23R & Taxiway B Replacement Program
France Campbell, Vice President, FAM – This construction package GMP 06 is for relocation of the existing roadways of Lumley Road, Mt. Herman Road, and Commerce Boulevard. Relocation of the roadway and adjacent utilities is required to comply with applicable FAA Runway Protection Zone requirements. Utilities requiring relocation include City of Raleigh water and sewer mains, Duke Energy power lines, AT&T lines and equipment, Enbridge natural gas main lines, City of Raleigh traffic signal fiber lines, and various other utilities owned by privately held communication companies. The proposed construction package establishes the Contract Amount (Fixed Guaranteed Maximum Price) for the bid package, as described below:

Contract Component	Amount
Total Cost of Work	\$40,859,293
CMAR Contingency (5%)	\$1,990,465
CMAR Reimbursable General Conditions	\$4,472,910
CMAR Construction Fee (3.5%)	\$1,656,293
<u>Insurance, Performance & Payment Bond</u>	<u>\$609,943</u>
Total Construction Phase Amendment (GMP 06)	\$49,588,904

The overall Small Business (SB) goal for GMP-06 is 12%. After receiving bids for this work, the CMAR's proposed overall SB commitment for GMP 06 is 4.5%. The Authority's Small Business Program Office has reviewed the commitment and determined that the good faith effort is acceptable.

Board Action Requested

Staff recommends approval of Construction Contract GMP-06 with Balfour Beatty Construction in the amount of \$49,588,904 for the Runway 5L-23R & Taxiway B Replacement Program.

3. Consideration of Approval of GMP 07 with Balfour Beatty Construction for the Runway 5L-23R & Taxiway B Replacement Program – Project 080879

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France Campbell, Vice President, FAM – 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. This construction package GMP 07 adds a subsequent phase of site work – final grading and drainage – for construction of the replacement Runway 5L-23R. The proposed construction package establishes the Contract Amount (Fixed Guaranteed Maximum Price) for the bid package as follows:

Contract Component	Amount
<u>Bid Package 31B, 32E & QC – Site Work/Drainage, Fencing & Quality Control</u>	
Total Cost of Work	\$320,302,689
CMAR Contingency (2.5%)	\$7,382,315
CMAR Reimbursable General Conditions	\$17,147,450
CMAR Construction Fee (3.5%)	\$12,069,136
<u>Insurance and Performance & Payment Bond</u>	<u>\$4,444,558</u>
Construction Phase Amendment (GMP-07)	\$361,346,148

The overall Small Business (SB) goal for GMP-07 is 12%. After receiving bids for this work, the CMAR’s proposed overall SB commitment for GMP 07 is 3.3%. The Authority’s Small Business Program Office has reviewed the commitment and determined that the good faith effort is acceptable.

Board Action Requested

Staff recommends approval of Construction Contract GMP 07 with Balfour Beatty Construction in the amount of \$361,346,148 for the Runway 5L-23R & Taxiway B Replacement Program.

III. **Law & Personnel Committee** – Polanco-Galdamez presided over the following item:

1. **Consideration of Revised Employee Incentive Payment Policy for FY26/27**

Yovannie Rodriguez, Senior Vice President and Chief Strategy Officer - Staff recommends approval of the revised Employee Incentive Payment (EIP) Policy, 3030-9.0, effective for the Authority’s FY26/27. The original Policy, adopted July 22, 2025, established the framework to recognize and reward Authority employees for contributions toward achieving certain key strategic metrics. As stated in section 5.4 of the Policy, any modification to the Policy must be approved by the Board, which is the purpose of this item.

This annual revision maintains the existing structure, definitions, responsibilities, and payout mechanics of the original Policy, without introducing material changes. The sole substantive update is to Attachment B, replacing the FY25/26 organizational metrics with a refreshed set of ten metrics tailored to FY26/27 strategic priorities.

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The updated metrics ensure continued alignment between employee incentives and Board-approved goals, enabling performance-based payouts if metrics are achieved based on the thresholds defined in the Policy.

Board Action Requested

Staff requests approval of the revised (version 2) Employee Incentive Payment Policy, 3030-9.0.

IV. Operations Committee – Asante-Smith presided over the following item:

1. Closed Session to discuss airport matters pursuant to NCGS § 143-318.11(a)(4) and 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)

Motion by Asante-Smith to enter into a closed session to discuss airport matters pursuant to NCGS § 143-318.11(a)(4) and 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 Hankins

ADOPTED BY UNANIMOUS VOTE

Motion by Hankins to adjourn; Second by Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

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