



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

RALEIGH-DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES JANUARY 14, 2022 at 8:00 a.m.

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

The Authority's General Counsel, Erin Locklear, conducted a roll call of attending members, noted that the meeting was being held remotely in accordance with statutory standards and TSA directives, the purpose for the special meeting, and that the live stream was operating for public viewing.

Chair Hannah welcomed everyone to the special meeting to continue focus on strategic planning for the airport including revision of the Strategic Plan. Chair Hannah turned the meeting over to Stephen D. Van Beek, Ph.D., Director and Head of North American Aviation for Steer to lead the discussion.

Dr. Van Beek began the discussion by highlighting feedback from the previous meeting and recapping the aviation and airport strengths, weaknesses, opportunities, and threats (SWOT) analysis. He noted federal aid opportunities for airports like RDU for future capital needs and the global competitive position of U.S. airports once reconnection with international markets is established. Dr. Van Beek gave details as to variance in increasing passenger traffic while less revenue is being generated from ticket purchases. He outlined how the airport and Airway Trust Fund has been impacted and its inability to now support the industry.

With discussion from Board members, Dr. Van Beek compared the European airports to U.S. airports, noting the varying challenges and areas of revenue generation, noting that during extreme downturns such as the pandemic, U.S. airports benefited from being public versus privatized like many European airports.

Dr. Van Beek focused on the Authority's vision, mission and core values, as well as the Strategic Plan. He overviewed the definition of the goals and the reasons for having these goals and objectives and that questions and feedback gathered from Board members had been considered. Dr. Van Beek discussed the goal labeled as Talent and Organization, and the objectives to focus efforts on this goal. Dr. Van Beek referred to the tight labor markets, difficulties in staff recruitment and retention, with input from Michael Landguth as to the different employment environment facing the Authority as long-time staff members retire, and younger employees typically not making life careers at one place of employment. Mr. Landguth mentioned the concept of over-staffing in some departments to offset constant staffing

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via WebEx with simultaneous communication and roll call votes were taken.

² The meeting was live streamed at <https://youtu.be/EHTcyp-W1sE>.

Raleigh-Durham Airport Authority Board Members

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David Morgan

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shortages. There was Board discussion regarding mentor programs to facilitate the transfer of job knowledge and expertise. There was further discussion regarding being cognizant of the demographic change in America's workforce pool which now encompasses people from all ethnic backgrounds and being proactive in attracting a diverse workforce.

For the Customer Experience goal and its objective, Board members noted the importance of highlighting the local flavor and experience of the Triangle region through the foods and vendors offered at the airport. There was discussion regarding unfavorable experiences at various airports, such as when tips are requested or items are offered for sale by groups in the terminal. There was a suggestion regarding an extension of the cover at Terminal 2 to provide pedestrians protection from the outdoor elements. The utilization of a QR code as a less intrusive option for passengers to send issues, comments or other experience feedback was noted.

The Finance goal, toward an objective of funding the airport's future responsibly, was discussed. Michael Landguth gave brief details on the new ghost kitchen concept and how it could be a lower cost model to generate income as well as deliver the services and amenities desired by passengers. Dr. Van Beek explained different scenarios in downturns in aviation cycles and how an airport should be resilient and able to recover financially, except in extreme situations, where governmental sovereign action is executed. He noted the importance of elasticity in airport funding, and being innovative as to available revenue sources. At Chair Hannah's request, Michael Landguth gave details as to historical funding made available to RDU and how federal and state funding opportunities have increased. He referred to the RTA Task Force's report to the Board in 2021 which noted the need for increased support and funds from the community to support the airport. There was discussion on the Authority's bonding capacity and potential taxing authority, with Dr. Van Beek noting that general obligation bonds are a model used by other airports.

Dr. Van Beek remarked that airline traffic for passengers and cargo drives value to the community. There was Board discussion on the positive and impactful economic impact of RDU to the region's economy as brought out in the Impact Study. Mr. Landguth was commended on sharing this information when he speaks at engagements throughout the region. It was mentioned that Board members could consider sharing this information regarding the airport's economic impact with civil organizations and other community efforts they may be involved with or invited to.

Dr. Van Beek discussed the Infrastructure goal and its objectives noting the leadership team had given input as to the need for it to be dynamic for operational responses such as changes in types of aircraft utilizing the airport, changes by and to air carriers and other demands. Bill Sandifer spoke on the sustainability management plan in progress and future commitments related to such plan which will come before the Board for review, as well as for direction to staff for implementation. There was discussion about how innovative technological ideas and processes could be included in this Infrastructure goal.

Dr. Van Beek detailed performance measures and their purposes, and how such measures enable tracking toward goals. Michael Landguth mentioned the Authority's review process, which tracks progress of staff's individual goals, all of which roll-up and align to carry out the Authority's vision,

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mission and core values as well as the goals of the Strategic Plan. Dr. Van Beek further discussed how performance measures will be used and the key requirements.

Dr. Van Beek thanked the Board members for participation and feedback, noting that comments from today's meeting would be documented and circulated to the Authority's leadership team and then to Board members. Chair Hannah commented that this strategic planning discussion was the first meeting in the New Year and he thanked fellow Board members for their time, comments and participation.

Motion by Hankins to adjourn; Second by Polanco³

ADOPTED BY UNANIMOUS VOTE

³ Meeting adjourned at 9:47 a.m.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES JANUARY 20, 2022¹

Chair Hannah presided. Present: Hall, Hankins, Morgan, Polanco-Galdamez, and Thompson.² Staff present included: President and CEO Landguth, Executive Vice President and COO Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, General Counsel Locklear, and other staff members and guests.³

The Authority's General Counsel, Erin Locklear, conducted a roll call of attending members, noted that the meeting was being held remotely in accordance with statutory standards and TSA directives, and that the live stream was operating for public viewing.

I. APPROVAL OF AGENDA

Motion by Hall to approve the agenda; Second by Hankins

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Hall to approve the minutes of the regular meetings of the Board and the Board committees, and the consent actions of the Board, held on December 16, 2021 and of the special meeting of the Board held on January 14, 2022; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone to the first regular meeting in the New Year, thanking everyone for accommodating the early start time and noting the meetings would resume regular schedule in February.
2. Chair Hannah recognized and congratulated John Connell on his promotion to Senior Vice President of Operations and Asset Management.
3. Chair Hannah discussed the national labor shortage and its impact on the Authority, as well as on the airport's concessionaires and business partners. He mentioned the job opportunities available with the Authority which can be viewed at www.rdu.com/careers.
4. Chair Hannah detailed the new TransLoc technology at RDU which is a bus tracking system that allows waiting guests and employees via a downloaded app to view current shuttle bus locations and estimated arrival times.

¹ Board meeting started at 9:00 a.m.

² Due to coronavirus precautionary measures and governmental directives, board members attended via WebEx with simultaneous communication and roll call votes were taken.

³ The meeting was live streamed at <https://youtu.be/zxkARqIODc0>.

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IV. OLD BUSINESS

1. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on January 20, 2022 and discussed the following item:

- a. Staff Augmentation Presentation

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

2. Operations Committee Report – Morgan reported Board members met during the Committee work session on January 20, 2022 and discussed the following item:

- a. Consideration for the replacement of Motorola Radio Consoles

Motion by Morgan for approval of the purchase under the North Carolina statewide contract of three MCC7500E console operator positions, three desktop microphones, three foot pedal switches, desktop speakers for each console, other key radio system equipment, and comprehensive training for all telecommunicators in the amount of \$477,707.81 and authorization for the President and CEO to execute the agreement; Second by Hankins.

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

No items were reported.

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

The public was encouraged to look at the career and business opportunities available at the airport, particularly the trainings and job options available to MWSB entities. John Connell was congratulated on his promotion. Members Thompson and Saidi were recognized for their reappointments to the Board. The two year anniversary of the announcement that COVID could be spread from person-to-person was noted as well as the worldwide changes as we move forward to post-COVID recovery. The labor shortage struggles and weather event impacts were mentioned and staff was commended for their continued efforts at the airport. Appreciation was expressed for the preparation and presentment of the staffing presentation and the importance of being flexible in addressing the ongoing staffing challenges in view of upcoming capital projects, as well as adaptable to the changing environment for passenger experience at the airport.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

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Activity Report

More than 943,000 passengers flew through RDU in the month of December. That was a 146% increase over 2020 and a 26% decrease from 2019. RDU served 8,795,128 passengers in 2021 – an 80% increase over 2020. Overall, RDU ended 2021 with passenger traffic at about 73% of 2019 levels, nearly 10% behind the national recovery rate of 82%.

RDU's market share was about 50/50 business versus leisure prior to the pandemic and corporate travel continues to lag the recovery of leisure travel. Our forecasts indicate passenger traffic will recover to 2019 levels by 2026. Moving into January, which is typically our slowest month, we expect traffic to decline sharply, particularly with the lingering impacts of the omicron variant on air travel.

Federal Funding

We have good news to share from the federal government. RDU will receive \$73 million over the next five years from the federal Infrastructure Investment and Jobs Act. All of that funding will be used to help pay for RDU's most significant capital project – the replacement of runway 5L/23R. The runway replacement is expected to cost nearly \$400 million and even with the federal funding, the Authority still has a shortfall in paying for it. We will continue to seek additional funding mechanisms for the project to avoid maxing out the Authority's bonding capacity.

IX. ADJOURNMENT

Chair Hannah noted he looked forward to working with all members toward what is best for the airport and the region it supports.

Motion by Morgan to adjourn; Second by Hall

ADOPTED BY UNANIMOUS VOTE

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES JANUARY 20, 2022¹

Thompson presided. Present: Hall, Hankins, Hannah, Morgan, and Polanco-Galdamez.² Staff present included: President and CEO Landguth, Executive Vice President and COO Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, General Counsel Locklear, and other staff members and guests.³

The Committee discussed the following item:

1. Staff Augmentation Presentation

Presented by Kenny Perry, CM, Director, Project Management Office– At the beginning of 2020 the Authority had just completed a record year for passengers traveling through RDU, with projections for continued growth well into the future. To accommodate that continued growth and strive to maintain a world class airport experience, staff was diligently advancing various components of Vision 2040, many of which were ahead of schedule due to rapid growth in passenger numbers. Supporting staff in this important endeavor were a myriad of outside consultants retained by the Authority, including what came to be known as the “Program Team.” The “Program Team” was made up of consultants that played unique Program, Project, Design and Construction Management roles in support of the Authority.

As the effects of the COVID-19 pandemic began to emerge, many Vision 2040 initiatives were placed on hold and the “Program Team” dramatically downsized. As passengers began to return in late 2020 and into early 2021, staff began to methodically re-assess project needs and staffing requirements leading to the development of a new plan for the “Program Team” once Vision 2040 returns to the forefront.

The purpose of this presentation is to share with the Board the findings and conclusions of staff’s assessment and receive feedback on staff’s direction for the return of a “Program Team” in support of the implementation of Vision 2040.

This presentation is for informative purposes only. No Board action requested at this time.

¹ Committee work sessions began at 8:00 a.m.

² Due to coronavirus precautionary measures and governmental directives, board members attended via WebEx with simultaneous communication.

³ The meeting was live streamed at <https://youtu.be/zxkARqIODc0>.

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES JANUARY 20, 2022

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

The Committee discussed the following item:³

1. Consideration for the Replacement of Motorola Radio Consoles

Presented by Don Atkinson, Interim Director of Operations – Staff is seeking approval to purchase three MCC7500E console operator positions, three desktop microphones, three foot pedal switches, desktop speakers for each console, other key radio system equipment, and comprehensive training for all telecommunicators. The current radio consoles were installed in 2012. Although these radio consoles are still functional, should they fail there would not be any opportunities for repair due to parts no longer being made and supported by Motorola. Such equipment failure could create serious life safety issues to the Authority's Law Enforcement, Fire Department, Airport Operations and off airport mutual aid responders.

The replacement of the consoles with Motorola MCC7500E will provide redundancy and overall better system coverage with the Wake County / Statewide Viper System. Additionally, replacing these consoles allows the Authority's Communication Center the ability to override radio transmissions, and observe radio identification (who's physically communicating on the radio) in the event of an emergency situation particularly when it comes to the safety and security of Law Enforcement and Aircraft Rescue and Firefighting (ARFF) personnel. Clear and concise radio communications is vital to the Authority's Law Enforcement, ARFF, Airport Operations and mutual aid first responders during emergency response circumstances where time is of the essence in providing lifesaving efforts and protection of Airport property and resources.

Competitive pricing for this purchase is in accordance with the NC statewide Contract 725G – Radios (Two-Way) Communications Equipment, which permits the Authority to piggyback off the state's contract to replace the radio consoles in the Authority's Communication Center. The expiration of the State's contract is June 30, 2022.

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via WebEx with simultaneous communication.

² The meeting was live streamed at <https://youtu.be/zxkARqIODc0>.

³ Consideration of Amendment 12 with SITA was removed.

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Staff requests approval of the purchase under the North Carolina statewide contract of three MCC7500E console operator positions, three desktop microphones, three foot pedal switches, desktop speakers for each console, other key radio system equipment, and comprehensive training for all telecommunicators in the amount of \$477,707.81 and authorization for the President and CEO to execute the agreement.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD EMERGENCY MEETING MINUTES JANUARY 25, 2022 at 5:00 p.m.

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

The Authority's General Counsel, Erin Locklear, conducted a roll call of attending members, noted that the meeting was being held remotely in accordance with statutory standards and TSA directives, the purpose for the emergency meeting, and that the live stream was operating for public viewing.

Chair Hannah welcomed everyone to the emergency meeting called due to generally unexpected circumstances that required immediate consideration by the Authority Board regarding replenishing necessary snow and ice control materials used to maintain safe operations at RDU.

The Board discussed the following matter:

- 1) Authorization to purchase snow and ice control materials from Cryotech Deicing Technology
Presented by Bill Sandifer, Executive Vice President and Chief Operating Officer – Since Winter Storm Izzy and Jasper have severally depleted snow and ice control materials used by the Authority to maintain safe operations, staff is recommending an emergency procurement of the following items:
 1. 44 Super Sacks of NAAC (\$2,052 EA) – total amount \$90,288
 2. 6 Pallets 55lb. bags NAAC (\$2,102 EA) – total amount \$12,612
 3. 22,000 Gallons E36 (\$4.55 per Gal) – total amount \$100,100
 4. Shipping (5 E36 Trucks and 3 Super Sack/ NAAC Trucks) – total amount \$38,770

Total \$241,770

Motion by Thompson for approval of the purchase of the above referenced snow and ice control materials from Cryotech Deicing Technology in the amount of \$241,770, and authorization for the President and CEO to sign any relevant document to complete the purchase; Second by Hankins

ADOPTED BY UNANIMOUS VOTE

There was discussion about the delivery timeline of ordered materials and contingency plans. Bill Sandifer explained the uniqueness of materials utilized by the airport versus typical snow and ice materials used on roadways. Board members mentioned the need to consider and discuss in the future

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via WebEx with simultaneous communication and roll call votes were taken.

² The meeting was live streamed at <https://youtu.be/Ey7tPCfCaGQ>.

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a change in policy regarding the Chief Executive Officer's contract execution authority. Chair Hannah thanked his colleagues for arranging their schedules to attend this emergency meeting.

Motion by Thompson to adjourn; Second by Hankins³

ADOPTED BY UNANIMOUS VOTE

³ Meeting adjourned at 5:17 p.m.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES FEBRUARY 17, 2022

Chair Hannah presided. Present: Hall, Hankins, Morgan¹, Polanco-Galdamez, Saidi and Thompson.² Staff present included: President and CEO Landguth, Executive Vice President and COO Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, General Counsel Locklear, and other staff members and guests.³

The Authority's General Counsel, Erin Locklear, conducted a roll call of attending members, noted that the meeting was being held remotely in accordance with statutory standards and TSA directives, and that the live stream was operating for public viewing.

I. APPROVAL OF AGENDA

Motion by Saidi to approve the agenda; Second by Hankins

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Thompson to approve the minutes of the regular meetings of the Board and the Board committees, held on January 20, 2021 and of the emergency meeting of the Board held on January 25, 2022; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone and in honor of Black History Month he highlighted the following individuals with ties to RDU and the community:
 - a. Captain Warren Wheeler, a Durham native was the first Black pilot for Piedmont Airlines. Captain Wheeler established Wheeler Airlines in 1969 which provided passenger services to several destinations in North Carolina and along the eastern seaboard.
 - b. The late Durham architect Phil Freelon was instrumental in the architectural development of RDU's Terminal 2, central parking deck and the former Terminal C. Freelon's legacy is known around the world including facilities such as the National Museum of African American History and Culture in Washington, D.C., the Harvey B. Gantt Center for African-American Arts + Culture in Charlotte and the Durham Bulls Athletic Park.

¹ Board member Morgan ended participation in meeting after voting on New Business items at 2:34 p.m.

² Due to coronavirus precautionary measures and governmental directives, board members attended via Teams with simultaneous communication and roll call votes were taken.

³ The meeting was live streamed at <https://youtu.be/F9Hdq6vIH8M>.

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- c. LeRoy Walker, Jr., the late former president of the Heart of Carolina Chapter of the Tuskegee Airmen inspired scores of children to pursue aviation careers.
2. Chair Hannah thanked staff for their hard work during the three back-to-back snow events in January, noting that Team RDU stepped up as always to keep the airport campus safe.
3. Chair Hannah described the touchless technology being deployed at the airport to help monitor restroom cleanliness. Passenger counters have been installed to track peak times and high usage locations to focus janitorial resources. Also, guests can use their phones to scan QR codes to give instant feedback on restroom cleanliness.

IV. OLD BUSINESS⁴

1. Law and Personnel Committee Report – Polanco-Galdamez reported Board members met during the Committee work session on February 17, 2022 and discussed the following items:

- a. Consideration of Approval of Wireless GPS Metering System by Taxicab

Motion by Polanco-Galdamez for approval of the use of a wireless, GPS-based metering system by Taxicabs serving the airport; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

- b. Consideration of Modification of the President and CEO's Signature Authority

Presentation to Board in committee work session for informative purposes for the Board's discussion and continuing consideration of possible change to Ordinance Chapter 6 regarding the President and CEO's signature authority. No Board action requested at this time.

- c. Presentation regarding Local Preferences

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

2. Minority and Women Owned Small Business Program Committee Report – Hall reported Board members met during the Committee work session on February 17, 2022 and discussed the following item:

- a. Presentation regarding Authority's Small Business Program Office

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

3. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on February 17, 2022 and discussed the following item:

⁴ Due to time constraints, there was no Finance Committee work session. Therefore, no Finance Committee report was given.

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a. Consideration of Consultant Selection for Project Management and Special Assignment Services

For approval to enter into Master Services Agreements with AECOM, Jacobs, STV and WSP, for five-year durations, with the first year at a cost not-to-exceed \$1 million per firm and authorization for the President and CEO to execute the MSAs;

b. Consideration of Consultant Selection for a Project Controls Maturity Assessment

For approval of the selection of STV to conduct a Project Controls Maturity Assessment and authorization for staff to initiate contract negotiations;⁵

c. Consideration of Fifth Amendment to the Parsons Transportation Group Master Agreement

For approval of the Fifth Amendment to the Parsons' Master Agreement, in the amount of \$4,706,250 for FY 22/23 services and authorization for the President and CEO to execute this Fifth Amendment;

Motion by Thompson for approval of above items a. through c.; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda

- a. Consideration of a Reimbursable Agreement with the Federal Aviation Administration for Services Necessary for the Replacement of Runway 5L-23R
- b. Consideration of a Construction Contract for International Drive Rehabilitation
- c. Consideration of Selection of On-Call Planning and Environmental Services Consultants
- d. Consideration of Operating Agreement and Facilities Lease with United Parcel Service
- e. Consideration of a Multi-Year Contract with Cornerstone OnDemand
- f. Consideration of Selection of CI Azumano Business Travel to Provide Travel Management Services
- g. Consideration of Extension of Rent Relief to Terminal Concession Tenants
- h. Consideration of Amendment Eight with BrightView for Snow Removal Services

Motion by Thompson to approve and adopt Consent Agenda items a.–h.; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

⁵ Staff will bring a contract to the Board at future date if the cost of work based on the negotiated scope exceeds CEO authorization amounts.

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VI. GENERAL COUNSEL'S REPORT

Erin Locklear mentioned the upcoming special Board meeting on March 10th beginning at 1:00 p.m. for the budget work session, which meeting will include the virtual Public Hearing on the proposed budget. She shared that the required publication date regarding the budget would be February 25th and pursuant to the statute, written comments can be submitted up to 24 hours prior to the hearing, which would be March 9 at 1:00 p.m. Ms. Locklear detailed that published and electronic notices would include information regarding links for public access to submit comments electronically and information for submitting comments by mail.

VII. MEMBER COMMENTS

Board members commented on the important items considered in the meeting and the upcoming growth and expansion of RDU. Staff and leadership were thanked for their preparation for the meeting and informative presentations. Chair Hannah was thanked for sharing the interesting Black history perspectives.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service

In a signal of the ongoing rebound in air travel, passenger traffic increased by 112% last month compared to January 2021 – even during what is typically the slowest month of the year. More than 637,000 passengers flew through the airport last month. Passenger traffic today is at 64% of 2019 levels. Nationally, traffic is at 70% compared to 2019.

Business travel continues to lag the rebound in leisure travel. Travel agencies report corporate bookings are at 53% of 2019 levels. We announced last month that 8.8 million guests flew through RDU in calendar year 2021. For the current fiscal year ending March 31st, we are projecting enplanements to be 4.9 million – down 30% from fiscal year 2019 – 2020. We are forecasting six million enplanements next fiscal year, which starts April 1st.

Airline Announcements

Southwest Airlines has revised its schedule out of RDU for April. They will reduce Sunday through Friday departures from 20 to 17 and Saturday departures from 18 to 14. Nationally, Southwest is reducing its schedule by 9%. The airline attributes the cuts to continuing crew restrictions and hopes to resume a full schedule soon.

American Airlines also delayed the relaunch of its nonstop transatlantic route to London from April to June. Air Canada plans to bring back its flight to Montréal in June. The airline already restored regular service to Toronto. With that announcement, we continue to be optimistic about

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international demand picking up as omicron cases decline and the traditionally busy summer travel season draws near.

Finally, Frontier Airlines is expanding its operations at RDU by bringing back several nonstop flights in late April, including Albany, Buffalo, Cleveland, Hartford and Portland, Maine.

Runway Replacement

The Authority has awarded Balfour Beatty the contract to deliver the Runway 5L/23R Replacement Program. As part of RDU's Vision 2040 master plan, the approximately \$400 million runway replacement is the airport's most significant capital project. Balfour Beatty will serve as construction manager at-risk and provide preconstruction and construction services. The project involves building a new runway parallel to the existing one and demolishing and replacing the existing runway with a new taxiway. The program also will include the relocation of a portion of Lumley Road to accommodate the new runway location.

The approximately five-year construction project will begin once the Authority completes the Environmental Assessment process that is currently in progress with the FAA. The project will employ more than 20 Balfour Beatty team members and more than 1,000 subcontractor employees over the course of the replacement program. RDU has set goals to ensure minority and women-owned businesses get an opportunity to participate in the construction of the new runway.

Virtual Kitchen Concepts

Finally, I'm excited to share some news as we look ahead to the busy summer travel season. I'm pleased to announce the nine new dining options, including three local concepts, that will be offered at our new virtual food hall in Terminal 2. It is expected to open in late spring, featuring the brands 800 Degrees, Pei Wei, Zinburger, Rebel Wings, Rolls by Krispy Rice, Xochimex Cantina, American Melt, Beyu and Hubb-Grove.

The virtual food hall, sometimes referred to as a "ghost kitchen," is a new concept to RDU that will provide a wide array of food options by combining menu items from multiple brands in one operation. Guests will enjoy a digital, contactless food order and payment experience that is aligned with current consumer trends toward touchless service. Orders will be ready for pick-up in temperature-controlled lockers. We are excited to offer this new dining experience to RDU travelers very soon.

IX. CLOSED SESSION

Motion by Polanco 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

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Closed session convened from 2:37 p.m. until 2:47 p.m.

X. ADJOURNMENT

Motion by Hankins to adjourn; Second by Saidi

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RALEIGH- DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT FEBRUARY 17, 2022

The Board approved the following items on the Consent Agenda:

a) Consideration of a Reimbursable Agreement with the Federal Aviation Administration for Services Necessary for the Replacement of Runway 5L-23R

Memorandum by Ronald Jewett, Vice President Facilities Asset Management – The purpose of this item is to provide a staff recommendation on a proposed Agreement with the Federal Aviation Administration (FAA). In the Runway 5L-23R replacement program, the existing 10,000 ft. runway will be replaced with a new runway of comparable length. The new runway will be approximately 535 feet west of the existing runway. The FAA owns and maintains the runway's Navigational Aids (NAVAIDs) and must be reimbursed for the costs it incurs in the project.

The Agreement authorizes the FAA's personnel to initiate engagement with Authority staff and the design engineer for matters relating to the NAVAIDs that will be affected in the construction of the existing and future runways, and to determine the most expedient and most cost-effective actions to support construction, with special emphasis on ongoing airport operations.

The FAA's services included in this Agreement include the following:

- The provision of drawings that illustrate existing equipment and conditions;
- Consultative services that include preliminary engineering, equipment siting, scheduling, and participation in coordination meetings;
- Cost estimates for alternatives and implementation.

These functions are preliminary actions to support the early phase of NAVAIDs design. Amendments to this Agreement are anticipated as the full requirements of design and construction develop.

The cost to the Authority is a maximum of \$47,019.48. The FAA requires payment upfront with expenses reported quarterly to the Authority as work progresses. The cost of the Agreement is covered in Capital Project 080879, and the term of the Agreement is up to 36 months, beginning upon Agreement execution.

It should be noted that this action is a repeat of Board approval of the same Agreement in February of 2020, the only difference being the value of the initial Agreement was \$42,760.72. The original Agreement was voided due to the impacts of COVID. With the return of passenger demand, staff recommends re-starting this effort.

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Staff requests approval of the FAA's Reimbursable Agreement and authorization for the President and CEO to execute the Agreement.

b) Consideration of a Construction Contract for International Drive Rehabilitation

Memorandum by Jim Novak, Director of Facilities Engineering – Staff requests the award of a construction contract in connection with International Drive Rehabilitation, RDU Project 881100. The International Drive Pavement Rehabilitation scope includes pavement milling and asphalt replacement, traffic control, temporary erosion control and drainage work, and pavement striping of International Drive, West International Drive, East International Drive, and Executive Drive. The work has multiple phases (10 phases with several lane closure sub-phases within each phase) with varying allowable work hours depending on the phase.

The project was advertised for bid on December 16, 2021. A pre-bid meeting and Minority and Women owned Small Business Enterprise (MWSB) workshop was conducted on December 22, 2021, and bids were received on January 18, 2022. Only one bid was received so the project was readvertised for second bid opening on January 26, 2022. Again, only one contractor submitted a bid at the second bid opening on January 26, 2022, at which time that bid was opened and publicly read. The bid received was from Fred Smith Company in the amount of \$4,108,416.50. The bid was found to be responsive and responsible. The engineer's estimate is \$4,300,000.

The MWSB goal for this project was set at 8% Minority-owned Small Businesses (MB) and 5% Women owned Small Businesses (WB). Fred Smith Company proposed MWSB participation in the amount of 4.8% MB and 1.4% WB. The Authority's Small Business Program Office reviewed the good faith effort documentation and determined that Fred Smith Company met the program requirements in its efforts to achieve the contract goals.

The budget for Capital Project 881100 is sufficient for award of this contract.

Staff requests approval of the award of a construction contract to Fred Smith Company in the amount of \$4,108,416.50 for the International Drive Rehabilitation, and authorization for the President and CEO to execute the contract documents.

c) Consideration of Selection of On-Call Planning and Environmental Services Consultants

Memorandum by Delia Chi, CM, VP of Planning & Sustainability, Rachel Stair, Director of Planning & Sustainability, and Gina Danison, Director of Environmental Programs – This item provides staff's recommendation on the award of a Consultant Services agreement for On-Call Planning & Environmental services. On October 1, 2021 staff issued a Request for Proposals (RFP) for the selection of a qualified consulting team(s). Staff conducted a pre-proposal meeting for interested firms on October 13, 2021.

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Proposals were received on November 12, 2021 from the following six firms (in alphabetical order): AECOM, InterVISTAS, Landrum & Brown, Parrish & Partners, Ricondo, WSP.

A selection committee of five staff members was established to review the written proposals in accordance with the selection criteria within the RFP. The selection team met on December 3, 2021 to discuss the merits of each of the proposals. Based on review of the proposals, the selection committee invited the top ranked firms for an in-person interview. Interviews were held on January 7th, 10th, and 12th, 2022 and references were checked.

Based on the responsiveness of each proposer to the submittal requirements and the overall staff evaluation of each team's capability and experience, staff was unanimous in recommending that the Authority enter into an agreement with the following two professional services firms and identified team members:

1. Landrum & Brown
2. InterVISTAS

The Minority and Women-Owned Small Business (MWSB) participation goals for this contract are 10% for minority-owned firms and 5% for women-owned firms. Both firms submitted written commitments to meeting or exceeding the required MWSB goals. The Authority's Small Business Program Office concurred with this evaluation.

There are currently two on-call master agreements for environmental services that are being utilized, and no on-call master agreements for planning services. Landrum & Brown and InterVISTAS will be essential additions to the team based on the amount of upcoming work that is anticipated.

Staff requests authorization for the President and CEO to execute a five year on-call Master Services Agreements with the two recommended firms, Landrum & Brown and InterVISTAS.

d) Consideration of Operating Agreement and Facilities Lease with United Parcel Service

Memorandum by Karen Reynolds, Director of Properties – United Parcel Service, Inc. ("UPS") leases Building "U" in the north cargo complex on International Drive. UPS provides scheduled and charter common carrier cargo and mail air and ground transportation, including handling, shipping, receiving and distribution services at RDU. They remain a tenant in good standing and have operated from their current north cargo complex location since October of 1993.

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The existing agreement with UPS is on a month-to-month basis. This new agreement will update the rates and charges charged UPS, as well as incorporate standard language and provisions now included in all Authority agreements.

- Term: five years, with one (1) five-year option at the Authority's discretion
- Rent will be charged at rates consistent with those currently paid by other north cargo tenants:
 - o Building space (8,408 s.f.) : \$11.41/s.f./year
 - o Vehicle parking area (67,854 s.f.) : \$0.161/s.f./year
 - o Aircraft apron (308,980 s.f.) : \$0.973/s.f./year
 - o Annual 3% escalation of fixed rental rates
 - o Maintenance & Operations Fee, as calculated annually by the Authority

Staff requests approval of the Operating Agreement and Facilities Lease with United Parcel Service, Inc., and authorization for the President and CEO to execute the agreement.

e) Consideration of a Multi-Year Contract with Cornerstone OnDemand

Memorandum by Michael McLanahan, Vice President IT Business Solutions – Cornerstone OnDemand is the Learning Management System (LMS) that has been used by the Authority since 2018. This software subscription manages enterprise employee training including mandatory compliance, career development, internally created content, and course completion reporting. Staff is seeking approval of a five year agreement with Cornerstone OnDemand at a total cost of \$160,585.37 over the five-year period.

This LMS seamlessly integrates with the Authority's intranet site. This tool allows employees to select and take courses based on their interest and need. It allows managers to easily assign courses and track employee training. The Information Services and Procurement departments collaborated on the procurement strategy for continued use of Cornerstone OnDemand LMS. Cornerstone OnDemand LMS is available through a cooperative agreement from the United States General Services Administration (GSA) Schedule Contract #GS-35F-0247V.

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

Staff requests approval for a five-year agreement with Cornerstone OnDemand for its Learning Management System at a cost of \$160,585.37, and authorization for the President and CEO to execute the agreement and any necessary, related documents.

f) Consideration of Selection of CI Azumano Business Travel to Provide Travel Management Services

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Memorandum by Corinne Lisefski, Director of Procurement, and Ashley Wages, Senior Procurement & Contract Specialist – In July 2021, the Authority published a request for proposal for travel management services for travel agents and travel management companies (a “TMC”). Staff sought a partner with experience with government clients, the ability to provide timely and cost-effective travel management services, and experience providing assistance with the online booking platform Concur.

The full-service travel support services to be provided principally include the following:

- Manage the use of the online booking platform Concur for travel reservations
- Manually assist and resolve real-time issues with employee travel reservations
- Support the Authority’s use of a virtual American Express card program
- Manually assist employees with conference-related reservations
- Deliver a comprehensive suite of monthly travel management reports.

Based on an evaluation of the proposals, interviews, reference checks, proposers’ familiarity with the use of Concur-based travel management systems and digital credit cards, and the proposed implementation plans, staff recommends the proposal submitted by CI Azumano Business Travel as the proposal providing the best overall value to the Authority for future travel management services. The proposed contract will be for a base term of three years with the option of two additional one-year extensions at a not-to-exceed annual cost of \$5,000.

Staff requests approval of agreement for travel management services with CI Azumano Business Travel with a three year base contract, with up to two additional one year extensions, and authorization for the President and CEO to execute the contract.

g) Consideration of Extension of Rent Relief to Terminal Concession Tenants

Memorandum by Kimberly Stewart, Director of Concessions – Staff negotiated with concessionaires to offer rent relief resulting from impacts related to decreased passenger traffic following the global pandemic. Staff updated the Board in October 2020 outlining the Authority’s relief goals and considerations. The Authority provided initial relief in the form of Minimum Annual Guarantee (MAG) waivers (“financial relief”). Staff provided details on the financial relief packages offered and eligibility for each package. In addition, staff provided an estimate of the total value of the financial relief package.

With enplanements still reduced as compared to 2019 levels, concessionaires are still experiencing hardships related to the pandemic including labor shortages. Staff requests a second extension of financial relief of MAG waivers for an additional six months extending beyond the current expiration of March 31, 2022 to September 30, 2022. The total relief represents 2.5 years of MAG relief. In addition, the extended relief will directly benefit the

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ACDBE partners. This extension will allow staff additional time to work with our concessionaires to determine future rent structure for the remaining lease terms and provide time for enplanements and staffing resources to stabilize.

Staff requests approval to extend rent relief for an additional six months by amending the executed Modification Agreements and authorization for the President and CEO to execute the amendments.

h) Consideration of Amendment Eight with BrightView for Snow Removal Services

Memorandum by Steven Yanni, Director of Contract Facilities Maintenance – Staff is seeking approval of Amendment Eight to the Service Agreement with BrightView Landscape Services to increase the contracted amount to account for the costs of additional snow removal services incurred this winter season. The existing Brightview contract includes established unit rates for snow removal labor and equipment requested by the Authority on an as-needed basis. The services include labor and equipment to assist in clearing sidewalks, crosswalks and treating stairs (if present) at the Terminals, AOC, RDU Center (plus the modular buildings deck), Maintenance Building, Park Economy 3 and 4 (by the bus stops) and assisting RDU Maintenance in clearing roadways throughout the campus.

Exhibit A to this memo includes the pricing for bringing snow removal labor and equipment on-site as well as the pricing for equipment on “stand-by” as well as “active” pricing for these services, as well as the breakdown of pricing for all three snow events. The proposed amendment will increase the Special Allowance line item by \$158,675 for this snow removal services.

Staff requests approval of Amendment Eight to the Service Agreement with BrightView Landscape Services in the amount of \$158,675 and authorization for the President and CEO to execute the amendment.

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EXHIBIT A

Schedule of Fees for Snow Removal

The Contractor shall furnish all labor and equipment requested by the Authority to perform snow removal services as described below.

January 15-16, 2022			
Delivery of Units			
No. of Units	Vehicle Description	Delivery Charge	Total
1	Superintendent with truck	\$0.00	\$0.00
1	Motor Grader	\$898.00	\$898.00
4	DOT Truck with Plow	\$560.00	\$2,240.00
3	Skid Steers	\$336.00	\$1,008.00
10	Push Spreaders	\$168.00	\$1,680.00
			\$5,826.00

Stand By Time (Equipment)				
No. of Units	Vehicle Description	Hourly Rate Charge	Hours on Stand by	Total
1	Superintendent with truck	\$83.00	12.5	\$1,037.50
1	Motor Grader	\$178.00	11.5	\$2,047.00
4	DOT Truck with Plow	\$137.00	11.5	\$6,302.00
3	Skid Steers	\$137.00	11.5	\$4,726.50
20	Laborer's	\$49.00	12.5	\$12,250.00
				\$26,363.00

Total for Snow Event 1			\$32,189.00
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Day 1

January 20-22, 2022

Delivery of Units * Previous Items Delivered			
No. of Units	Vehicle Description	Delivery Charge	Total
1	Superintendent with truck	\$0.00	\$0.00
1	Motor Grader	\$0.00	\$0.00
4	DOT Truck with Plow	\$0.00	\$0.00
3	Skid Steers	\$0.00	\$0.00
			\$0.00

Delivery of Units * Additional Units			
No. of Units	Vehicle Description	Delivery Charge	Total
1	Large Rubber Tire Loader	\$898.00	\$898.00
3	Rubber Tire Backhoe	\$898.00	\$2,694.00
2	1/2 ton truck with plow	\$185.00	\$370.00
4	Skid Steers	\$336.00	\$1,344.00
10	Push Spreaders	\$168.00	\$1,680.00
			\$6,986.00

Standby Time (Equipment)				
No. of Units	Vehicle Description	Hourly Rate Charge	Hours on Standby	Total
1	Superintendent with truck	\$83.00	7.5	\$622.50
1	Large Rubber Tire Loader	\$137.00	5.5	\$753.50
1	Motor Grader	\$178.00	5.5	\$979.00
3	Rubber Tire Backhoe	\$137.00	5.5	\$2,260.50
3	DOT Truck with Plow	\$137.00	5.5	\$2,260.50
2	1/2 ton truck with plow	\$107.00	5.5	\$1,177.00
7	Skid Steers	\$137.00	5.5	\$5,274.50
11	Sub Laborer's	\$49.00	5.5	\$2,964.50
9	Brightview Labor	\$49.00	7.5	\$3,307.50
				\$19,599.50

Total	\$26,585.50
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Day 2

January 20-22, 2022

Standby Time (Equipment)				
No. of Units	Vehicle Description	Hourly Rate Charge	Hours on Standby	Total
1	Superintendent with truck	\$83.00	5.5	\$456.50
1	Large Rubber Tire Loader	\$137.00	10	\$1,370.00
1	Motor Grader	\$178.00	10	\$1,780.00
3	Rubber Tire Backhoe	\$137.00	10	\$4,110.00
3	DOT Truck with Plow	\$137.00	10	\$4,110.00
2	1/2 ton truck with plow	\$107.00	10	\$2,140.00
7	Skid Steers	\$137.00	10	\$9,590.00
11	Sub Laborer's	\$49.00	5.5	\$2,964.50
9	Brightview Labor	\$49.00	5.5	\$2,425.50
				\$28,946.50

Active Time (Equipment)				
No. of Units	Vehicle Description	Hourly Rate Charge	Hours on Active	Total
1	Superintendent with truck	\$83.00	12	\$996.00
1	Large Rubber Tire Loader	\$372.00	8	\$2,976.00
1	Motor Grader	\$372.00	8	\$2,976.00
3	Rubber Tire Backhoe	\$310.00	8	\$7,440.00
3	DOT Truck with Plow	\$249.00	8	\$5,976.00
2	1/2 ton truck with plow	\$199.00	8	\$3,184.00
7	Skid Steers	\$305.00	8	\$17,080.00
11	Sub Laborer's	\$49.00	11	\$5,929.00
9	Brightview Labor	\$49.00	12	\$5,292.00
				\$51,849.00

Total				\$80,795.50
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Total for 2 Days				\$107,381.00
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Day 1

January 28-29, 2022

Delivery of Units * Previous Items Delivered			
No. of Units	Vehicle Description	Delivery Charge	Total
1	Superintendent with truck	\$0.00	\$0.00
1	Motor Grader	\$0.00	\$0.00
3	DOT Truck with Plow	\$0.00	\$0.00
2	Rubber Tire Loaders	\$0.00	\$0.00
			\$0.00

Delivery of Units * Additional Units			
No. of Units	Vehicle Description	Delivery Charge	Total
4	Skid Steers	\$336.00	\$1,344.00
10	Push Spreaders	\$168.00	\$1,680.00
			\$3,024.00

Standby Time (Equipment)				
No. of Units	Vehicle Description	Hourly Rate Charge	Hours on Standby	Total
1	Superintendent with truck	\$83.00	6.5	\$539.50
1	Motor Grader	\$178.00	6.5	\$1,157.00
2	Rubber Tire Backhoe	\$137.00	6.5	\$1,781.00
3	DOT Truck with Plow	\$137.00	6.5	\$2,671.50
4	Skid Steers	\$137.00	6.5	\$3,562.00
15	Sub Laborer's	\$49.00	6.5	\$4,777.50
5	Brightview Labor	\$49.00	6.5	\$1,592.50
				\$16,081.00

Total			\$19,105.00
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RALEIGH- DURHAM AIRPORT AUTHORITY LAW AND PERSONNEL COMMITTEE WORK SESSION MINUTES FEBRUARY 17, 2022

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

The Committee discussed the following items:

1. Consideration of Approval of Wireless GPS Metering System by Taxicabs

Presented by Erin Locklear, General Counsel – At the Board meeting on September 16, 2021 the Board approved edits to Ordinance Chapter 13, titled Commercial Ground Transportation Services. These edits were needed to allow for an on-demand taxi service following the early termination of the previous taxi stand manager contract due to the impacts of the COVID-19 pandemic. Those requested changes were designed to modernize airport taxi operations with an efficient system. Most of the significant changes allowed a digital dispatch system instead of in-person dispatching at a taxi stand.

The operational change to digital dispatch required changes to Chapter 13 due to its in-depth operational details. More than any other Ordinance chapter, it provides a level of detail that addresses operational and administrative details, not just governing, policy, or general direction. On several occasions, staff has analyzed altering a detail related to the administrative management of ground transportation that may not be specifically addressed by Chapter 13 only to pause because Chapter 13's level of specificity makes it difficult to determine what falls within the topics covered by the Ordinance. For example, the contracted taxi management company recently approached staff to request a change from a wired metering system to a wireless GPS metering system. Given the detailed nature of Chapter 13, it is not explicitly clear that staff is allowed to make that administrative change without the Board's approval even though Chapter 13 does not expressly address the physical characteristics of the metering system.

Staff requests approval of the use of a wireless, GPS-based metering system by Taxicabs (defined by Chapter 13 as "a Commercial Vehicle having a capacity of seven (7) persons or less, including the Driver, which is equipped with a meter to determine passenger fares and which

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via Teams with simultaneous communication.

² The meeting was live streamed at <https://youtu.be/F9Hdq6vIH8M>. There was an issue with YouTube and the start of the meeting was delayed until 11:10 a.m. when livestream resumed.

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operates on demand over routes determined by the destination of the passenger.”) serving the airport.

Further, staff will conduct a review of Chapter 13 and provide recommendations at an upcoming Board meeting regarding Ordinance changes that would clearly allow staff to manage administrative items while still allowing the Board to make all significant strategic, directional, and governmental decisions.

Staff requests approval of the use of a wireless, GPS-based metering system by Taxicabs serving the airport.

2. Consideration of Modification of the President and CEO’s Signature Authority

Presented by Erin Locklear, General Counsel – At the January 25, 2022 emergency meeting, the Board approved the purchase of winter storm supplies at a cost of \$241,770. Several Board members noted that to alleviate circumstances necessitating emergency meetings of this nature, the Board could consider giving the President and CEO emergency purchasing and signature authority. The Authority’s Ordinance Chapter 6 Administration, effective on January 1, 1996, authorized the Airport Director to “enter into agreements for lease of Airport facilities and/or property of not greater than month to month term, agreements for lease of equipment by the Authority of not greater than thirty-six months term, and contracts or additions to contracts for construction/installation or purchase of equipment, materials, supplies or services by the Authority in amounts not exceeding \$100,000 each.” This Ordinance was amended March 19, 1998 to extend authorization of the Airport Director “to approve lease and operating agreements, but not taxicab licenses, with terms not exceeding one year in length.” The Ordinance contains no emergency signature authorization.

Ms. Locklear provided information as to the typical types of contracts considered by the Board and other airports’ practices, leading to a recommendation to change the President and CEO’s signature authority and emergency signature authority. Based on that information, Ms. Locklear requested that the Board consider the following actions, noting that this was offered as a starting point for consideration and discussion by the Board:

- 1) increasing the President and CEO’s general signature authority to include purchases and agreements with expenditures not greater than \$500,000 and of not greater than 8 years term.
- 2) authorizing the President and CEO’s emergency purchase and signature authority to include all purchases and agreements necessary to respond to an emergency with the requirement that the President and CEO brief the Board fully on those actions at the next Board meeting
- 3) authorize the President and CEO to execute the purchases and agreements approved by the Board, eliminating the need to authorize that signature with the Board’s approval of each individual contract

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- 4) updating the language of Chapter 6 to replace the outdated term Airport Director with President and CEO

Staff requests the Board approve the full text of an amendment to Ordinance Chapter 6 at this regular Board meeting and to take final action to adopt that text at a succeeding meeting with the affirmative vote of at least 6 Board members (as required by Chapter 6 Section 6.25) that would: 1) increase the President and CEO's general signature authority to include purchases and agreements with expenditures not greater than \$500,000 and not greater than 8 years in term; 2) authorize the President and CEO's emergency purchase and signature authority to include all purchases and agreements necessary to respond to an emergency with the requirement that the President and CEO brief the Board fully on those actions and the next Board meeting; 3) authorize the President and CEO to execute the purchases and agreements approved by the Board; and 4) replace "Airport Director" with "President and CEO."

There was discussion regarding the "piggyback" contracts exception and Ms. Locklear confirmed that the Authority's contracts contain the required pre-audit certification. Ms. Locklear answered questions regarding MWSB goals applying to all spend (no threshold as to when goals are applicable). Board members noted that the recent emergency meeting required to approve the spend for snow preparation materials was not a common occurrence; however, it might be prudent to consider more current authorization values. There were comments regarding the Board's responsibility to be informed regarding contracts and that certain construction matters should require Board approval. The procedure regarding any change to the Ordinance was discussed. Board members commented that having focus on larger, longer-range policy and strategic matters was important while still maintaining public transparency.

For informative purposes only. No Board action is requested at this time.

3. Presentation regarding Local Preferences

Presented by Erin Locklear, General Counsel – Ms. Locklear gave an overview of what a local preference is, noting that it could be written or unwritten, and could be critiqued by minority and women populations as well as small businesses as putting limitations on their market availability. She discussed the home rule but, explained in North Carolina local governments, such as the Authority, only have the powers explicitly given by state legislature and the power to enter into contracts as determined by state statutes. Ms. Locklear discussed state laws about amounts required to be bid and awarded to the lowest, responsive, responsible bidder or qualifications-based selection. She detailed how the Airport Disadvantaged Business Enterprise Program (ACDBE) is a federal program which explicitly prohibits local preferences, which are criticized as a barrier for ACDBEs. Ms. Locklear noted local preferences are generally prohibited by recipients of federal grants. Also, she highlighted the U.S. Constitution and its various applicable articles, including the provision that only Congress can regulate interstate commerce, as well as the Equal Protection Clause requiring that the treatment of two similarly situated people

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cannot be different. Ms. Locklear outlined the numerous criticisms of local preferences noting that while local preferences may come from a “good heart” it is not favored. It can be viewed to cause increased costs to local government as fewer entities are competing for business, restrict competition, cause corruption, and eliminate new entrants into business. Ms. Locklear went over various regulatory-compliant alternatives to achieve local participation such as outreach efforts with NC-focused groups, provision of training to prepare for and communication of upcoming opportunities, as well as removal of barriers to small businesses.

There were comments on application of statutes and regulations, and the need for benchmarking to ensure inclusion and representation of the communities that the airport serves. There were further comments about being upfront about diversity and inclusion expectations in the contracting spectrum not only in participation as a subcontractor but also in prime contractor opportunities.

For informative purposes only. No Board action is requested.

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RALEIGH- DURHAM AIRPORT AUTHORITY MINORITY AND WOMEN-OWNED SMALL BUSINESS PROGRAM COMMITTEE WORK SESSION MINUTES FEBRUARY 17, 2022

Hall presided. Present: Hankins, Hannah, Morgan, Polanco-Galdamez, Saidi,¹ and Thompson.² Staff present included: President and CEO Landguth, Executive Vice President and COO Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, General Counsel Locklear, and other staff members and guests.³

The Committee discussed the following item:

1. Presentation regarding Authority's Small Business Program Office

Presented by Thiané Carter, Director, Small Business Programs – The purpose of this presentation was to provide an overview of the Authority's Small Business Programs. Staff provided an overview of each of the Authority's three programs designed to facilitate the inclusion of diverse firms in the Authority's business activities – Disadvantaged Business Enterprise (DBE), Airport Concessions Disadvantaged Business Enterprise (ACDBE) and Minority and the Women-Owned Small Business (MWSB) Program. Ms. Carter explained the structure of each program and the methods by which each program is administered. She discussed the flexibility of the programs, including good faith efforts and contract specific goal setting procedures, noting that the methods applied in the Authority's programs have withstood challenges and historically proven to be defensible.

Ms. Carter presented the current goals and historic achievement for each program. She included an overview of the laws, regulations, and requirements for goal setting as applicable to each program, noting that the federal goals (DBE and ACDBE) are required to be submitted to the Federal Aviation Administration every three years and that the DBE program goal will be due on October 1, 2022.

Ms. Carter elaborated on outreach activities hosted and/or attended by the Authority which outreaches are intended to benefit and educate all vendors and help make future opportunities known. Ms. Carter explained various reportings prepared keeping management updated on the MWSB Program. She gave historical data showing the Small Business Program results since 2003. Ms. Carter acknowledged that while there is always room for improvement, she

¹ Vice-Chair Saidi joined at 12:45 p.m. during this work session.

² Due to coronavirus precautionary measures and governmental directives, board members attended via Teams with simultaneous communication.

³ The meeting was live streamed at <https://youtu.be/F9Hdq6vIH8M>.

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commended the various departments of the Authority striving to utilize minority and woman-owned small businesses.

Ms. Carter recognized Andre Johnson and Tina Travis, who both gave a brief history regarding each of their businesses and explained how the Authority's Small Business Program Office had assisted each of them in growing their businesses.

Board members commented on the success of the Small Business Program Office and of the design and administration of the program having a meaningful impact on the community as well as being defensible. It was noted that disparity studies have been conducted by the state and we have not achieved parity and there is still much work to be done to eradicate perceived or real discriminatory practices.

For informative purposes only. No Board action requested.

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES FEBRUARY 17, 2022

Thompson presided. Present: Hall, Hankins, Hannah, Morgan, Polanco-Galdamez, and Saidi.¹ Staff present included: President and CEO Landguth, Executive Vice President and COO Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, General Counsel Locklear, and other staff members and guests.²

The Committee discussed the following items:

1. Consideration of Consultant Selection for Project Management and Special Assignment Services

Presented by Kenny Perry, CM, Director of the Project Management Office – Staff requests the award of a Master Services Agreement (MSA) for Project Management and Special Assignment services. On October 1, 2021, staff issued a Request for Qualifications (RFQ) for the selection of qualified consulting teams with an October 14th pre-proposal meeting.

Project Management and Special Assignment service proposals were received on November 12, 2021 from the following 5 firms (in alphabetical order): 3Di, AECOM, Jacobs, STV, WSP.

A selection committee reviewed the written proposals in accordance with the selection criteria within the RFQ and shortlisted the top four firms as follows:

1. AECOM
2. Jacobs
3. STV
4. WSP

Interviews with the four short-listed firms were held on January 28, 2022. Based on the responsiveness of each proposer to the submittal requirements, the overall staff evaluation of each team's capability and experience and long-term Authority needs, staff recommends that the Authority enter into an MSA with all shortlisted firms/teams. These proposed MSAs would be for five-year durations, with the year one MSA term set as April 1, 2022 – March 31, 2023 and the year one contract value established at \$1 million per firm with spend authorized consistent with the approved annual budget. Subsequent MSA years' values would be established on an annual basis for Board consideration and approval.

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via Teams with simultaneous communication.

² The meeting was live streamed at <https://youtu.be/F9Hdq6vIH8M>.

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The Minority and Women-Owned Small Business (MWSB) participation goals for this contract are 11% for minority-owned firms and 10% for women-owned firms. The firms submitted written commitments to meeting or exceeding the required MWSB goals identified in the RFQ.

Staff requests approval to enter into Master Services Agreements with AECOM, Jacobs, STV and WSP, for five-year durations, with the first year at a cost not-to-exceed \$1 million per firm and authorization for the President and CEO to execute the MSAs.

2. Consideration of Consultant Selection for a Project Controls Maturity Assessment

Presented by Kenny Perry, CM, Director of the Project Management Office – Staff requests approval of the selection of STV to conduct a Project Controls Maturity Assessment. On October 1, 2021, staff issued a Request for Qualifications (RFQ) for the selection of qualified consulting teams with an October 14th pre-proposal meeting.

Project Controls proposals were received on November 12, 2021 from the following firms (in alphabetical order): AECOM, BREE, DR McNatty, Jacobs, JMT, STV, Tactegra, WSP.

A selection committee reviewed the written proposals in accordance with the selection criteria within the RFQ. Based on reviews of the written proposals, the selection committee shortlisted the top six firms as follows:

1. AECOM
2. BREE
3. Jacobs
4. JMT
5. STV
6. WSP

Interviews with these six short-listed firms were held virtually on January 17 - 21, 2022. Based on the responsiveness of each proposer to the submittal requirements and the overall staff evaluation of each team's capability and experience, staff recommends the selection of STV to conduct the Project Controls Maturity Assessment.

The Minority and Women-Owned Small Business (MWSB) participation goals for this contract are 11% for minority-owned firms and 10% for women-owned firms. STV submitted a written commitment to meet or exceed the required MWSB goals identified in the RFQ.

Staff requests approval of the selection of STV to conduct a Project Controls Maturity Assessment and authorization for staff to initiate contract negotiations³.

³ Staff will bring a contract to the Board at future date if the cost of work based on the negotiated scope exceeds CEO authorization amounts.

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3. Consideration of the Fifth Amendment to the Parsons Transportation Group Master Agreement

Presented by Ronald Jewett, Vice President Facilities Asset Management – Staff requests approval of the Fifth Amendment to the Master Agreement with Parsons Transportation Group (Parsons) for Program and Construction Management Services (PM/CM Services). The Parsons Master Agreement commenced on April 1, 2017. It is a five-year base contract with a single option to extend it for an additional five years. The Agreement has been amended each year since 2017 in order to fund the work anticipated by Parsons in the upcoming fiscal year. This proposed Fifth Amendment to the Master Agreement will provide PM/CM Services for the Authority's Fiscal Year 22-23 and authorize an extension to the Master Agreement for an additional five-year period.

Through this Agreement, Parsons' staff acts as an extension of Authority staff and provides services primarily to Facilities Engineering, Buildings & Building Systems, and Operational Asset Management with the management and coordination of multiple projects. Some of the key services provided by Parsons through this Master Agreement are Construction Management, Resident Project Representation, Materials Testing, Schedule Oversight, Design and Constructability Reviews, and staff augmentation.

The maximum compensation that can be requested for labor under this Amendment is \$4,495,189 and the maximum compensation for Reimbursable Expenses is \$211,061. Therefore, the maximum total compensation that can be requested under this proposed Fifth Amendment is \$4,706,250.

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) and these participation goals remain unchanged for this Amendment. Parsons' MWSB participation rates as of December 31, 2021 are 10% MB and 12.8% WB which are especially commendable considering the dramatic impact to RDU projects since the onset of COVID. The MWSB commitments in this Fifth Amendment are 15.6% MB and 22.3% WB, which are considered acceptable by the Authority's Small Business Program Office.

Staff requests approval of the Fifth Amendment to the Parsons' Master Agreement, in the amount of \$4,706,250 for FY 22/23 services and authorization for the President and CEO to execute this Fifth Amendment.

At the conclusion of the Operations Committee work session, Chair Hannah noted that due to time constraints there would be no Finance Committee work session.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES FEBRUARY 18, 2022 at 9:00 a.m.

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

The Authority's General Counsel, Erin Locklear, conducted a roll call of attending members, noted that the meeting was being held remotely in accordance with statutory standards and TSA directives, the purpose for the special meeting, and that the live stream was operating for public viewing.

Chair Hannah welcomed everyone to the special meeting to continue focus on strategic planning for the airport including revision of the Strategic Plan. Chair Hannah turned the meeting over to Stephen D. Van Beek, Ph.D., Director and Head of North American Aviation for Steer to lead the discussion.

Dr. Van Beek gave an overview of the performance measures planned for discussion. He noted that since the January meeting, he had worked with the Authority leadership team on integrating the Strategic Plan with the Business Plan and tactics that compose the plan.

Dr. Van Beek briefly explained the five goals and detailed the objectives for each of those goals. Chuck McFall displayed the chart reflecting Strategic Initiatives and how those align with the objectives and goals. Mr. McFall gave background information regarding the business plan and how some projects are multi-year. Mr. McFall discussed the high-level programs or projects associated with each objective and outlined how the management team and staff measure progress of projects through monthly and quarterly reviews.

Dr. Van Beek mentioned that the objective for the listed high-level projects was to give the Board line-of-sight to the bigger issues. He noted that for each tactic, there were other "business as usual" types of programs and the purpose for the Strategic Initiatives chart was to show the progress of projects and be a reference. Dr. van Beek discussed top-line performance measures for the Board's focus and how attention to these important matters could assist in defining Board discussions toward outcomes the airport is working towards. For each of the five goals, Dr. van Beek detailed performance measures the Board might focus on.

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via Teams with simultaneous communication and roll call votes were taken.

² The meeting was live streamed at https://youtu.be/rhZjucZ2J_M.

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Dr. Van Beek thanked the Board members for participation and feedback, explained how the Strategic Plan would be finalized and brought back to the Board for approval.

Chair Hannah noted that these strategic meetings have been informative regarding the history of the airport's structure and its operations, as well as having outlined information infrastructure to build upon for guiding the future of the airport. Chair Hannah expressed appreciation for Michael Landguth and the management team for their work and leadership at the airport through the pandemic. Board members noted that the performance measures were clear and concise and that the goals are codependent and related. Involvement of the entire community as part of the economic impact was stressed for promotion of diversity and equality. There was discussion on information in the budget regarding capital projects outlay including a brief summary of the projects.

Michael Landguth noted the upcoming March 10, 2022 virtual special Board meeting for the budget work session during which the Public Hearing regarding the proposed budget would be held. Erin Locklear shared the details for the required budget advertisement, the public comment period, and that further information would be posted on the RDU website and in the public notice.

Motion by Hankins to adjourn; Second by Hall³

ADOPTED BY UNANIMOUS VOTE

³ Meeting adjourned at 10:00 a.m.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES MARCH 10, 2022 at 1:00 p.m.

Chair Hannah presided. Present: Hall, Hankins, Kushner, Morgan, Polanco-Galdamez and Thompson.¹ Staff present included: President and CEO Landguth, Executive Vice President and COO Sandifer, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, General Counsel Locklear, and other staff members and guests.²

The Authority's General Counsel, Erin Locklear, conducted a roll call of attending members, noted that the meeting was being held remotely in accordance with statutory standards and TSA directives, and that the live stream was operating for public viewing.

I. FY 2022-23 BUSINESS PLAN, BUDGET AND ORDINANCES

Michael Landguth, President and CEO, discussed the Authority's Strategic Plan initially put in place in 2016 noting recent Board sessions for review of this Plan. Mr. Landguth discussed the Plan's vision, mission and goals as modified by the Board. He outlined key tactics associated with each goal, referencing the comprehensive list included in the packet. Mr. Landguth detailed how the Strategic Plan lays out the goals which leads to the Business Plan with its key projects being the basis for this year's budget. He noted how the Tactical Plan is developed to keep projects within time and budget constraints. Mr. Landguth explained that at the upcoming March 17th Board meeting, staff would be asking for approval of the Strategic and Business Plans as well as for the Budget and Capital Project Ordinances. He thanked all staff for their involvement and efforts in the budget process.

Donald Armstrong, Vice President and Chief Human Resources Officer, discussed the current competitive employment market and workforce shortages. He noted employment challenges, as well as current staffing levels, positions hired, and current vacant positions. Mr. Armstrong explained the local and regional competition for talent faced by the Authority as well as rising salaries and enhanced benefits offered in the job market. Mr. Armstrong outlined staff's recommendations, which are part of the proposed budget, for adding 30 positions for a total of 391 employees, with particular focus on Law Enforcement, Information Services, and Project Management, as well as continued funding for recruitment tools, for support from the compensation consultant and for utilization of external staffing firms.

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via Teams with simultaneous communication and roll call votes were taken.

² The meeting was live streamed at https://youtu.be/lAZkNVpOX_c.

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Ron Kapocius, Chief Financial Officer, outlined the budget approach. He discussed trended passenger enplanements and that 4.5 million enplanements are budgeted for FY22-23.

Abraheem Ashe, Financial Planning & Analysis Manager, discussed operating revenue up 27% in FY2022-23 and explained year-over-year revenue comparisons. He detailed rates and charges proposed for implementation effective April 1, 2022. There was Board discussion regarding comments from ground transportation providers and staff explained historical issues with the staging lot. There was further discussion and explanation regarding the dwell fee. There were Board comments regarding discussions with representative of ground transportation entities. Staff addressed questions from Board members regarding no increase on rental cars.

Mr. Ashe explained operating expenses up 16% in FY2022-23 and explained year-over-year expense comparisons. He detailed the multi-year capital program as well as key new projects and carryover projects. He answered questions about old vehicles and equipment sold through State Surplus. Mr. Ashe gave a summary of the budgeted cash flow.

Mr. Kapocius outlined regional and global factors that could have the potential for future budget corrections. He explained that at the upcoming March 17th meeting, the Board would be asked to approve the Budget Ordinance and the Capital Project Ordinance. Mr. Kapocius addressed Board members' questions about the proposed budget and explained the debt related to outstanding bonds.

II. PUBLIC HEARING ON DRAFT BUDGET FOR FY 2022/23:

Chair Hannah requested Erin Locklear, General Counsel, give the information regarding the virtual Public Hearing for the proposed budget. Ms. Locklear stated that due to the continuing declaration of emergency in North Carolina and in accordance with state statutes, a virtual Public Hearing was being held on the proposed budget and Chair Hannah opened the hearing at 2:19 p.m.

Ms. Locklear noted that in accordance with state statutes, the public had been offered the opportunity to submit their comments via an online form or by mail and that the written comment period closed at 1:00 p.m. on March 9, 2022, which was 24 hours prior to the Public Hearing. All comments received by the Authority during that period have been shared with all Board members. While not required by law, Ms. Locklear gave a brief summary of the comments received within the comment period (see summary attached to these minutes).

Chair Hannah closed the Public Hearing as of 2:25 p.m., and thanked the public for the comments received, noting that the comments had been shared with all Board members.

Raleigh-Durham Airport Authority Board Members

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III. CLOSED SESSION

Motion by Polanco 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 Morgan

ADOPTED BY UNANIMOUS VOTE

Closed session convened from 2:27 p.m. until 3:32 p.m.

In open session:

Motion by Polanco to increase Michael Landguth's base salary to \$412,779.77 and for the award of a management incentive of \$67,000; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

IV. ADJOURNMENT

Chair Hannah thanked the Board members for their time and commitment and the Finance staff for their efforts.

Motion for adjournment by Polanco; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

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2022 Public Hearing Comments Summary

Comments related to Park Economy 3

- Requests for details on the expanded Park Economy 3 project, including questions about:
 - Requests for environmental studies
 - Impacts
 - Impacts to Umstead State Park
 - Runoff
 - Air pollution
 - Noise of the planes is bad enough – don't add more cars
 - Removal of trees and loss of green space next to Umstead State Park
 - Of lighting on wildlife
 - On views from the park
 - Should not be any projects on the park side of the airport
 - Size, footprint, and location of parking expansion (including encouraging alternative location away from Umstead State Park)
 - Inclusion of electric and hybrid cars
 - Use of porous/permeable materials
- Requests for opportunity for public comments in the planning process, public website to share project details
- Should build parking decks instead of lots
- Some commenters said the expansion isn't needed for various reasons, including that enough parking already exists, the price of gas and food, the pandemic, no need for people to drive to the airport, won't generate much income,
- Too much concrete in Raleigh
- Some commenters endorsed spending Airport funds on increased public busing and other regional public mass transit instead of on airport parking, affordable housing, community gardens

Comments on Other Concerns (only a couple of commenters)

- Lack of support for perimeter fence, quarry, Terminal 1 gate expansion, Commerce Blvd project
- PFAS
- No development of green space – too much development in the area, need all the green space to stay green
- More bike and pedestrian trails
- Business plan is devoid of environmental content
- More input by Umstead State Park into the Sustainability Management Plan
- Improved stormwater management
- Request for more information on Aviation/National Guard Interchange project

Comments related to Ground Transportation fees

- Opposition to increased ground transportation fees, especially during a pandemic
- Don't want fees to fund non-ground transportation projects

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- Want a different process, including a benchmarking study
- Criticisms of linear curb feet as a metric
 - Uber and Lyft are the problem
- Fees to Uber and Lyft are higher than other airports
- Fast Park pays more than its share in fees
- Hotel shuttles pay more than its share in fees
- Displeasure at headway fees to limit curbside frequency
- Dwell fees aren't environmentally friendly
- Charges unfair to mostly empty shuttles
- Uber and Lyft want a staging area

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES MARCH 17, 2022

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

The Authority's General Counsel, Erin Locklear, conducted a roll call of attending members, noted that the meeting was being held remotely in accordance with statutory standards and TSA directives, and that the live stream was operating for public viewing.

I. APPROVAL OF AGENDA

Motion by Kushner to approve the agenda; Second by Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Saidi to approve the minutes of the regular meetings of the Board and the Board committees, and the consent actions of the Board, held on February 17, 2022, of the special meeting of the Board held on February 18, 2022, and of the special meeting of the Board (including the Public Hearing on the proposed budget) held on March 10, 2022; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone, noting that TSA extended the federal mask mandate for airports and other transportation hubs until April 18th.
2. In honor of Women's History Month, Chair Hannah highlighted the following individuals in aviation with ties to North Carolina:
 - a. Astronaut Christina Koch, a N.C. State graduate, who spent more than 328 days total in space as part of International Space Station expeditions. She was part of the first three all-women spacewalks and is part of the Artemis program which plans to land the first woman on the moon during this decade; and
 - b. The Women's Airforce Service Pilots were 52 females stationed during WWII at the former Camp Davis Army Airfield in eastern North Carolina who towed targets that soldiers used to practice their anti-aircraft gunnery skills.

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via Teams with simultaneous communication and roll call votes were taken.

² The meeting was live streamed at <https://www.youtube.com/watch?v=zXPdxss0QWs>.

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IV. OLD BUSINESS

1. Operations Committee Report – Morgan reported Board members met during the Committee work session on March 17, 2022 and discussed the following item:

- a. Information on Operator Model Solicitation

Presentation to Board in committee work session for informative purposes only. No Board action required at this time.

2. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on March 17, 2022 and discussed the following item:

- a. Consideration of Terminal 1 Flooring Replacement Recommendation

Motion by Thompson for approval of staff's recommendation concerning the type of flooring material (carpet) to be used to replace the carpet in Terminal 1; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

3. Marketing and Guest Experience Committee Report – Hankins reported Board members met during the Committee work session on March 17, 2022 and discussed the following item:

- a. Consideration of Pilot Program Services Agreement with Airport Direct Travel Limited (Rezcomm)

Motion by Hankins for approval of a Services Agreement with Airport Direct Travel Limited (Rezcomm) for a Pilot Program to test their eCommerce platform and provide related services, in the amount of \$174,426, and additional project costs of \$45,320 for marketing programs and business processing for a total of \$219,746, and authorization for the President and CEO to execute the agreement and any other associated documents; Second by Thompson

ADOPTED BY MAJORITY VOTE³

V. NEW BUSINESS

1. Consent Agenda

- a. Consideration of Amendments to the Law Enforcement Body Worn Camera and Dashboard Camera Policy
 - b. Consideration of a Multi-Year Agreement with Vertosoft for Workiva Wdesk
 - c. Consideration of an Agreement for Elevator & Escalator Preventative and Corrective Maintenance Services
 - d. Consideration of an Agreement for Landscaping Maintenance and Snow Removal Services

³ Six affirmative votes, one vote against (Hannah) and one abstention (Hall)

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- e. Consideration of Selection of Pitney Bowes to Provide Mail Equipment Services
- f. Consideration for the Replacement of CFR-2
- g. Consideration of the Purchase of Multi-Tasking Airfield Snow Removal Chassis and Attachments
- h. Consideration of Emergency Restoration Services Agreement

Motion by Morgan to approve and adopt Consent Agenda items a.–h.; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

- i. Consideration of Corporate Hangar Facility Lease Agreement with Martin Marietta Materials

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

ADOPTED BY UNANIMOUS VOTE⁴

2. FY 2022-2023 Budget

Motion by Thompson to approve the attached Fiscal Year 2022-2023 Budget Ordinance and Capital Project Ordinance; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL’S REPORT

No items were reported.

VII. MEMBER COMMENTS

Staff and leadership were thanked for their preparation for the meeting, informative presentations, and innovative strategies. Board members were encouraged to continue to consider necessary capital investments and innovations to better serve the community. The review and discussion process regarding the budget and the Public Hearing were noted prior to approval of the FY22-23 Budget at this meeting. The Finance staff were thanked for their work on the budget. Chair Hannah was thanked for sharing the interesting history perspectives regarding women in aviation. Future expansion issues and the importance of raising revenue were noted. The entire staff were thanked for their efforts at the airport.

VIII. PRESIDENT AND CEO’S REPORT

Welcome

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

⁴ Secretary Kushner recused himself from voting due to a potential conflict of interest

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Air Service

More than 695,000 passengers flew through RDU in February. That was a 128 percent increase over February of last year, but still 28 percent lower than the same month in 2020. The average number of daily departures was 175, an increase of 72 percent over 2021 but 15 percent lower compared to 2020.

With the spring travel season upon us, I'd like to remind our guests to give themselves plenty of time to get to the airport. You should arrive two hours early for domestic flights and three hours early for international flights. We want everyone to have a smooth travel experience over spring break.

Avelo

March has been an outstanding month for air service developments at RDU. We were joined last week by representatives from two different airlines for announcements. Avelo Airlines announced they will join RDU as our 13th carrier beginning in May. Avelo will fly to Tweed-New Haven Airport in Southern Connecticut. That is a new destination for RDU and it provides travelers with direct service to New England and the New York metro area. Avelo will fly the route five days a week beginning May 26th and expand to six days a week in mid-June. Introductory fares start at \$49 one-way.

Frontier

Frontier announced last week they are expanding their flights and destinations at RDU. They will add eight destinations this spring, including Islip, New York; Providence, Rhode Island and Syracuse in late April. Flights to Newburgh, New York; Indianapolis; Detroit; Cincinnati and New Orleans are scheduled for late May. Frontier is offering introductory fares as low as \$39 one-way to celebrate the seasonal service. The new and returning flights bring the number of destinations served by Frontier at RDU to 23.

We are very excited that Avelo and Frontier have chosen to invest in RDU and the Triangle region and look forward to long partnerships with both airlines. Also this month Delta announced they will expand their RDU flight offerings in July by adding new twice-daily service to Nashville.

Terminal 1 Move

Speaking of air service expansion, RDU is making room for more flights by moving an airline to Terminal 1. Spirit will join Southwest in Terminal 1 in mid-April. The Terminal 1 gate activation project was completed in 2020, but the relocation scheduled for April of that year was postponed due to the pandemic. Spirit's move to Terminal 1 will provide capacity for airlines that operate out of Terminal 2, including international carriers like Icelandair, who will need access to Customs facilities. Spirit will operate from newly activated gates A1 – A4, while Southwest uses A5 – A8. We look forward to helping Spirit make a successful transition as we continue to grow.

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IX. ADJOURNMENT

Motion by Morgan to adjourn; Second by Hankins

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY 2022-2023 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 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:

Airport Operating Expenses	\$	94,709,686
Capital Projects Spend		70,107,427
Future Capital Projects		32,998,968
Future CFC Projects		10,564,548
Net Debt Service		40,934,191
Total	\$	249,314,820

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:

Airfield	\$	17,011,756
General Aviation		4,890,053
Buildings and Grounds		122,935,854
Total Operating Revenues	\$	144,837,663
Interest and Other Income		39,031,147
Grants		35,770,400
PFC Revenue		19,111,062
CFC Revenue		10,564,548
Total	\$	249,314,820

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, 2022.

Adopted this 17th day of March 2022

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**RALEIGH-DURHAM AIRPORT AUTHORITY
2022-2023 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:

\$ 580,117,292

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 \$ 544,346,892

Total Grant Funds 35,770,400

Section 3. The projects authorized are as follows:

New 22/23 Projects

New	Terminal 1 Flooring Replacement	\$ 1,000,000
New	Parking Garage Rehabilitation - Phase 3	4,000,000
New	John Brantley Blvd Extension (CONRAC)	1,000,000
New	AOC 5th Floor Buildout	500,000
New	New AOC/EOC/ARFF	500,000
New	Maintenance Building Parking Lot Rehabilitation	3,500,000
New	GA Area Pavement Rehabilitation	3,500,000
New	T1 Generator Replacement	200,000
New	Stormwater Pond Repairs	100,000
New	T1 Chiller Replacement	100,000
New	New Vehicles and Equipment - FY23	5,220,292
		\$ 19,620,292

Amended Projects

211140	Enhanced Security Perimeter Gates (TSA)	\$ 3,800,000
211170	North Cargo Apron Reconstruction	1,300,000
080799	Expanded Park Economy 3	44,000,000
881100	International Drive Rehabilitation	8,036,000
881430	Aviation Parkway/National Guard Drive Interchange - Planning	1,000,000
		\$ 58,136,000

Ongoing Projects

080879	Runway 5L/23R and Taxiway B 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
211190	Taxiway A1 Rehabilitation - Design and Construction	1,700,000
211200	Taxiway E Rehabilitation - Design	1,000,000
211210	Taxiways C and J Rehabilitation - Design	700,000
070549	Terminal 2 Checkpoint Expansion	9,250,000
331000	T2 Landside Expansion Program - preliminary design	2,000,000

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331020	Common Use Transformation Program – Touchless Technology – Phase 1	500,000
331030	Terminal 2 Concessions Development Program	4,000,000
331040	T2 Bathroom Refresh and Pet Relief Area - Planning	200,000
331050	Ramp Information Display System - Planning	250,000
621020	Parking Guidance System	8,200,000
881410	National Guard Drive Improvements / Haleys Branch Road Rehabilitation	3,000,000
881260	Maintenance Facility HVAC Replacement	525,000
881180	Consolidated Trash Facility Concrete Dumpster Slabs	300,000
441000	Fuel Farm Facility Improvement Plan	9,186,000
881420	ABRM Upgrade	250,000
		\$ 502,361,000

Project Ordinance Total

\$ 580,117,292

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 17th day of March 2022

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RALEIGH- DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT MARCH 17, 2022

The Board approved the following items on the Consent Agenda:

a) Consideration of Amendments to the Law Enforcement Body Worn Camera and Dashboard Camera Policy

Memorandum by William C. Sandifer, A.A.E., Executive Vice President and Chief Operating Officer – The purpose of this item is to provide a staff recommendation for approval of amendments to the Law Enforcement Body Worn Camera and Dashboard Camera Policy approved by the Board on March 18, 2021.

On Thursday September 2, 2021 Governor Cooper signed into law Senate Bill 300. One of the purposes of the Bill was to: “amend the law to provide immediate disclosure of body-worn camera recordings related to death or serious bodily injury.”

Staff and legal counsel have thoroughly reviewed the changes to N.C.G.S. §132.1.4A and are proposing changes to the Law Enforcement Body-Worn Camera and Dashboard Camera Policy as presented in the provided red-line version of the Policy.

Staff requests approval of the amendments to the Law Enforcement Body Worn Camera and Dashboard Camera Policy.

b) Consideration of a Multi-Year Agreement with Vertosoft for Workiva Wdesk

Memorandum by Michael McLanahan, Vice President IT Business Solutions – Workiva Wdesk is a cloud-based software platform that organizations use to collect, manage, report and analyze data in real time, in use at the Authority since 2017. The Authority’s Finance department uses Wdesk to create the budget and produce the Comprehensive Annual Finance Report (CAFR). Staff is seeking approval of a four-year agreement (1 year plus 3 additional one-year options) with Vertosoft, a Workiva reseller, at a total cost of \$144,848.16 over the four-year period.

The Information Services and Procurement departments collaborated on the procurement strategy for the continued use of Wdesk. Discounted pricing for Workiva Wdesk is available through a cooperative agreement from the United States General Services Administration (GSA) Schedule Contract #GS-35F-688GA. This agreement identifies Vertosoft as a Workiva reseller with the ability to provide the discounted pricing to the Authority. This agreement would enable the continued use of Wdesk and locks down the favorable pricing offered by the GSA Contract.

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The proposed agreement has been reviewed and is supported by the Authority's Small Business Program Office.

Staff requests approval for a four-year agreement, with Vertosoft for licenses and technical support for Workiva Wdesk at a cost of \$144,848.16, and authorization for the President and CEO to sign any necessary, related documents.

c) Consideration of an Agreement for Elevator & Escalator Preventative and Corrective Maintenance Services

Memorandum by Steven Yanni, Director of Contract Facilities Maintenance – Staff is seeking approval of a four-year agreement with Oracle Elevator Company for elevator and escalator preventative and corrective maintenance. This proposed contract provides maintenance and repair services for 54 elevators, 17 escalators and 16 moving walkways. The current contract for these services is set to expire on March 31, 2022.

The contract requires four dedicated resident mechanics seven days a week. RDU will have two daytime and nighttime mechanics Monday-Thursday, and daytime on Friday, with one daytime mechanic on the weekends. Resident mechanics will perform preventative maintenance on the equipment, answer regular-time service calls and perform minor repairs. The contractor will also provide after-hours programmed repairs and on-call services at specified labor rates.

Competitive bids for these services were solicited on December 8, 2021 and seven firms attended a non-mandatory pre-proposal conference and a site tour on December 15, 2021. Five firms submitted proposals: Kone, Metro Elevator, Oracle Elevator, Otis Elevator and Schindler. Four firms, Metro, Oracle, Otis and Schindler, were interviewed by staff. Staff evaluated the proposals for quality and pricing and determined Oracle Elevator Company provides the best value for the Authority. The cost comparison for the proposed four years is shown in the table on the following page.

The proposed agreement with Oracle Elevator Company will be for a term of four (4) years with a one-year option period commencing on April 1, 2022 and has a not-to-exceed amount of \$5,872,934.87.

The Minority and Women-Owned Small Business (MWSB) participation goals for this contract were set at 7% minority-owned and 4% woman-owned. Oracle will be self-performing all work and this good faith effort was reviewed by the Authority's Small Business Program Office.

Raleigh-Durham Airport Authority Board Members

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Proposed Cost Items and Rates	Metro	Oracle	Otis	Schindler
4 Resident Mechanics Service (4-year term)	\$6,617,160.00	\$5,310,381.75	\$8,260,007.00	\$6,002,820.00
Estimated billable repairs for 4-year term (based on proposed labor rates and a predetermined quantity of hours)	\$523,980.00	\$431,553.12	\$660,000.00	\$424,488.00
First year programmed repairs	\$228,000.00	\$131,000.00	\$105,600.00	\$121,989.70
Total proposed amount for 4-year term	\$7,369,140.00	\$5,872,934.87	\$9,025,607.00	\$6,549,297.70
Billable labor rate – regular time *	\$210	\$199	\$225	\$200
Billable labor rate - overtime *	\$357	\$298.50	\$500	\$290
Billable labor rate – Sundays and Holidays *	\$420	\$298.50	\$500	\$345

**Prices shown are only for year one. Metro and Schindler show escalation every year in their labor rate. Oracle is the same price for the first two years before escalation and Otis shows the same rates for all four years.*

Staff requests approval of a four-year agreement with a one-year option period with Oracle Elevator Company in the amount of \$5,872,934.87 and authorization for the President and CEO to execute the agreement.

d) Consideration of an Agreement for Landscaping Maintenance and Snow Removal Services

Memorandum Steven Yanni, Director of Contract Facilities Maintenance – Staff requests approval of a five-year agreement with BrightView Landscape Services, Inc, for landscape maintenance and landside snow removal services. The current contract for these services is set to expire on March 31, 2022.

Competitive bids for these services were solicited through the RDU and State IPS websites on November 15, 2021 and a non-mandatory pre-proposal conference was conducted on December 1, 2021 which was attended by six firms. Site tours were individually scheduled after this meeting. Proposals were received on January 4, 2022 from three of the firms: Bland, BrightView and Ruppert. During the preliminary evaluation, Ruppert was found unresponsive as they only provided pricing for three of the five years. On January 24, 2022, both Bland and BrightView were interviewed by staff members.

Staff evaluated the proposals for quality and pricing, and participated in the interviews. Based on the evaluations, staff determined that the proposal provided by BrightView represents the best value for the Authority. The cost comparison for the proposed five years is as follows:

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Cost Item	BrightView	Bland
Landscape Service	\$7,032,187.77	\$7,168,558.00
Snow Removal Service*	\$893,072.17	\$766,250.00
Total	\$7,925,259.94	\$7,934,808.00

**Snow removal costs are based on an estimated sample event each year. During an actual snow event, actual costs will be developed using unit prices submitted by the vendor for specific services requested by the Authority. If no storm occurs in a given year, no costs are incurred.*

The proposed agreement with BrightView Landscape Services, Inc. would be for a term of five years, commencing on April 1, 2022, with a not-to-exceed amount of \$7,925,259.94. The Minority and Women-Owned Small Business (MWSB) goals for the contract were set at 10% Minority-owned (MB) and 5% Woman-owned (WB); BrightView participation is anticipated to be 11.8% MB and 8.5% WB.

Staff requests approval of a five-year agreement with BrightView Landscape Services, Inc. in the amount not-to-exceed \$7,925,259.94 and authorization for the President and CEO to execute the agreement.

e) Consideration of Selection of Pitney Bowes to Provide Mail Equipment Services

Memorandum by Corinne Lisefski, Director of Procurement – The Authority uses leased mail machines as part of its normal day-to-day operations to weigh and provide the correct postage amount to outgoing mail. With the current mail services arrangement expiring, Staff reviewed the mailing equipment services provided by North Carolina State Contract 600a. Pitney Bowes was awarded State Contract 600a through a competitive procurement process. Under our proposed contract, Pitney Bowes will upgrade our current equipment to the newest model, provide easier billing and online administration, and provide lower leasing rates. The agreement includes maintenance and operational support for the equipment.

Based on our review of NC State Contract 600a and discussions with Pitney Bowes, staff recommends signing a new lease agreement with Pitney Bowes for mail equipment services. The proposed agreement will be for a term of five years, beginning on the date of contract award. The projected costs for Pitney Bowes' services during the term of the agreement will not exceed \$8,722.20 over the entire term of the contract.

Staff requests approval for a five year agreement with Pitney Bowes to provide mail equipment services to the Authority in an amount not to exceed \$8,722.20, and authorization for the President and CEO to execute any necessary related documents.

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f) Consideration for the Replacement of CFR-2

Memorandum by Russell Stanley, A.M.F., Fire Chief – Staff is seeking approval to procure a replacement for an existing 1500-gallon 4x4 Aircraft Rescue and Firefighting (ARFF) vehicle. The existing vehicle is 22 years old (year 2000 model Oshkosh) and has reached the end of its service life. This replacement is in the proposed FY22/23 Capital Budget.

The proposed replacement vehicle is a 3000-gallon Stryker 6x6 ARFF vehicle made by Oshkosh. Due to the increase in the number and size of aircraft operating at RDU, increasing the vehicle capacity from 1500 gallons to 3000 gallons greatly enhances the equipment availability that is required to meet the required minimum FAA firefighting equipment requirements (i.e., Index).

Staff is recommending the Oshkosh Stryker specifically for the following reasons:

- It will allow continuity in operational use and training for ARFF personnel as the existing ARFF fleet is from Oshkosh.
- Fleet Maintenance personnel already have Oshkosh specific education, training, and experience. Commonality of the ARFF fleet eliminates the need to stock additional parts and spares for more than one brand of vehicle.
- Oshkosh products have performed reliably over a long period of time and Oshkosh's customer support after the sale has also been positive over the long term.

Competitive pricing for this purchase has been obtained under and is in accordance with the Sourcewell Contract #030619-OKC Airport Runway & Emergency Equipment. Sourcewell is a cooperative association that obtains competitively solicited contracts for its membership which includes the Authority. North Carolina General Statute §143-129(e)(3) permits the Authority to utilize "competitive bidding group programs" for public agencies, or cooperative contracts. The expiration of this contract is May 3, 2023. The total purchase price for the vehicle is \$982,741. Minority and Woman-owned Small Business participation is not available due to this being a direct OEM purchase. Estimated delivery time after the order is placed is approximately 12 months.

Staff requests approval to purchase a 3000-gallon 6x6 Oshkosh Stryker ARFF vehicle from Oshkosh utilizing the Sourcewell cooperative contract in the amount of \$982,741 and authorization for the President and CEO to execute any documents necessary for the purchase.

g) Consideration of the Purchase of Multi-Tasking Airfield Snow Removal Chassis and Attachments

Memorandum by Curtis Henderson, Director of Fields Maintenance – Staff requests approval to procure airfield snow removal equipment for RDU that is in the FY 22/23 Capital Budget. This purchase will replace a 1998 airfield broom/air blower

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decommissioned in 2019 and increase RDU's overall snow removal capability. This purpose-built airfield snow equipment will greatly enhance the speed and productivity of runway and taxiway snow removal operations at the airport.

In 2018, the Board approved the purchase of Multi-Tasking Snow Removal Equipment but, due to vendor non-performance, the purchase was terminated, and equipment was returned with no cost incurred to the Authority. As the airport continues to recover financially after the pandemic, this equipment purchase was resubmitted in the FY 22/23 Capital Budget.

Competitive pricing for this purchase has been obtained in accordance with the Sourcewell Contract #030619-OKC Airport Runway & Emergency Equipment. Sourcewell is a cooperative association that obtains competitively solicited contracts for its membership which includes the Authority. North Carolina General Statute §143-129(e)(3) permits the Authority to utilize "competitive bidding group programs" for public agencies, or cooperative contracts. The expiration of this contract is May 3, 2023. The total purchase price for the vehicle is \$2,137,476. Estimated delivery time after the order is placed is approximately 12 months. Minority and Woman-owned Small Business participation is not available as this is a direct OEM purchase.

Oshkosh was selected as the preferred vendor for the following reasons:

- Oshkosh is the market leader in airfield snow removal equipment.
- Staff has familiarity of the equipment as it shares many components with RDU Oshkosh ARFF vehicles. This also provides for a common single manufacturer for training, spare parts, and support.
- Equipment can be purchased using Sourcewell contracting pricing.
- Oshkosh has provided the Authority with consistent and reliable customer service and support for our other specialized ARFF vehicles.

<u>Requested Purchase Item</u>	<u>Budget</u>	<u>Actual</u>	<u>Difference</u>
Multi-tasking Airfield Chassis with Attachments (2)	\$ 2,192,654	\$ 2,137,476	\$ (55,178)

Staff requests approval to purchase two multi-tasking airfield snow removal chassis with rotary snow blowers, two 22-foot runway brooms, two 22-foot runway plows and associated spares, and training in the amount of \$2,137,476 from Oshkosh Corporation and authorization for the President and CEO to execute any documents necessary for the purchase.

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h) Consideration of Emergency Restoration Services Agreement

Memorandum by Joshua Barner, Risk & Safety Analyst – Staff is seeking approval of a Red Alert Agreement for emergency restoration services. These services would be needed in an event that adversely impacts airport operations and threatens the safety and health of the airport environment, including, but are not limited to, fire and smoke damage, water intrusion, mold remediation, sewer backups, and communicable disease decontamination.

BelFor Property Restoration is the largest disaster management company in the world, and its experience, size, and knowledge ensure that it can safely and effectively mitigate exposures during an emergency. BelFor is located in close proximity to the airport and has a warehouse stocked with specialized equipment and supplies to ensure a quick, efficient response. In the past, the Authority has used BelFor Property Restoration on such projects as mold remediation, sewer backups, and water intrusion.

The selection process was a Cooperative/Piggyback agreement with Statewide Term Contract #926A-Deep Cleaning and Sanitizing/Disinfecting Services. The budgeted amount for this contract is \$12,500 annually on an as-needed basis. Additionally, the Authority contacted several references to ensure consistency with BelFor services and found no discrepancies.

If the Authority needs to utilize the Red Alert Agreement, the cost would be determined by a national rate schedule. Prior to the commencement of services, BelFor would submit a plan of remediation, the Authority would vet that plan, compare the rates provided in scope of work to contract rates, recommend the expenditure to the CEO and others as required.

The Red Alert Agreement ensures that the Authority receives priority service for emergency response, designated allocated resources, and a Regional Account Manager. This Agreement is for three years with two optional one-year periods, exercisable at the Authority's option.

Staff requests approval of an agreement with BelFor Property Restoration for three years, with two one-year options, to provide emergency restoration services and approval for the President and CEO to execute the agreement.

i) Consideration of Corporate Hangar Facility Lease Agreement with Martin Marietta Materials

Memorandum by Karen Reynolds, Director of Properties – Martin Marietta Materials, Inc. constructed a corporate hangar facility and entered into a ground lease agreement with the Authority in January 2002. Upon expiration of that 20-year agreement in January 2022, ownership of the facility transitioned to the Airport Authority. Martin Marietta wishes to continue to lease the facility located at 120 Executive Drive in the General Aviation complex for its corporate flight operation. They are a tenant in good standing.

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Staff requests approval of a new agreement, as follows:

- Initial 10-year term; two 5-year extensions may be requested by the Tenant
- FMV rental rates determined by appraisal:
 - 10,000 s.f. hangar with offices: \$10.53/s.f./year
 - 5,000 s.f. aircraft apron: \$ 0.43/s.f./year
- 3% annual escalation or adjustment to FMV
- Maintenance & Operations Fee, as calculated annually by the Authority.

Staff requests approval of the Corporate Hangar Facility Lease Agreement with Martin Marietta Materials, Inc. and authorization for the President and CEO to execute the agreement.

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES MARCH 17, 2022

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

The Committee discussed the following item:

1. Information on Operator Model Solicitation

Presented by David Freedman, Senior Vice President and Chief Revenue Officer, Kimberly Stewart, Director of Concessions, and Tyler Maheu, Director of Commercial Management – In early 2019, staff conducted an industry review of concession models to identify the most appropriate model for RDU. Staff identified the operator model as the best structure to potentially increase revenue to the Authority and provide more opportunities for participation from small and diverse businesses. The opportunity was geared toward the Authority's goals of a reimagined concessions program to provide our guests with more food and beverage options while elevating the guest experience which will in turn, drive more revenue to the Authority.

The Operator Model was introduced to the Board on May 21, 2021. Under the Operator Model, the Authority will make the capital investment and have direct responsibility for design and construction. The Operator Model seeks to increase total revenue to the Authority versus the traditional leasing model. The Operator Model lowers barriers of entry for ACDBEs and small businesses. The selected Operator will be responsible for the management and day-to-day operations of the respective concession units. The structure will allow the Operator to focus on providing RDU guests with high-quality food and a world-class experience.

On June 16, 2021, the Authority issued a two-pronged solicitation, issuing a Request for Qualifications (RFQ) and Request for Proposal (RFP) for a Food and Beverage Operator Model. The Operator Agreement will be for a 10 year term with an ACBDE participation goal of 29.3%. The RFQ was to identify a pool of qualified operators to participate in the food and beverage opportunity as well as qualify for future long-term Operator Model opportunities during the next three year period. The primary goal of the RFQ was to shorten the period of time from solicitation to design and construction in order to get units open faster. The RFP was to identify an Operator

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via Teams with simultaneous communication.

² The meeting was live streamed at <https://youtube.com/watch?v=zXPdxss0QWs>.

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to provide concepts, manage and operate the three food and beverage units. The RFP was open to those responding to and who qualified for the RFQ.

Responses for the RFQ and RFP were received on September 10, 2021. The Authority received the following submissions:

- 14 RFQ responses
- 2 RFQ responses were disqualified due to noncompliance
- 12 RFP responses were qualified for the Operator Pool
- 8 RFP responses were reviewed by the Evaluation Team

RFP evaluations were based on five criteria including Experience and Qualifications, Management and Operators, Concepts, Financial Proposal, and Financial Qualifications. The Evaluation Team shortlisted the top five responses and conducted 90-minute in-person presentations/interviews. The interviews were geared toward understanding key proposal elements relating to concepts, menu offerings and understanding of the management objectives. Each of these presentations included food tastings and Q&A to fully understand each proposal and responding entity and ownership.

Staff intends to make a recommendation of the selected proposer to the Board on April 21, 2022. Upon Board approval, kickoff for the design phase of the project will begin. This phase will be led by Buildings & Buildings Systems. Development Stakeholder Team meetings will begin followed by a projected construction start date later this year with units opening late 2023.

While this discussion required no Board action, Hankins disclosed a potential conflict of interest as to Aero Service Group. In response to questions posed by Hall, Thiané Carter, Director of Small Business Program Office, explained the joint venture concept and criteria reviewed to prove the meaningful relationship between partners, noting differences from capital model concept. There was Board discussion regarding venues where the operator model is utilized and the increased risk to the Authority. There was further discussion regarding reduction of barriers for stronger ACDBE participation, particularly in an operator capacity with the removal of capital expenditure requirement. The Board questioned participation opportunities for new entities currently not included in the selected pool, and the projected construction timeline for the units under this operator model. There was further discussion on evaluation and consensus scoring results and the solicitation criteria.

For informative purposes only. No Board action requested.

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES MARCH 17, 2022

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

The Committee discussed the following items:

1. Consideration of Terminal 1 Flooring Replacement Recommendation

Presented by Jaymes Carter, Vice President Buildings and Building Systems – The existing flooring in Terminal 1 was installed in 2014. The flooring material is carpet. Over time, due to high customer traffic on the first and second floors, the face yarn has begun to unravel at some of the seams. In addition, some areas of the carpet backing have begun to delaminate from the cushion. Staff have continued repair and, in some places, replace the carpet where possible. The attic stock for the carpet has been depleted and any new carpet is a special order because the specific carpet was designed for the terminal.

The Authority had the carpet inspected by an independent contractor in March and a flooring study was done by Gensler Architects in June. It has been determined by Gensler Architects that the flooring should be replaced in areas where the carpet is failing, which is widespread throughout the facility.

In November of 2021 the Board approved a Task Order with Gensler Architects that included Design Phase Services (Project Management, Building Evaluation, Schematic Design, Design Development, Construction Documents, Bidding/Procurement) and Construction Administration Phase Services. Staff will present a flooring type recommendation to the Board for approval.

The Board discussed estimated yardage required as well as the positives and negatives of the various flooring options. Staff explained the expected life of this type of flooring and the annual maintenance costs anticipated. Maintaining a world class quality in Terminal 1 was noted. There was discussion regarding future gate capacity expansion in Terminal 1 to handle increased passenger demands and this current flooring replacement being a needed interim step.

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via Teams with simultaneous communication.

² The meeting was live streamed at <https://youtube.com/watch?v=zXPdxss0QWs>.

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Staff will present a recommendation to the Board concerning the type of flooring material to be used to replace the carpet in Terminal 1, and request the Board to concur with the recommendation.

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RALEIGH- DURHAM AIRPORT AUTHORITY MARKETING AND GUEST EXPERIENCE COMMITTEE WORK SESSION MINUTES MARCH 17, 2022

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

The Committee discussed the following items:

1. Consideration of Pilot Program Services Agreement with Airport Direct Travel Limited (Rezcomm)

Presented by Dan Miller, Vice President of Marketing – The Marketing team continues to diligently develop new methods to generate additional revenue for the Authority. To that end, the Authority hopes to conduct a 30-month pilot program, testing a proprietary eCommerce platform, provided by UK-based Rezcomm, which will be integrated with the Authority's website at rdu.com. Rezcomm offers technology solutions and services that integrate purchasing functions for flights, hotels, rental cars, parking, concessions, and other existing and future airport amenities and services. The Rezcomm solution will capitalize on the seamless, contactless online experience that today's consumers desire, while generating revenue from previously untapped sources and establishing RDU as an innovative leader in airport eCommerce and technology.

The Marketing team worked closely with the Procurement department to develop a pilot program agreement. Rezcomm has numerous airport clients in the UK and wants to establish their business with U.S. airports. RDU would be the first U.S. airport to offer the Rezcomm proprietary eCommerce system's marketplace, and Rezcomm has offered a significantly reduced cost to RDU to implement the pilot program. Platform integration and all contract services will be completed under the direction of the Authority's Vice President of Marketing, working closely the appropriate Authority departments. By seamlessly interfacing Rezcomm's multi-module eCommerce system with rdu.com, the Authority will provide customers with new purchasing options while gathering valuable consumer data, which will enable RDU to provide a more rewarding and personalized airport experience. Program costs are:

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Integration & Licensing: \$174,426

Marketing Programs: \$100,000*

Business Processing: \$ 15,320

Total Project Cost: \$289,746 (Staff is exploring opportunities to reduce cost.)

*(NOTE: \$30,000 for Rezcomm Pilot Program; \$70,000 is already in the proposed FY 2022-2023 budget)

Staff projects that eCommerce platform revenue will exceed the break-even amount of \$290,000 by a minimum \$100,000 over the Pilot Period.

Rezcomm is a single source provider of their holistic ecommerce and customer relationship management solution built specifically for airports and is not certified as an MWSB; therefore, the participation for this contract is 0%. The Authority's Small Business Program Office has reviewed the contract.

Staff explained why Rezcomm was chosen and introduced Rezcomm management team members Mark Ive, CEO and Victoria Wallace, Chief Digital Officer, who gave an overview of the Customer Relationship Management (CRM) module. Rezcomm's 24/7 customer support over different time zones was noted and there was discussion regarding this being a website product and its continued integration through the proposed upcoming Authority website redesign. Data collection including ownership and transfer at contract end were discussed. Marketing strategies to drive customers to the website were noted. Rezcomm explained previous positive collaborative efforts as this product is recognized as a form of marketing distribution and support. The use of pilot programs by the Authority was discussed. Due to the newness of this product in the U.S., the Board requested periodic updates on this pilot program.

Staff requests approval of a Services Agreement with Airport Direct Travel Limited (Rezcomm) for a Pilot Program to test their eCommerce platform and provide related services, in the amount of \$174,426, and additional project costs of \$45,320 for marketing programs and business processing for a total of \$219,746, and authorization for the President and CEO to execute the agreement and any other associated documents.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES APRIL 21, 2022

Chair Hannah presided. Present: Hall, Hankins, Kushner, Morgan, and Thompson.¹ Staff present included: President and CEO Landguth, Executive Vice President and COO Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, General Counsel Locklear, and other staff members and guests.²

The Board meeting started at 1:28 p.m. immediately following the conclusion of the Operations Committee work session, with the same attending members confirmed in the work session roll call conducted at 1:00 p.m., and the live stream was verified to be operating for public viewing.

I. APPROVAL OF AMENDED AGENDA

Due to Board members' schedules, Chair Hannah requested that the Agenda be amended to move Old Business to Item II and New Business to Item III.

Motion by Hankins to approve the Amended Agenda; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

II. OLD BUSINESS

1. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on April 21, 2022 and discussed the following items:

a. Closed session

Presentation in closed committee work session in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(3).

Presentation to Board in closed session of committee work session for informative purposes only. No Board action required.

Committee Chair Thompson presented motions regarding the following three action items discussed during the open Committee work session:

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via Teams with simultaneous communication and roll call votes were taken.

² The meeting was live streamed at https://www.youtube.com/2hGjcz4HJ_4.

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- b. Consideration of Task Order with RS&H for Design Services for the Park Economy 3 Expansion Project

Motion by Thompson for approval of Task Order 2 with RS&H in the amount of \$1,959,281 and authorization for the President and CEO to execute the Task Order.

- c. Consideration of Task Order for Design Services with DWL Architects + Planners, Inc.

Motion by Thompson for approval of Task Order DWL.02.2021 with DWL Architects + Planners, Inc. for the Design and Construction Administration for Terminal 2 Concession Space Program (Project 331030), in the total amount of \$646,433 and authorization for the President and CEO to execute the Task Order.

- d. Consideration for Parking Guidance System Owner's Representative Services

Motion by Thompson for approval of a multi-year Master Services Agreement, and of Task Order #1 in the amount of \$158,505 with Lumin Advisors, LLC and authorization for the President and CEO to execute both agreements.

Motions (as recited above) by Thompson for approval of items b. – d.; Second by Hankins

ADOPTED BY UNANIMOUS VOTE

2. Minority and Women-Owned Small Business Program Committee Report – Hall reported Board members met during the Committee work session on April 21, 2022 and discussed the following item:

- a. Small Business Programs Presentation

Committee Chair Hall briefly recapped the process for setting new three year DBE Program goals and the goals proposed to be set. She indicated timelines for stakeholder input, publication of the goals, and submission to the FAA.

Presentation to Board in Committee work session for informative purposes only. No Board action required at this time.

3. Operations Committee Report – Morgan reported Board members met during the Committee work session on April 21, 2022 and discussed the following item:

- a. Consideration of Operator Model Concession Agreements

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Motion by Morgan for approval of the Food & Beverage Operator Model contract with Grove Bay Crawford JV, LLC and of the Food & Beverage Operator Model contract with Beyu Caffè, LLC³, and authorization for the President and CEO to execute these contracts and any associated documents; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

III. NEW BUSINESS

1. Consent Agenda

- a. Consideration of Raleigh-Durham Airport Authority Legislative Agenda
- b. Consideration of FY22-23 Budget Ordinance Amendment #1
- c. Consideration of Host International, Inc. Amendment 1 to the Terminal Support Space Lease Agreement

Motion by Thompson to approve and adopt Consent Agenda items a.–c.; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

IV. APPROVAL OF MINUTES

Motion by Kushner to approve the minutes of the regular meetings of the Board and the Board committees, and the consent actions of the Board, held on March 17, 2022; Second by Hall

ADOPTED BY UNANIMOUS VOTE⁴

V. CHAIR COMMENTS

1. Chair Hannah welcomed everyone, noting that a judge struck down the mask mandate on Monday and TSA informed airports the mask requirement would no longer be enforced. Travelers have the option to wear a mask and should check directly with their airline to determine mask requirements on board aircraft.
2. Chair Hannah noted the upcoming Mother's Day weekend is one of the busiest at RDU, with May 6th and 9th being peak travel days and he shared the following helpful tips when picking up travelers at RDU that weekend:
 - a. You can wait for your arriving party in the free cell phone lot on Trade Drive which is a short drive from the terminals;
 - b. Allow the arriving party plenty of time to get from their gate and collect their bags before arriving at the terminal to pick them up;

³ Subject to Board approval of Consent Agenda item for a budget ordinance amendment including \$500,000 for the Pre-Security Coffee opportunity.

⁴ Board members Thompson and Hankins disconnected from the meeting following this vote

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- c. If the Terminal 2 lower-level arrival area is congested, the departure curb on the upper level may also be used to pick-up passengers; and
- d. Before heading to the airport, check the status of the flight for any schedule change.
- 3. Chair Hannah expressed appreciation for the team effort from RDU Operations, Law Enforcement, Fire-Rescue and Communications, along with our partners at Delta and TAC Air for their efforts when the Duke and UNC basketball teams came home from the Final Four in New Orleans, ensuring smooth and safe arrivals.

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Chair Hannah remarked on the accomplishments of the Board over the past several months meeting remotely, engaging and updating new members, and setting policies. He noted appreciation that in-person meetings could resume with the removal of the mask mandate. Board members expressed excitement about the new concessionaires and the food/beverages to be offered. Appreciation was voiced for the leadership team and for the continued work to ensure all customers are valued and appreciated. Many members noted upcoming travel plans to Iceland. Catherine Harrison was welcomed as the new executive assistant working with Michael Landguth and the Board.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service

More than 937,600 passengers flew through RDU last month – a 34% increase over February and a 90% increase over March of 2021. The average number of daily departures was 180 – a 46% increase over March of last year. So far this calendar year, total traffic is up 107 percent compared to 2021, and we are only getting busier.

The months of April through June are brimming with new and returning flights at RDU. If you need another sign that a robust recovery is underway, listen to what we have planned between late spring and early summer.

Icelandair

Icelandair launches nonstop, transatlantic service from RDU on May 12th. It will be the first new international flight at RDU since the pandemic began and the first one recruited under our new air

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service incentive program. The Reykjavik flight will join Cancun and Toronto as our third international destination and Icelandair will become our twelfth airline.

Avelo

Avelo Airlines will join RDU as our thirteenth carrier next month. Their inaugural flight to Tweed-New Haven Airport in Southern Connecticut launches on May 23rd. That is a new destination for RDU and it provides travelers with service to New England and the New York metro area – our most popular destination. Avelo will fly the route five days a week in May and expand to six days a week in mid-June.

Frontier

Frontier is adding eight destinations in April and May, including Islip, New York; Providence, Rhode Island and Syracuse in late April. Flights to Newburgh, New York; Indianapolis; Detroit; Cincinnati and New Orleans are scheduled for late May.

Air Canada

Air Canada will bring back nonstop service to Montreal in early June, marking a fourth international destination at RDU. With all the new and returning flights we are welcoming, we will reach a post-pandemic high of 50 nonstop destinations in May. That compares to 57 before Covid and a low of 23 in June 2020.

We are very excited that Icelandair, Avelo, Frontier and Air Canada are investing in RDU and expanding the nonstop options available to Triangle-area travelers.

International Drive

Next, amid all this growth, you are going to start seeing more construction on campus. A major rehabilitation project on International Drive will begin in May and continue into November. It involves milling, replacing aged asphalt and full-depth reconstruction in critical areas. The road work has been carefully phased by alternating closures of traffic lanes and driveways to minimize impacts on our business partners, employees, guests, and visitors.

Construction will take place from the intersection of John Brantley Blvd. to Commerce Drive. Much of the work will be done during the evening and overnight hours to minimize the effects on employees and guests, but there will be some daytime impacts. Short delays can be expected in specific locations where traffic is limited to one-way.

Runway Length

Finally, as we prepare to replace our primary runway, 5L/23R, the FAA has determined the new runway can be built at 10,639 feet – longer than the current 10,000 feet runway. The FAA cited information provided by Alaska Airlines in making its decision.

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Working collaboratively with Alaska Airlines, Authority staff were able to justify the need for additional runway length to accommodate takeoff and landing for Alaska's fleet of Boeing 737-900 aircraft, allowing them to carry more passengers, cargo and fuel in order to fly greater distances.

I want to thank the business and community groups including the Regional Transportation Alliance, the Research Triangle Foundation and the Triangle J Council of Governments who engaged in a letter writing campaign in support of a longer runway. The project also had the support of U.S. Senators Richard Burr and Thom Tillis, along with other federal, state and local elected officials.

IX. ADJOURNMENT

Motion by Morgan to adjourn; Second by Hall

ADOPTED BY UNANIMOUS VOTE

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RALEIGH- DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT APRIL 21, 2022

The Board approved the following items on the Consent Agenda:

a) Consideration of Raleigh-Durham Airport Authority Legislative Agenda

Memorandum by Crystal Feldman, Vice President Communications, Government & Community Affairs – Staff requests approval of the Raleigh-Durham Airport Authority 2022 State Legislative Agenda. Developing and adopting a state legislative agenda is important to ensure the Authority’s voice is heard on important state policy matters that affect RDU and how it can best serve its employees and passengers. A clear, comprehensive agenda allows for the following:

- Effectively communicate the needs and economic value of RDU to state legislators.
- Increase transparency with the public and stakeholders of RDU’s goals.
- Position RDU to be proactive instead of reactive to policy issues that may impact the airport’s operations and success.

The agenda (*agenda appears on next page*) will be used as a guide to advocate and raise awareness of the legislative priorities for RDU when meeting with legislators. It will help the Authority and its contract lobbying team identify legislators that will be aligned with the Authority’s goals for RDU and lay the foundation for the next legislative steps such as crafting and filing legislation. While the agenda lays the framework for the 2022 legislative goals, the Authority and the contract lobbying team will still be able to pivot as necessary throughout the legislative session to address items that may affect RDU as they arise.

Staff requests approval of the Raleigh-Durham Airport Authority 2022 State Legislative Agenda and authorization for the Government Affairs team to pursue the goals outlined in the Agenda.

(continued on next page)

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Proposed 2022 State Legislative Agenda

1. Support increased recurring funding of the Airport Improvement Program from \$75,000,000 to \$125,000,000 annually (\$250,000,000 biennium).
2. Develop a state air service incentive fund to be distributed to commercial service airports when necessary for the recruitment of new commercial service.
3. Educate legislators and state policymakers on the economic value of an international airport.
4. Support continued regulation of Transportation Network Companies and Vehicle Sharing Services.
5. Support preserving the State Transportation Improvement Program (STIP).
6. Support increased funding for general aviation airports to promote the aviation infrastructure network in North Carolina.
7. Support increased penalties for individuals trespassing on commercial airport properties.
8. Support regulation of drones and unmanned equipment over and around airport air space.
9. Work with the General Assembly on regulation of PFAS.

(continued on next page)

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b) Consideration of Proposed FY22-23 Budget Ordinance Amendment #1

Memorandum by Abraheem Ashe, Financial Planning & Analysis Manager – Staff requests consideration of Budget Ordinance Amendment #1, increasing the Budget Ordinance to provide additional funding for the following projects:

- Concessions Operator Model – pre-security coffee units. Based on the anticipated equipment and leasehold improvements needed to complete the build-out, additional funds of \$500,000 are being requested; and
- Operations Radio Equipment - Radios approved in the budget for the previous fiscal year and ordered were only partially delivered due to supply chain issues. \$165,109 in funds are being requested to cover carryover amounts expected to be received in FY22-23.

Staff requests approval of the attached 2022-2023 Budget Ordinance Amendment #1 increasing funding in the amount of \$665,109 for Concessions Operator Model - pre-security coffee units and prior year purchased operations radio equipment.

(continued on next page)

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RALEIGH-DURHAM AIRPORT AUTHORITY
2022-2023 BUDGET ORDINANCE AMENDMENT #1

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 ¹	Change 4/21/2022	Amended
Airport Operating Expenses	\$ 94,709,686	\$ 665,109	\$ 95,374,795
Capital Projects Spend	70,107,427	-	70,107,427
Future Capital Projects	32,998,968	(665,109)	32,333,859
Future CFC Projects	10,564,548	-	10,564,548
Net Debt Service	40,934,191	-	40,934,191
Total	\$ 249,314,820	\$ -	\$ 249,314,820

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 ¹	Change 4/21/2022	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
Total	\$ 249,314,820	\$ -	\$ 249,314,820

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, and amended this 21st day of April 2022.

Notes:

¹ Original- budget ordinance adopted March 17, 2022

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c) Consideration of Host International, Inc. Amendment 1 to the Terminal Support Space Lease Agreement

Memorandum by Kimberly A. Stewart, Director of Concessions – Host International, Inc. (“Host”) leases office and storage space to support their food and beverage concessions in Terminals 1 and 2 which consists of eight food and beverage units.

Amendment 1 revises the leased spaces to reflect the current occupancy of Host. Total square feet of leased office space reduced to align with the change in operations resulting from a reduced footprint following unit closures related to the global pandemic and lease expirations.

Host previously leased 1,403.35 s.f. of office space in Terminal 2. Amendment 1 reduces the space to 228 s.f. in Terminal 1 following an office relocation. Storage space reduced from 1,407.18 s.f. to 846.22 s.f. The total support space leased to Host reduced from 2,810.53 to 1,074.22 s.f. The annual rent reduced from \$205,707.76 to \$63,563.28 per year.

Amendment 1 runs concurrently with Host Terminal Concession Concourse D Lease which expires December 31, 2027.

Staff requests approval of Amendment 1 to the Terminal Support Space Lease Agreement with Host International, Inc. and authorization for the President and CEO to execute amendment.

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES APRIL 21, 2022

Thompson presided. Present: Hall, Hankins, Hannah, Kushner and Morgan.¹ Staff present included: President and CEO Landguth, Executive Vice President and COO Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, General Counsel Locklear, and other staff members and guests.²

Motion by Morgan 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 Hankins

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Closed session from 11:04 a.m. until 11:29 a.m.

The Committee discussed the following items:

1. Consideration of Task Order with RS&H for Design Services for the Park Economy 3 Expansion Project

Presented by Ron Jewett, Vice President Facilities Asset Management – Prior to March of 2020, the Authority had engaged the firm of RS&H (Consultant) to provide alternatives for expanding Park Economy 3. From that effort, staff had selected a preferred alternative and Schematic Design was completed. In March of 2020, due to pandemic impacts, ongoing negotiations with the Consultant for Final Design were suspended. Staff believes this is the appropriate time to restart the process to expand the lot and this memo provides staff's recommendation for the award of Task Order 2 under the Master On-Call Agreement with the Consultant for services related to the Park Economy 3 Expansion project (#080799).

The project involves the expansion of Park Economy 3, which public parking lot offers airport patrons one of the lowest daily parking rates and provides shuttle bus service to Terminals 1 and 2. The existing lot has approximately 3,820 spaces and the proposed expansion of this is planned to accommodate an additional 8,700 spaces. Expansion of the lot is intended to provide an

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via Teams with simultaneous communication.

² The open portion of the work session was live streamed at https://youtube.com/2hGjcz4HJ_4.

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adequate number of spaces to meet the increasing demand for airport patrons as well as the decommissioning of Park Economy 4 to allow future expansion of the north air cargo area. Corresponding improvements to Park Economy 3 will ensure that lighting and security measures will be consistent throughout the entire lot.

This proposed task order authorizes completion of the design and all interim steps to culminate in obtaining bids for construction of the full build-out of the parking lot. The task order also includes assistance to the Authority in creating policy and procedures that will be applied to this project and specific future projects that also fall outside the boundaries of the National Environmental Policy Act (NEPA) and the North Carolina State Environmental Policy Act (SEPA). This scope element will conclude with environmental clearance for this project and also in the creation of a repeatable environmental document compliance process that will be used for all future projects with this distinction.

Total compensation under this proposed Task Order 2 is a not-to-exceed amount of \$1,959,281. Labor (\$1,913,636) will be billed at hourly rates, which are established in the Master Agreement, and expenses (\$45,645) 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). Total commitments for this proposed Task Order 2 are 15.6% for MB and 25.4% for WB. The Authority's Director of Small Business Programs concurs with this commitment.

Bill Sandifer, EVP and Chief Operating Officer, gave comments regarding the Scope of Services, briefly detailing changes in the law reducing the FAA's actions in some circumstances. Mr. Sandifer discussed NEPA and SEPA and development of a standardized environmental clearance process as guidance for staff. Mr. Sandifer explained that FAA does not have any action to take with respect to this project, and therefore, NEPA does not apply. Mr. Sandifer also explained that in consultation with outside legal counsel, as well as officials from the state of North Carolina, all parties concluded that SEPA does not apply to this project. However, Mr. Sandifer explained, that is not the end of the analysis of potential impacts to the environment. Staff will use this project as a "pilot program" to develop a standardized process and procedure for assuring compliance with various federal and state special purpose laws, when NEPA and SEPA does not apply. Once that process is developed staff will draft a policy for Board consideration that will direct the application of that process going forward. Mr. Sandifer noted that the Board was interested in transparency on all projects and therefore the process and policy will include opportunities for public participation and input.

Board members discussed comments from the public about the project and questioned opportunities for public input. Mr. Sandifer referred to the public input process successfully utilized with the current Runway replacement project. He explained that for the proposed Park Economy 3 Expansion Project, staff would likely follow a similar public participation process

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and initiation of the final design phase was needed in order to identify anticipated impacts and possible mitigation efforts.

There was Board discussion that this proposed parking expansion was part of Vision 2040 and has been discussed for over five years. There was further discussion about the Board making policy decisions with transparency and in an environmentally conscious manner. Staff was asked to draft a policy for Board review and give recommendations for a timeline for public input.

Staff requests approval of Task Order 2 with RS&H in the amount of \$1,959,281 and authorization for the President and CEO to execute the Task Order.³

2. Consideration of Task Order for Design Services with DWL Architects + Planners, Inc.

Presented by Jaymes Carter, Vice President Buildings and Building Systems – In July of 2021 the Terminal 2 Concession Spaces Program (Program) was kicked-off with RFQs being released for both potential Operators for the program for the Concessions Department and Construction Managers-at-Risk (CMAR) for the Buildings and Building Systems department. During this time, staff reviewed the architectural on-call consultants for food service/hospitality experience, which is needed for this Program, and determined that an existing on-call consultant, DWL Architects + Planners, Inc. (DWL), based on similar project experience would be the appropriate choice as the design team for the project.

In October 2021, DWL was placed under contract with the Authority (Task Order DWL.01.2021, Project 331030). The scope of work included reviewing the Tenant Design Standards regarding the Program, as well as reviewing the designs/concepts of the potential Operators that were short-listed from the Concessions Department's RFQ.

In November 2021, DWL was asked to provide a Design Services Fee proposal to the Authority for the project. The scope of the proposed task order consists of the following:

The project will include the design and construction of three concessions units in Terminal 2: Starbucks Marketplace, 42nd Street Oyster Bar, and Camden Food Company. The three units will consist of a coffee kiosk, a bar with food, and an open bar with limited food. The Authority will design and build the units based on the selected operators' concepts and needs. The initial scope of the project includes Design Phase Services (Project Management, Building Evaluation, Schematic Design, Design Development, and Construction Documents, Bidding/Procurement).

³ Following this presentation, Secretary Kushner paused his participation in the meeting at 12:00 p.m. and rejoined for the Operations Committee Work Session

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After bidding and a contract is negotiated with the CMAR, staff will bring back to the board an additional scope for construction services.

The not-to-exceed cost of services for DWL Architects + Planners, Inc. in proposed Task Order DWL.02.2021 will be \$630,433 for labor (compensated at hourly rates) and \$16,000 Reimbursable Expenses, totaling maximum compensation for the Task Order of \$646,433.

The Minority and Women-Owned Small Business (MWSB) goals for the existing Agreement are 15%, broken down as follows: 10% for Minority-owned Small Businesses (MB) and 5% for Women-owned Small Businesses (WB). DWL's proposed MWSB participation for the proposed Task Order is MB 19.02% and WB-7.49%. The MWSB commitment was reviewed by the Authority's Director of Small Business Programs.

Staff requests approval of Task Order DWL.02.2021 with DWL Architects + Planners, Inc. for the Design and Construction Administration for Terminal 2 Concession Space Program (Project 331030), and for authorization for the President and CEO to execute the Task Order.

3. Consideration for Parking Guidance System Owner's Representative Services

Presented by Kenny Perry, C.M., Director of the Project Management Office – Staff is seeking approval for a Master Services Agreement (MSA) and Task Order #1 (TO 1) with Lumin Advisors, LLC to provide Parking Guidance System Owner's Representative Services.

The Authority intends to issue a Request for Proposals (RFP) to interested firms to install a Parking Guidance System inside RDU's Parking Garages. 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 specifications and procurement documents for this project. Additionally, staff needs this experienced firm to assist with the procurement phase and to provide oversight of the project on behalf of the Authority during the project's final design, installation and acceptance testing phases.

A Request for Letters of Interest and Qualifications was released on February 11, 2022 and two firms responded by the March 4, 2022 deadline with proposals to provide Parking Guidance System Owner's Representative Services. Once received, each proposal was scored and Lumin Advisors, LLC was the highest ranked firm.

The Minority and Women-Owned Small Business (MWSB) participation goals for this assignment were 7% minority-owned firms and 4% women-owned firms. Lumin has proposed 32% for minority-owned firms and 68% for women-owned firms. The Authority's Small Business Program Office reviewed and approved this proposed level of participation.

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The term of the agreement for both the MSA and TO 1 is for two years. The total cost of TO 1 will be \$158,505 which includes \$133,955 in labor and \$24,550 in reimbursable expenses.

Staff requests approval of a multi-year Master Services Agreement, and of Task Order #1 in the amount of \$158,505 with Lumin Advisors, LLC and authorization for the President and CEO to execute both agreements.

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RALEIGH- DURHAM AIRPORT AUTHORITY MINORITY AND WOMEN-OWNED SMALL BUSINESS PROGRAM COMMITTEE WORK SESSION MINUTES April 21, 2022

Hall presided. Present: Hankins, Hannah, Morgan, and Thompson.¹ Staff present included: President and CEO Landguth, Executive Vice President and COO Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, General Counsel Locklear, and other staff members and guests.²

The Committee discussed the following item:

1. Small Business Programs Presentation

Presented by Thiané Carter, Director Small Business Programs – The purpose of this presentation was to provide an overview of the laws and regulations and the federal requirements for goal setting related to the Disadvantaged Business Enterprise (DBE) Program. Ms. Carter provided an overview of the DBE goal development process, explained relative availability, and the determination of the normal market area. She briefly covered key points in the NC Department of Transportation's Disparity Study. Ms. Carter explained the goal adjustment process and shared the draft DBE goal for federally assisted contracts of 21.9%, with the race-conscious portion of 11.6% and the race-neutral portion of 10.4%.

Ms. Carter noted that the federal goals (DBE and ACDBE) are required to be submitted to the Federal Aviation Authority every three years; the DBE program goal will be due on October 1, 2022. She explained the next steps involving publication in local newspapers in the area as well as a virtual stakeholder meeting for comments on the proposed goal.

Committee Chair Hall noted that while the Authority has done a great job, there is always room for improvement and for acceleration in movement toward parity. Board members were reminded that this formula sets the goal for the next three years and this is an important process. There was discussion regarding strengthening involvement of minority firms in professional services, as well as elevating minority-owned businesses as prime contractors versus subcontractors.

For informative purposes only. No Board action requested at this time.

¹ Due to coronavirus precautionary measures and governmental directives, board members attended via Teams with simultaneous communication.

² The meeting was live streamed at https://youtube.com/2hGjcz4HJ_4.

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES April 21, 2022

Morgan presided. Present: Hall, Hankins, Hannah, Kushner, and Thompson.¹ Staff present included: President and CEO Landguth, Executive Vice President and COO Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CFO Kapocius, Vice President and Chief HR Officer Armstrong, Vice President Feldman, General Counsel Locklear, and other staff members and guests.²

The Committee discussed the following item:

1. Consideration of Operator Model Concession Agreements

Presented by David Freedman, Senior Vice President and Chief Revenue Officer, Kimberly Stewart, Director of Concessions, and Tyler Maheu, Director of Commercial Management –

Operator Model for three Food and Beverage units

On March 17, 2022, staff presented information to the Board regarding the Operator Model Solicitation process. The information included an overview of the solicitation process, presentation of the short-listed proposers and results from consensus scoring by the evaluation team. The scoring resulted in a recommendation for Grove Bay Crawford JV, LLC as the selected Operator for three food and beverage units in Terminal 2.

Representatives of Grove Bay Hospitality, Francesco Balli, Co-founder and Eddie Acevedo, Chief Operating Officer, were introduced. Chef Scott Crawford of Crawford Hospitality and Lem Butler of Black & White Coffee Roasters were introduced.

Grove Bay Crawford JV, LLC is a joint venture partnership between Grove Bay Hospitality and Crawford Hospitality. The joint venture will hold a license agreement with a local coffee roaster, Black & White Coffee Roasters. The three entities, individually and combined, share a commitment to operational excellence, offering exceptional guest experiences and maintaining brand authenticity. Grove Bay has extensive experience in restaurant management operations both in airports and streetside restaurants. Grove Bay operates food and beverage concessions in Miami International Airport and Rhode Island's T.F. Green International Airport. Streetside restaurant experience is concentrated in the Miami-Dade area with more than 10 popular restaurants and Grove Bay has direct experience with the Operator Model in two of these streetside restaurants.

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² The meeting was live streamed at https://youtu.be/2hGjcz4HJ_4.

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Crawford Hospitality led by well-known local chef, Scott Crawford, operates multiple restaurants in the Triangle area including Crawford & Son, Jolie, Crawford Cookshop and is opening a steakhouse concept in the new Fenton development in Cary.

Black & White Coffee Roasters was founded by two local U.S. Barista Champions, Lem Butler and Kyle Ramage. The partners have over ten years' experience roasting coffee and currently operate multiple full-service coffee shops in the Triangle area.

Grove Bay Crawford will bring three new concepts to RDU in Terminal 2. The concepts include:

- Crawford Genuine – casual dine bar, Concourse C
- Carolina Craft - open-air kiosk, Concourse C
- Black & White Coffee - Marketplace

Following approval by the Board, the design phase for the three units will begin and be led by the Authority's Buildings & Buildings Systems Department. Construction is projected to begin later this year with units expected to open Fall of 2023.

The projected revenue to the Authority will be in the form of shared management fees and revenue splits. Management fees to the Authority will be tiered ranging from 15% to 19% depending on the level of gross sales. The Operator will receive a 5% Management Fee. The net revenue split, prior to repayment of the capital investment will be 90% to the Authority and Grove Bay will receive 10%. Once the Authority has recovered the full investment which is projected to take approximately 3 years, the revenue share will transition to 75% to the Authority and 25% to the Operator. The contract term is a 10-year period. ACDBE participation is 95% which exceeds the required participation goal of 29.3%. The projected revenue to the Authority is \$37.7 million with a payback period of approximately 3 years.

Operator Model for Pre-Security Coffee

A short-term Operator Model solicitation was released for full-service coffee in pre-security locations in Terminals 1 and 2. The steady recovery of passenger traffic and the demand from guests and employees necessitated a re-opening of these two popular locations.

On April 1st, staff received two proposals from qualified operators, both with 100% ACDBE participation, exceeding the 47% participation goal for the solicitation. The firms were interviewed by the Evaluation Team and consensus scoring led to the recommendation of Beyu Caffe for the short-term coffee solicitation. Beyu Caffe is well-known in the Durham area with multiple locations including the original downtown location, as a tenant in the new Boxyard concept in RTP, and two locations at Duke University. Beyu will bring a sense of community with its presence at RDU and offer guests and employees a full range of coffee, tea, smoothies

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and other beverages. Beyu will offer a wide selection of grab and go items for morning, day or evening. Dorian Bolden, President and CEO of Beyu Caffè was introduced.

The term is three years with two (2) one-year options. Projected revenue to the Authority will be a management fee of 15% of gross sales and net revenue splits of 85% to the Authority while the capital investment is paid back and will transition to 70% to the Authority following investment return. The Operator will receive 5% of gross sales as an Operator Management Fee, net revenue split of 15% which transitions to 30% following the investment payback.

Subject to Board approval, a budget ordinance amendment of \$500,000 will be requested for the Pre-Security Coffee opportunity.

There was discussion regarding the recommendations following the process and evaluation under the stated criteria. For the pre-security locations, there was discussion regarding potential impact from future construction.

Staff requests approval of the Food & Beverage Operator Model contract with Grove Bay Crawford JV, LLC and of the Food & Beverage Operator Model contract with Beyu Caffè, LLC, and authorization for the President and CEO to execute these contracts and any associated documents.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES MAY 19, 2022

Chair Hannah presided. Present: Hall, Hankins, Morgan, Polanco-Galdamez, and Thompson. Staff present included: President and CEO Landguth, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President Feldman, General Counsel Locklear, and other staff members and guests.¹

I. APPROVAL OF AGENDA

Motion by Thompson to approve the Agenda; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Hall to approve the minutes of the regular meetings of the Board and the Board committees, and the consent actions of the Board, held on April 21, 2022; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone to the first in-person meeting since 2020.
2. Chair Hannah thanked everyone who worked to make the recent Icelandair inaugural flight from RDU to Reykjavik a success and noted some Board members were on the flight.
3. Chair Hannah commented that Memorial Day weekend starts the busy summer travel season through Labor Day weekend at RDU, and TSA expects passenger traffic to match and even exceed 2019 levels.
4. Chair Hannah reminded everyone that hurricane season officially begins on June 1st and everyone should prepare and stay informed, with safety tips available at www.ReadyNC.org.

IV. OLD BUSINESS

1. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on May 19, 2022 and discussed the following:

- a. Presentation regarding Terminal 1 Carpet Selection

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

¹ In a continued effort to mitigate the potential spread of illness during the State of Emergency related to COVID-19, the meeting was live streamed at <https://youtu.be/DmJ8JKIAHNs>.

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Committee Chair Thompson presented motions regarding the following three action items discussed during the committee work session:

b. Consideration of Contract with Baker Roofing for T2 Enplanement Deck Expansion Joint Replacements

Motion by Thompson, subject to approval of Budget Ordinance Amendment #2, for approval of a contract with Baker Roofing in the amount of \$1,612,347 and a deductive Change Order in the amount of \$430,256, for a net cost of \$1,182,091 and authorization for the President and CEO to execute the documents.

c. Consideration of Task Order with O'Brien/Atkins Associates for the AOC Fifth Floor Buildout

Motion by Thompson for approval of a task order with O'Brien/Atkins Associates in the amount of \$360,169 for the Design and Construction Administration for AOC Fifth Floor Buildout and authorization for the President and CEO to execute the Task Order.

d. Consideration of GMP Amendment with Balfour Beatty Construction for Construction Phase Services for Runway 5L-23R & Taxiway B Preservation

Motion by Thompson for approval of the Guaranteed Maximum Price Amendment with Balfour Beatty Construction in the amount of \$7,712,369 and authorization for the President and CEO to execute the Amendment.

Motions (as recited above) by Thompson for approval of items b. – d.; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

2. Operations Committee Report – Morgan reported Board members met during the Committee work session on May 19, 2022 and discussed the following items:

a. Presentation Regarding Sustainability Management Plan

Presentation to Board in committee work session for informative purposes only. No Board action required at this time.

b. Consideration of Amendment Five with Elite Line Services for Passenger Boarding Bridge Canopies and Floor Replacement

Motion by Morgan for approval of Amendment Five with Elite Line Services, Inc. in the amount of \$586,308.96 and authorization for the President and CEO to execute the agreement. Second by Hankins

ADOPTED BY UNANIMOUS VOTE

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c. Consideration of Revised Advertising Policy

Matter tabled for further consideration. No Board action required at this time.

V. NEW BUSINESS

1. Consent Agenda

- a. Consideration of Task Order No. 7 with Delta Airport Consultants for General Aviation Area Pavement Rehabilitation
- b. Consideration of Task Order No. 8 with Delta Airport Consultants for Maintenance Building Parking Lot Rehabilitation
- c. Consideration of Proposed FY22-23 Internal Audit Plan
- d. Consideration of Proposed FY22-23 Budget Ordinance Amendment #2
- e. Consideration of Purchase of Vehicles and Equipment Utilizing Pricing from a State Contract and Other Competitively Bid Contracts
- f. Consideration of Agreement with SHI for Microsoft Line of Business Enterprise Agreement
- g. Consideration of Service Agreement with Carrier Corporation for Chiller Maintenance
- h. Consideration of Interim Air Service Development Program

Motion by Thompson to approve and adopt Consent Agenda items a.–h.; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL’S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members expressed appreciation for meeting in-person. The exciting future of the airport was noted with international flights returning and capital improvement projects re-starting. Hankins suggested for future consideration by the Board that a public comment period be added to the monthly meeting. Morgan mentioned his recent trip to Iceland and the activities there, noting it was an encouraging and educational experience. The Small Business Program Office was mentioned and thanked for its work in reaching targets for engagement with minority and women-owned businesses. Chair Hannah was thanked for his role in steering the Board and the Authority over the past two years. The world’s largest plane, the Antonov AN-225, which was recently destroyed in Ukraine, was remembered for its 2006 landing at RDU.

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VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service

1,003,348 passengers flew through RDU in April – a 65% increase over April 2021 and the highest monthly count since the start of the pandemic. For the calendar year to date, RDU has served 3.3 million passengers. That's an increase of 92% from January through April 2021. The average number of daily departures in April was 183, up 34% from 2021, and down 17% compared to 2019.

Overall, RDU is at about 85% of 2019 passenger traffic levels. American had 31% of market share in April, with Delta at 30% and Southwest at 15%.

New/Returning Flights

As Chairman Hannah mentioned, we had a very successful launch event for Icelandair last Thursday and we have even more to celebrate over the next few weeks. Avelo Airlines will make its first flight from RDU next Thursday with a new route to Southern Connecticut. The nonstop flight offers easy access to the metro New York area – RDU's most frequented destination. Frontier is expanding service at RDU, including four new destinations last month and four next week. And Air Canada will resume its Montreal flight in early June, bringing us a fourth international destination.

Memorial Day Tips

Memorial Day is just around the corner, and the long holiday weekend marks the start of summer. As we enter our busiest travel season, I'd like to remind guests to give themselves plenty of time to find parking, check in and get through security. We recommend arriving two hours early for domestic flights and three hours early for international flights. As always, you should book parking online in advance for guaranteed entry into the parking area of your choice.

International Drive

If you enter the airport from Lumley Road, you'll also want to allow more time to navigate the RDU campus. A major rehabilitation project on International Drive began last week and will continue into November. The project involves replacing asphalt in some areas and full-depth reconstruction in others. Construction will take place from the intersection of John Brantley Blvd. to Commerce Drive.

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Much of the work will be done during the evening and overnight hours. It will be done in phases, with alternating closures of traffic lanes and driveways to minimize the impact on traffic. Short delays can be expected in specific locations where traffic is temporarily limited to one-way.

IX. ADJOURNMENT

Motion by Thompson to adjourn; Second by Hall

ADOPTED BY UNANIMOUS VOTE

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RALEIGH- DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT MAY 19, 2022

The Board approved the following items on the Consent Agenda:

a) Consideration of Task Order No. 7 with Delta Airport Consultants for General Aviation Area Pavement Rehabilitation

Memorandum by Jim Novak, Director Facilities Engineering – A specific area of asphalt pavement in the General Aviation area requires rehabilitation due to cracks, localized settlement, and other distresses due to aging. The purpose of this item is to provide staff's recommendation on the award of Task Order No. 7 to Delta Airport Consultants under their current Master On-call Agreement to provide Design-through-Bidding Phase services related to project 381000, General Aviation Area Pavement Rehabilitation.

The project involves pavement rehabilitation of the asphalt portions of the T-hangar area, re-grading of grass shoulders adjacent to the taxilane, and the repair of related drainage drop inlets. Turf re-establishment and new pavement markings are included in the scope.

This Task Order 7 authorizes Design-through-Bidding Phase services. Total compensation under Task Order No. 7 is a not-to-exceed amount of \$245,500. Labor (\$242,299) will be billed at hourly rates which are established in the Master Agreement, and expenses (\$3,201) will be billed at direct cost. Design will be done in FY 22-23 with construction following in FY 23-24.

The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Businesses (MB) and 5% for Women-owned Businesses (WB). MWSB commitments for Task Order No. 7 are 14.9% for MB and 4.6% for WB. The Authority's Director of Small Business Programs concurs with this commitment.

Staff requests approval of Task Order No. 7 with Delta Airport Consultants in the amount of \$245,500 and authorization for the President and CEO to execute the Task Order.

b) Consideration of Task Order No. 8 with Delta Airport Consultants for Maintenance Building Parking Lot Rehabilitation

Memorandum by Jim Novak, Director Facilities Engineering – The pavement on the secure side of the Maintenance Building Parking lot requires rehabilitation due to cracks, localized settlement, and other distresses due to aging. The purpose of this item is to provide staff's recommendation on the award of Task Order No. 8 to Delta Airport Consultants under their

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current Master On-call Agreement to provide Design-through-Bidding Phase services related to Project 453000, Maintenance Building Parking Lot Rehabilitation.

The project includes pavement rehabilitation of the asphalt portions of the Maintenance Facility Parking Lot (secure side). Pavement rehabilitation includes mill and overlay as well as full-depth replacement where necessary. In addition, damaged sections of concrete curb & gutter will be replaced, new pavement markings applied, and new in-pavement gate access activation loops installed. A concrete secondary containment pad for fuel truck deliveries, previously designed, will be incorporated into the construction documents. Expansion of the concrete apron for bus turning movements will be evaluated at the fuel delivery site and other areas.

This Task Order 8 authorizes Design through Bidding Phase services. Total compensation under Task Order 8 is a not-to-exceed amount of \$212,500. Labor (\$209,953) will be billed at hourly rates which are established in the Master Agreement, and expenses (\$2,547) will be billed at direct cost. Design will be done in FY 22-23 with construction following in FY 23-24.

The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Businesses (MB) and 5% for Women-owned Businesses (WB). MWSB commitments for Task Order No. 8 are 10.6% for MB and 3.97% for WB. The Authority's Director of Small Business Programs concurs with this commitment.

Staff requests approval of Task Order No. 8 with Delta Airport Consultants in the amount of \$212,500 and authorization for the President and CEO to execute the Task Order.

c) Consideration of Proposed FY22-23 Internal Audit Plan

Memorandum by Brandon L. Averette, Senior Auditor – The Internal Audit Department requests approval of the FY22-23 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 two 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.

Staff requests approval of the FY22-23 Internal Audit Plan and authorization for the Internal Audit Department to proceed according to the Plan.

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d) Consideration of Proposed FY22-23 Budget Ordinance Amendment #2

Memorandum by Abraheem Ashe, Financial Planning & Analysis Manager – Staff requests consideration of Budget Ordinance Amendment #2, increasing the Budget Ordinance to provide additional funding for the following projects:

- Passenger Boarding Bridge (PPB) Canopy and Cab Floor Replacement Project – The fabric canopies that extend to meet the aircraft on 28 PBBs require replacement due to age and normal wear and tear. Additionally, 17 PBB cab floors require replacement due to corrosion over time caused by leaking canopies. \$131,000 is currently budgeted for this project. Expediting completion requires an additional \$455,309 of budget dollars to fully fund the total project cost of \$586,309.
- T2 Enplanement Deck Expansion Joint Replacements Project – The joints on the enplanement deck directly in front of Terminal 2 are distressed with missing concrete and/or joint seals. \$720,000 is currently budgeted for this project. Increased construction costs and limited bids requires an additional \$430,256 for the Baker Roofing contract and \$269,744 miscellaneous additional project costs such as construction management and 10% contingency, for a total increase of \$700,000.

Staff requests approval of the attached 2022-2023 Budget Ordinance Amendment #2 increasing funding in the amount of \$455,309 for the Passenger Boarding Bridge Canopy and Cab Floor Replacement Project and \$700,000 for the T2 Enplanement Deck Expansion Joint Replacements Project, for a total of \$1,155,309.

(continued on next page)

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RALEIGH-DURHAM AIRPORT AUTHORITY 2022-2023 BUDGET ORDINANCE AMENDMENT #2

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 ¹	Change 4/21/2022	Change 5/19/2022	Amended
Airport Operating Expenses	\$ 94,709,686	\$ 665,109	\$ 1,155,309	\$ 96,530,104
Capital Projects Spend	70,107,427	-	-	70,107,427
Future Capital Projects	32,998,988	(665,109)	(1,155,309)	31,178,550
Future CFC Projects	10,564,548	-	-	10,564,548
Net Debt Service	40,934,191	-	-	40,934,191
Total	\$ 249,314,820	\$ -	\$ -	\$ 249,314,820

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 ¹	Change 4/21/2022	Change 5/19/2022	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
Total	\$ 249,314,820	\$ -	\$ -	\$ 249,314,820

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, and amended this 19th day of May 2022.

Notes:

¹ Original- budget ordinance adopted March 17, 2022

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e) Consideration of Purchase of Vehicles and Equipment Utilizing Pricing from State Contract and Other Competitively Bid Contracts

Memorandum by John A. Connell, P.E., Senior Vice President Operations and Asset Management – The Fleet Department is seeking approval to procure ten vehicles and equipment for various departments. All ten items presented here are in the approved FY 22/23 capital budget. Due to supply chain issues and limited stock on certain vehicles and equipment, a future request will be made for the remaining approved capital budgeted items. The replacement items in this request are: 1 Industrial Floor Scrubber, 3 Full size 4WD Pickups, 2 Small Pickups, 3 Utility Vehicles, and 1 Airfield Tractor.

The NC General Statutes allow the Authority to procure goods and services from state contracts that have been publicly advertised and bid by the NC Division of Purchase and Contracts. State contract 2711B may be used for the floor scrubber and the three full size pickups from W.W. Grainger and Modern Chevrolet of Winston-Salem. Additionally, the NC Sheriff's Association has gone through a competitive bid process to allow purchase of vehicles, which may be used for 2 small pickups and 3 utility vehicles from Performance Ford.

Finally, NC General Statutes permit the Authority to utilize competitive bidding group programs for public agencies or cooperative contracts. Sourcewell Ag Tractors Contract 110719-JCD (PG 1P CG 70) may be used to purchase 1 airfield tractor.

For the vehicles presented here, there is an overall overage of \$90,298.93 in final pricing (\$522,883.74) versus budget (\$432,584.81). These increases occurred in the light vehicle marketplace prices after the budget was prepared last fall. Funds are available in this project to cover this shortfall due to savings on other budgeted vehicles and equipment. The existing vehicles being replaced will be sold at NC State Surplus auction and the proceeds will be sent to the Authority.

Staff requests approval to purchase ten vehicles and equipment utilizing pricing under the North Carolina State Contract 2711B, the North Carolina Sheriff's Association Contract, and the Sourcewell Ag Tractors Contract 110719-JCD, in the amount of \$522,883.74 and authorization for the President and CEO to execute any documents necessary for these purchases.

f) Consideration of Agreement with SHI for Microsoft Line of Business Enterprise Agreement

Memorandum by Michael McLanahan, Vice President of IT Business Solutions – The Authority has standardized on the Microsoft business platform using Microsoft Windows and the 365 Office applications for end-users and backend services such as e-mail, database, and servers. There are two agreements between RDU and Microsoft: a Line of Business (LOB) Enterprise Agreement which expires on May 31, 2022, and a Server Core

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Enrollment (SCE)/Database agreement which expires on June 30, 2022. Information Services is seeking approval of a three-year renewal of the LOB Agreement at a total cost of \$649,530.60 over the three-year period. This request is for the Microsoft Line of Business Enterprise Agreement renewal only. The Microsoft SCE/Database Agreement will be presented for Board consideration at a later date.

Microsoft products are licensed only through their partner network. In this case, the Authority is leveraging the State of North Carolina Department of Information Technology Contract #208C which names Software House International (SHI) as the sole Microsoft partner.

Keeping these platforms up-to-date as newer versions are released is essential to minimize security-related threats, reduce incompatibilities between versions as users and systems collaborate, and holds pricing to fixed pre-negotiated levels for the duration of the agreement. Microsoft Enterprise Agreements have been the Authority-chosen method for ensuring updated products since 2009. The Information Services Department continues to recommend the utilization of these agreements.

The proposed agreement has been reviewed and is supported by the Authority's Small Business Programs Office.

Staff requests approval of a three-year renewal of the Microsoft Line of Business Enterprise Agreement with SHI International Corp. for a total cost of \$649,530.60 over the three years and authorization for the President and CEO to execute any necessary agreements.

- g) Consideration of Service Agreement with Carrier Corporation for Chiller Maintenance
Memorandum by Steven Yanni, Director of Contract Facilities Maintenance – Staff is seeking approval of a multi-year agreement with Carrier Corporation for Chiller Maintenance Services. The services to be provided under the proposed contract include five routine operating inspections and one annual maintenance service per year on each of the eleven chillers in the scope. Carrier will also be providing emergency call back service 24-hours per day, 365 days per year.

Competitive pricing for these services was solicited through the RDU website as a Request for Proposals, and responses were received from two firms, Carrier Corporation and Schneider Electric Buildings Americas, Inc. After careful review of both proposals, the review team agrees that the Carrier Corporation was the best overall value to the Authority. Carrier Corporation has been in business for over 100 years and is one of the world's leading suppliers of HVAC products and services.

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The proposed Service Agreement will be for a term of three years, with two additional one-year option periods, beginning on June 1, 2022 and the contract amount for the three-year term will be \$331,980. In addition, Minority and Women-owned Small Business (MWSB) participation goals for the contract were set at 7% Minority-owned and 4% Woman-owned; however, Carrier Corporation indicated their intent to self-perform all services. This has been reviewed by the Authority's Director of Small Business Programs.

Staff requests approval of a three-year Service Agreement, plus two one-year option periods, with Carrier Corporation for Chiller Maintenance Services in the amount of \$331,980 and authorization for the President and CEO to execute the agreement.

h) Consideration of Interim Air Service Development Program

Memorandum by David Freedman, Senior Vice President and Chief Revenue Officer – The Authority, on behalf of Raleigh-Durham International Airport, has historically maintained an ongoing air service incentive program (ASIP). The Air Service Development staff at RDU is in the process of developing a comprehensive ASIP proposal that will keep RDU competitive, maintain and grow the economic benefit to the Triangle area and address the challenges faced by the industry as it works to recover from the pandemic.

The COVID-19 pandemic has resulted in a considerably smaller passenger airline industry, characterized by fewer aircraft and smaller airline networks. Airlines are further constrained by personnel shortages, particularly pilots. Consequently, airline planners have limited resources for rebuilding networks.

These combined forces result in significant competition among airports for the resumption of routes abandoned as a result of COVID-19, as well as new route opportunities. RDU's goals are to 1) remain a competitive option for existing and potential new entrant carriers in the market, and 2) incentivize a resumption of service for markets discontinued due to COVID-19. These goals balance the strength of the Raleigh-Durham economic development trends and need for competitive air service to continue that momentum. While the Air Service Development team at RDU continues to evaluate and build a long-term ASIP proposal, staff recommends the implementation of the following interim incentive program policy:

1. Standard ASIP providing 12-months of landing fee waivers for new entrant carriers, or for existing carriers launching service to Domestic markets unserved within the previous 18-months. Carriers must offer a minimum of 4 weekly frequencies in order to qualify.

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This interim program will apply through August 31, 2022 and carriers only qualify for the ASIP that is in effect when air service is initiated. This interim program will allow time for a fully developed and targeted ASIP that will prioritize RDU's target air service goals, keep RDU competitive and hopefully incorporate joint efforts with NC Economic Development and private market incentives.

Staff requests approval of an Interim Air Service Development Program and its implementation.

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES MAY 19, 2022

Thompson presided. Present: Hall, Hankins, Hannah, Morgan and Polanco-Galdamez.¹ Staff present included: President and CEO Landguth, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President Feldman, General Counsel Locklear, and other staff members and guests.²

The Committee discussed the following items:

1. Consideration of Contract with Baker Roofing for T2 Enplanement Deck Expansion Joint Replacements

Presented by Ron Jewett, Vice President Facilities Asset Management – The purpose of this item is to provide staff’s recommendation on the award of a contract for T2 Enplanement Deck Expansion Joint Replacements, which includes the removal and replacement of twelve expansion joints along the enplanement deck in front of Terminal 2, with spall repairs to be performed as needed. Remarketing of the Enplanement Deck will be performed upon completion of the expansion joint replacement work. Daily work hours for the project are from 9:00 p.m. to 4:00 a.m. at which time the deck must be opened to traffic.

The project was advertised for bid on March 28, 2022, with a pre-bid meeting and Minority and Women-owned Small Business Enterprise (MWSB) workshop on April 7, 2022, and a Bid Opening on April 21, 2022. No bids were received so the project was readvertised for second bid opening on April 29, 2022. Only one bid was submitted at the second bid opening on April 29, 2022, when that bid was publicly opened and read. The bid received was from Baker Roofing, in the amount of \$1,612,347. The Engineer’s estimate was \$740,000, so the bid was considerably over budget.

Staff began to evaluate options to lower costs with Baker on May 2. The scope of the work was already minimalized to its lowest practical extent, but the contractor lowered its cost proposal due to contract negotiations, which are ongoing as of this date, with the cost currently at \$1,182,091.

The Minority and Women-owned Small Business (MWSB) goals were set at 3% MB and 6% WB. The contractor currently proposes 3.8% MB and 12.3% WB participation. The Director of Small Business Programs concurs with this commitment.

¹ Polanco-Galdamez joined via phone.

² In a continued effort to mitigate the potential spread of illness during the State of Emergency related to COVID-19, the meeting was live streamed at <https://youtu.be/DmJ8JKIAHNs>.

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The current Operating Budget of \$720,000 is insufficient to cover the anticipated project cost. Staff requests a \$700,000 Operating Budget amendment for the project.

Subject to approval of Budget Ordinance Amendment #2, staff requests the approval of a contract with Baker Roofing in the amount of \$1,612,347 and a deductive Change Order in the amount of \$430,256, for a net cost of \$1,182,091 and authorization for the President and CEO to execute the documents.

2. Consideration of Task Order with O'Brien/Atkins Associates for the AOC Fifth Floor Buildout

Presented by Jaymes Carter, Vice President, Buildings and Building Systems – Office space in the RDU Center building is almost to full capacity, and additional office space is needed for new employees of the Authority. The AOC Fifth Floor Buildout project (#881380) will take advantage of unused shell space on the fifth floor of that building. New enclosed and open office spaces will be created for Authority staff. In addition, a portion of the fifth floor will house an enlarged and updated Emergency Operations Center (EOC). The current EOC is located on the fourth floor of the AOC.

The Board approved the AOC Fifth Floor Buildout Project in January of 2020. The project was suspended due to the pandemic in March of 2020. Schematic design was completed before the project was suspended. New scope has been added to the project, which is the relocation of the EOC from the fourth floor to the fifth floor. The EOC is being relocated to provide additional space and infrastructure upgrades for new technology.

The scope of this proposed Task Order OBA.04.2022 consists of the following: Project Management, Code Review and Analysis, Design Development, Construction Documents, Bidding/Procurement, Construction Administration, FFE (Furniture, Fixtures & Equipment), Signage and Project Closeout.

The not-to-exceed cost of services in O'Brien/Atkins Associates Task Order (OBA.04.2022) will be \$351,555 for Labor (compensated at hourly rates) and Reimbursable Expenses in the amount of \$8,614, for maximum compensation under this Task Order of \$360,169.

The Minority and Women-owned Small Business (MWSB) goals for the existing Agreement are 15%, broken down as follows: 10% for Minority-owned Businesses (MB) and 5% for Women-owned Businesses (WB). The Consultant's proposed MWSB participation for Task Order OBA 04.2022 is 55% MB and 22% WB. The MWSB Commitment was reviewed by the Director of Small Business Programs.

Staff requests approval of a task order with O'Brien/Atkins Associates in the amount of \$360,169 for the Design and Construction Administration for AOC Fifth Floor Buildout and authorization for the President and CEO to execute the Task Order.

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3. Presentation regarding Terminal 1 Carpet Selection

Presented by Jaymes Carter, Vice President Buildings and Building Systems – In March, the Board approved staff's recommendation for carpet to be installed as the flooring material in Terminal 1. Staff reviewed different carpet types with on-call design consultant Gensler Architects and has chosen "Kinetex" by J+J Flooring, which is a textile composite flooring (carpet plank) for the basis of design.

Kinetex was selected for durability (5 million foot traffic events); maintenance (easy to clean); moisture tolerance (breathability); health (low VOCs & minimizes airborne particles); safety (high traction surface); acoustics (noise reduction); comfort (anti-fatigue surface); and sustainability (made with 45% post-consumer recycled content).

Mr. Carter displayed images of the current flooring and renderings of what the Kinetex could look like once installed. He explained that the carpet tiles would be laid vertically for esthetics. He answered questions regarding the timeline for installation and anticipated supply chain issues. A sample of the carpet times was on display during the meeting.

For informative purposes only. No Board action requested at this time.

4. Consideration of GMP Amendment with Balfour Beatty Construction for Construction Phase Services for Runway 5L-23R & Taxiway B Preservation

Presented by Jim Novak, Director Facilities Engineering – Staff requests the approval of a Guaranteed Maximum Price (GMP) Amendment to the Agreement with Balfour Beatty Construction (BBC) for Construction Phase Services of the Contractor. BBC recently completed Pre-Construction Phase Services and worked with staff and the Design Engineer to bid the work, which involves demolishing and replacing select concrete slabs on Runway 5L-23R and Taxiway B (south of Taxiway D). This multi-year slab replacement is necessary to preserve the existing runway until the future Runway 5L-23R is operational and to preserve the south portion of Taxiway B until its re-alignment becomes necessary in order to expand Terminal 2. Slabs will be removed and replaced in a daily 20-hour window from 9:30 pm to 5:30 pm. The 4-hour daily re-opening is required to allow large aircraft to depart using 5L-23R. These departures aren't possible on the shorter runway.

The bid package was advertised on March 25, 2022 with a pre-bid conference on March 31. Nine bidders were pre-qualified by BBC. On the initial bid date, an insufficient number of bids were received. After re-advertisement, and two bids were received on May 3, 2022. The sum of the responsible subcontractor bids is defined as the Cost of the Work component, and staff found the reimbursable costs to be reasonable:

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<u>Component</u>	<u>Amount</u>
Cost of the Work	\$ 6,481,669
Contractor's Contingency (5%)	\$ 324,083
Contractor's Construction Fee (3.5%)	\$ 255,641
Reimbursable General Conditions	<u>\$ 650,976</u>
Construction Phase Amendment (GMP)	\$ 7,712,369

The Minority and Women-owned Small Business (MWSB) goals for the project are 5% for MB and 5% WB. The Contractor's MWSB commitments for this Amendment are 5.19% for MB and 5.19% for WB. The Director of Small Business Programs concurs with this commitment.

Attending representatives from Balfour Beatty and its MWSB contractors were introduced, with the scopes of work performed by the contractors explained. Jim Novak answered questions on the recycling of concrete, and in-pavement lighting in the affected slabs would be replaced.

Staff request approval of the Guaranteed Maximum Price Amendment with Balfour Beatty Construction in the amount of \$7,712,369 and authorization for the President and CEO to execute the Amendment.

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES MAY 19, 2022

Morgan presided. Present: Hall, Hankins, Hannah, Polanco-Galdamez¹, and Thompson. Staff present included: President and CEO Landguth, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President Feldman, General Counsel Locklear, and other staff members and guests.²

The Committee discussed the following items:

1. Presentation Regarding Sustainability Management Plan

Presented by Gina Danison, Director of Environmental Programs – The purpose of this presentation is to provide information to the Board relative to the status of the Sustainability Management Plan (SMP). Staff will present an update on portions of the SMP completed to date.

Authority staff was last before the Board in June 2021 with a Task Order request to restart the development of the SMP. Before that, staff provided an information only presentation in April 2021 summarizing the project accomplishments since the initial kick off in October 2018. This presentation will provide an update on what's been completed since restarting the project in July 2021.

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 March 2020. In April 2020, the SMP, along with the 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.

For informative purposes only. No Board action requested.

2. Consideration of Amendment Five with Elite Line Services for Passenger Boarding Bridge Canopies and Floor Replacement

Presented by Steven Yanni, Director of Contract Facilities Maintenance – Staff is seeking approval of Amendment Five with Elite Line Services, Inc. (ELS) for the Passenger Boarding Bridge Canopy and Cab Floor Replacement Project. This amendment to the Baggage Handling System and Passenger Boarding Bridge Supplies contract will replace 28 fabric canopies and 17

¹ Polanco-Galdamez joined via phone.

² In a continued effort to mitigate the potential spread of illness during the State of Emergency related to COVID-19, the meeting was live streamed at <https://youtu.be/DmJ8JKIAHNs>.

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cab floors on a number of RDU passenger boarding bridges (PBBs) that have deteriorated over time and require replacement.

The pricing includes parts, labor, travel expenses for the “go” team and contingency. ELS will be sending a team that is dedicated solely to the installation of the canopies and floors. With the dedicated team, ELS plans on the project taking 53 calendar days to complete. This will minimize the impact to airport operations. Upon completion of this project, the new canopies and cab floors will keep the bridges operating at a functional level for many more years.

Amendment Five consists of specialty PBB parts and self-performed specialty labor specific to PBB repairs so there is no Minority and Women-owned Small Business (MWSB) participation for this amendment. The overall contract goal for Minority-owned Businesses (MB) is 11% and for Women-owned Businesses (WB) is 16%. Current participation is 4% MB and 4.3% WB. MWSB participation on this contract was severely impacted due to reduction in passenger traffic and demand for checked baggage support (affecting the MWSB providers) during Covid. The MWSB vendors are now back to full staffing and ELS is looking for other opportunities to recover their participation rates post-Covid. This has been reviewed by the Authority’s Small Business Programs Office.

The proposed amendment will increase the Baggage Handling System and Passenger Boarding Bridge Supplies contract by \$586,308.96.

Staff requests approval of Amendment Five with Elite Line Services, Inc. in the amount of \$586,308.96 and authorization for the President and CEO to execute the agreement.

3. Consideration of Revised Advertising Policy

Presented by Kimberly Stewart, Director of Concessions – The Advertising Policy was first introduced and approved in 2005 to establish guidelines for advertising to protect and enhance the image of the Airport. In addition, the policy establishes controls for contract advertising to avoid conflict with wayfinding and control the balance between advertising and informational systems. Finally, the policy governs concessions advertising contract which generates non-aeronautical revenue for the Authority.

Evolving consumer lifestyles and changing demographics warrant consideration of four specific categories of advertising content. The four categories are noted below. Staff requests consideration to transition these categories from prohibited content to restricted content. The restricted category will contain specific parameters that staff will use to consider allowance of advertising content. Staff will be conscious of protecting the integrity of the Airport. Staff conducted research in these categories and determined that numerous airports relaxed their policies to allow advertising in these areas as a source of increased non-aeronautical revenue.

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Content Category Revisions	
Alcohol	Cannabidiol (CBD) without THC
Gambling	Tobacco & tobacco products

Other modifications to the policy include the differentiation between Contract and Direct Advertising. Contract Advertising includes advertising managed and sold by a concessionaire. Direct Advertising is any other location deemed acceptable for advertising to be sold directly by the Authority. Finally, the policy seeks to identify locations across the Airport campus that may be utilized for advertising and identifying areas that are strictly prohibited from advertising. An inventory matrix was developed for this purpose.

Erin Locklear addressed Hankins' questions regarding defensibility of policy under First Amendment grounds and confirmed no history of claims at RDU. Kimberly Stewart answered questions regarding the anticipated timeline for a future advertising RFP, and explained the revisions proposed to this policy have been in the drafting phase for several months. Ms. Stewart discussed potential revenue increase from allowing advertising on a restricted basis in the categories outlined. Chair Hannah noted his preference to review the proposed revisions and for this matter to be tabled pending that review.

Staff requests approval of the proposed revisions to the Advertising Policy.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES JUNE 16, 2022

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

I. APPROVAL OF AGENDA

Board members discussed amending the Agenda to pull item 1B (Consideration of a Construction Contract with Fred Smith Company for National Guard Drive Rehabilitation) from the Consent Agenda for Board consideration, and that item 3 (Consideration of Acceptance of Federal Aviation Administration Grant) on the Land & Development Committee agenda be moved to the Consent Agenda.

Motion by Kushner to approve the amended Agenda; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Kushner to approve the minutes of the regular meetings of the Board and the Board committees, and the consent actions of the Board, held on May 19, 2022; Second by Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone and noted with the ongoing pandemic the measured approach being taken to in-person meetings.
2. Chair Hannah mentioned returning flights including American Airlines' nonstop flight to London and Air Canada's nonstop service to Montreal. He announced Avelo became RDU's 13th airline, launching service to Southern Connecticut, and that Frontier Airlines expanded its schedule bringing back flights to New Orleans, Cincinnati, and Indianapolis, and adding its new route to Newburgh, NY.
3. Chair Hannah commented on COVID-19 tests no longer being required for travelers flying into the U.S. and that the removal of this testing barrier could encourage more travel abroad.

¹ In a continued effort to mitigate the potential spread of illness during the State of Emergency related to COVID-19, the meeting was live streamed at <https://youtu.be/eMhFnX0lkeY>.

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4. Chair Hannah noted that Uptown Burger opened in Terminal 2 on the C Concourse, and will be serving from Thursday – Monday from 11 a.m. to 7 p.m.
5. Chair Hannah gave details on the recent send-off from RDU of the Special Olympics North Carolina delegation, comprised of 75 athletes and 19 coaches, traveling to the national competition in Orlando. He congratulated the team on winning several medals and ribbons and noted that the Authority is honored to be a Special Olympics partner, hosting the annual Plane Pull each year.

IV. OLD BUSINESS

1. Operations Committee Report – Morgan reported Board members met during the Committee work session on June 16, 2022 and discussed the following items:

- a. Closed session

Presentation in closed committee work session in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a) (3) relating to Fixed Base Operator Facilities

- b. Consideration of Consent to Proposed Transaction Regarding Acquisition and Assignment of Fixed Base Operator Facilities and Fuel Farm Lease and Operating Agreement

Motion by Morgan for approval of the Authority's consent to the Proposed Transaction including the Change of Control from Truman Arnold Companies, Inc. to Signature Flight Support, LLC, and subsequent Assignment from Signature Flight Support, LLC to Atlantic Aviation Infrastructure Corporation of the TAC Air Facilities and Fuel Farm Lease and Operating Agreement, and authorization for the President and CEO to execute all related documents;

- c. Consideration of Amendment 12 with SITA

Motion by Morgan for approval of Amendment 12 to the SITA Agreement which provides a wage increase for the Lead and Standard Technicians at an increased support cost of \$188,817.16 over the duration of the current contract, and authorization for the President and CEO to execute any necessary, related documents;

- d. Presentation Regarding Insurance Renewals 2022-2023

Presentation to Board in committee work session for informative purposes only. No Board action required at this time.

Motions (as recited above) by Morgan for approval of items b. and c.; Second by Hankins

ADOPTED BY UNANIMOUS VOTE

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2. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on June 16, 2022 and discussed the following:

a. Consideration of Agreement with InterVISTAS for the CONRAC Facility Programming Update

Motion by Thompson for approval of an agreement with InterVISTAS in the amount of \$248,099 and authorization for the President and CEO to execute the agreement, subject to Board approval of the Budget Ordinance Amendment #3; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

b. Consideration of Task Order with LS3P for Business Requirements and Staffing Analysis for the New Aircraft Rescue and Firefighting Facility and Airport Operations Center

Motion by Thompson approval of Task Order 1 with LS3P for business requirements and staffing analysis in the amount of \$417,838 for the New ARFF/AOC, and authorization for the President and CEO to execute the task order; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

c. Consideration of Acceptance of Federal Aviation Administration Grant

Per amended Agenda, this matter was moved to Consent Agenda.

d. Consideration of Design Build Contractor Selection Policy

Motion by Thompson for approval of the Design Build Contractor Policy as presented; Second by Morgan

ADOPTED BY MAJORITY VOTE²

V. NEW BUSINESS

1. Consent Agenda³

a. Consideration of Task Order with Dewberry Engineers for Preliminary Design Services for Intersection Improvements at Aviation Parkway and National Guard Drive

² Treasurer Hall voted in opposition of approval

³ Per amended Agenda, former item 1b. “Consideration of a Construction Contract with Fred Smith Company for National Guard Drive Rehabilitation” was removed from the Consent Agenda for Board discussion, and item 3 on the Land & Development Committee agenda “Consideration of Acceptance of Federal Aviation Administration Grant” was moved to the Consent Agenda.

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- ~~b. Consideration of a Construction Contract with Fred Smith Company for National Guard Drive Rehabilitation⁴~~
- c. Consideration of Proposed FY22-23 Budget Ordinance Amendment #3
- d. Consideration of Lease Agreement with UPSCO United Parcel Service Co.
- e. Consideration of Multiyear Agreement with SHI for Microsoft Server Cloud Enrollment/ Database Enterprise Agreement
- f. Consideration of Agreement with A3 Communications
- g. Consideration for Multiyear Rollup Door Service Agreement with CNC Door Company
- h. Consideration of Service Agreement for Boiler Preventative Maintenance and Repair Services
- i. Consideration of Acceptance of Federal Aviation Administration Grant

Motion by Hankins to approve and adopt amended Consent Agenda items a., c.-i.; Second by Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

2. Consideration of a Construction Contract with Fred Smith Company for National Guard Drive Rehabilitation

Presented by Jim Novak, Director of Facilities Engineering – The purpose of this item is to provide staff's recommendation for the award of a construction contract in connection with National Guard Drive Rehabilitation (RDU Project 881410). The National Guard Drive Pavement Rehabilitation scope includes pavement milling, full depth reclamation, asphalt replacement, traffic control, and pavement marking.

The project was advertised for bid on April 19, 2022. A pre-bid meeting and Minority and Women-owned Small Business Enterprise (MWSB) workshop was conducted on April 28, 2022, and bids were received on May 16, 2022. Only one bid was received so the project was readvertised and again, only one contractor submitted a bid at the second bid opening on May 24, 2022, at which time that bid was opened and publicly read. The bid received was from Fred Smith Company in the amount of \$1,446,000. The bid was found to be responsive and responsible. The Engineer's estimate is \$1,252,200. The budget for Capital Project 881410 is sufficient for award of this contract.

The MWSB goal for this project was set at 5% Minority-owned Businesses (MB) and 5% Women-owned Businesses (WB). Fred Smith Company proposed MWSB participation in the amount of 4.5% MB and 5.5% WB. The Authority's Director of Small Business Programs reviewed the MWSB documentation and determined that Fred Smith Company achieved the project goals and that all paperwork is in order.

⁴ Item removed from Consent Agenda for discussion by Board
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Motion by Hankins to approve the award of a construction contract to Fred Smith Company in the amount of \$1,446,000 for the National Guard Drive Rehabilitation and authorization for the President and CEO to execute the contract; Second by Morgan

ADOPTED BY UNANIMOUS VOTE⁵

Staff answered questions regarding the multiyear Agreement with SHI for Microsoft Server Cloud Enrollment/ Database Enterprise Agreement which was approved on the Consent Agenda and explained the two licensing agreements in place between the Authority and Microsoft. There was Board discussion regarding piggybacking on state contracts and, subject to the state agency's bidding process, the potential impact on minority and women-owned small businesses.

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members expressed appreciation for meeting in-person. Staff members were thanked for their work and efforts in creating and giving informative presentations and sharing their knowledge on complicated subjects. Secretary Kushner encouraged everyone to take advantage of the flight to Iceland. Upcoming changes in the General Aviation sector with a new FBO entity was noted, and appreciation expressed for the focus on walkability for the future CONRAC.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service

More than 1,088,700 passengers flew through RDU last month, compared to 772,000 in May of 2021. That's 83 percent of May 2019 traffic and a year-over-year increase of 41 percent. We have reached the highest monthly passenger count since the start of the pandemic for the second month in a row. The average number of daily departures was 186, an increase of 27 percent over May of last year. American Airlines had 31 percent of the market share at RDU, with Delta at 29.6 percent and Southwest at 14.6 percent.

TSA Tips

TSA has added new technology at checkpoints in both terminals to enhance security and reduce

⁵ Secretary Kushner recused himself due to a potential conflict of interest and abstained from voting
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physical contact. The technology also improves the passenger experience by allowing you to keep more items in your carry-on bags during the screening process. Passengers going through screening will need to put everything in a bin with nothing sticking out. Items can no longer be placed directly on the belt. All Terminal 1 and 2 security lanes are expected to have the new equipment this month.

Web Page

RDU's Vision 2040 web page has been revamped to include updates on capital projects included in the 25-year master plan and other major construction projects that are in progress. Many of the Vision 2040 projects that were put on hold in 2020 are moving forward again. You can find status updates at www.rdu.com/Vision2040 , along with information about how the master plan was developed and how it will help the airport prepare for growing passenger traffic.

Duct Replacement

I want to commend the members of Team RDU and our business partners who ensured that maintenance conducted this week went smoothly. Duct work that was damaged by water during last November's power outage was replaced late Tuesday evening. The work required careful planning in advance to make sure technology systems were powered down and brought back up systematically to minimize impact on operations and passengers. It was a team effort that involved Authority staff, airlines, TSA, vendors and other partners, and it was a job well done. Thank you.

IX. ADJOURNMENT

Motion by Hall to adjourn; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

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RALEIGH- DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT JUNE 16, 2022

The Board approved the following items on the Consent Agenda¹:

a) Consideration of Task Order with Dewberry Engineers for Preliminary Design Services for Intersection Improvements at Aviation Parkway and National Guard Drive

Memorandum by Ron Jewett, Vice President Facilities Asset Management – Prior to March of 2020, the Authority had engaged a consultant to develop conceptual alternatives for improvements to the intersection of Aviation Parkway and National Guard Drive. Such improvements would increase capacity of the intersection, particularly in terms of maintaining unconstrained access to and from Park Economy 3 as traffic volume grows. General consensus was reached among staff regarding the most efficient concept to achieve the goal of the effort; however, the project was halted at that point due to the impacts of COVID. Staff believes this is the appropriate time to re-start the project. Accordingly, the purpose of this item is to provide staff's recommendation on the award of Task Order 2 under the Master On-Call Agreement with Dewberry Engineers Inc. (Dewberry) for services related to Planning and Schematic Design for the intersection.

The project involves increasing the capacity of the intersection of Aviation Parkway and National Guard Drive, while safely accommodating existing traffic. At least one bridge is anticipated to be constructed. Numerous utility relocations and protection measures are anticipated. National Guard Drive is owned and maintained by the Airport Authority. Aviation Parkway is owned and maintained by the NCDOT. The Town of Cary controls the traffic signal in the intersection. Considerable collaboration will take place with the NC Department of Transportation, the Town of Cary, and with the numerous utility owners that may be impacted.

This task order authorizes finalization of a preferred alternative, preliminary coordination with internal and external stakeholders, and an analysis of existing traffic volume and movements. Early design tasks include topographic surveying, utility inventory, and an environmental inventory and documentation. Schematic Design level plans and

¹ Per amended Agenda, former item 1b. "Consideration of a Construction Contract with Fred Smith Company for National Guard Drive Rehabilitation" was removed from the Consent Agenda for Board discussion, and item 3 on the Land & Development Committee agenda "Consideration of Acceptance of Federal Aviation Administration Grant" was moved to the Consent Agenda.

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specifications will be developed as staff works through right-of-way impacts and resolves utility conflicts. Culmination of the Schematic Design will include an expectation of project duration and cost, as well as a plan to address environmental impacts and compliance requirements, plus a plan to advance the necessary design.

Total compensation under Task Order 2 is a not-to-exceed amount of \$747,472. Labor (\$734,408) will be billed at hourly rates, which are established in the Master Agreement, and expenses (\$13,064) 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 Businesses (MB) and 5% for Women-owned Businesses (WB). Commitments for Task Order 2 are 10.1% MB and 21.1% WB. The Authority's Director of Small Business Programs concurs with this commitment.

Staff requests approval of Task Order 2 with Dewberry Engineers Inc. in the amount of \$747,472 and authorization for the President and CEO to execute the task order.

b) Consideration of a Construction Contract with Fred Smith Company for National Guard Drive Rehabilitation

Item removed from Consent Agenda for discussion by Board

c) Consideration of Proposed FY22-23 Budget Ordinance Amendment #3

Memorandum by Abraheem Ashe, Financial Planning & Analysis Manager – Staff requests consideration of Budget Ordinance Amendment #3, increasing the Budget Ordinance to provide funding for the following project:

- CONRAC Facility Programming Update Project – The project is a revalidation of pre-pandemic programming efforts for the future Consolidated Rental Car (CONRAC) Program. It will consider future demand and infrastructure needs for electric vehicles, autonomous vehicles, and other potential industry disruptors, as well as planning efforts to assess the adequacy of existing rental car facilities. There is no budget currently for this project and \$250,000 is required to fully fund the project. We expect to fund this project with Customer Facility Charge (CFC) funds.

Staff requests approval of the attached 2022-2023 Budget Ordinance Amendment #3 adding funding in the amount of \$250,000 for the CONRAC Facility Programming Update Project.

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RALEIGH-DURHAM AIRPORT AUTHORITY 2022-2023 BUDGET ORDINANCE AMENDMENT #3

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 ¹	Change 4/21/2022	Change 5/19/2022	Change 6/16/2022	Amended
Airport Operating Expenses	\$ 94,709,686	\$ 665,109	\$ 1,155,309	\$ 250,000	\$ 96,780,104
Capital Projects Spend	70,107,427	-	-	-	70,107,427
Future Capital Projects	32,998,968	(665,109)	(1,155,309)	-	31,178,550
Future CFC Projects	10,564,548	-	-	(250,000)	10,314,548
Net Debt Service	40,934,191	-	-	-	40,934,191
Total	\$ 249,314,820	\$ -	\$ -	\$ -	\$ 249,314,820

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 ¹	Change 4/21/2022	Change 5/19/2022	Change 6/16/2022	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
Total	\$ 249,314,820	\$ -	\$ -	\$ -	\$ 249,314,820

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, and amended this 16th day of June 2022.

Notes:

¹ Original- budget ordinance adopted March 17, 2022

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d) Consideration of Lease Agreement with UPSCO United Parcel Service Co.

Memorandum by Karen Reynolds, Director of Properties – United Parcel Service Co. (“UPSCO”) is the aircraft maintenance arm of United Parcel Service, Inc. UPSCO has signed a lease agreement for Unit “B” in Building “D” of the north cargo complex on International Drive. UPSCO will use Unit “B” for storage of aircraft parts, equipment and materials in connection with its aircraft maintenance activities and office and administrative activities.

Lease Agreement:

- Term: five years, with one (1) five-year option at the Authority’s discretion
 - Lease Agreement shall terminate upon expiration/sooner termination of the Cargo Carrier Operating Agreement and Facilities Lease with United Parcel Service Inc. dated March 22, 2022
- Rent will be charged at rates consistent with those currently paid by other north cargo tenants:
 - Building space (5,148 s.f.) : \$11.41/s.f./year
 - Vehicle parking area (19,486.72 s.f.) : \$0.161/s.f./year
 - Annual 3% escalation of fixed rental rates
 - Maintenance & Operations Fee, as calculated annually by the Authority

Staff requests approval of the Lease Agreement with UPSCO United Parcel Service Co. a/k/a United Parcel Service Co., and authorization for the President and CEO to execute the agreement.

e) Consideration of Multiyear Agreement with SHI for Microsoft Server Cloud Enrollment/ Database Enterprise Agreement

Memorandum by Michael McLanahan, Vice President IT Business Solutions – The Authority has standardized on the Microsoft business platform using Microsoft Windows and the 365 Office applications for end-users and backend services such as e-mail, database, and servers. There are two agreements between RDU and Microsoft: a Line Of Business (LOB) Enterprise Agreement which was renewed following May 2022 Board approval, and a Server Cloud Enrollment (SCE)/Database agreement which expires on June 30, 2022. Staff is now seeking approval of a three-year renewal of the SCE/Database Agreement at a total cost of \$239,008.14 over the three-year period.

The Information Services and Procurement departments collaborated on the procurement strategy for this agreement. Microsoft products are licensed only through their partner network. In this case, the Authority is leveraging the State of North Carolina Department

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of Information Technology Contract #208C which names Software House International (SHI) as the sole Microsoft partner.

Keeping these platforms up-to-date as newer versions are released is essential to minimize security-related threats, reduce incompatibilities between versions as users and systems collaborate, and holds pricing to fixed pre-negotiated levels for the duration of the agreement. Microsoft Enterprise Agreements have been the Authority-chosen method for ensuring updated products since 2009. The Information Services Department continues to recommend the utilization of these agreements.

The proposed agreement has been reviewed and is supported by the Authority's Small Business Programs Office.

Staff requests approval of a three-year renewal of the Microsoft SCE/Database Enterprise Agreement with SHI International Corp. for a combined \$239,008.14 over the three years and authorization for the President and CEO to execute any necessary agreements.

f) Consideration of Consideration of Agreement with A3 Communications

Memorandum by Michael McLanahan, Vice President IT Business Solutions – In July 2021, staff received approval for a five-year agreement with A3 Communications for software support of specific components of our Secure Access and Control System (SAACs). The July 2021 agreement leveraged Statewide Term Contract #838A - Security and Fire Protection Services to secure discounted pricing for RDU. Information Services is now seeking to amend the agreement with A3 Communications to include additional components of the SAACs system at similar discounted pricing at a cost of \$75,746.05 over the remaining four-year period.

The Information Services and Procurement departments collaborated on the procurement strategy for software support for the SAACs System. Support for SAACs components is only available through authorized partners of the manufacturers, which includes A3 Communications.

The proposed agreement has been reviewed and is supported by the Authority's Small Business Programs Office.

Information Services is willing to entertain additional discussion concerning the details of this request in closed session, as it involves airport security-related details.

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Staff requests approval for an amendment to a five-year agreement with A3 Communications at a cost of \$75,746.05 over the remaining four years, and authorization for the President and CEO to sign any necessary, related documents.

g) Consideration for Multiyear Rollup Door Service Agreement with CNC Door Company

Memorandum by Steven Yanni, Director of Contract Facilities Maintenance – Staff is seeking approval for an agreement with CNC Door Company dba Door Systems Assa Abloy (Assa Abloy), for rollup door maintenance and repair services. The scope of the agreement will include annual preventative maintenance visits for 76 rollup doors at various facilities across the airport campus as well as any repairs that are needed.

A request for proposals (RFP) was released on April 18, 2022, with a pre-proposal meeting on April 29, 2022. Proposals were due on May 12, 2022. The RFP was publicly advertised on the RDU website and Procurement also sent notifications out to multiple overhead door companies with information about the release of the RFP and the pre-proposal meeting. Despite several notifications sent to multiple firms, only one submission was received.

The term of the proposed agreement will be three years plus two one-year option periods. Total cost will be \$65,751 which includes annual preventative maintenance services and \$45,000 allowance for unpredictable repairs. This repair allowance is only to be used with prior Authority staff approval and using pre-established hourly rates in the agreement. Labor rates are fixed in the agreement over the 3-year period.

The Minority and Women-owned Small Business (MWSB) goals were set at 7% for Minority-owned Businesses (MB) and 4% for Women-owned Businesses (WB). Assa Abloy provided documentation to support self-performance and meets the requirements of the MWSB program. This has been reviewed by the Authority's Small Business Program Office.

Staff requests approval of a Service Agreement with CNC Door Company dba Door Systems Assa Abloy in the amount of \$65,751 for a term of three years plus two one-year option periods and the authorization for the President and CEO to execute the agreement.

h) Consideration of Service Agreement for Boiler Preventative Maintenance and Repair Services

Memorandum by Steven Yanni, Director of Contract Facilities Maintenance – Staff is seeking approval for a multiyear Service Agreement with WC Rouse & Son, Inc., for boiler preventative maintenance and repair services. The scope of the agreement will include semi-annual preventative maintenance and repair services for nine boilers located at the

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Central Energy Plant, NCDOT Aviation Building, Airport Operations Center, RDU Center, Terminal 1, and Maintenance Facility.

A request for proposals (RFP) was released on April 18, 2022, with a pre-proposal meeting on April 26, 2022. Proposals were due on May 5, 2022. Four proposals were received from Brady Trane Service, Inc., C&C Boiler Sales & Service, Inc., Hoffman Mechanical Solutions, and WC Rouse & Son, Inc. Staff reviewed and scored the RFP submissions and short-listed Hoffman Mechanical Solutions and WC Rouse for interviews. Once the interviews concluded, staff unanimously recommended WC Rouse & Son, Inc.

Boiler RFP Cost Summary				
	Brady Trane Service	CC Boiler	Hoffman Mechanical	WC Rouse
Grand 5 year Total (from Form B)	\$ 105,950.00	\$152,615.00	\$120,059.25	\$60,206.00

The term of the proposed agreement is five-years. Total cost will be \$60,206 which includes semi-annual preventative maintenance and repair services.

The Minority and Women-owned Small Business (MWSB) goals were set at 7% for Minority-owned Businesses (MB) and 4% for Women-owned Businesses (WB). WC Rouse & Son, Inc. has provided documentation to support self-performance and meets the requirements of the MWSB program. This has been reviewed by the Authority's Small Business Program Office.

Staff requests approval of a Service Agreement with WC Rouse & Son, Inc., in the amount of \$60,206 for a term of five-years and the authorization for the President and CEO to execute the agreement.

i) Consideration of Acceptance of Federal Aviation Administration Grant

Memorandum by William C. Sandifer, A.A.E., Executive Vice President and Chief Operating Officer – This item provides staff's recommendation for the acceptance of a Grant Offer from the Federal Aviation Administration (FAA) in the amount of \$1,319,026, for conducting the Environmental Assessment for the Runway 5L/23R Relocation project.

Staff requests acceptance of the Grant Offer in the amount of \$1,319,026, as presented by the Federal Aviation Administration, and authorization for the President and CEO to execute the grant documents.

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES JUNE 16, 2022

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

Motion by Morgan 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 Thompson

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Closed session from 11:02 a.m. until 11:18 a.m.

The Committee discussed the following items:

1. Consideration of Consent to Proposed Transaction Regarding Acquisition and Assignment of Fixed Base Operator Facilities and Fuel Farm Lease and Operating Agreement

Presented by Tyler Maheu, Director of Commercial Management – The general aviation community at RDU has enjoyed Fixed Base Operator (FBO) services provided by Truman Arnold Companies, Inc. (TAC Air) since 1997 and Signature Flight Support, LLC (Signature) since 1999. The Authority entered into a new Facilities and Fuel Farm Lease and Operating Agreement with TAC Air (TAC Air Lease Agreement), and a new Facilities Lease and Operating Agreement with Signature on October 21, 2021. The new agreements expanded apron leaseholds and have a term of ten years (April 1, 2022 through March 31, 2032).

On April 8, 2022, TAC Air and Signature provided notice to the Authority that Signature intended to purchase all of TAC Air's FBOs, including the RDU location. The notice also stated that Signature would, upon closing of the purchase of TAC Air, immediately sell the TAC Air Lease Agreement to a third-party FBO to ensure RDU continues to enjoy general aviation

¹ In a continued effort to mitigate the potential spread of illness during the State of Emergency related to COVID-19, the meeting was live streamed at <https://youtu.be/eMhFnX0lkeY>.

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services from two separate FBOs (the Proposed Transaction including Change of Control and Assignment).

Signature has since completed a solicitation process via a third-party financial management firm and selected Atlantic Aviation Infrastructure Corporation (Atlantic) to sell the TAC Air Lease Agreement. Atlantic operates the second largest US FBO network with 99 FBO locations (soon to be 102) and has been in the general aviation business for 95 years. Atlantic has earned a global reputation for providing first-class FBO customer services in a safe and secure environment, and has committed to staff to do exactly that at RDU.

Tyler Maheu introduced the FBO representatives present at the meeting: Joe Gibney with TAC Air; Jim Hopkins with Signature; and Kurt Schmidt with Atlantic. Kurt Schmidt briefly overviewed the history of Atlantic, explaining its robust safety and training programs, and commitment to customer service. He detailed Atlantic's experience in transitioning operations and in building relationships with airports.

Staff requests approval of the Authority's consent to the Proposed Transaction including the Change of Control from Truman Arnold Companies, Inc. to Signature Flight Support, LLC, and subsequent Assignment from Signature Flight Support, LLC to Atlantic Aviation Infrastructure Corporation of the TAC Air Facilities and Fuel Farm Lease and Operating Agreement, and authorization for the President and CEO to execute all related documents.

2. Consideration of Amendment 12 with SITA

Presented by Michael McLanahan, Vice President IT Business Solutions – Common Use technology and support has been provided by SITA since October 2019. The current scope of services includes a comprehensive deployment in Terminal 2 and four gates in Terminal 1. The onsite support team consists of one site lead (SITA employee), one lead technician (SITA subcontract), and four standard technicians (SITA subcontract). Information Services is seeking approval for wage increases of the subcontracted lead technician, and standard technicians for the duration of the current agreement, expiring October 20, 2024, at an increased support cost of \$188,817.16 for this period. This increase is intended to bring wages into alignment with the industry and the area market.

Between April 2020 and May 2022, the Authority experienced 167% turnover of the six positions noted above. This has resulted in challenges in the continuity of support and adherence to procedures which negatively impacts customer service levels for our airline partners and ultimately our passengers. Initial findings suggested that non-competitive wages played a key factor in employees' decisions to leave. Thus, SITA and Information Services investigated other similar airports supported by SITA, similar IT roles in the Research Triangle, similar IT roles within the Authority, and a few recent service agreement renewals involving contracted labor for the Authority. We concluded the current wages of the common use support staff to be out of alignment and in need of corrective action. The result is the wage increase recommendation

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contained within Amendment 12 to the SITA/RDU Agreement. The original agreement with SITA had no provision for periodic wage adjustments.

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

Board members' questions regarding the potential ripple effect on other sections at the airport, as well as potential future adjustment requests were discussed. Michael McLanahan noted that the expertise of these SITA technicians enabled the processing of passengers at the kiosks. Jennifer Shaw, Senior Account Manager with SITA explained the investigation conducted regarding wage trends at various other airports.

Staff requests approval of Amendment 12 to the SITA Agreement which provides a wage increase for the Lead and Standard Technicians at an increased support cost of \$188,817.16 over the duration of the current contract, and authorization for the President and CEO to execute any necessary, related documents.

3. Presentation Regarding Insurance Renewals 2022-2023

Presented by James Witherspoon Jr., PHR, CSP, ARM, Director of Risk Management and Safety – The Authority's insurance coverages renew as of July 1, 2022. Year over year changes in policies are:

1. Property coverage premium increased by \$35,639 with an increase in property values
2. Cyber Liability coverage premium increased by \$50,637
3. Workers Compensation coverage premium increased by \$119,850 along with an experience modification rate of .71
4. Liability coverage premium increased by \$25,970
5. Crime coverage premium decreased by \$2,434
6. Automotive coverage premium increased by \$5,872
7. Directors and Officers/Employment Practices coverage premium decreased by \$5,538
8. Pollution Liability coverage premium remained the same
9. Fiduciary Liability coverage premium remained the same

The net premium impact is an increase of \$229,996 (from \$1,430,205 to 1,660,201).

Mr. Witherspoon introduced the insurance agent representatives present at the meeting. He answered Board members' questions regarding workers compensation claims and explained the safety and risk training available to staff. Mr. Witherspoon detailed the on-site visits by fire marshals and the insurance carriers' risk engineers to assist the Authority in compliance

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standards. Mr. Witherspoon explained his involvement on the Airports Council International Risk Management Committee which serves as a forum for airport professionals to share and discuss loss control and prevention, regulatory requirements, and other insurance-related topics. He noted the proactive actions by the Authority such as purchasing a dedicated cyber coverage policy and the collaborative work with the insurance carriers to acquire the needed coverages.

For informative purposes only. No Board action required.

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES JUNE 16, 2022

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

The Committee discussed the following items:

1. Consideration of Agreement with InterVISTAS for the CONRAC Facility Programming Update

Presented by Delia Chi, Vice President Planning and Sustainability – In 2017, following the Master Plan/Vision 2040, the Authority engaged InterVISTAS for advanced planning, programming, and 20% design services resulting in the completion of a Program Definition Services report for various facilities, including Consolidated Rental Car Facility, Ground Transportation Center, and New Public Parking Garage. In March 2020 due to the pandemic, future efforts to continue design and construction were suspended.

With passenger traffic approaching pre-pandemic levels, the CONRAC Program needs to be revalidated. InterVISTAS prepared a proposal to revalidate previous programming efforts, including updating programming requirements based on the latest passenger forecast and completing a new traffic survey, but to also take the opportunity to assess the adequacy of existing rental car facilities to address short-term capacity constraints. The Authority also added tasks to: assess electric vehicle demand and infrastructure needs in various facilities; and assess the demand of existing and potential new “disruptors” that may impact the future demand for rental cars, ground transportation, and public parking.

The CONRAC Facility Programming Update project will be completed by InterVISTAS and their project team (TranSystems, Connico, and Wiltec). Total compensation for InterVISTAS is a not-to-exceed amount of \$248,099. Labor (\$238,099) will be billed at hourly rates and expenses (\$10,000) will be billed at direct cost.

The overall Minority and Women-owned Small Business (MWSB) goals for the project are 10% for MB and 5% for WB. Total commitments for this assignment are 13.7% for MB and

¹ In a continued effort to mitigate the potential spread of illness during the State of Emergency related to COVID-19, the meeting was live streamed at <https://youtu.be/eMhFnX0lkeY>.

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8.2% for WB. The Authority's Director of Small Business Programs concurs with this commitment.

Mrs. Chi introduced Dan Barton with InterVISTAS. Mrs. Chi answered Board members' questions regarding how InterVISTAS was chosen for the project, the cost for restarting this project, as well as the additional items added to this scope of work. Thianè Carter, Director of the Authority's Small Business Program, answered questions regarding when the Minority and Women-owned Small Business Program applied versus federally-assisted projects with Disadvantaged Business Enterprise or Airport Concessions Disadvantaged Business Enterprises eligibility.

Staff requests approval of an agreement with InterVISTAS in the amount of \$248,099 and authorization for the President and CEO to execute the agreement, subject to Board approval of the Budget Ordinance Amendment #3.

2. Consideration of Task Order with LS3P for Business Requirements and Staffing Analysis for the New Aircraft Rescue and Firefighting Facility and Airport Operations Center

Presented by Rachel Stair, Director, Planning and Sustainability – The new Aircraft Rescue and Fire Fighting (ARFF) Facility and Airport Operations Center (AOC) project seeks to replace the existing, outdated, and undersized ARFF facility with an industry standard, modern facility that meets the business needs of the Authority and is fully integrated with the AOC. The New ARFF/AOC facility would transform the current AOC and adjacent Emergency Operations Center (EOC) into a single, fully-integrated “command center” that monitors, controls, manages, and responds to all aspects of the business operations (i.e., routine, irregular, and emergency) at the Airport.

The first task for this project will be to conduct a “business requirements” analysis of the business operations that could be co-located into a single New ARFF/AOC. Then a “staffing analysis” will be conducted to determine staff numbers needed to meet the business requirements established for the New ARFF/AOC. Findings from Task Order 1 will be used to inform future tasks for the New ARFF/AOC. The project was scheduled to start in March 2020, but was suspended due to the pandemic. Total compensation under Task Order 1 is a not-to-exceed amount of \$417,838. Labor (\$403,838) will be billed at the hourly rates established in the Task Order, and expenses (\$14,000) will be billed at direct cost.

The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for MBs and 5% for WBs. Total commitments for this proposed Task Order 1 are 0% for MB and 0% for WB. While no MWSBs are committed in this task, later tasks anticipate MWSB commitments. For the entire scope, the Consultant anticipates achieving 13-21% for MB and 6-11% for WB. The subsequent tasks will be brought forward

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for Board approval later in FY22/23 and FY 23/24. The Authority's Director of Small Business Programs has reviewed this commitment.

Staff requests approval of Task Order 1 with LS3P for business requirements and staffing analysis in the amount of \$417,838 for the New ARFF/AOC, and authorization for the President and CEO to execute the task order.²

3. Consideration of Acceptance of Federal Aviation Administration Grant

Motion by Morgan to move this item to the Consent Agenda; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

4. Consideration of Design Build Contractor Selection Policy

Presented by William C. Sandifer, A.A.E., Executive Vice President and Chief Operations Officer – This item provides staff's recommendation for the approval of the Design Build Contractor Selection Policy. Concurrent with Board approval in April to complete the design for the implementation of a Parking Guidance System in Park Central and Park Premier, staff began to evaluate the most appropriate delivery method to be used to "construct" the project. Because the nature of the project is a blend between a technology solution, physical construction, installation and operation, staff has determined that a Design Build project delivery approach is in the best interest of the Authority.

In order to proceed with that type of project delivery the Authority must follow the requirements of state law. To assure adherence to state law staff has developed an organizational policy that will provide direction when selecting future Design Build firms. Staff desires to have Board concurrence with this process and now presents this Policy for Board consideration.

Board members questioned lack of policy language as to the Minority and Women-owned Small Business plan, or history of contractors in meeting or exceeding MWSB goals. There was discussion as to the intent of the policy and that the MWSB criteria would be set out in the Request for Proposal or Request for Quote. Thianè Carter, Director of the Authority's Small Business Program, noted that language from the Authority's MWSB Program was in this draft policy; however, it was staff's intent that the MWSB be referred to for full requirements. Mr. Landguth explained that this draft policy was to give staff guidance as to which type of procurement to pursue and that once that was determined, the resulting RFP/RFQ would follow the MWSB Program's requirements.

Staff requests approval of the Design Build Contractor Policy as presented.

² Board members took a recess at 12:36 p.m. and resumed the committee work session at 1:00 p.m.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES JULY 21, 2022

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

I. APPROVAL OF AGENDA

Motion by Thompson to approve the Agenda; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Kushner to approve the minutes of the regular meetings of the Board and the Board committees, and the consent actions of the Board, held on June 16, 2022; Second by Hankins

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone and thanked attendees for continuing with the measured approach being taken with in-person meetings.
2. Chair Hannah mentioned the recent grand opening of the getREEF Virtual Food Hall. He briefly detailed this unique concept allowing customers to order from different restaurants and pick up their food from an assigned locker.
3. Chair Hannah noted that with increased passenger traffic, checkpoint expansion was resumed earlier this year and now two new lanes in Terminal 2 have been opened to help process passengers through security. TSA has started opening the checkpoints as early as 3:30 a.m. to accommodate the morning travelers through RDU.

IV. OLD BUSINESS

1. Strategic Planning Committee Report – Hannah reported Board members met during the Committee work session on July 21, 2022 and discussed the following item:
 - a. Presentation Regarding Strategic Planning

¹ In a continued effort to mitigate the potential spread of illness during the State of Emergency related to COVID-19, the meeting was live streamed at https://youtu.be/75ke6N-N2_c.

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

2. Finance Committee Report – Hannah reported Board members met during the Committee work session on July 21, 2022 and discussed the following:

- a. Presentation of Financial Performance and Consideration of Acceptance of Audited Financial Statements and Compliance Audits for FY 2022

Motion by Hannah for acceptance of the Comprehensive Annual Financial Report (CAFR) and the two Compliance Audit Reports for the fiscal year 2022 (April 1, 2021 - March 31, 2022); Second by Hankins

ADOPTED BY UNANIMOUS VOTE

3. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on July 21, 2022 and discussed the following:

- a. Consideration of Amendment with RS&H for 5L-23R and Taxiway B Replacement 60% Design Phase Services

Motion by Thompson for approval of Amendment 3 to the Agreement with RS&H Architects-Engineers-Planners, Inc. in the amount of \$5,751,234 for the Runway 5L-23R and Taxiway B Replacement project and authorization for the President and CEO to execute the amendment; Second by Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

- b. Consideration of a Task Order with O'Brien Atkins Associates for the Terminal 2 Landside Expansion Program

Motion by Thompson for approval of Task Order OBA06.2022 with O'Brien Atkins Associates, PA for advanced planning, programming, and schematic design in the amount of \$4,508,404 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 Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

- c. Park Economy 3 Expansion Update

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

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V. NEW BUSINESS

1. Consent Agenda

- a. Consideration of Acceptance of Federal Aviation Administration Grant
- ~~b. Consideration of SITA Amendment 13 for T1 Gates 5-9 Common Use Conversion~~
- c. Consideration of a Contract for Enterprise Risk Management Consultative Services with Gallagher Risk Management Services
- ~~d. Consideration of Revised Advertising Policy~~
- e. Consideration of Agreement with Lutron Services for Terminal 2 Lighting Controls
- f. Consideration of Agreement for UPS Preventative Maintenance Services with Capital Power Group
- g. Consideration of Amendment Four to the UPS Service Agreement with Vertiv Corporation
- h. Consideration of Master Services Agreement and Task Order 1 for Fuel Farm Facility Improvements Design with Pond & Company
- i. Consideration of Agreement with STV for a Project Controls Maturity Assessment
- j. Consideration of the Purchase of Four Electric Buses
- k. Consideration of Capital Project Ordinance Amendment #1

Motion by Thompson to approve and adopt Consent Agenda items a., c., e.-k.; Second by Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

2. Consideration of SITA Amendment 13 for T1 Gates 5-9 Common Use Conversion²

Presented by Chuck McFall, Senior Vice President and Chief Information & Strategy Officer – Staff is seeking approval to deploy Common Use technology at Terminal 1 Gates 5-9 and add one additional onsite support technician (a SITA contract employee). The total one-time and monthly recurring costs for this initiative is \$437,517, including \$347,160 paid to SITA.

SITA Projected Costs	
One-Time Costs (Hardware and Software)	\$125,142.00
Total Monthly Recurring Costs	\$222,018.00
TOTAL to SITA:	\$347,160.00

² Item removed from Consent Agenda for discussion by Board
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Other Projected Costs to RDU	
Network Hardware and Consumables	\$82,857.00
Millwork Modifications	\$7,500.00
TOTAL to OTHERS:	\$90,357.00

This project is part of the 22-23 Tactical Plan and will allow Terminal 1 Gates 5-9 to be used by any air carrier. This project will significantly increase SITA's scope of onsite Common Use support at RDU. As such, this project also includes one additional SITA onsite support team member.

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

Motion by Morgan to approve the approval of SITA Amendment 13 at a cost of \$347,160 and authorization for the President and CEO to sign the amendment; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

3. Consideration of Revised Advertising Policy³

Presented by Kimberly Stewart, Vice President of Concessions – As a follow up to the May Board meeting where staff presented modifications to the Advertising Policy, staff is requesting consideration to transition two (2) categories of advertising (Alcohol and Tobacco/tobacco products) from prohibited content to restricted content.

Evolving consumer lifestyles and changing demographics warrant consideration of these two specific categories of advertising content. The restricted categories will contain specific parameters that staff will use to consider allowance of advertising content. Staff will be conscious of protecting the integrity of the airport. Staff conducted research in these categories and determined that numerous airports relaxed their policies to allow advertising in these areas as a source of increased non aeronautical revenue.

The Advertising Policy was first introduced and approved in 2005 to establish guidelines for advertising to protect and enhance the image of the Airport. The Policy establishes controls for contract advertising to avoid conflict with wayfinding and control the balance between advertising and informational systems. The Policy also governs the concessions advertising contract which generates non-aeronautical revenue for the Authority. Other modifications to the Policy include the differentiation between Contract and Direct advertising. Contract advertising includes advertising managed and sold by a

³ Item removed from Consent Agenda for discussion by Board
Raleigh-Durham Airport Authority Board Members



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concessionaire. Direct advertising is any other location deemed acceptable for advertising to be sold directly by the Authority. Finally, the Policy seeks to identify locations across the Airport campus that may be utilized for advertising and identifying areas that are strictly prohibited from advertising. An inventory matrix was developed for this purpose.

Motion by Thompson to approve the revisions to the Advertising Policy; Second by Morgan

ADOPTED BY MAJORITY VOTE⁴

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members expressed excitement for the opening of the REEF virtual kitchen, for the completion of the two additional TSA checkpoint lanes, and for the electric buses to be added to the fleet. The Finance team was congratulated for the clean audit and Board members noted appreciation that projects paused during COVID are starting to be reactivated. Board members commented on the value of the Strategic Plan and appreciation for institution of common use technology. The Communications team was commended for the Fly Angle podcast and the recent interview with Jaymes Carter. Catherine Harrison was thanked for a great job with the Board meeting.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service

RDU set another pandemic-era record in June with 1,102,281 passengers flying through the airport. That is an increase of 24% over June 2021 and the third consecutive month of record-setting growth.

Independence Day weekend was a busy one at RDU. TSA screened 91,346 passengers from Thursday, June 30th through Monday, July 4th. Friday, July 1st was the busiest day with 21,098 departing passengers. That puts total passenger traffic right where we projected, at more than 182,000 guests – an increase of 17% over the same weekend last year.

⁴ Secretary Kushner voted in opposition of approval

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RDU served more than 5.4 million passengers during the first half of this calendar year, compared to 3.3 million over the same period in 2021, an increase of 63%. Passenger traffic has now recovered to 83% of 2019 levels.

Competition for market share between American Airlines and Delta continues to be tight. Delta had 30.5% of the market in June, with American coming in at 30.4%. Southwest rounded out the top three with 17.4% of market share.

AIP Funds

I have great news to share with you about an increase in funding RDU and other North Carolina commercial service airports will receive under the new state budget. The budget signed by the governor last week includes an increase of \$25 million in recurring funding for the Airport Improvement Program, which is used for critical construction projects at each of the state's 10 commercial service airports.

RDU will receive about \$6 million more a year to fund projects that help us maintain airport infrastructure, keep pace with increasing passenger traffic and grow for the future. Increasing AIP funds was the top priority in our 2022 State Legislative Agenda. This is a significant development for RDU as we restart our capital improvement program amid rising costs for labor and supplies. We appreciate the state's support in addressing the needs of commercial service airports across North Carolina.

International Drive

A major capital project on the RDU campus has wrapped up much earlier than expected. The rehabilitation of International Drive began in May and was scheduled to continue into November. The project involved replacing aged asphalt and full-depth reconstruction in critical areas. Rehabilitation was done from the intersection of John Brantley Blvd. to Commerce Drive, including Sawyer Circle and Executive Drive. I'm pleased to announce the project is complete, months ahead of schedule. You'll continue to see road work across campus in the months to come as we continue to make more improvements to our roadways.

IX. ADJOURNMENT

Motion by Morgan to adjourn; Second by Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT JULY 21, 2022

The Board approved the following items on the Consent Agenda¹:

a) Consideration of Acceptance of Federal Aviation Administration Grant

Memorandum by William C. Sandifer, A.A.E., Executive Vice President and Chief Operating Officer – Staff recommends the Authority accept a Grant Offer from the Federal Aviation Administration (FAA) for the purchase of Zero Emission Vehicle buses. The grant will consist of funds for the purchase of two (2) fully electric forty-foot (40') transit shuttle buses and associated charging infrastructure. The amount of the Grant Offer is \$1,387,279, which comprises seventy-five percent (75%) of the eligible costs of the purchase of the buses from Proterra, Inc.

Staff requests acceptance of Grant Offer 3-37-0056-061-2022 from the Federal Aviation Administration in an amount of \$1,387,279 and authorization for the President and CEO to execute the grant documents.

b) Consideration of SITA Amendment 13 for T1 Gates 5-9 Common Use Conversion
Item removed from Consent Agenda for discussion by Board

c) Consideration of a Contract for Enterprise Risk Management Consultative Services with Gallagher Risk Management Services

Memorandum by James Witherspoon Jr., Director of Risk Management and Safety – In July, 2017 the Authority entered into an agreement with Arthur J. Gallagher Risk Management Services to provide professional services for the implementation of an Enterprise Risk Management Program. The scope of services involved developing and implementing an Enterprise Risk Management Program that supports the Authority's organizational objectives by addressing the full spectrum of risks and managing the combined impact of those risks as an interrelated risk portfolio. Over the last 5 years, the Enterprise Risk Management Program has balanced context, strategy, and reality by synthesizing risk information from disparate sources, prioritizing the most relevant risk information, helping decision-makers apply risk information in context, and preparing

¹ Items 3b. "Consideration of SITA Amendment 13 for T1 Gates 5-9 Common Use Conversion" and 3.d. "Consideration of Revised Advertising Policy" were removed from the Consent Agenda for Board discussion.

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decision-makers to make sense of risk information independently. The proposed agreement with Arthur J. Gallagher Risk Management Services includes a three-year phased approach for continued efforts:

Year 6 – Risk Treatment and Ownership: addressing identified opportunities for improvement for RDU’s ERM plan, improving the process to address interdisciplinary risks / risk themes and expanding training on ERM and ERM Risk Track, RDU’s ERM data management tool.

Year 7 – Business Continuity and Resiliency: developing a business continuity management (BCM) plan for RDU and identifying opportunities to improve its recoverability and resiliency.

Year 8 – Continuous Improvement: supporting continuous improvement activities for RDU’s ERM and BCM activities, including fortifying processes, training activities, and reporting.

The minority-owned business participation goal is 7% and the woman-owned business participation goal is 4%. The vendor previously achieved 20.6% MB participation in the original contract; the goals were 10% MB and 0% WB.

Staff requests approval of an agreement with Arthur J. Gallagher Risk Management Services for three (3) years, with two (2) one-year options, at a cost of \$90,000 and authorization for the President and CEO to execute the agreement.

d) Consideration of Revised Advertising Policy

Item removed from Consent Agenda for discussion by Board

e) Consideration of Agreement with Lutron Services for Terminal 2 Lighting Controls

Memorandum by Steven Yanni, Director of Contract Facilities Maintenance – Staff is seeking approval of a five-year agreement with Lutron Services Company, Inc. for annual Terminal 2 lighting control system maintenance services.

The lighting control system at Terminal 2 was installed when the terminal was constructed for overall energy efficiency. It is a proprietary control system manufactured by Lutron. The major components include four processor panels, four processor control panels, keypads, occupancy sensors, and daylighting sensors. In order to properly maintain this system, annual preventative maintenance is required to include on-site program analysis, program changes, system communication and overall system operational checks.

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The services to be provided under the proposed contract include 100% diagnostic labor, 100% parts coverage, 2-hours of remote programming per year, 24/7 technical phone support, an annual utility day, 72-hour response time and window shade solution support for Terminal 2.

The Terminal 2 Lighting Control System is proprietary to Lutron Services Company, Inc., and thus this was a sole source agreement. There are no subcontracting opportunities associated with this contract. This was reviewed with the Authority's Director of Small Business Programs.

The proposed contract will be for a term of five years, beginning on September 1, 2022 with a cost of \$23,695. Lutron will self-perform the work on this contract.

Staff requests approval of a five-year agreement for Terminal 2 Lighting Control Services with Lutron Services Company, Inc. in the amount of \$23,695 and authorization for the President and CEO to execute the agreement.

f) Consideration of Agreement for UPS Preventative Maintenance Services with Capital Power Group

Memorandum by Steven Yanni, Director of Contract Facilities Maintenance – The Authority has Uninterruptible Power Supply (UPS) units located across the airport campus serving critical information technology, security, and industrial control systems. The various UPS units are from 2 manufacturers – Schneider Electric and Liebert with each brand supported by different factory certified vendors.

Staff is seeking approval of an agreement with Capital Power Group, LLC (CPG) for annual preventative maintenance services for the four Schneider Electric UPS Systems at RDU. The scope of the agreement will include one annual preventative maintenance visit including all materials and labor, a 30-minute (maximum) call back time, emergency services including a 4-hour on-site emergency response, factory technical support, and as-needed replacement of all eight modular batteries for all the Galaxy 3500 units (with staff approval).

A request for proposals was released on March 10, 2022, with a pre-proposal meeting on March 22, 2022. Proposals were due on April 1, 2022 and three proposals were received from Capital Power Group, LLC, Gruber Power Services, and Mayer Electric. Gruber Power Services and Mayer Electric submitted proposals with incomplete pricing information, missing key information, including qualifications needed to evaluate the ability to complete the scope of work. These two proposals were deemed non-responsive.

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The term of the proposed agreement will be for three years at a total cost of \$73,779. The MWSB goals were set at 7% for Minority-owned Businesses and 4% for Women-owned Businesses. CPG informed the Authority that it will be self-performing the work and provided supporting documentation. This has been reviewed by the Authority's Director of Small Business Programs.

Staff requests approval of a multiyear Service Agreement with Capital Power Group in the amount of \$73,779 and the authorization for the President and CEO to execute the agreement.

- g) Consideration of Amendment Four to the UPS Service Agreement with Vertiv Corporation
Memorandum by Steven Yanni, Director of Contract Facilities Maintenance – The Authority has Uninterruptible Power Supply (UPS) units located across the airport campus serving critical information technology, security, and industrial control systems. The various UPS units are from 2 manufacturers – Schneider Electric and Liebert with each brand supported by different factory certified vendors.

Staff is seeking approval of an amendment to the Authority's agreement with Vertiv Corporation for Liebert UPS maintenance services. This proposed amendment will increase the scope of work to include maintenance services for two additional Liebert UPS units and two Liebert power conditioner units located in Terminal 2. These new units were installed in a recently completed project to improve power redundancy for critical airport IT systems. Service for the additional UPS and power conditioners will increase the annual service amount by \$7,814 resulting in a total amendment cost of \$15,628 for the remaining two years of the contract term.

Staff requests approval of Amendment Four to the UPS Service Agreement with Vertiv Corporation in the amount of \$15,628 for the remaining two years of the contract term.

- h) Consideration of Master Services Agreement and Task Order 1 for Fuel Farm Facility Improvements Design with Pond & Company
Memorandum by Alex Romel, Fuel Systems Manager – The main RDU aviation fuel storage facility was constructed in 1987 and the last major upgrades were completed in 2007. In order to ensure this critical asset continues to operate safely and reliably, Burns & McDonnell, an aviation fueling systems consultant, was hired in 2019 to complete a facility condition assessment of several facility components. This assessment provided a prioritized list of improvements (Fuel Facility Improvement Plan), however, due to the global pandemic the project was placed on hold.

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In 2021, Pond & Company, one of the Authority's current on-call consultants, performed a technical review of the Fuel Facility Improvement Plan as well as include an assessment of additional facility components. This review resulted in updates and additions to the Fuel Facility Improvement Plan. The Authority requested Pond to provide a design fee proposal to support the recommendations in the Fuel Facility Improvement Plan. This proposal resulted in the Master Services Agreement and Task Order 1 presented for Board consideration. The scope of services includes the engineering design of the Fuel Facility Improvement Plan Assessment.

Due to the specialized nature of this work, there was limited opportunity for Minority and Women-owned Small Business participation on this engagement, however the vendor was able to identify and commit to 1.17% Minority-owned Businesses and 3.54% Women-owned Businesses. This has been reviewed by the Authority's Director of Small Business Programs.

The services compensation under this Agreement is \$410,900. The estimated reimbursable expenses (actual costs) are \$13,315, for a total maximum not-to-exceed cost of \$424,215.

Staff requests approval of a Master Services Agreement and Task Order 1 for Fuel Farm Facility Improvements Design with Pond & Company in the amount of \$424,215 and authorization for the President and CEO to execute the agreements.

i) Consideration of Agreement with STV for a Project Controls Maturity Assessment

Memorandum by Kenny Perry, CM, Director of the Project Management Office – Staff is seeking approval for an agreement with STV Incorporated to conduct a Project Controls Maturity Assessment.

The Project Controls Maturity Assessment involves having a third-party firm evaluate the Authority's existing project, program and portfolio management capabilities resulting in a report that contains findings and recommendations. This is the first step in the Authority's plan to bring on a dedicated Project Controls team to support the implementation of Vision 2040 and related projects across the organization. Of note, this topic was presented to the Authority Board in both January and February 2022.

A Request for Qualifications (RFQ) was released on October 1, 2021 with a pre-proposal meeting on October 14, 2021. Eight teams responded with proposals to conduct the Project Controls Maturity Assessment, and the Authority shortlisted six of the eight

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teams. The Authority interviewed all six shortlisted firms in mid-January 2022. Following the conclusion of interviews, STV was the highest ranked firm.

The Minority and Women-Owned Small Business (MWSB) participation goals for this contract are 11% for Minority-owned Businesses (MB) and 10% for Women-owned Businesses (WB). STV's proposed participation on this contract is 7% MB and 8.5% WB. The Authority's Director of Small Business Programs reviewed and found that a good faith effort was met regarding STV's proposal.

The period of performance of the proposed agreement is between July 21, 2022 and March 31, 2023. The total cost will be \$186,132.77 which includes \$182,732.77 in labor and \$3,400.00 in reimbursable expenses.

Staff requests approval of an agreement with STV Incorporated in the amount of \$186,132.77 and authorization for the President and CEO to execute the agreement.

j) Consideration of the Purchase of Four Electric Buses

Memorandum by John A. Connell, P.E., SVP Operations & Asset Management – Staff recommends approval of the purchase of four electric shuttle buses in the amount of \$3,699,412. The buses were competitively bid through RDU Procurement with two vendors submitting bids. Proterra was the lowest responsive and responsible bidder at \$924,853 per bus. Staff had originally bid two buses but have subsequently determined that 4 buses are needed. Proterra has agreed to sell all four buses to the Authority at a per unit cost of \$924,853 for a total of \$3,699,412.

The Authority has received a grant from the FAA in the amount of \$1,387,279 covering 75% of the cost of 2 of the buses. Total net cost to the Authority for the purchase of four buses is \$2,312,133.

Similar to the previous electric bus purchase these buses will provide an operating and maintenance cost savings over the useful life of the buses with significant total greenhouse gas (GHG) emission reductions.

The award of these buses to Proterra is contingent upon the approval of a corresponding Budget Ordinance Amendment as follows:

- a. Cost to purchase four new buses
- b. Technical correction in the capital budget that inadvertently omitted the cost of a replacement ARFF vehicle previously approved by the Board in the amount of \$999,354.

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Staff requests approval of the purchase of four electric shuttle buses from Proterra, Inc., in the amount of \$3,699,412 and authorization for the President and CEO to execute any necessary documents to complete the purchase, contingent upon the approval of a corresponding Budget Ordinance Amendment.

k) Consideration of Capital Project Ordinance Amendment #1

Memorandum by Ron Kapocius, Chief Financial Officer – This item provides staff’s recommendation to approve the Capital Project Ordinance Amendment #1 for an increase of \$6,244,166 for the following existing projects:

- Capital Project 489000, “New Vehicles and Equipment”, was created with an overall budget of \$5,220,292. Included in this amount was the purchase of two shuttle buses for a total amount of \$1,454,600. Based on increased cost escalations (\$395,106), the request for two additional electric shuttle buses (\$1,849,706) and the inadvertently omitted ARFF vehicle (\$999,354) the Authority requires additional funding of \$3,244,166. The new project total will be \$8,464,458.
- Capital Project 331000 “T2 Landside Expansion Program – Preliminary Design”, was created with an overall budget of \$2,000,000. Based on the increase in anticipated project work and scope, additional funds of \$3,000,000 are being requested. The new project total will be \$5,000,000.

Staff anticipates no additional cash spend for this project in the current fiscal year will be needed at this time. No increase is being recommended for the 2022-2023 Budget Ordinance to allow for the additional cash spend in the current fiscal year.

Staff requests approval of Amendment #1 to increase the Capital Project Ordinance by \$6,244,166.

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RALEIGH-DURHAM AIRPORT AUTHORITY 2022-2023 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:

\$ 586,361,458

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 \$ 549,203,779

Total Grant Funds \$ 37,157,679

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

New 22/23 Projects		Change		
	Original ¹	07/21/2022	Amended	
321000 Terminal 1 Flooring Replacement	\$ 1,000,000	\$ -	\$ 1,000,000	
621040 Parking Garage Rehabilitation - Phase 3	4,000,000		4,000,000	
881440 John Brantley Blvd Extensionj (CONRAC)	1,000,000		1,000,000	
881380 AOC 5th Floor Buildout	500,000		500,000	
456000 New AOC/EOC/ARFF	500,000		500,000	
453000 Maintenance Building Parking Lot Rehabilitation	3,500,000		3,500,000	
381000 GA Area Pavement Rehabilitation	3,500,000		3,500,000	
321010 T1 Generator Replacement	200,000		200,000	
453010 MX Stormwater Pond Repairs	100,000		100,000	
321020 T1 Chiller Replacement	100,000		100,000	
489000 New Vehicles and Equipment - FY23	5,220,292	3,244,166	8,464,458	
	\$ 19,620,292	\$ 3,244,166	\$ 22,864,458	

Amended Projects		Change		
	Original ¹	07/21/2022	Amended	
211140 Enhanced Security Perimeter Gates (TSA)	\$ 3,800,000		\$ 3,800,000	
211170 North Cargo Apron Reconstruction	1,300,000		1,300,000	
080799 Expanded Park Economy 3	44,000,000		44,000,000	
881100 International Drive Rehabilitation	8,036,000	-	8,036,000	
881430 Aviation Parkway/National Guard Drive Interchange - Planning	1,000,000	-	1,000,000	
	\$ 58,136,000	\$ -	\$ 58,136,000	

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	Change		
	Original ¹	07/21/2022	Amended
Ongoing Projects			
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
211190 Taxiway A1 Rehabilitation - Design and Construction	1,700,000	-	1,700,000
211200 Taxiway E Rehabilitation - Design	1,000,000	-	1,000,000
211210 Taxiways C and J Rehabilitation - Design	700,000	-	700,000
070549 Terminal 2 Checkpoint Expansion	9,250,000	-	9,250,000
331000 T2 Landside Expansion Program - preliminary design	2,000,000	3,000,000	5,000,000
331020 Common Use Transformation Program – Touchless Technology (SITA Flex	500,000	-	500,000
331030 Terminal 2 Concessions Development Program	4,000,000	-	4,000,000
331040 T2 Bathroom Refresh and Pet Relief Area - Planning	200,000	-	200,000
331050 Ramp Information Display System - Planning	250,000	-	250,000
621020 Parking Guidance System	8,200,000	-	8,200,000
881410 National Guard Drive Improvements / Haleys Branch Road Rehabilitation	3,000,000	-	3,000,000
881260 Maintenance Facility HVAC Replacement	525,000	-	525,000
881180 Consolidated Trash Facility Concrete Dumpster Slabs	300,000	-	300,000
441000 Fuel Farm Facility Improvement Plan	9,186,000	-	9,186,000
881420 ABRM Upgrade	250,000	-	250,000
	\$ 502,361,000	\$ 3,000,000	\$ 505,361,000
	\$ 580,117,292	\$ 6,244,166	\$ 586,361,458

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 21 day of July 2022

Notes:

¹ Original- budget ordinance adopted March 17, 2022

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RALEIGH- DURHAM AIRPORT AUTHORITY STRATEGIC PLANNING COMMITTEE WORK SESSION MINUTES¹ JULY 21, 2022

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

The Committee discussed the following item:

1. Presentation Regarding Strategic Planning

Presented by Chuck McFall, SVP Chief Information & Strategy Officer – Mr. McFall briefly summarized the Board’s previous strategic planning workshops and the Board’s review of the revised goals and objectives for the Strategic Plan. This work culminated in the validation of the Authority’s vision, mission and core values, along with the budget and business plan, presented to the Board and approved in March. Mr. McFall noted that with this meeting’s materials, the Board members received a hard and electronic copy of this final Strategic Plan. Board members were thanked for their time, input and support during this effort. Mr. McFall turned the presentation over to Stephen D. Van Beek, Ph.D., Director and Head of North American Aviation for Steer.

Dr. Van Beek noted that Chuck McFall had been a great help during this revision process, and he expressed appreciation to the Board members, senior management, and staff that had been involved in this revision of the Strategic Plan. Dr. Van Beek commented that this Strategic Plan is a living breathing plan and a reflection of the Board’s strategy for the airport’s future. He noted that the plan will be posted at www.rdu.com for public viewing. Dr. Van Beek thanked the Board for their efforts and time.

Board members expressed appreciation for this final Strategic Plan which will be a roadmap for the next several years.

For informative purposes only. No Board action required.

¹ Due to Dr. Van Beek’s travel schedule, the order of the committee work sessions was changed.

² In a continued effort to mitigate the potential spread of illness during the State of Emergency related to COVID-19, the meeting was live streamed at https://youtu.be/75ke6N-N2_c.

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RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES JULY 21, 2022

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

The Committee discussed the following item:

1. Presentation of Financial Performance and Consideration of Acceptance of Audited Financial Statements and Compliance Audits for FY 2022

Presented by Ron Kapocius, Vice President and Chief Financial Officer – Mr. Kapocius presented the Financial Performance for fiscal year ending March 31, 2022 and stated that it is a story of recovery and an incredible effort on behalf of Team RDU in minimizing expenses during the COVID recovery period. He noted that copies of the Comprehensive Annual Financial Report (CAFR) and the two Compliance Audit Reports for the fiscal year 2022 were provided to Board members. He discussed trended enplanements, noting enplaned passenger traffic increased 187% in FY2022 versus FY2021 and that FY2022 actuals are 44% above budget although enplanements are still down 27% from pre-pandemic levels. He provided an overview of the financial results, giving budget and year-over-year variances, explaining the factors contributing to these results. Mr. Kapocius gave further details on factors contributing to the variances to the Operating Revenue Budget and to the Operating Expense Budget. He explained the fiscal year's capital project spend which was lower than anticipated, and the major capital projects undertaken. In closing, Mr. Kapocius recognized the finance team for their excellent efforts and work on behalf of the Authority and for being awarded for the 13th consecutive year the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association.

Mr. Kapocius introduced Tom McNeish of Elliott Davis, PLLC, to talk about the FY 21-22 audit. Mr. McNeish indicated that Elliott Davis was required to communicate certain aspects of the audit process, the audit results, and findings and recommendations. He expressed thanks to the Authority staff for their support and hard work and for providing the necessary information that enabled Elliott Davis to have a good understanding of areas of risk and where to focus the audit process and there were no difficulties in communication with

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Authority staff or management. Mr. McNeish went through the auditor and management responsibilities. He reported that there were no reportable findings or recommendations which was a great testament to the Authority staff.

Mr. McNeish introduced Kelly Cantwell of Elliott Davis, PLLC, who discussed the audit results for the Financial Statements, Government Auditing Standards, Single Audit, and Passenger Facilities Charge program. Ms. Cantwell noted that all audits and compliance reports were issued with no material deficiencies or weaknesses, misstatements, or non-compliance.

Board members thanked the auditors for their professionalism and thoroughness, and commended the Finance staff for a clean financial report and an outstanding job.

Staff requests acceptance of the Comprehensive Annual Financial Report (CAFR) and the two Compliance Audit Reports for the fiscal year 2022 (April 1, 2021 - March 31, 2022).

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES JULY 21, 2022

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

The Committee discussed the following items:

1. Consideration of Amendment with RS&H for 5L-23R and Taxiway B Replacement 60% Design Phase Services

Presented by Ron Jewett, Vice President Facilities Asset Management – RS&H Architects-Engineers-Planners, Inc. (RS&H) was awarded a Consulting Agreement on October 13, 2018, for services related to the replacement of Runway 5L-23R and Taxiway B. The original Agreement authorized Schematic Design. Through two amendments authorizing geotechnical services, aircraft movement modeling, schematic design, a stormwater master plan and Environmental Assessment support, the maximum cost of services currently authorized is \$4,385,004.

With recent concurrence of the Federal Aviation Administration (FAA) for the future runway length, it is the appropriate time to advance the design to the 60% level through Amendment 3 with RS&H. Major project elements being designed by RS&H include the new runway, reconstruction of the existing runway as a parallel taxiway, related service roads, navigational aids (NAVAIDS), and a new electrical vault as well as various support, coordination and safety services as well as the Envision assessment process. The Amendment 3 effort will culminate with a 60% design report (including construction cost estimate), plans, and specifications.

The compensation to the consultant and subconsultants for basic services is an hourly not-to-exceed amount of \$5,298,037. 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 \$453,197. The total maximum compensation under Amendment 3 is \$5,751,234. The budget for Capital Project 080879 is sufficient for award of this contract.

¹ In a continued effort to mitigate the potential spread of illness during the State of Emergency related to COVID-19, the meeting was live streamed at https://youtu.be/75ke6N-N2_c.

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The Minority and Women-owned Small Business goals for this consulting services contract were set at 10% Minority-Owned Businesses (MB) and 5% Woman-Owned Business (WB). Amendment 3 includes participation of 9.44% MB and 5.34% WB. In Amendment 3, the contributing MB subconsultants are Connico, Incorporated; Walls Engineering, PLLC; and Martinez Geospatial, Inc. The contributing WB subconsultants are TransSolutions, LLC; Kennerly Engineering & Design, Inc.; and Lynch Mykins Structural Engineers, PC. With the inclusion of Amendment 3, RS&H's total proposed MWSB participation percentage is 11.55% for MB and 6.16% for WB. The MWSB proposed commitment was reviewed by the Authority's Director of Small Business Programs and considered acceptable.

Delia Chi, Vice President of Planning and Sustainability, introduced and explained the Envision concept and the program benefits including bringing forth industry-established best practices and demonstration of leadership in sustainability. Mrs. Chi noted the program's five categories of focus as well as airports that have successfully utilized this program.

Bill Sandifer, Ron Jewett and Delia Chi answered questions regarding the design phase progression, climate change impacts, and continuing slab replacements which will occur between September and November.

Staff requests approval of Amendment 3 to the Agreement with RS&H Architects-Engineers-Planners, Inc. in the amount of \$5,751,234 for the Runway 5L-23R and Taxiway B Replacement project and authorization for the President and CEO to execute the amendment.

2. Consideration of a Task Order with O'Brien Atkins Associates for the Terminal 2 Landside Expansion Program

Presented by Jennifer Evangelist, Manager, Design at Parsons – Prior to the COVID pandemic, the Authority was in the midst of performing advanced planning, programming, and schematic design to examine options for reconfiguring and expanding the 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 included concessions, administrative and TSA areas, loading dock, other support areas, as well as consideration of future technology. With passenger enplanements now reaching closer to pre-pandemic volumes, the landside portion of T2 needs to expand to ensure adequate capacity to meet existing / future passenger demand. The Vision 2040 cost estimate to expand T2 Landside exceeded \$130 million in 2017 dollars.

The scope of the proposed task order consists of Project Management, Data Collection, Facility Programming, Planning, Stakeholder Engagement, Technology Integration, Code Review and

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Analysis, Conceptual Design and Schematic Design Documents. Total compensation under this proposed task order is a not-to-exceed amount of \$4,508,404. Labor (\$4,292,237) will be billed at hourly rates and expenses (\$216,167) 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). Total commitments for this proposed task order are 11.3% for MB and 9.4% for WB. The MWSB Commitment was reviewed by the Authority's Director of Small Business Programs.

Staff requests approval of Task Order OBA06.2022 with O'Brien Atkins Associates, PA for advanced planning, programming, and schematic design in the amount of \$4,508,404 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.

3. Park Economy 3 Expansion Update

Presented by William C. Sandifer, A.A.E., Executive Vice President and Chief Operations Officer – Mr. Sandifer noted that the Authority, as well as Board members, had received numerous questions from the public regarding Park Economy 3 expansion. Mr. Sandifer explained that due to increasing parking demands, under the approved contract for design, geotechnical investigation was underway to develop recommendations of pavement design. While in the field, the contractor encountered trespassers on airport property asking questions about the work. Mr. Sandifer recapped how the Authority will develop its internal process when SEPA and NEPA environmental guidance do not apply, and that a draft environmental policy, prepared with public input, will be available by the end of August.

Mr. Sandifer commented that the public wants a voice and says it has not been heard regarding Park Economy 3 expansion; however, there have been various public outreaches conducted by the Authority including:

- 2015-2017: Vision 2040 process was started, which involved two advisory committees which held 12-16 meetings. There were 10 public workshops conducted, one specifically for non-aeronautical land use. Over 1000 written comments were received and reviewed.
- October 2016: The Board approved the preferred Airport Layout Plan and consultants were engaged regarding the future expansion of Park Economy 3.
- December 2018: Public workshops were held for Park Economy 3 as part of an environmental assessment process mandated by the FAA, later cancelled after a change in federal law.

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Mr. Sandifer explained that there have been numerous opportunities provided for public input in the past and such opportunities will continue. The continuing issue is people trespassing on airport property, some of whom approached the Geotech teams, and comments get posted out of context on social media. Mr. Sandifer explained that the Authority is in compliance with all federal and state laws and is taking care to avoid adverse effects on Umstead State Park. Mr. Sandifer reiterated that the public needs to obey the posted No Trespassing signs and indicated that the Authority was in favor of giving notices to trespassers and proceeding with prosecution for repeat trespassing offenders.

Board members thanked Mr. Sandifer for explaining the field work occurring for the Park Economy 3 project and for the recap of the history of this process and the efforts by the Authority for public involvement in this parking expansion. The Board acknowledged the Authority's efforts in going above and beyond to avoid impact on Umstead and that the public shouldn't trespass if they don't want a fence to be erected. Some members noted agreement with noticing trespassers and then prosecuting repeat offenders.

For informative purposes only. No Board action required.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES AUGUST 18, 2022

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

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 Hall to approve the minutes of the regular meetings of the Board and the Board committees, and the consent actions of the Board, held on July 21, 2022; Second by Hankins

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone, noting this was the fourth in-person meeting held since the pandemic.
2. Chair Hannah mentioned the return of the direct Paris flight from RDU which Delta will make four times a week. He noted that with the Paris service, RDU now has six international flights which is the highest number in the airport's history.
3. Chair Hannah briefly detailed how the Authority is partnering with the Hidden Disabilities Sunflower Organization to distribute sunflower-branded products which discreetly indicate that the wearer may need extra assistance or time when traveling through RDU.
4. The date for the Special Olympics North Carolina Plane Pull, hosted by the Authority, is approaching and Chair Hannah encouraged participation and discussed how the proceeds support the Special Olympics athletes in the community.

IV. OLD BUSINESS

1. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on August 18, 2022 and discussed the following:

¹ In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/wPgJRicE464>.

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- a. Consideration of Task Order 3 with Kimley-Horn for John Brantley Boulevard Extension Design Services

Motion by Thompson for approval of Task Order 3 with Kimley-Horn in the amount of \$1,027,832 subject to the approval of a capital budget amendment, and authorization for the President and CEO to execute the Task Order;

- b. Consideration of Federal Aviation Administration Grant Offer Acceptance for Taxiway E

Motion by Thompson acceptance of the Grant Offer in the amount of \$13,522,729, when presented by the Federal Aviation Administration, and authorization for the President and CEO to execute the grant documents;

- c. Consideration of a Contract with Independence Excavating for Taxiway E Reconstruction

Motion by Thompson that upon approval of a budget increase to Project 211200, for approval of a construction contract with Independence Excavating in the amount of \$11,213,661, and authorization for the President and CEO to execute the contract;

- d. Consideration of Amendment 2 to Task Order 1 with Jacobs for Construction Administration Services for Taxiway E Reconstruction

Motion by Thompson that upon approval of a budget increase to Project 211200, for approval of Amendment 2 to Task Order 1 with Jacobs Engineering Group, in the amount of \$231,940, and authorization for the President and CEO to execute the amendment;

- e. Consideration of Task Order with WK Dickson for Lumley Road Relocation 60% Design Services

Motion by Thompson for approval of Task Order 7 with WK Dickson, in the amount of \$2,093,675, and authorization for the President and CEO to execute the task order;

- f. Consideration of Amendment with Balfour Beatty for Runway 5L/23R Replacement and Lumley Road Relocation Preconstruction Services

Motion by Thompson for approval of an Amendment with Balfour Beatty Construction for pre-construction services, in the amount of \$469,660, and authorization for the President and CEO to execute the Amendment;

Motions (as recited above) by Thompson for approval of items a.- f.; second by Hankins

ADOPTED BY UNANIMOUS VOTE

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2. Operations Committee Report – Morgan reported Board members met during the Committee work session on August 18, 2022 and discussed the following:

a. Consideration of Purchase of Two Zero Emission Vehicle Maintenance Vans

Motion by Morgan for approval to purchase two Zero Emission Vehicle maintenance vans in the amount of \$129,857.60 and authorization for the President and CEO to execute any documents necessary for the purchase;

b. Consideration of a Master Service Agreement for GIS Consulting Services with Woolpert

Motion by Morgan for approval of the Master Service Agreement for GIS Consulting Services with Woolpert, Inc. in the amount not to exceed \$200,000, and authorization for the President and CEO to execute the agreement;

Motions (as recited above) by Morgan for approval of items a. and b.; Second by Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda

- a. Consideration of Air Service Development Policy
- b. Consideration of First Amendment to Taxi Service Agreement
- c. Consideration of Capital Project Ordinance Amendment #2

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

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members expressed appreciation to staff for preparation and presentation of materials at the meetings, as well as staff's daily performance to keep RDU running and their commitment to service. New staff members were welcomed. Chair Hannah and Michael Landguth were thanked for their leadership and dedication. As capital projects increase, staff was encouraged to engage, prepare, and involve small businesses as these opportunities are available.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service

The recovery continues at RDU, with passenger traffic setting a pandemic-era high in July for the fourth month in a row. 1,106,030 passengers flew through RDU last month, an increase of 3% over June and an increase of 14% compared to July 2021.

American Airlines had 30.2% of the market share in July. Delta had 29.3%, and Southwest came in third at 14.2%. American Airlines will launch a new route in January when it begins daily nonstop service to Cincinnati. They will be the second airline to serve that market from RDU. Tickets went on sale last week.

Icelandair

We have another exciting announcement to make about air service. Icelandair is expanding its seasonal schedule by adding four flights a week from November 1st through January 23rd. The Reykjavik route launched in May and was originally planned to run through October. Icelandair based their decision on strong ticket sales. We're very pleased the route has been so successful.

Ghost Kitchen

Travelers now have an additional dining option when they fly through Terminal 2. 800 Degrees Pizza has joined eight other concepts offered at the getREEF Virtual Food Hall. Guests can order from any of the concepts in one seamless ordering and payment experience and pick their food up from lockers. If you haven't had the chance yet, we highly recommend checking out the new virtual food hall.

National Guard Drive

Employees and guests who use Park Economy 3 may experience brief delays while traveling on National Guard Drive over the next month. Work is underway to repave and rehabilitate the entire stretch from Aviation Parkway to Haleys Branch Road. Drivers may experience brief delays while traffic is limited to one-way. We recommend planning for some additional travel time while we upgrade our roadways as part of our capital improvement program.

IX. ADJOURNMENT

Motion by Saidi to adjourn; Second by Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT AUGUST 18, 2022

The Board approved the following items on the Consent Agenda:

a) Consideration of Air Service Development Policy

Memorandum by David Freedman, Senior Vice President and Chief Revenue Officer – The Authority, on behalf of Raleigh-Durham International Airport, has historically maintained an ongoing air service incentive program (ASIP) and has developed a comprehensive ASIP proposal that will keep RDU competitive, maintain and grow the economic benefit to the Triangle Region and address the challenges faced by the industry as it works to recover from the pandemic.

The COVID-19 pandemic has resulted in a more challenged passenger airline industry, characterized by fewer aircraft, labor/pilot shortages and increased fuel costs; all of which are further impacted by the current economic slowdown and supply chain/logistics issues. Consequently, all of these factors create an environment of increased competition for air service among airports and the communities they serve.

The Authority's primary goals with respect to air service are to 1) remain a competitive option for existing and potential new entrant carriers in the market, and 2) continue to incentivize a resumption of service for markets discontinued due to COVID-19. These goals balance the strength of the Triangle Region's economic development trends and need for competitive air service to continue that positive momentum.

To assist in achieving the Authority's air service goals, depending on qualifications, the proposed Air Service Development Policy provides incentives in the form of marketing support and/or waivers of landing fees and certain airport charges and/or facility fees. This Policy will apply through August 18, 2024 and carriers only qualify for the Policy that is in effect when air service is initiated.

Staff requests approval of the Air Service Development Policy.

b) Consideration of First Amendment to Taxi Service Agreement

Memorandum by Tyler Maheu, C.M., Senior Director of Commercial Management – Taxi Taxi provides on-demand taxi services to RDU guests under the Taxi Service Agreement. The Authority entered the one-year (in aggregate) Agreement with Taxi Taxi, LLC in September 2021, and the term will expire September 19, 2022.

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Staff is working to develop a Request for Proposal (RFP) for a long-term Taxi Service Agreement. Staff anticipates issuing the RFP in the fourth quarter of this calendar year, and expects to implement service with the successful proposer after this holiday season in early 2023.

Staff recommends amending the Agreement with Taxi Taxi to extend the term for six months to allow time to complete the RFP process and transition to the successful proposer. This extension will ensure continued access to taxi services for RDU guests. All other terms and conditions from the original Agreement will remain in place.

Staff requests approval of the First Amendment to the Taxi Service Agreement with Taxi Taxi, LLC and authorization for the President and CEO to execute the amendment.

c) Consideration of Capital Project Ordinance Amendment #2

Memorandum by Ron Kapocius, Chief Financial Officer – This item is to provide a staff recommendation to approve the Capital Project Ordinance Amendment #2 increase of \$14,230,000 for the following existing projects:

- Capital Project 881440, “John Brantley Blvd Extension (CONRAC)”, was created with an overall budget of \$1,000,000. The scope of the project is to accommodate the future development of a Consolidated Rental Car Facility. Based on cost escalation for schematic design and the need for staff augmentation to manage the major landside projects, the Authority requires additional funding of \$230,000. The new project total will be \$1,230,000.
- Capital Project 211200 “Taxiway E Rehabilitation - Design & Construction” was created with an overall budget of \$1,000,000 for design only. The contract scope was increased to include replacement of the concrete pavement on Taxiway E and construction of new paved shoulders as a result of receiving additional FAA grant funding. The Authority requires additional funding of \$14,000,000. The new project total will be for \$15,000,000.

Staff anticipates no additional cash spend for these two projects in the current fiscal year. No increase is being recommended for the 2022-2023 Budget Ordinance to allow for the additional cash spend in the current fiscal year.

Staff requests approval of Amendment #2 to increase the Capital Project Ordinance by \$14,230,000.

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RALEIGH-DURHAM AIRPORT AUTHORITY
2022-2023 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:

\$ 600,591,458

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 \$ 552,183,779

Total Grant Funds \$ 48,407,679

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

New 22/23 Projects

	Original ¹	Change 07/21/2022	Change 08/18/2022	Amended
321000 Terminal 1 Flooring Replacement	\$ 1,000,000	\$ -	\$ -	\$ 1,000,000
621040 Parking Garage Rehabilitation - Phase 3	4,000,000	-	-	4,000,000
881440 John Brantley Blvd Extension (CONRAC)	1,000,000	-	\$ 230,000	1,230,000
881380 AOC 5th Floor Buildout	500,000	-	-	500,000
456000 New AOC/EOC/ARFF	500,000	-	-	500,000
453000 Maintenance Building Parking Lot Rehabilitation	3,500,000	-	-	3,500,000
381000 GA Area Pavement Rehabilitation	3,500,000	-	-	3,500,000
321010 T1 Generator Replacement	200,000	-	-	200,000
453010 MX Stormwater Pond Repairs	100,000	-	-	100,000
321020 T1 Chiller Replacement	100,000	-	-	100,000
489000 New Vehicles and Equipment - FY23	5,220,292	3,244,166	-	8,464,458
	\$ 19,620,292	\$ 3,244,166	\$ 230,000	\$ 23,094,458

Amended Projects

	Original ¹	Change 07/21/2022	Change 08/18/2022	Amended
211140 Enhanced Security Perimeter Gates (TSA)	\$ 3,800,000	\$ -	\$ -	\$ 3,800,000
211170 North Cargo Apron Reconstruction	1,300,000	-	-	1,300,000
080799 Expanded Park Economy 3	44,000,000	-	-	44,000,000
881100 International Drive Rehabilitation	8,036,000	-	-	8,036,000
881430 Aviation Parkway/National Guard Drive Interchange - Planning	1,000,000	-	-	1,000,000
	\$ 58,136,000	\$ -	\$ -	\$ 58,136,000

Ongoing Projects

	Original ¹	Change 07/21/2022	Change 08/18/2022	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
211190 Taxiway A1 Rehabilitation - Design and Construction	1,700,000	-	-	1,700,000
211200 Taxiway E Rehabilitation - Design & Construction	1,000,000	-	14,000,000	15,000,000
211210 Taxiways C and J Rehabilitation - Design	700,000	-	-	700,000
070549 Terminal 2 Checkpoint Expansion	9,250,000	-	-	9,250,000
331000 T2 Landside Expansion Program - preliminary design	2,000,000	3,000,000	-	5,000,000
331020 Common Use Transformation Program - Touchless Technology	500,000	-	-	500,000
331030 Terminal 2 Concessions Development Program	4,000,000	-	-	4,000,000
331040 T2 Bathroom Refresh and Pet Relief Area - Planning	200,000	-	-	200,000
331050 Ramp Information Display System - Planning	250,000	-	-	250,000
621020 Parking Guidance System	8,200,000	-	-	8,200,000
881410 National Guard Drive Improvements / Hales Branch Road Rehabilitation	3,000,000	-	-	3,000,000
881260 Maintenance Facility HVAC Replacement	525,000	-	-	525,000
881180 Consolidated Trash Facility Concrete Dumpster Slabs	300,000	-	-	300,000
441000 Fuel Farm Facility Improvement Plan	9,186,000	-	-	9,186,000
881420 ABRM Upgrade	250,000	-	-	250,000
	\$ 502,361,000	\$ 3,000,000	\$ 14,000,000	\$ 519,361,000
	\$ 580,117,292	\$ 6,244,166	\$ 14,230,000	\$ 600,591,458

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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 August 2022

Notes:

1 Original- budget ordinance adopted March 17, 2022

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES AUGUST 18, 2022

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

The Committee discussed the following items:

1. Consideration of Task Order 3 with Kimley-Horn for John Brantley Boulevard Extension Design Services

Presented by Ron Jewett, Vice President Facilities Asset Management – As part of the Vision 2040 Plan, the Preferred Landside Alternative includes an extension of John Brantley Boulevard to create space for a future Consolidated Rental Car Facility (CONRAC) and/or other ground transportation infrastructure. In the subsequent preliminary design effort for the CONRAC, the boulevard's extension was further refined. Due to COVID-19, all CONRAC planning and design efforts were put on hold and this memo provides staff's recommendation to restart the project with the award of design services to Kimley-Horn (which served as the roadway subconsultant in the CONRAC planning effort) under its Master On-Call Agreement with the Authority.

This proposed task order authorizes preliminary coordination with internal and external stakeholders, traffic analysis, topographic surveying, and utility inventory. Schematic design level plans and specifications will be developed as staff works through the final configuration of all intersections and resolves utility conflicts. Culmination of the schematic design will include conceptual plans for pavement, lighting, drainage, utilities, and potential retaining walls as well as an expectation of project duration and cost, and a plan to advance the design to construction documents.

Total compensation under Task Order 3 is a not-to-exceed amount of \$1,027,832, with labor (\$999,700) billed at hourly rates established in the Master Agreement, and expenses (\$18,132)

¹ In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/wPgJRicE464>.

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billed at direct cost. Since the project was originated with an amount of \$1,000,000, a corresponding budget increase is necessary.

The overall Minority and Women-owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority-owned Businesses (MB) and 5% for Women-owned Businesses (WB). Total commitments for Task Order 3 are 12.6% for MB and 13.0% for WB and the Authority's Director of Small Business Programs concurs with this commitment.

Staff requests approval of Task Order 3 with Kimley-Horn in the amount of \$1,027,832 subject to the approval of a capital budget amendment, and authorization for the President and CEO to execute the Task Order.

2. Consideration of Federal Aviation Administration Grant Offer Acceptance for Taxiway E

Presented by Ron Jewett, Vice President Facilities Asset Management – This item provides staff's recommendation for the acceptance of an anticipated Grant Offer from the Federal Aviation Administration (FAA) in the amount of \$13,522,729, for the reconstruction of Taxiway E. Staff is presenting this recommendation in anticipation of receipt of this Grant Offer made under the condition that the Authority returns it fully executed to the FAA on or before September 15th. 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.

Staff requests acceptance of the Grant Offer in the amount of \$13,522,729, when presented by the Federal Aviation Administration, and authorization for the President and CEO to execute the grant documents.

3. Consideration of a Contract with Independence Excavating for Taxiway E Reconstruction

Presented by Ron Jewett, Vice President Facilities Asset Management – Staff requests approval of a construction contract with Independence Excavating for Taxiway E Reconstruction, RDU Project 211200. The contract scope includes replacement of Taxiway E's concrete pavement (which will be crushed and recycled for onsite uses) and construction of new paved shoulders. Other replacements and new construction will include underdrains, edge lights, guidance signs, centerline light cans and conduit, pavement weather sensors, drainage pipe improvements, pavement markings, grading, and turf re-establishment. Construction duration is 360 consecutive calendar days beginning in late Fall, 2022.

Bidder prequalification was conducted earlier this year and the opportunity was advertised on May 23. A pre-bid meeting was held on June 10, and four bids were received on July 12. The bids ranged from approximately \$11.2M to \$15M with Independence Excavating being the

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low bidder with a bid of \$11,213,661. The engineer reviewed the bids and found them to be in order.

This project involves federal funding and was bid under the Authority's Disadvantaged Business Enterprise (DBE) program with a goal of 11%. Independence Excavating committed to 11% DBE participation utilizing Puryear and Jerry T Bunn for trucking, Seal Brothers for erosion control and landscaping, Trimat for materials testing, and Nighthawk for gate guards and security. This proposed commitment was reviewed by the Authority's Director of Small Business Programs and considered acceptable.

The original budget for Capital Project 211200 was initiated only for the design phase and must be increased in order to award this contract. In conjunction with award of this contract, staff recommends a corresponding budget increase from \$1,000,000 to \$15,000,000.

Contingent upon approval of a budget increase to Project 211200, staff requests approval of a construction contract with Independence Excavating in the amount of \$11,213,661, and authorization for the President and CEO to execute the contract.

4. Consideration of Amendment 2 to Task Order 1 with Jacobs for Construction Administration Services for Taxiway E Reconstruction

Presented by Ron Jewett, Vice President Facilities Asset Management – Staff requests approval of Amendment 2 to Task Order 1 with Jacobs Engineering Group (Jacobs) under the firm's 2020 Master Agreement with the Authority for Construction Administration (CA) services in connection with the Taxiway E Reconstruction, RDU Project 211200. Construction includes replacement of Taxiway E's concrete pavement (which will be crushed and recycled for onsite uses) and construction of new paved shoulders. Other replacements and new construction include underdrains, edge lights, guidance signs, centerline light cans and conduit, pavement weather sensors, drainage pipe improvements, pavement markings, grading, and turf re-establishment. Construction duration is 360 consecutive calendar days beginning in late Fall 2022.

Jacobs' services to support construction will include conducting a pre-construction meeting, reviewing shop drawings and submittals, reviewing and responding to requests for information, creating change orders, reviewing contractor payment applications, performing periodic site visits inspecting work for compliance with the contract documents, leading weekly project progress meetings with Authority staff and contractor, preparing and issuing field reports documenting work progress and noting any defects or deficiencies, conducting inspections associated with substantial completion and final completion, preparing record drawings, issuing Certificates of Substantial and Final Completion, and accumulating project closeout records. Compensation to Jacobs for CA services under Amendment 2 will have a ceiling of

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\$231,940. The accumulated amount for Task Order 1, including Amendment 2, will be \$928,681.

The Disadvantaged Business Enterprise (DBE) goal for CA services was set at 15%. The Consultant's proposed DBE participation is 18.47% utilizing subconsultants ADCI for construction safety and phasing, and Walls Engineering for electrical engineering. The Authority's Director of Small Business Programs reviewed this proposed DBE commitment and considered it acceptable. The accumulated DBE commitment for Task Order 1, including Amendment 2, will be 29.3%.

The original budget for Capital Project 211200 was initiated for only the design phase and must be increased in order to award this Amendment. In conjunction with award of this Amendment, coupled with approval of the related construction contract, which is also requested for approval at this August Board meeting, staff recommends a corresponding budget increase from \$1,000,000 to \$15,000,000.

Contingent upon approval of a budget increase to Project 211200, staff requests approval of Amendment 2 to Task Order 1 with Jacobs Engineering Group, in the amount of \$231,940, and authorization for the President and CEO to execute the amendment.

5. Consideration of Task Order with WK Dickson for Lumley Road Relocation 60% Design Services

Presented by Ron Jewett, Vice President Facilities Asset Management – The purpose of this item is to provide a staff recommendation on the award of Task Order 7 to WK Dickson under the firm's 2020 Master Agreement for 60% Design Development services in connection with Lumley Road Relocation, RDU Project 080879. This is a continuation of the design project to relocate Lumley Road and the associated intersection with Commerce Boulevard, to comply with FAA Runway Protection Zone requirements for future Runway 5L-23R as indicated on the approved 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, as well as the relocation of Commerce Boulevard. Construction involves new drainage culverts, utility relocations, retaining walls, airport entry feature relocation, roadway intersection design, traffic analysis and signalization, signage, perimeter security fence relocation, street light relocation on Commerce Boulevard, environmental permitting coordination, delineation of wetlands and streams, and landscaping.

The compensation to the Consultant and subconsultants for basic services is an hourly not-to-exceed amount of \$2,040,647 and reimbursable expenses including travel, printing, and miscellaneous expenses shall be direct costs up to fixed ceiling amount of \$53,028. The total maximum compensation under Task Order 2 is \$2,093,675. The budget for this project is sufficient for award of this contract.

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The Minority and Women-owned Small Business (MWSB) goals for this project were set at 10% Minority-owned Small Businesses (MB) and 5% Woman-owned Small Businesses (WB). The Consultant's proposed participation is 7.62% for MB and 14.61% for WB, utilizing MB subconsultants Accelerate Engineering, Connico, Walls Engineering, BB Foster, and WB subconsultants Aulick, Mid-Atlantic, Stay Alert, and Wetherill Engineering. The MWSB proposed commitment was reviewed by the Authority's Director of Small Business Programs and considered acceptable.

Staff requests approval of Task Order 7 with WK Dickson, in the amount of \$2,093,675, and authorization for the President and CEO to execute the task order.

6. Consideration of Amendment with Balfour Beatty for Runway 5L/23R Replacement and Lumley Road Relocation Preconstruction Services

Presented by Ron Jewett, Vice President Facilities Asset Management – Balfour Beatty Construction is under contract to provide Construction Manager at Risk (CMR) services related to specific airfield construction projects, including Runway 5L-23R Replacement and Lumley Road Relocation projects, which are elements of RDU Project 080879.

The engineering firms of RS&H and WK Dickson are currently under contract for the design of Runway 5L-23R Replacement and Lumley Road Relocation, respectively. Upon approval of related amendments, each of the firms will be tasked with taking the project from the current level of design, approximately 30%, to the 60% design level. The design efforts will be completed approximately in June 2023. Under this proposed Amendment, Balfour Beatty will collaborate with staff and the consultants during the period to finalize 60% design, strategically organize bid packages, and set a preliminary construction schedule. Additionally, in accordance with the Agreement's preconstruction phase services, Balfour Beatty is responsible for general site investigation and assessment; utility coordination and planning; participation in meetings with the design team; review of the consultants' work products for constructability; consultation on construction sequencing and scheduling; and the creation of construction cost estimates.

Negotiations with Balfour Beatty have resulted in a proposed pre-construction services Amendment, in the amount of \$469,660. The firm will be compensated for labor at hourly rates not to exceed \$459,550 and for reimbursable expenses at direct cost not to exceed \$10,110. The current budget for the project is \$372,300,000. Funds are available for the proposed Amendment.

The Balfour Beatty Agreement includes a Disadvantaged Business Enterprise (DBE) goal of 20%. The proposed Amendment includes a commitment of 20% DBE utilizing team members

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Right Build International, YES Real Estate Construction Group, and Varnedoe Construction. The Authority's Director of Small Business Programs reviewed this proposed DBE commitment and considered it acceptable.

Staff requests approval of an Amendment with Balfour Beatty Construction for pre-construction services, in the amount of \$469,660, and authorization for the President and CEO to execute the Amendment.

At Committee Chair Thompson's request, Ron Kapocius, the Authority's Chief Financial Officer, briefly detailed the Capital Project Ordinance Amendment #2, which is on the consent agenda for Board consideration and approval. Mr. Kapocius explained the requested increases for existing projects, to cover proposals presented to the Land and Development Committee.

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES AUGUST 18, 2022

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

The Committee discussed the following items:

1. Consideration of Purchase of Two Zero Emission Vehicle Maintenance Vans

Presented by Sean R. Saunders P.E., CEM, LEED AP, Vice President Operational Asset Management – This memo seeks approval to procure two Zero Emission Vehicle (ZEV) battery-electric Ford E-Transit Vans to replace two existing maintenance vans. These replacement vans are in the approved FY22/23 capital budget and were identified for replacement in the Authority’s Fleet Management Plan. Replacing these existing gasoline powered vehicles to fully battery electric will “move” the Authority a step closer to reducing fleet emissions and achieving future sustainability goals.

The North Carolina General Statutes allow the Authority to procure goods and services from state contracts that have been publicly advertised and bid by the NC Department of Administration Division of Purchase and Contracts. It is proposed that the Authority utilize the state contract 070A for these two vehicles. Piedmont Trucks out of Greensboro, NC is the vendor associated with this award.

For the two vehicles presented here, there is an overall overage in final pricing versus budget. Total cost \$129,857.60 versus the budgeted amount of \$88,912.94 created a shortfall of \$40,944.66. The shortfall is due to large price increases seen across the light vehicle marketplace since the budget was prepared last fall. Funds are available to cover the shortfall due to savings on other budgeted vehicles and equipment.

Staff requests approval to purchase two Zero Emission Vehicle maintenance vans in the amount of \$129,857.60 and authorization for the President and CEO to execute any documents necessary for the purchase.

¹ In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/wPgJRlcE464>.

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2. Consideration of a Master Service Agreement for GIS Consulting Services with Woolpert

Presented by Kristin Johnston, GIS Administrator: Information Systems - GIS – Staff requests award of a Master Service Agreement for GIS Consulting Services with Woolpert, Inc. for two years with three additional one-year optional extensions for a total of up to five years.

The Master Service Agreement for GIS Consulting Services provides the continued ongoing support of the GIS system. This includes but is not limited to:

- GIS program roadmap development
- GIS software platform maintenance and upgrades
- Integration and/or data conversion beyond staff skillset or availability
- GIS technical standards development
- Targeted training of staff

The services procured from this Master Service Agreement is not to exceed \$200,000.

Eight proposals were submitted in response to RFP #554-RFP22-3005-DSP. One was not submitted in a timely fashion in accordance with the Authority's procurement rules. Therefore, seven proposals were evaluated by the team. The top four scoring firms were selected for interviews and, subsequently, Woolpert, Inc., the highest scoring firm, was chosen.

The overall Minority and Women-owned Small Owned Business (MWSB) goals for the Master Service Agreement for GIS Consulting Services is 10.0% for Minority-owned Businesses (MB) and 5.0% for Women-Owned Businesses (WB). Woolpert, Inc. has partnered with Jacobsen Daniels (MB) and Faith Group, LLC (WB) and expects to achieve these goals. The Authority's Director of Small Business Programs concurs with this commitment.

Staff requests approval of the Master Service Agreement for GIS Consulting Services with Woolpert, Inc. in the amount not to exceed \$200,000, and authorization for the President and CEO to execute the agreement.

Ms. Johnston answered questions as to how GIS is used currently in the Authority's projects. Chuck McFall, the Authority's Chief Information and Strategy Officer, explained how the GIS program had grown under Kristin Johnston's direction and noted the national award given for the Authority's Geoportal.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES SEPTEMBER 15, 2022

Chair Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, Saidi and Thompson¹. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.²

I. APPROVAL OF AGENDA

Motion by Morgan to approve the Agenda; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Saidi to approve the minutes of the regular meetings of the Board and the Board committees, and the consent actions of the Board, held on August 18, 2022; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone.
2. Chair Hannah detailed the recent training events for the Authority's firefighters who combated live fires on aircraft.
3. Chair Hannah noted the terminal stores participating in the week's sidewalk sale featuring sales and specially marked items.
4. Registration is open for the Special Olympics North Carolina Plane Pull, hosted by the Authority, and Chair Hannah encouraged participation in the competition to pull a 30,000 pound plane, which raises money for Special Olympics athletes in the community.

IV. OLD BUSINESS

1. Finance Committee Report – Chair Hannah reported Board members met during the Committee work session on September 15, 2022 and discussed the following:
 - a. Consideration of Agreement with Trintech, Inc.

¹ Chair Emeritus Thompson joined by telephone.

² In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/dFX6-YREA20>.

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Motion by Saidi for approval of a three-year agreement and two one-year extension options with Trintech, Inc. for Balancer software at a cost of \$17,685.67, and authorization for the President and CEO to sign any necessary, related documents; second by Hall-Roberts

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

No items were reported.

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members noted this as being the shortest meeting in their recollection. In honor of National Hispanic heritage month, Board member Polanco-Galdamez spoke about her Salvadorian heritage, noting North Carolina has over 1 million people identifying as Hispanic. Treasurer Hall-Roberts was congratulated on her recent marriage. Appreciation was expressed to staff for their commitment and work at RDU. From recent travels through RDU, appreciation for its order, security and cleanliness were expressed.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service

August capped off the busy summer travel season at RDU with 1,075,240 million passengers flying through the airport. That is an increase of 22% over August 2021 and down 3% compared to this July. Passenger traffic dropped to 78% of 2019 levels, an indication leisure travel slowed as summer drew to a close and business travel continues to lag.

New/Returning Service

We have more good news to share about air service. November will be a busy month for new and returning flights at RDU. The airport will add another international destination when American Airlines restarts direct flights to Cancun, Mexico.

Nonstop flights from RDU to the Bahamas will take off in November when Bahamasair begins service to Freeport, Grand Bahama with connections to Nassau. Bahamasair will become RDU's 14th airline when the route launches.

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Avelo Airlines is also adding a new destination, with service to Fort Myers on Florida's Gulf Coast on Tuesdays, Thursdays and Saturdays. Southwest will begin offering service to Kansas City during the same month, adding another new nonstop destination at RDU.

Runway Preservation

Work resumed this month and will continue into December on the preservation of RDU's primary runway, 5L/23R. The multi-year preservation project is critical to the airport's future and is one of our most important capital projects. The 10,000-foot, concrete runway was built in the mid-1980's and now requires regular removal and replacement of deteriorating concrete slabs.

The runway will be closed at least five days a week, from 9:30 p.m. until 5:30 p.m. the following day, while crews demolish, remove and pour new concrete in 625 square-foot slabs. RDU is working with the Federal Aviation Administration for approval to replace 5L/23R.

Terminal 2 Closures

For the next few months, the departure level at Terminal 2 will be closed at night for maintenance. The far-right lane of John Brantley Boulevard approaching the upper level departures curb will be closed nightly from 9:00 p.m. to 4:00 a.m.

During the closures, traffic for both arrivals and departures will be directed to the bottom level. Signs and message boards will be placed along John Brantley Boulevard between Terminal 1 and Terminal 2 to notify drivers about the lane closure. The pedestrian crosswalk located outside the upper level will remain open at all times for access to the parking deck. The work is expected to be completed before the Thanksgiving holiday.

Airport Blvd. Closure

Ramp closures began last week as part of an N.C. DOT project to improve the interchange at Airport Boulevard and Interstate 40. Crews are rebuilding the eastbound and westbound ramps to tie into the new diverging diamond interchange that is under construction.

The detour for the I-40 East closure will have drivers continue to the next exit and follow Aviation Parkway to McCrimmon Parkway to access Airport Boulevard. The I-40 West detour will follow Aviation Parkway back to the interstate. Those coming from Pleasant Grove Church Road will take McCrimmon Parkway to Aviation Parkway to I-40 West. The work is expected to be completed in December.

IX. ADJOURNMENT

Motion by Kushner to adjourn; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

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RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES SEPTEMBER 15, 2022

Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, Saidi and Thompson³. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.⁴

The Committee discussed the following item:

1. Consideration of Agreement with Trintech, Inc.

Presented by Mesheila Lynch, Director of Accounting – Staff requests approval of a three-year agreement and two one-year extension options with Trintech, Inc. for the software solution Balancer, to improve monthly general ledger reconciliation processes. The software will improve the reliability, accuracy and tracking of the monthly general ledger reconciliations by reducing manual processes. The software will also add increased functionality and make review and approval of reconciliations by management more efficient. The total cost over the three-year period is \$10,499.68. The cost for option year one is \$3,453.36 and for option year two is \$3,732.63.

This software seamlessly integrates with Oracle. It would replace existing manual processes, with anticipated saving of staff time of approximately 30 hours per month.

The proposed agreement has been reviewed and is supported by the Authority's Small Business Programs Office.

Staff requests approval of a three-year agreement and two one-year extension options with Trintech, Inc. for Balancer software at a cost of \$17,685.67, and authorization for the President and CEO to sign any necessary, related documents.

³ Chair Emeritus Thompson joined by telephone.

⁴ In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/dFX6-YREA20>.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES OCTOBER 20, 2022

Chair Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez and Thompson¹. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.²

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 Kushner to approve the minutes of the regular meetings of the Board and the Board committees, held on September 15, 2022; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone.
2. Chair Hannah discussed J.D. Power's ranking of RDU as 4th for customer satisfaction, which is RDU's second consecutive year in the Top Five large airports' category and fourth consecutive year in the Top Ten.
3. The seven international destinations offered at RDU were noted and Chair Hannah commented on the reopening of the Duty Free store in Terminal 2.
4. Chair Hannah discussed the upcoming 2022 Plan Pull for Special Olympics North Carolina scheduled for October 29th on the UPS tarmac at RDU and team registration details.

IV. OLD BUSINESS

1. Operations Committee Report – Morgan reported Board members met during the Committee work session on October 20, 2022 and discussed the following:
 - a. Closed session

¹ Thompson joined by telephone.

² In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/OImy6rbub3w>.

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Closed committee work session 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. Consideration of Law Enforcement K-9 Retirement and Update on K-9 Program

Motion by Morgan that pursuant to the requirements of the North Carolina General Statutes, the Board of the Raleigh-Durham Airport Authority determines that Wrigley is of no further fiscal value to the organization and should be retired in a way that allows him to live the remainder of his life in a manner befitting his service; second by Hankins

ADOPTED BY UNANIMOUS VOTE

2. Land and Development Committee Report – Hall-Roberts³ reported Board members met during the Committee work session on October 20, 2022 and discussed the following:

a. Project Environmental Compliance Review Policy Presentation

Presentation to Board in committee work session for informative purposes only. No Board action required at this time.

b. RDU Office Migration Plan 2022-23 Presentation

Presentation to Board in committee work session for informative purposes only. No Board action required at this time.⁴

c. Draft Sustainability Policy Presentation

Presentation to Board in committee work session for informative purposes only. No Board action required at this time.

3. Finance Committee Report – Chair Hannah reported Board members met during the Committee work session on October 20, 2022 and discussed the following:

a. Owner-Controlled Insurance Programs Presentation

Presentation to Board in committee work session for informative purposes only. No Board action required at this time.

V. NEW BUSINESS

1. Consent Agenda

³ In the absence of Committee Chair Thompson

⁴ Related Capital Project Ordinance Amendment is a Consent Agenda item

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- a. Consideration of Logistics Services Agreement with ALCLEAR, LLC
- b. Consideration of an Agreement with IntegraPark
- c. Consideration of an Agreement with Intellimodus for Baggage Handling System Controls Services
- d. Consideration of Extension of Rent Relief to Terminal 1 Concession Tenants
- e. Consideration of Amendments to the Prequalification of Bidders for Construction or Repair Projects Policy
- f. Consideration of Terminal Support Space Lease Agreement with ALCLEAR, LLC
- g. Consideration of Task Order 3 with WSP for Capacity and Flow Analysis Project
- h. Quarterly MWSB Report on Staff Augmentation and Special Assignment Services
- i. Consideration of Capital Project Ordinance Amendment #3
- j. Consideration of Task Order 4 with Campbell-Hill Aviation Group, LLC

Motion by Morgan to approve and adopt Consent Agenda items a.–j.⁵; Second by Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL’S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members shared highlights from recent trips to Iceland and noted it was a great destination offered out of RDU. Staff was thanked for assisting during recent TSA checkpoint delays. Well wishes were expressed for Chief Myers’ and other officers’ upcoming retirements, and appreciation voiced for the Authority’s law enforcement department. The upcoming addition of CLEAR at RDU was commented upon. In honor of National Business Women’s Week, women business owners were acknowledged, and the achievements of minority businesses were recognized during October’s Minority Enterprise Development month. The Authority’s commitment to the environment, and to the development of its Environmental Compliance Review Policy, as well as the Sustainability Policy, were commended and the public was encouraged to attend the public workshops.

VIII. PRESIDENT AND CEO’S REPORT

Welcome

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

⁵ Consent item h. “Quarterly MWSB Report on Staff Augmentation and Special Assignment Services” was informational only

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Air Service

RDU served 950,952 passengers last month, a 19% increase over September of 2021. As expected, passenger traffic was lower in September than it was in August, with a decrease of 11.5% as students returned to school and the busy summer travel season ended. The fall months are typically slower at RDU, especially as the recovery of business travel continues to lag behind leisure.

American Airlines accounted for 30% of market share at RDU in September, with Delta at 28.6% and Southwest at 14.3%. The number of nonstop flights to one of RDU's most popular leisure destinations is expanding. JetBlue will resume seasonal service to Cancun in December. The flight will operate daily from December 24th through January 2nd, then two times a week until January 14th.

Economy 4 Reopened

RDU has reopened the Economy 4 parking lot on International Drive to expand the number of options available to airport guests. The lot was closed in 2020 due to declining passenger traffic but we are seeing increased demand for airport parking, especially on peak travel days. As passenger traffic increases, RDU's parking department continually monitors parking trends and evaluates options for maintaining enough spaces. The airport tracks the number of open spots and calculates how many guests made reservations in advance, which helps determine how many spaces will be needed and how long they will be used. We recommend booking parking online at least 24 hours in advance at rdu.com and checking the website and electronic roadside displays for the latest information about parking availability.

SMP Public Comment

The Airport Authority will hold a public meeting on October 27th to get input on the final draft of its first Sustainability Management Plan. The meeting will be held here in Room 100 of the RDU Center from 6 – 8 p.m. The Authority will also collect public comment the following week.

The Sustainability Management Plan provides a framework for the integration of sustainability into airport planning, design, construction, operations, maintenance and business processes. It is founded on the four pillars of airport sustainability: operational efficiency, environmental stewardship, economic viability and social responsibility. The process of developing the plan began in 2019 and has included continuous input from internal and external stakeholders, sustainability experts and the broader community.

IX. ADJOURNMENT

Motion by Hall-Roberts to adjourn; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT OCTOBER 20, 2022

The Board approved the following items on the Consent Agenda:

a) Consideration of Logistics Services Agreement with ALCLEAR, LLC

Memorandum by David Freedman, Senior Vice President and Chief Revenue Officer – ALCLEAR, LLC (CLEAR) is a registered traveler program and currently operates at forty-five airports and has over thirteen million members. At airports, CLEAR members use dedicated lanes to expedite the identity verification process by using their eyes or fingers and once verified, members are escorted to the TSA physical screening component of the process. CLEAR members pay an annual fee for this service.

The proposed Logistics Services Agreement (Agreement) with ALCLEAR, LLC is for an initial 7-year term with three (3) one-year options at the Authority's sole discretion. CLEAR will operate in both Terminal 1 and Terminal 2. Key elements of the proposed Agreement include:

- A \$700,000 initial payment to the Authority upon operational commencement.
- Annual payment to the Authority equal to the greater of Minimum Annual Guarantee (MAG) (initially set at \$315,000 for the first year and increases 3% annually) or percentage of gross sales (new members and renewal fees within the established RDU catchment area).
- The percentage of gross sales is 10% for the first 18-months of the Agreement; 11% for the balance of the initial 7-year term and 12% for the option periods.
- Between Terminal 1 and Terminal 2, CLEAR will have 7 verification kiosks and 9 enrollment kiosks.
- Initial \$80,000 security deposit.

The Agreement has been reviewed by the Authority's Small Business Programs Office.

Staff recommends approval of the Logistics Services Agreement with ALCLEAR, LLC and authorization for the President and CEO to execute the Agreement.

b) Consideration of an Agreement with IntegraPark

Memorandum by Michael McLanahan, Vice President of IT Business Solutions – IntegraPark Paris is a cloud-based system designed to bill and collect parking fees from tenant parkers. Staff is seeking approval for a one-year agreement with 4 one-year options with IntegraPark for use of this system to manage and collect parking tariffs from airport

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tenants. There will be no net cost to the Authority, as transaction fees over and above the parking tariffs will be passed on to the tenant parkers.

Currently, Authority staff in the Parking Department manually collect payments for tenant employee parking. With IntegraPark Paris, manual efforts will be eliminated. Monthly transactional fees over and above the parking tariffs are estimated to total \$82,000 over a five-year period and will be passed on to the parkers. Parking revenue will be electronically transmitted to the Authority's bank.

The Parking, Information Services, and Procurement Departments collaborated on the procurement strategy for licensing and technical support for IntegraPark. This procurement has been treated as discretionary due to the net zero cost to the Authority.

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

Staff requests approval for a one-year agreement with 4 one-year options with IntegraPark for licenses and support for the Paris system at an estimated cost of \$82,000 which will be passed onto the tenant parkers, and authorization for the President and CEO to sign any necessary, related documents.

c) Consideration of an Agreement with Intellimodus for Baggage Handling System Controls Services

Memorandum by Steven Yanni, Director of Contracts Facilities Maintenance – Staff is seeking approval of an agreement with Intellimodus, LLC for Baggage Handling Systems (BHS) controls services, which will include Terminals 1 and 2 upper and lower-level controls support. These controls are the industrial computing systems and associated programming required to run the BHS to include belt conveyors, diverters, photo-eyes, scanners, and baggage claim devices.

The Lower-Level Controls (LLC) include:

- The Programmable Logic Controllers that track and sort bags based on pre-determined program
- Source code/software to process instructions rapidly and repeatedly (milliseconds)
- Automatic Tag Readers (ATR's) and the interface with the BHS.

The Upper-Level Controls (ULC) include:

- The graphical user interface for operator control and monitoring
- Database of baggage information and system operation.

Terminal 2's ULC and LLC support is currently provided by Intellimodus and this coverage for Terminal 2 will end January 3, 2023. Terminal 1's LLC support is currently under a contract with Logan Teleflex, ending on December 31, 2022. Logan Teleflex subcontracts

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that work to Intellimodus, which engineered both the Terminal 1 and Terminal 2 systems. By combining both Terminal systems under one sole source agreement (instead of two separate contracts with two different vendors), this would save the Authority approximately \$100,000 over the five-year term, based on the previous contracts' amounts.

The term of the proposed agreement will be five years with a total cost of \$330,980. The scope of work will be self-performed and therefore there is no Minority and Women-owned Small Business participation for this contract. This has been discussed with the Authority's Director of Small Business Programs.

Staff requests approval of a five-year agreement for baggage handling systems controls services with Intellimodus, LLC in the amount of \$330,980 and the authorization for the President and CEO to execute the agreement.

d) Consideration of Extension of Rent Relief to Terminal 1 Concession Tenants

Memorandum by Kimberly Stewart, Vice President of Concessions – Staff negotiated with Concessionaires to offer rent relief resulting from impacts related to decreased passenger traffic following the global pandemic in 2020. Staff updated the Board in October 2020 outlining our relief goals and considerations. The Authority provided initial relief in the form of Minimum Annual Guarantee (MAG) waivers (financial relief). Relief has been provided to Terminal 1 and Terminal 2 tenants from April 2020 through September 2022. Terminal 2 enplanements have returned to 90% of 2019 levels; therefore MAGs have been reinstated, effective October 1, 2022, for Terminal 2 tenants.

However, with enplanements in Terminal 1 still reduced to only 60% as compared to 2019 levels, Concessionaires are still experiencing hardships related to the pandemic including labor shortages. Staff requests a third extension of financial relief of MAG waivers for Terminal 1 tenants. The extended relief is for an additional 6 months from October 1, 2022 through March 31, 2023. The total relief represents 3 years of MAG relief for Terminal 1 tenants. The extended relief will directly benefit the ACDBE partners.

Staff requests approval to extend rent relief for Terminal 1 tenants for an additional 6 months by amending the executed Modification Agreements and authorization for the President and CEO to execute the amendments.

e) Consideration of Amendments to the Prequalification of Bidders for Construction or Repair Projects Policy

Memorandum by William C. Sandifer, A.A.E., Executive Vice President and Chief Operating Officer – The purpose of this item is to provide a staff recommendation for the adoption of amendments to the Prequalification of Bidders for Construction or Repair Projects Policy (Prequalification Policy). The Prequalification Policy, adopted by the Board

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on August 20, 2015, applies only to single prime bidders, and first-tier subcontractor bidders when using a construction manager-at-risk delivery method, pursuant to NCGS §143.128(a1). On June 26, 2014, the North Carolina General Assembly adopted a revision of NCGS §143-135.8 providing in relevant part that a governmental entity may prequalify bidders for construction or repair work when using one of the construction methods authorized in NCGS §143-128, if the governmental entity has adopted an objective prequalification policy. The original Policy only recognized the Vice President Facility Asset Management (FAM) as having responsibilities. The Policy must be amended to document the responsibilities of the Vice President of Buildings & Building Systems, a position that did not exist when the original Policy was adopted.

Staff recommends adoption of the proposed amendments to the Prequalification of Bidders for Construction or Repair Projects Policy.

f) Consideration of Terminal Support Space Lease Agreement with ALCLEAR, LLC

Memorandum by Karen Reynolds, Director of Properties – ALCLEAR, LLC requires office space to support its Logistics Services Agreement with the Airport Authority, and it will lease an office suite in Terminal 2.

- Location: Terminal 2, second level, office suite 2695A, B, and C (see attached map)
- Term: will run concurrent with the term of the Logistics Services Agreement between ALCLEAR and the Authority (pending approval of the Logistics Services Agreement, a Consent Agenda item)
- Rent: will be charged at current fiscal year terminal rental rate for offices (\$101.53/s.f./year)
 - 813.38 s.f.
 - First year rent: \$82,582.47
- Escalation: the per square foot rate will increase annually by the greater of 3% or to the adjusted rate established by the Authority each fiscal year

Staff recommends approval of the Terminal Support Space Lease Agreement with ALCLEAR, LLC and authorization for the President and CEO to execute the agreement.

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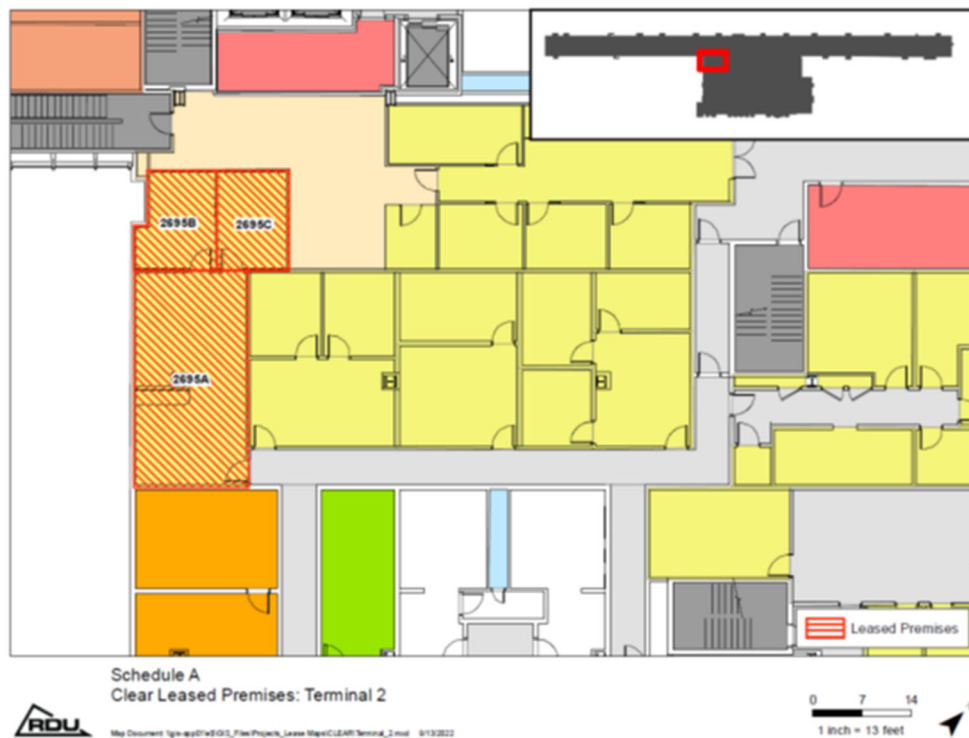
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ALCLEAR Office Space



g) Consideration of Task Order 3 with WSP for Capacity and Flow Analysis Project

Memorandum by Trisha Hoover, Project Manager – The Airport Authority (Authority) operates a wastewater collection system (WWCS) under a permit issued by the North Carolina Department of Environmental Quality (NCDEQ). One of the permit requirements is to complete a comprehensive Wastewater Capital Improvement Plan (WWCIP) for the airport. The 2020 WWCIP identified a capacity and flow analysis for FY20-21 and FY21-22.

This proposed project is necessary to keep the WWCS well-maintained, operating, and minimize overflow events. A new analysis is needed to 1) respond to NCDEQ requests for a capacity assessment, and 2) provide an updated baseline system capacity. Since the last analysis was completed in 2004, several studies, including the Master Plan, recommended the Authority monitor capacity needs to ensure long-term sanitary sewer infrastructure and

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wastewater treatment needs were met. With this project, the Authority will also complete a conditions assessment of select locations to aid design efforts for future capital projects and update the WWCIP.

The Capacity and Flow Analysis project is proposed to be completed by the WSP team (WSP, Stewart, Dukes, AET Services). Total compensation under Task Order 3 for WSP is a not-to-exceed amount of \$234,910.95. Labor (\$102,178.45) will be billed at hourly rates and expenses (\$132,732.50) will be billed at direct cost.

The overall Minority and Woman-owned Small Business (MWSB) goals for the existing Master Services Agreement are 10% for Minority-owned Small Business (MB) and 5% for Women-owned Small Business (WB). Total commitments for this proposed Task Order 3 are 18% MB and 25% WB, exceeding the goals. The Authority's Director of Small Business Programs concurs with this commitment.

Staff requests approval of Task Order 3 with WSP at a cost of \$234,910.95 and authorization for the President and CEO to execute the agreement.

h) Quarterly MWSB Report on Staff Augmentation and Special Assignment Services

Memorandum by Kenny Perry, CM, 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 Minority-owned and Women-owned Small Business (MWSB) goals, and staff has committed to meeting an 11% minority-owned business (MB) participation and 10% women-owned business (WB) 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 Q2 FY22/23 (data current as of 10/5/2022)

Total Contract Amount in FY22/23:	\$5,078,477.66
Contract Amount Paid to-date:	\$ 912,226.84
Amount Paid to-date - MBs:	\$ 134,516.35
Amount Paid to-date - WBs:	\$ 228,976.31
Participation to-date - MBs:	15.71%
Participation to date - WBs:	25.10%

No Board action is requested. This report is submitted for informational purposes only.

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i) 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 \$1,350,000 for the following new projects:

- Capital Project 321001, “RDU Authority Building, Modular Unit Furniture”. The scope of the project is to create additional office space in some buildings, and it will require the purchase of an additional modular unit. The Authority has limited office space for new employees that are being hired and the RDU center building will be out of space at the end of 2022. The Authority requires additional funding of \$850,000 for a new modular unit which will include Design, Modular Unit, Sitework, Construction, and Contingency. The new project total will be \$850,000.
- Capital Project 321002, “RDU Authority Building, AOC 1st/4th Floor Rework”. The scope of the project is to create additional office space in some buildings. The Authority has limited office space for new employees that are being hired and the RDU center building will be out of space at the end of 2022. The Authority requires additional \$200,000 for AOC 1st/4th Floor Rework which will include Design, Construction, and Furniture. The new project total will be \$200,000.
- Capital Project 321003, “RDU Authority Building, Terminal 2 Conference Room”. There is also a need for a large conference room within Terminal 2. The Authority requires additional funding of \$300,000 for Terminal 2 Conference Room. The new project total will be \$300,000.

Staff anticipates no additional cash spend needed for the 2022-2023 Budget Ordinance for these capital projects.

Staff requests approval of Amendment #3 to increase the Capital Project Ordinance by \$1,350,000.

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RALEIGH-DURHAM AIRPORT AUTHORITY
2022-2023 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:

\$ 601,941,458

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 \$ 553,533,779

Total Grant Funds \$ 48,407,679

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

New 22/23 Projects		Original ¹	Change ¹ 07/21/2022	Change ² 08/18/2022	Change ³ 10/20/2022	Amended
321000	Terminal 1 Flooring Replacement	1,000,000				1,000,000
621040	Parking Garage Rehabilitation - Phase 3	4,000,000				4,000,000
881440	John Brantley Blvd Extension (CONRAC)	1,000,000		230,000		1,230,000
881380	AOC 5th Floor Buildout	500,000				500,000
456000	New AOC/EOC/ARFF	500,000				500,000
453000	Maintenance Building Parking Lot Rehabilitation	3,500,000				3,500,000
381000	GA Area Pavement Rehabilitation	3,500,000				3,500,000
321010	T1 Generator Replacement	200,000				200,000
453010	MX Stormwater Pond Repairs	100,000				100,000
321020	T1 Chiller Replacement	100,000				100,000
489000	New Vehicles and Equipment - FY23	5,220,292	3,244,166			8,464,458
321001	Modular Unit Furniture	-			850,000	850,000
321002	AOC 1st/4th Floor Rework	-			200,000	200,000
321003	Terminal 2 Conference Room	-			300,000	300,000
		\$ 19,620,292	\$ 3,244,166	\$ 230,000	\$ 1,350,000	\$ 24,444,458
Amended Projects		Original ¹	Change ¹ 07/21/2022	Change ² 08/18/2022	Change ³ 10/20/2022	Amended
211140	Enhanced Security Perimeter Gates (TSA)	3,800,000				3,800,000
211170	North Cargo Apron Reconstruction	1,300,000				1,300,000
060799	Expanded Park Economy 3	44,000,000				44,000,000
881100	International Drive Rehabilitation	8,036,000				8,036,000
881430	Aviation Parkway/National Guard Drive Interchange - Planning	1,000,000				1,000,000
		\$ 58,136,000	\$ -	\$ -	\$ -	\$ 58,136,000
Ongoing Projects		Original ¹	Change ¹ 07/21/2022	Change ² 08/18/2022	Change ³ 10/20/2022	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
211190	Taxiway A1 Rehabilitation - Design and Construction	1,700,000				1,700,000
211200	Taxiway E Rehabilitation - Design & Construction	1,000,000		14,000,000		15,000,000
211210	Taxiways C and J Rehabilitation - Design	700,000				700,000
070549	Terminal 2 Checkpoint Expansion	9,250,000				9,250,000
331000	T2 Landside Expansion Program - preliminary design	2,000,000	3,000,000			5,000,000
331020	Common Use Transformation Program - Touchless Technology	500,000				500,000
331030	Terminal 2 Concessions Development Program	4,000,000				4,000,000
331040	T2 Bathroom Refresh and Pet Relief Area - Planning	200,000				200,000
331050	Ramp Information Display System - Planning	250,000				250,000
621020	Parking Guidance System	8,200,000				8,200,000
881410	National Guard Drive Improvements / Hales Branch Road Rehabilitation	3,000,000				3,000,000
881250	Maintenance Facility HVAC Replacement	525,000				525,000
881180	Consolidated Trash Facility Concrete Dumpster Slabs	300,000				300,000
441000	Fuel Farm Facility Improvement Plan	9,186,000				9,186,000
881420	ABRM Upgrade	250,000				250,000
		\$ 502,361,000	\$ 3,000,000	\$ 14,230,000	\$ -	\$ 519,591,000
		\$ 580,117,292	\$ 6,244,166	\$ 14,230,000	\$ 1,350,000	\$ 601,941,458

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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 October 2022

Notes:
1 Original- budget ordinance adopted March 17, 2022

j) Consideration of Task Order 4 with Campbell-Hill Aviation Group, LLC

Memorandum by David Freeman, Senior Vice President and 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 proposed Task Order 4 to the Master Services Agreement would cover consulting services through March 31, 2023.

In general, the air service consulting services in Task Order 4 include: a catchment study update, airline meetings and air service conference support, monthly consulting and support services, maintain/update the air service development plan and provide continued air service incentive program support. Campbell-Hill expects to achieve 12% woman-owned business (WB) participation and 0% minority-owned business (MB) participation for the services included in Task Order 4. This has been reviewed by the Authority's Small Business Programs Office.

Staff recommends approval of Task Order 4 to the Master Services Agreement with Campbell-Hill Aviation Group, LLC in the amount of \$273,420 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 OCTOBER 20, 2022

Morgan presided. Present: Hall-Roberts, Hankins, Hannah Kushner, Polanco-Galdamez, and Thompson¹. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.²

Motion by Morgan 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) 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 Hall-Roberts

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

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

The Committee discussed the following item:

1. Consideration of Law Enforcement K-9 Retirement and Update on K-9 Program

Presented by John Connell, Senior Vice President Operations and Asset Management - The purpose of this item is to provide an update on the RDU Law Enforcement K-9 Program and request Board approval for the retirement of K-9 Wrigley.

Since the last K-9 briefing to the RDU Board in August of 2021, the RDU Law Enforcement Department has:

- 1) Successfully on-boarded and trained three new Explosive Detection (EOD) K-9s
 - a. K-9 Toby
 - b. K-9 Jet
 - c. K-9 Gus

¹ Thompson joined by telephone and ended his participation following the closed session.

² In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/OImy6rbub3w>.

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- 2) Hired a Master K-9 Trainer – Officer Smith. Officer Smith’s expertise allows K-9 training to be conducted in-house providing a more efficient and cost-effective training program. Previously, K-9 training had to be conducted by a third-party contractor.
- 3) Recommended the retirement of RDU’s fourth EOD K-9 Wrigley and replacement with a new EOD K-9. Wrigley was scheduled to retire on April 1, 2023 but, due to onset of seizures, it is recommended to move that retirement date up by approximately 5 months.
- 4) Evaluated the need for an additional K-9 to support our law enforcement efforts and will be establishing a 5th K-9 unit.

Staff requests that pursuant to the requirements of the North Carolina General Statutes, the Board of the Raleigh-Durham Airport Authority determines that Wrigley is of no further fiscal value to the organization and should be retired in a way that allows him to live the remainder of his life in a manner befitting his service.

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES OCTOBER 20, 2022

Hall-Roberts¹ presided. Present: Hankins, Hannah, Kushner, Morgan, and Polanco-Galdamez. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.²

The Committee discussed the following item:

1. Project Environmental Compliance Review Policy Presentation.

Presented by William C. Sandifer, A.A.E., Executive Vice President and Chief Operating Officer – In April 2022, the Board approved staff to proceed with the final design for a significant expansion of Park Economy 3 (PE3). During the April Board meeting, and on several occasions previous to the Board meeting, staff discussed with the Board that the PE3 expansion project would not be subject to the requirements of the National Environmental Policy Act (NEPA), nor the State Environmental Policy Act (SEPA). Staff recommended the development of a policy to require certain projects be evaluated for potential environmental impacts when NEPA and SEPA do not apply. The purpose of this item is to share with the Board the Draft Project Environmental Compliance Review Policy (Draft Policy) and to seek feedback or questions. Based on the Board's interest in having a public review and comment period, staff proposes the following for consideration:

1. Staff will publish the Draft Environmental Compliance Review Policy on RDU.com on or about October 20th.
2. Staff will hold a public workshop on November 1st from 5:00 pm to 7:00 pm for all interested members of the public to learn about the Draft Policy. Members of the public will also be permitted to give written comments during the workshop or may submit comments using a link on RDU.com.
3. Upon conclusion of the public workshop, staff will continue to accept written comments through November 11th at which time the public comment period will end.

¹ In the absence of Committee Chair Thompson

² In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/OImy6rbub3w>

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4. Staff will develop a public comment report and present that report to the Board on November 17th when presenting the final recommendation for policy adoption.

There is no Board action requested at this time.

2. RDU Office Migration Plan 2022-23 Presentation

Presented by Jaymes Carter, Vice President, Buildings and Building Systems – Office space in the RDU Center building is almost to full capacity, and additional office space is needed for new employees of the Authority. Additional space is in the process of being created through the AOC Fifth Floor Buildout project which is currently in design. During the design phase of the AOC project, it was determined that the Authority needs more office space for team members.

An Office Migration Plan has been created which will provide flexibility in locating new team members on campus through different solutions. Those solutions include: a) Purchasing furniture to create temporary flex/open office space in an existing modular unit; b) Purchasing a new modular unit for additional office space; c) Reconfiguring existing office space in the AOC on the first and fourth floors; and d) Creating additional conference room space pre-security in Terminal 2.

The proposed Office Migration Plan 2022-23 includes the following costs:

1. Purchasing furniture for an existing modular unit to create flexible office space - \$65,000 (OPEX)
2. Purchasing a new modular unit for office space (Design, Modular Unit, Sitework, Construction and Furniture) - \$850,000 (CAPEX)
3. AOC 1st/4th Reconfiguration for office space (Design, Construction and Furniture) - \$200,000 (CAPEX)
4. Terminal 2 Conference Room (Design, Construction and Furniture) - \$300,000 (CAPEX)

The Minority and Women-owned Small Business goals will be determined once the projects are through the design process and the construction documents have been created for bidding/procurement.

A Capital Project Ordinance Amendment is on the Consent Agenda for approval to allow the staff to proceed with the RDU Office Migration Plan 2022-23.

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3. Draft Sustainability Policy Presentation

Presented by Rachel Stair, Director of Planning and Sustainability – This informational update is to introduce the Draft Sustainability Policy (Policy). The 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 and Core Values. The Policy was developed based on the informal Sustainability Statement developed back in 2018 as well as the overall objectives and aim of the RDU Sustainability Management Plan (SMP).

The purpose of this item is to share with the Board the Draft Sustainability Policy and to seek feedback or questions. While staff is not requesting formal adoption of the Policy at this time, the Policy will be finalized and presented to the Board with staff’s recommendation for adoption and approval in December.

There is no Board action requested at this time.

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RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES OCTOBER 20, 2022

Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, and Polanco-Galdamez. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.¹

The Committee discussed the following item:

1. Owner-Controlled Insurance Programs Presentation

Presented by James Witherspoon, Director of Risk Management and Safety – Mr. Witherspoon noted that cost measures to offset escalating construction costs had been explored by staff and this presentation was to present the concept of owner-controlled insurance programs. He described the traditional insurance model where the service cost is passed through to the Authority and how this model could be a barrier to smaller contractors that typically do not carry the coverage necessary for airside construction work. Mr. Witherspoon detailed the properties of owner-controlled insurance programs which afford potential savings as the contractors' insurance costs are not included in bids. He shared information from other airports utilizing owner-controlled insurance programs and/or rolling owner-controlled insurance programs. Mr. Witherspoon shared the anticipated timeline for staff to follow through a Request for Proposal process, and come back to the Board with updates as to the selection, coverage lines, and functionality of the proposed owner-controlled insurance program. He noted a sampling of the various brokers involved with these types of programs.

There was discussion regarding how this type of program offers better opportunities for smaller firms to compete. Mr. Witherspoon explained how costs could be lowered under this type of program as all parties involved in a construction project fall under one insurance umbrella, potentially reducing risk and exposure. Mr. Witherspoon answered questions regarding the timeline proposed which will allow a manual for the applicable coverage lines to be prepared, which will coincide with the expected construction start date.

There is no Board action requested at this time.

¹ In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/OImy6rbub3w>.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES NOVEMBER 17, 2022

Chair Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez and Thompson¹. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.²

I. APPROVAL OF AGENDA

Motion by Morgan to approve the Agenda; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Hankins to approve the minutes of the regular meetings of the Board and the Board committees, and the consent actions of the Board held on October 20, 2022; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone.
2. Chair Hannah welcomed new staff members, recognized staff promotions, and wished the retirees well in their retirement and thanked them for their service to the Authority.
3. Chair Hannah discussed the October 29th 2022 Plane Pull for Special Olympics North Carolina and thanked everyone who helped to make the event a success, during which teams competed to pull a 30,000 pound plane the fastest. More than \$130,000 was raised in support of Special Olympics and Chair Hannah gave a shout-out to the Authority's team, "Plane Awesome."

Chair Hannah recognized Keith Fishburne, President and CEO of Special Olympics North Carolina who expressed gratitude for the Authority's continued relationship and support of the Special Olympics North Carolina. Mr. Fishburne introduced Global Messenger and Special Olympics athlete Romas Gabbrielli who explained how Special Olympics supports athletes, and the difference that such involvement makes in these athletes' lives. He shared his soccer team's success in 2014 and displayed the gold medal won. Secretary Kushner accepted the

¹ Thompson and Chair Hannah joined by telephone.

² In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/r2KNGkFY4vw>.

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plaque on the Board's behalf commemorating the Authority's involvement in the successful 2022 Plane Pull event.

4. Chair Hannah recognized and congratulated the Authority's Commercial Management and Marketing staff who received the award for RDU's virtual food hall which was named the best Customer Experience and Technology Innovation for a large airport by Airport Council International North America. He noted the virtual food hall opened in July and allows guests to order from multiple restaurant concepts in one seamless experience.

IV. OLD BUSINESS

1. Operations Committee Report – Morgan reported Board members met during the Committee work session on November 17, 2022 and discussed the following:

- a. Closed session

Closed committee work session in order to protect sensitive security information from disclosure pursuant to NCGS §143-318.11(a)(1) and 49 CFR parts 15 and 1520.

- b. Consideration of Consultant Selection for a Parking Guidance System

Motion by Morgan for approval of an agreement with TKH Security/Park Assist in the amount of \$9,492,357.37 and authorization for the President & CEO to execute the agreement; Second by Hankins

ADOPTED BY UNANIMOUS VOTE

- c. Sustainability Management Plan Informational Board Update

Presentation to Board in committee work session for informative purposes only. No Board action required at this time.

2. Finance Committee Report – Chair Hannah reported Board members met during the Committee work session on November 17, 2022 and discussed the following:

- a. Presentation of Q2 Year-to-Date Financial Results

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

3. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on November 17, 2022 and discussed the following:

- a. Terminal 1 Flooring Replacement Staff Recommendation

Motion by Thompson for approval for the contract amount of \$625,888 for the Terminal 1 Flooring Replacement Project, (RDU Project #321000), and authorization for the President and CEO to execute the agreement;

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b. Consideration of Pre-Construction Services Amendment with Messer Construction
Motion by Thompson for approval of the Preconstruction Amendment to the Master Services Agreement with Messer Construction in the amount of \$246,819 and authorization for the President and CEO to execute the amendment;

c. North Cargo Apron Reconstruction Phase 1 – Construction Award
Motion by Thompson that contingent upon approval of a budget increase to Project 211170³, for approval of a construction contract with Hi-Way Paving, Inc. in the amount of \$29,724,196.75, and authorization for the President and CEO to execute the contract;

d. North Cargo Apron Reconstruction Phase 1 – CA Services Amendment
Motion by Thompson that contingent upon approval of a budget increase to Project 211170³, for approval of Amendment 1 to Task Order 2 with W.K. Dickson & Company, Inc., in the amount of \$599,998 and authorization for the President and CEO to execute the amendment;

Motions (as recited above) by Thompson for approval of items a. - d.; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda

- a. Consideration of Hexagon EAM Cloud Licenses and Contract for Associated Professional Services from Stratum Consulting Partners
- b. Consideration of Off Airport Rental Car Operating Agreement with Gitibin & Associates
- c. Consideration of Capital Project Ordinance Amendment #4

Motion by Hankins to approve and adopt Consent Agenda items a.–c.; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL’S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members wished everyone a safe and happy Thanksgiving holiday. There were comments regarding the challenges faced by TSA in running the checkpoints at airports nationwide including RDU. Chair Hannah was thanked for his leadership, and fellow board members for their time and input, and for making impactful decisions for the benefit of the airport. Leadership and staff members were thanked for their efforts, with particular thanks noted to Michael Landguth, Erin

³ Related Capital Project Ordinance Amendment is a Consent Agenda item

Raleigh-Durham Airport Authority Board Members



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Locklear and Bill Sandifer. The meaningful presentation by the visitors representing the Special Olympics was noted.³

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service

RDU served 1,143,837 passengers in October during what is traditionally a slow month for air travel. That represents an increase of 29% over October 2021. American Airlines had 29.8% of market share at RDU, with Delta at 28.7% and Southwest at 14.4%

Bahamasair

A new flight to the Caribbean will launch from RDU this afternoon when Bahamasair makes its inaugural trek to Freeport, Grand Bahama. Freeport will be RDU's 7th international destination – two more than we had before the pandemic. Bahamasair will fly year-round on Thursdays and Sundays on a 138-seat Boeing 737-700. We're looking forward to celebrating our new tropical destination with the airline and our Board this afternoon.

Icelandair

We're pleased to share that Icelandair is extending its season at RDU. Their flight to Reykjavik has been so successful that they decided to get an earlier start. The season will begin March instead of May next year.

Paris

International air service is also growing at RDU. Delta is expanding its nonstop route to Paris just a few months after it returned. The airline will expand the flight from four days a week to daily service beginning in March. Delta will also fly the route on a larger aircraft that holds 234 passengers – and additional 18 seats per flight. We are excited that Delta is increasing the frequency of the Paris flight and accommodating more travelers.

Avelo

Avelo Airlines made an exciting announcement this month about expanding their partnership with RDU. They will begin offering six new direct routes to Florida in February, including Fort Lauderdale, Fort Myers, Orlando, West Palm Beach, Sarasota and Tampa. Avelo will also strengthen its commitment to the local market by opening a base at RDU and stationing two aircraft here. The airline will generate a minimum of 50 jobs over the next 12 months to support

³ Thompson ended his telephone participation at 1:24 p.m.

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the new base.

Avelo began service at RDU in May with one direct flight to Tweed-New Haven Airport in Connecticut, a new destination for us. Fort Myers, Palm Beach and Sarasota will also be new nonstop destinations for RDU and will give local travelers even greater access to the Sunshine State.

Frontier

Frontier Airlines is adding new seasonal service from RDU to Dallas-Fort Worth. The direct flight will be offered four times a week beginning in May. This is not the first expansion for Frontier this year. The airline launched or restarted eight routes at RDU in April and May.

Triangle Takeoff Coalition

The Triangle Takeoff Coalition, an alliance of high-profile companies and universities in the Research Triangle region, has launched a campaign to support the growing return to air travel. The “Make Your Connection” ads build on the success of last year’s award-winning “Carry On” campaign by encouraging residents and businesses to return to the skies and connect with the people and places that matter most. They feature some of the most prominent companies in the region and some local celebrities, including Duke men’s basketball coach Jon Scheyer, celebrity chef Katsuji Tanabe and Durham Bulls mascot Wool E. Bull. The ads will run on social and digital media, radio and TV over the next six months. [*One of the ads was played during the meeting.*]

IX. ADJOURNMENT

Motion by Morgan to adjourn; Second by Hall

ADOPTED BY UNANIMOUS VOTE

Raleigh-Durham Airport Authority Board Members

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RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT NOVEMBER 17, 2022

The Board approved the following items on the Consent Agenda:

a) Consideration of Hexagon EAM Cloud Licenses and Contract for Associated Professional Services from Stratum Consulting Partners

Memorandum by Michael McLanahan, Vice President of IT Business Solutions – Hexagon Enterprise Asset Management (EAM) has been a critical application used by the Operational Asset Management Department to manage assets, inventory, and work orders since 2003. Staff is seeking approval to purchase cloud-based licenses from Hexagon to replace current on-premise licenses at a cost of \$153,916.80 per year for three years; and approval of an agreement with Stratum Consulting Partners for professional services to assist in the migration to the Hexagon cloud at a one-time cost of \$40,270. The total cost of this request is \$502,020.40.

Migration to the Hexagon cloud offers Authority staff enhanced access to EAM from mobile devices, allowing users to access and update EAM in real time while performing their duties in the field. The professional services from Stratum Consulting Partners Inc. will also be leveraged to further mature the Authority's usage of the platform for years to come as subsequent Task Orders are developed.

RFP # 554-RFP22-3021 was issued on August 4, 2022. Three proposals were received and evaluated resulting in the selection of Stratum Consulting Partners Inc. as the preferred services provider. This initiative has been reviewed and is supported by the Authority's Small Business Programs Office.

Staff requests approval to procure Hexagon EAM cloud licenses at a cost of \$153,916.80 per year for three years, approval of a 3 year master services agreement, with 2 one-year optional additional years, with Stratum Consulting Partners Inc. with the first task order being cloud migration assistance at a cost of \$40,270, and authorization for the President and CEO to sign any necessary related documents.

b) Consideration of Off Airport Rental Car Operating Agreement with Gitibin & Associates

Memorandum by Tyler Maheu, C.M., Senior Director of Commercial Management – The Authority entered into Facility Lease and Operating Agreements with two fixed base operators, Atlantic Aviation and Signature Flight Services ("FBOs"), effective in March 2022. The FBOs have since requested the Authority permit Gitibin & Associates, Inc., doing business as Go Rentals, to provide rental car service for users of the FBO facilities. Go

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Rentals specializes in providing “elite car rental” service to the private jet industry and fine hotels.

The proposed Off Airport Rental Car Operating Agreement will allow Go Rentals to provide rental car service only to guests using the FBOs, and not to the general traveling public at the terminal facilities. Go Rentals will provide guest service within the FBO facilities, and will be responsible for establishing a vehicle storage and maintenance site off airport. The term will be three years, and Go Rentals will pay monthly fees equal to ten percent (10%) of its monthly gross receipts.

Staff requests approval of the Off Airport Rental Car Operating Agreement with Gitibin & Associates, Inc., doing business as Go Rentals and authorization for the President and CEO to execute the agreement.

c) Consideration of Capital Project Ordinance Amendment #4

Memorandum by Sharyar Ahmed, Director of Financial Planning and Analysis – This item is to provide a staff recommendation to approve the Capital Project Ordinance Amendment #4 increase of \$37,700,000 for the following project:

Capital Project 211170, “North Cargo Apron Reconstruction”, was created with an overall budget of \$1,300,000. This original budget was initiated for only the design phase. As the North Cargo Apron is exhibiting signs of distress and deterioration due to Alkali Silica Reactivity (ASR), it has reached the end of its design life and requires replacement. The replacement of the North Cargo Apron is estimated at a total cost of \$39,000,000, which includes the contract with Hi-Way Paving, Inc for \$29,724,196. As such, staff recommends a corresponding budget increase from \$1,300,000 to \$39,000,000 to cover the total estimated project cost.

Staff anticipates no additional cash spend is needed for the 2022-2023 Budget Ordinance for this capital project.

Staff requests approval of Amendment #4 to increase the Capital Project Ordinance by \$37,700,000.

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RALEIGH-DURHAM AIRPORT AUTHORITY
2022-2023 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:

\$ 639,641,458

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 \$ 591,233,779
Total Grant Funds \$ 48,407,679

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

New 22/23 Projects						
	Original ¹	Change ¹ 07/21/2022	Change ² 08/18/2022	Change ³ 10/20/2022	Change ⁴ 11/17/2022	Amended
321000 Terminal 1 Flooring Replacement	1,000,000					1,000,000
621040 Parking Garage Rehabilitation - Phase 3	4,000,000					4,000,000
881440 John Brantley Blvd Extension (CONRAC)	1,000,000		230,000			1,230,000
881380 AOC 5th Floor Buildout	500,000					500,000
456000 New AOC/ECC/ARFF	500,000					500,000
453000 Maintenance Building Parking Lot Rehabilitation	3,500,000					3,500,000
381000 GA Area Pavement Rehabilitation	3,500,000					3,500,000
321010 T1 Generator Replacement	200,000					200,000
453010 MX Stormwater Pond Repairs	100,000					100,000
321020 T1 Chiller Replacement	100,000					100,000
489000 New Vehicles and Equipment - FY23	5,220,292	3,244,166				8,464,458
321001 Modular Unit Furniture	-			850,000		850,000
321002 AOC 1st/4th Floor Rework	-			200,000		200,000
321003 Terminal 2 Conference Room	-			300,000		300,000
	\$ 19,620,292	\$ 3,244,166	\$ 230,000	\$ 1,350,000	\$ -	\$ 24,444,458
Amended Projects						
	Original ¹	Change ¹ 07/21/2022	Change ² 08/18/2022	Change ³ 10/20/2022	Change ⁴ 11/17/2022	Amended
211140 Enhanced Security Perimeter Gates (TSA)	3,800,000					3,800,000
211170 North Cargo Apron Reconstruction	1,300,000				\$ 37,700,000	39,000,000
080799 Expanded Park Economy 3	44,000,000					44,000,000
881100 International Drive Rehabilitation	8,036,000					8,036,000
881430 Aviation Parkway/National Guard Drive Interchange - Planning	1,000,000					1,000,000
	\$ 58,136,000	\$ -	\$ -	\$ -	\$ 37,700,000	\$ 95,836,000
Ongoing Projects						
	Original ¹	Change ¹ 07/21/2022	Change ² 08/18/2022	Change ³ 10/20/2022	Change ⁴ 11/17/2022	Amended
080879 Runway SL/23R and Taxiway B Replacement Program	372,300,000					372,300,000
211220 Runway SL/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
211190 Taxiway A1 Rehabilitation - Design and Construction	1,700,000					1,700,000
211200 Taxiway E Rehabilitation - Design & Construction	1,000,000		14,000,000			15,000,000
211210 Taxiways C and J Rehabilitation - Design	700,000					700,000
070549 Terminal 2 Checkpoint Expansion	9,250,000					9,250,000
331000 T2 Landside Expansion Program - preliminary design	2,000,000	3,000,000				5,000,000
331020 Common Use Transformation Program -- Touchless Technology	500,000					500,000
331030 Terminal 2 Concessions Development Program	4,000,000					4,000,000
331040 T2 Bathroom Refresh and Pet Relief Area - Planning	200,000					200,000
331050 Ramp Information Display System - Planning	250,000					250,000
621020 Parking Guidance System	8,200,000					8,200,000
881410 National Guard Drive Improvements / Hales Branch Road Rehabilitation	3,000,000					3,000,000
881250 Maintenance Facility HVAC Replacement	525,000					525,000
881180 Consolidated Trash Facility Concrete Dumpster Slabs	300,000					300,000
441000 Fuel Farm Facility Improvement Plan	9,186,000					9,186,000
881420 ABRM Upgrade	250,000					250,000
	\$ 502,361,000	\$ 3,000,000	\$ 14,000,000	\$ -	\$ -	\$ 519,361,000
	\$ 580,117,292	\$ 6,244,166	\$ 14,230,000	\$ 1,350,000	\$ 37,700,000	\$ 639,641,458

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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 17 day of November 2022

Notes:

1. Original budget ordinance adopted March 17, 2022

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES NOVEMBER 17, 2022

Morgan presided. Present: Hall-Roberts, Hankins, Hannah, Kushner, and Thompson¹. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.²

Motion by Morgan to enter into a closed session to protect sensitive security information from disclosure pursuant to NCGS §143-318.11(a)(1) and 49 CFR parts 15 and 1520; Second by Hankins

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Closed session from 11:03 a.m. until 11:19 a.m.

The Committee discussed the following items:

1. Consideration of Consultant Selection for a Parking Guidance System

Presented by Kenny Perry, CM, Director of the Project Management Office –This item provides a staff recommendation on the award of a contract between the Authority and TKH Security/Park Assist for provision of a camera-based Parking Guidance System in Parking Garages 1 – 4 and the adjacent Surface Lot.

On July 18, 2022 staff issued a Request for Proposals (RFP) for the selection of a qualified firm to provide a Parking Guidance System to be installed in the Authority's parking garages. Staff conducted a pre-proposal meeting for interested firms on August 2, 2022 and proposals were submitted on September 2, 2022. A selection committee of five Authority employees was established to review the proposals in accordance with the selection criteria within the RFP. Based on reviews of the proposals, the selection committee shortlisted the top two firms as follows: 1. TKH Security/Park Assist and 2. Parking Guidance Systems, LLC/Indect.

¹ Thompson and Chair Hannah joined by telephone.

² In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/r2KNGkFY4vw>.

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The selection committee held interviews with both firms on September 27, 2022, and a Best and Final Offer (BAFO) was requested and received from both firms. Based on the responsiveness of each proposer to the submittal requirements and the overall staff evaluation of each firm's capability and experience, staff recommends that the Authority select TKH Security/Park Assist to provide a Parking Guidance System to the Authority, which includes the installation of the Parking Guidance System and post-installation maintenance services.

TKH Security/Park Assist is a leading provider of camera-based Parking Guidance Systems in the US. They have installed Parking Guidance Systems in over 200 locations across North America, including at a number of medium and large hub airports in the US, the likes of which include Nashville/BNA, Chicago O'Hare/ORD, and Austin-Bergstrom/AUS.

The Minority and Women-Owned Small Business (MWSB) participation goals for this contract are 8% for minority-owned firms and 5% for women-owned firms. TKH Security/Park Assist submitted a written commitment to meet or exceed the required MWSB goals identified in the RFP. The Small Business Program Officer found that a Good Faith Effort was met regarding their proposal.

Darrell Brantley, Business Development Manager for Park Assist was introduced.

Board member Hankins mentioned discussions with senior management regarding the Authority's procurement policies and expressed his satisfaction that staff follows an appropriate and orderly process. For this particular type of procurement which has a significant information technology component, Mr. Hankins noted that a different process may be employed which doesn't require acceptance of the lowest bid. There was discussion on the range of vendors' bids received for this project.

Staff requests approval of an agreement with TKH Security/Park Assist in the amount of \$9,492,357.37 and authorization for the President & CEO to execute the agreement.

2. Sustainability Management Plan Informational Board Update

Presented by Gina Danison, Director of Environmental Programs – 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 portions of the SMP completed to date.

Staff last presented to the Board in May 2022 an informational update on the development of the SMP. The May 2022 presentation summarized the project accomplishments since the restart of the project in June 2021. This presentation provided an update on what has been

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completed throughout the SMP development, summary of comments from stakeholder engagement sessions, and next steps.

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 March 2020. In April 2020, the SMP, along with the 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.

Ms. Danison reiterated that the draft SMP is a higher level document, meant to be a roadmap, and focus areas which are currently broadly defined, will evolve over time as the Authority gathers data. In response to Chair Hannah's request and other comments, the public comment period for the SMP has been extended for thirty additional days. In response to Board members' request, the current draft SMP will be emailed to all members.

For informative purposes only. No Board action required.

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RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES NOVEMBER 17, 2022

Hannah¹ presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.²

The Committee discussed the following item:

1. Presentation of Q2 Year-to-Date Financial Results

Presented by Ronald Kapocius, Vice President and Chief Financial Officer – Mr. Kapocius presented the Authority’s financial results for the second quarter year-to-date fiscal year ending March 31, 2023. He explained trended enplanements noting FY23 projections to be 6.1M enplanements. He went over year-to-date operating results and explained the revenue and expense budgets’ variances. Mr. Kapocius briefly recapped the FY22-23 capital spend.

For informational purposes only. No Board action requested.

¹ Thompson and Chair Hannah joined by telephone.

² In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/r2KNGkFY4vw>.

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES NOVEMBER 17, 2022

Thompson¹ presided. Present: Hall-Roberts, Hankins, Hannah, Kushner, and Morgan. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.²

The Committee discussed the following items:

1. Terminal 1 Flooring Replacement Staff Recommendation

Presented by Jaymes Carter, Vice President, Buildings and Building Systems – The existing flooring in Terminal 1 is failing and must be replaced. Authority Maintenance Staff has been patching and or replacing the existing flooring as much as possible. To enhance the Authority's practice of providing a world class experience, it was decided to replace the existing flooring with new carpet tile flooring.

The scope of the project includes replacement of all existing carpet within the public areas of Terminal 1, including the tunnel to Parking Garages 3&4 and a few small tenant and storage areas where the same existing carpet product had been installed. A storage room on Level 2 that currently needs repair to the VCT flooring, will also receive a refresh, with removal of the old product and a sealant on the existing concrete floor. The replacement products were selected through a design and documentation process by on-call consultants Gensler Architects. The project will be a lump sum fee for a total compensation, provided under Capital Project Number: 321000. Proposed project cost will be \$625,800.

The overall Minority and Women-owned Small Business (MWSB) goals for the project are 10% for Minority-owned Small Businesses (MB) and 5% for Women-owned Small Businesses (WB). Through a Good Faith Effort, the proposed Bidder has partnered with a local WB for 15% of the fee. The MWSB Commitment was reviewed by the Authority's Director of Small Business Programs.

¹ Thompson and Chair Hannah joined by telephone.

² In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/r2KNGkFY4vw>

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Treasurer Hall-Roberts noted that while Women-owned Business goals were exceeded, the Minority-owned Business goals were underachieved and she encouraged the Authority to strive to meet these goals.

Staff requests approval for the contract amount of \$625,888 for the Terminal 1 Flooring Replacement Project, (RDU Project #321000), and authorization for the President and CEO to execute the agreement.

2. Consideration of Pre-Construction Services Amendment with Messer Construction

Presented by Carrie Blevins, Project Manager: Buildings and Building Systems – The purpose of this item is to provide staff's recommendation for the Preconstruction Services Amendment to the Master Services Agreement with Messer Construction for the Terminal 2 Concessions Spaces project. The scope of services includes the review of design documents from schematic design through construction documents, estimating, bidding/procurement, project management, building evaluation, and cost estimating.

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). Participation goals for this proposed Preconstruction Services Amendment are 12% for MB and 0% for WB. This Preconstruction Services Amendment has been discussed with Authority's Small Business Programs Office.

The Authority will compensate the Construction Manager at Risk (CMAR) for services rendered for this amendment for a lump sum amount not to exceed \$ 205,119. Allowable reimbursable expenses are also specified in the agreement and shall not exceed \$41,700. Total compensation is \$246,819.

Representative of Messer Construction, Matt Polland, Avery Larkin, and Sam Fintel were introduced.

Staff requests approval of the Preconstruction Amendment to the Master Services Agreement with Messer Construction in the amount of \$246,819 and authorization for the President and CEO to execute the amendment.

3. North Cargo Apron Reconstruction Phase 1 – Construction Award

Presented by Jim Novak, Director of Facilities Engineering – Staff requests approval of a construction contract with Hi-Way Paving, Inc. for North Cargo Apron Reconstruction, Phase 1 (RDU project 211170). The contract scope includes replacement of the taxilane portion of the North Cargo Apron and construction of new paved shoulders. Other

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improvements and/or new construction include underdrains, edge lights, centerline light cans and conduit, surface drainage improvements, pavement markings, grading, and turf re-establishment. Construction duration is structured to be completed over a 2-year period. Subphases 1-4 of the project have a 272-day contract time and will be completed from February 2023 to October 2023. Subphases 5-7 of the project have a 272-day contract time and will be completed from February 2024 to October 2024.

Bidder prequalification was conducted earlier this year between February and April. A pre-bid meeting was held on September 16, 2022, and four bids were received on October 20, 2022. The bids ranged from approximately \$29.7M to \$33M with Hi-Way Paving, Inc. being the low bidder with a bid amount of \$29,724,196.75. The engineer reviewed the bids and found them to be in order.

Bid documents included a Disadvantaged Business Enterprise (DBE) goal of 12%. Hi-Way Paving committed to 12.14% DBE participation utilizing Puryear for trucking and aggregate supply, E Zurdo for trucking, Empire for concrete crushing, Archangel for gate guards and security, and SB Johnson for steel supply. This proposed commitment was reviewed by the Authority's Director of Small Business Programs and considered acceptable.

The original budget for Capital Project 211170 was initiated only for the design phase and must be increased in order to award this contract. In conjunction with award of this contract, staff recommends a corresponding budget increase from \$1,300,000 to \$39,000,000.

Contingent upon approval of a budget increase to Project 211170, staff requests approval of a construction contract with Hi-Way Paving, Inc. in the amount of \$29,724,196.75, and authorization for the President and CEO to execute the contract.

4. North Cargo Apron Reconstruction Phase 1 – CA Services Amendment

Presented by Jim Novak, Director of Facilities Engineering – Staff requests approval of Amendment 1 to Task Order 2 with W.K. Dickson & Company, Inc. (WK Dickson) under the firm's 2020 Master Services Agreement with the Authority. Amendment 1 adds Construction Administration (CA) services to the design and bidding services, recently completed. Construction in Phase 1 of Project 211170 includes replacement of the taxiway portion of the North Cargo Apron and construction of new paved shoulders, as well as other improvements and/or new construction, to be completed over a 2-year period.

CA services will include conducting a pre-construction meeting, reviewing shop drawings and submittals, responses to requests for information, creating change orders, reviewing contractor payment applications, performing periodic inspection site visits for compliance

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with the contract documents, leading weekly project progress meetings with Authority staff and contractor, preparing and issuing field reports, conducting inspections associated with substantial and final completion, preparing record drawings, issuing Certificates of Completion, and accumulating closeout records. Compensation for CA services under Amendment 1 will have a ceiling of \$599,998. The accumulated amount for Task Order 2, including Amendment 1, will be \$1,222,504.

The Disadvantaged Business Enterprise (DBE) goal for CA services was set at 15%. The consultant's proposed DBE participation in Amendment 1 is 24% utilizing subconsultant Walls Engineering for electrical engineering and Wetherill Engineering for structural engineering. The Authority's Director of Small Business Programs reviewed this proposed commitment and considered it acceptable. The accumulated DBE commitment for Task Order 2, including Amendment 1, will be 24.4%.

The original budget for Capital Project 211170 was initiated for only the design phase and must be increased in order to award construction. In conjunction with award of this amendment, coupled with approval of the related construction contract, which is also submitted for approval at this Board meeting, staff recommends a corresponding budget increase from \$1,300,000 to \$39,000,000.

Mr. Novak answered questions regarding there being two bid schedules to offset contract cost escalation. He explained FAA requirements for 20-years of pavement life, and that for this project the WRON apron was not anticipated to be utilized for cargo use.

Contingent upon approval of a budget increase to Project 211170, staff requests approval of Amendment 1 to Task Order 2 with W.K. Dickson & Company, Inc., in the amount of \$599,998 and authorization for the President and CEO to execute the amendment.

Motion by Hannah 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 Thompson

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Closed session from 12:14 p.m. until 12:56 p.m.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES DECEMBER 15, 2022

Chair Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, Saidi and Thompson¹. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman², Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.³

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 Kushner to approve the minutes of the regular meetings of the Board and the Board committees, and the consent actions of the Board held on November 17, 2022; Second by Hankins

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Hannah welcomed everyone to the last meeting of 2022.
2. Chair Hannah reflected on important impacts to the airport during 2022: the development of the Strategic Plan, restart of major construction projects, new airlines and destinations at RDU, introduction of innovative technologies, and the continued provision to guests of a world-class travel experience. He congratulated fellow Board members for their leadership and financial prudence, and thanked staff for their ongoing support.
3. Chair Hannah welcomed new staff members, and recognized staff promotions. David Witherspoon, who has been with the Authority for 6 years, was recognized and congratulated as the new Chief of Police. Carmen Watson, was congratulated (*in absentia*) in her retirement after 25 years as a Guest Experience Administrator and Coordinator of the Volunteer Program, and Chair Hannah shared an example of Carmen's service to the Authority and airport passengers.

¹ Vice Chair Saidi joined via Teams

² CRO Freedman joined via Teams

³ In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/rj2Y9-qluIg>.

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4. Kenny Perry, Director of the Project Management Office, and John Wiatrak, RDU's Noise Officer, were recognized for being awarded the distinction of Accredited Airport Executive by the American Association of Airport Executives.
5. Chair Hannah recognized and presented Thiané Carter the 2022 award for the Distinguished Coordinator from the North Carolina Minority/Women Business Enterprise Coordinators' Network.
6. Chair Hannah noted the Authority's recent campaign for the Food Bank of Eastern North Carolina generated 164 pounds of food to Durham and 169 pounds of food to Raleigh, which amounted to 277 meals for those in need.
7. Chair Hannah commented on the recent addition of the Cheesecake Factory, Daily Harvest, Milk Bar, and Neighborhood Grove to the virtual food hall in Terminal 2, bringing the total number of dining concepts in the ghost kitchen to twelve.

IV. OLD BUSINESS

1. Land and Development Committee Report – Thompson reported Board members met during the Committee work session on December 15, 2022 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. Consideration of Lease with Wake County

Motion by Thompson for approval of a 151-acre lease with Wake County for a 10-year term with three 10-year renewal options, with an initial 10-year term aggregate rental value of⁴ \$8,860,611, with the rate under these terms only applying to this lease and this parcel and for this initial ten-year lease period, and not viewed for other parcels under different circumstances, and authorization for the President and CEO to execute the lease;

- c. Consideration of Approval of the Project Environmental Compliance Review Policy

Motion by Thompson for approval of the Project Environmental Compliance Review Policy;

- d. Park Economy 3 Expansion – Consideration of Amendment 2 to Task Order 2 for Environmental Consulting Services

Motion by Thompson for approval of Amendment 2 to Task Order 2 with the firm of RS&H in the amount of \$167,958 and authorization for the President and CEO to execute Amendment 2;

⁴ Board edited minutes to change "10-year term annual rental of" to "10-year term aggregate rental value of."

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e. Terminal 2 Concessions Spaces Program Update

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

Motions (as recited above) by Thompson for approval of items b. – d.; Second by Hankins

ADOPTED BY UNANIMOUS VOTE

2. Finance Committee Report – Chair Hannah reported Board members met during the Committee work session on December 15, 2022 and discussed the following:

a. Consideration of Recommendation for External Audit Services

Motion by Saidi for approval of the selection and proposed engagement agreement with Cherry Bekaert, LLP for external auditing services beginning fiscal year ending March 31, 2023, and authorization for the necessary board members and staff to execute the Local Government Commission's Contract to Audit Accounts form, and the engagement agreement with Cherry Bekaert, LLP; Second by Morgan

ADOPTED BY UNANIMOUS VOTE⁵

3. Marketing and Guest Experience Committee Report – Hankins reported Board members met during the Committee work session on December 15, 2022 and discussed the following:

a. Consideration of Amendment Two with Indigo Media, LLC

Motion by Hankins for approval of Amendment Two to the current Services Agreement with Indigo Media, LLC, in an amount not to exceed \$175,000 to provide media purchasing services, and authorization for the President and CEO to execute the amendment;

b. Consideration of Agreement with Crisis Communications and Emergency Operations Consultant

Motion by Hankins for approval of a Master Services Agreement with Innovative Emergency Management, approval of Task Order One in an amount not to exceed \$209,529.17 and authorization for the President and CEO to execute the agreement and Task Order;

Motions (as recited above) by Hankins for approval of items a. – b.; Second by Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda

- a. Consideration of Town of Cary Radio System Core Connection Agreement
- b. Consideration of Fire Protection Mutual Aid Agreement with Wake County

⁵ Secretary Kushner recused himself due to a potential conflict

Raleigh-Durham Airport Authority Board Members



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- c. Consideration of a Multi-Year Contract with Varec
- d. Consideration of Host International Terminal Support Space Lease Agreement Amendment
- e. Consideration of Raleigh-Durham Airport Authority Legislative Agenda
- f. Consideration of Terminal Concession Lease Amendments

Motion by Morgan to approve and adopt Consent Agenda items a.-f.; Second by Polanco-Galdamez

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Chair Hannah was thanked for his leadership, especially during the challenging months of virtual meetings. Board members were thanked for the decisions made, for use of resources in a responsible way, and for their foresight and efforts to guide with the airport's best interests in mind. The large volume of emails and materials received by board members, while not always answered, were noted to be viewed as important and read. New hires, promotions, accreditations earned, and retirements were congratulated, and appreciation expressed for staff's continued work at the airport. Staff and their families were wished safe and happy holidays and best wishes for the New Year. Senior staff and Board members' work over the years was noted, helping to culminate in the approved lease with Wake County, which was felt to be a benefit to the surrounding community, and appreciation was expressed to the towns of Cary and Morrisville for their financial involvement with Wake County on this lease. Members Kushner and Hankins, as representatives appointed by Wake County, were thanked for their character in acting on behalf of the airport. The innovation of the Authority and staff's efforts in putting the innovative Project Environmental Compliance Review Policy in place was commended. Vice Chair Saidi was recognized and thanked for her leadership, knowledge, and guidance on the Board as she steps down in 2023. Michael Landguth was thanked for his leadership and passion for the airport during the past year.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

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Air Service

1,068,853 passengers flew through RDU in November. That was an increase of 13% over November 2021. American edged out Delta for the largest market share at 29.8%. Delta came in at 28.8%. Southwest had 14.5% of the market.

JetBlue has resumed service from RDU to Cancun. The seasonal route runs through February. JetBlue joins American as the second airline to fly the Cancun route. American is also adding a new destination. The airline will begin daily service to Cincinnati in January.

Breeze Airways

Breeze Airways will fly to two additional destinations when it launches service at RDU next year. The low-fare airline will add Jacksonville and Columbus to its lineup in May. Breeze will fly to Columbus on Thursdays and Sundays, and to Jacksonville on Thursdays, Fridays, Sundays and Mondays. Both routes begin May 18th. Just a few weeks ago, Breeze announced it will fly from RDU to Hartford, New Orleans and Providence when it debuts at RDU in mid-February. Breeze joins Icelandair, Avelo and Bahamasair as the fourth new airline at RDU this year.

Runway Video

Crews have replaced 100 slabs of concrete this year on Runway 5L/23R and the adjacent taxiway. The 10,000-foot concrete runway was built in the mid-1980's, and while still safe for flying, it requires maintenance when the slabs show signs of wear. The project requires the runway to be closed at least five days a week from 9:30 p.m. until 5:30 p.m. the following day.

I'd like to show you a time lapse video of the process that we captured recently. You'll see American's flight to London departing, followed by crews demolishing, removing and pouring a new 625 square-foot section of concrete. The entire process takes about 20 hours, which leaves enough time for the concrete to cure before the runway reopens. The last image in the video shows the arrival of the London flight the next day. [*Video of concrete replacement process shown.*]

Travel Tips

As we head into the busy holiday travel season, I'd like to share some advice for making your trip run smoothly. First, make sure you book parking online at rdu.com in advance of your trip. Your reservation guarantees you entry into the lot or deck of your choice. It's always a good practice to check with your airline on the day you're traveling to make sure your flight is on time. And give yourself plenty of time to get to the airport, check in, get through security and get to your gate on time. We recommend arriving two hours early for domestic flights and three hours early for international travel.

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2022 in Review

As the year draws to a close, I'd like to reflect on what 2022 has meant to RDU. We came into this year not knowing what to expect. We prepared for slow but steady increases in passenger traffic but we quickly realized that the recovery was more robust than we anticipated.

From an air service perspective, it felt like pre-Covid days. We added four airlines and increased our domestic and international destinations. We reopened Economy 4 for the first time since 2019 to accommodate all of the returning travelers. RDU reached growth milestones again that triggered Vision 2040 capital projects to resume or begin. Signs of progress could be seen across our campus, from the roads to the airfield to our terminals.

If 2022 is any indication, next year should be another exciting year of growth and progress at RDU. I'm looking forward to working with our outstanding team to serve our guests and our community.

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 DECEMBER 15, 2022

The Board approved the following items on the Consent Agenda:

a) Consideration of Town of Cary Radio System Core Connection Agreement

Memorandum by David Nicewinter, Director of Emergency Operations – The Raleigh-Durham Airport Authority operates a 24-hour, 7 day a week Airport Communication Center (ACC) that provides an emergency dispatch system to airport fire rescue, law enforcement, maintenance, and operations through an 800mhz Motorola radio system. The ACC also operates several systems for monitoring access-controlled doors and gates, security cameras, and fire alarms.

The Town of Cary operates a P25 800 mhz Motorola Radio System Core (“Core”), which is made up of routers, switches, servers and related applications and housed in the Cary Police Station at 120 Wilkinson Avenue. The Core serves as the data center for Cary’s radio system and connects together all zones, radio sites, RF sites, dispatch sites, and applications running on said system. It currently ties together with the Cary, Raleigh, Wake County, Morrisville and Holly Springs Dispatch systems. The Authority desires to also connect the ACC Dispatch system to the Cary core.

Connecting the RDU Motorola system to the Town of Cary Radio System Core improves the capability of RDU’s Motorola radio system and provides improved interoperability with our mutual aid response partners as well as numerous technical advantages. The new radio system, when connected to the Core will also provide a larger coverage area for radio communications, ensuring reliability in communicating with our off-airport partners during disaster response.

The proposed agreement outlines the responsibilities of each party when making this connection. There is no charge by the Town of Cary to make or maintain this connection – each agency is responsible for maintenance of their own radio systems.

Staff requests approval of the Radio System Core Connection Agreement with the Town of Cary and authorization for the President and CEO to sign the agreement.

b) Consideration of Fire Protection Mutual Aid Agreement with Wake County

Memorandum by Russell Stanley, A.M.F., Fire Chief – The Authority entered into Facility Staff is seeking approval to enter into a one-year Fire Protection Mutual Aid agreement with

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Wake County and other fire departments, which auto-renews every July 1st. This agreement formalizes a process that has been in place for years and ensures the Authority has external resources available when needed and that the Authority's Fire and Rescue firefighters are able to assist others when requested.

Staff is recommending that this agreement be formalized to better represent the Authority's current fire and rescue operations. Wake County Fire Services and eighteen other fire departments (municipal and rural) have already signed this agreement. This agreement is part of the ongoing improvement program throughout the county related to ISO Fire Ratings for insurance premiums (RDU currently holds a rating of 4, while our area partners all hold ratings of 1 or 2).

The Fire Protection Mutual Aid Agreement outlines roles and responsibilities to send (or decline to send) firefighters and firefighting equipment beyond the response area they normally serve and provides retentions of rights, privileges and immunities to those firefighters enjoyed in the current response area even when responding beyond that area. It also provides the retentions of rights, privileges and immunities to those agencies in their current response areas when those agencies respond beyond their response areas.

The benefit of the Fire Protection Mutual Aid Agreement is having access to additional nearby response capability without incurring the costs to purchase, maintain and insure an inventory of underused resources. Participating in the system provides efficient and effective assistance among governments during emergencies.

Staff requests approval to enter into a Fire Protection Mutual Aid Agreement with Wake County and other fire departments, and authorization for the President and CEO to execute the agreement and any related documents.

c) Consideration of a Multi-Year Contract with Varec

Memorandum by Michael McLanahan, Vice President of IT Business Solutions – The Fuel Farm utilizes Varec software to manage fuel inventory and related accounting data. This request is to purchase technical support for three Varec FuelsManager software products which includes Terminal Automation, Inventory Management, and Aviation Accounting. Staff is seeking approval of a five-year agreement with Varec at a total cost of \$180,000 over the five-year period.

Currently, there are two technical services agreements in place between the Authority and Varec. This proposed new agreement combines Varec technical services for the FuelsManager software products into a single agreement reducing the annual cost by \$24,270

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resulting in a savings of \$121,350 over five years and reduces the number of invoices from twenty-five to one per year.

Varec software support is available through a cooperative agreement from the United States General Services Administration (GSA) Schedule Contract # GS-07F-0499W.

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

Staff requests approval of the five-year agreement with Varec for FuelsManager Terminal Automation, FuelsManager Inventory Management, and FuelsManager Aviation Accounting technical support at a cost of \$180,000 over the five-year period, and authorization for the President and CEO to sign any necessary, related documents.

- d) Consideration of Host International Terminal Support Space Lease Agreement Amendment
Memorandum by Kimberly Stewart, Vice President of Concessions – Host International, Inc. ("Host") leases office and storage space to support their food and beverage concessions in Terminal 1 & Terminal 2 which consists of eight units.

Amendment 2 increases rented space by 127.13 s.f. for office space in Terminal 1 and 59.71 s.f. for storage space in Terminal 2. The total support space leased to Host increased from 1,074.22 s.f. to 1,261.04. The annual rent increased from \$63,563.28 per year to \$82,904.52 per year.

Amendment 2 runs concurrently with Host Terminal Concession Concourse D Lease which expires December 31, 2027.

Staff requests approval of Amendment 2 to the Host International, Inc. Terminal Support Space Lease Agreement and authorization for the President and CEO to execute the amendment.

- e) Consideration of Raleigh-Durham Airport Authority Legislative Agenda
Memorandum by Crystal Feldman, Vice President Communications, Government & Community Affairs – Staff requests approval of the Raleigh-Durham Airport Authority 2023 State Legislative Agenda. The state legislative agenda will guide the Authority's legislative priorities and ensure its voice is heard on important state policy matters that affect RDU and how it can best serve its employees and passengers.

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While the agenda outlines the Authority's priorities for the 2023 N.C. General Assembly regular session, the Authority and its contract lobbying team will still be able to pivot as necessary to address items that may affect RDU as they arise.

Proposed 2023 State Legislative Agenda:

1. Support increased recurring funding of the Airport Improvement Program from \$100,000,000 to \$125,000,000 annually (\$250,000,000 biennium) by 2024 state legislative session.
2. Develop a state air service incentive fund of \$3,000,000 per year non-reverting to be distributed to commercial service airports when necessary for the recruitment of new international service.
3. Educate legislators and state policymakers on the economic value of an international airport and international flights.
4. Support regulation of "Vehicle Sharing Services" – i.e. Turo.
5. Support preserving the STIP program.
6. Support increased funding for general aviation airports to promote the aviation infrastructure network in NC.
7. Support increased penalties for individuals trespassing on commercial airport properties.
8. Support regulation of drones and unmanned equipment over and around airport air space.
9. Work with the General Assembly on regulation of PFAS.

Staff requests approval of the 2023 State Legislative Agenda and authorization for the Authority's government affairs team to pursue the goals outlined in the agenda.

f) Consideration of Terminal Concession Lease Amendments

Memorandum by Kimberly Stewart, Vice President of Concessions – Staff seeks approval to amend multiple terminal concession agreements to update and/or add General Civil Rights Provisions as required by the Federal Aviation Administration. Staff will review existing agreements for the General Civil Rights Provisions and amend agreements as needed for inclusion of this required language. Staff notes that these edits are not needed for agreements done using the current template for the Terminal Concession Agreement, and ongoing agreements will also include the required provisions.

The provision to be added is as follows:

The Concessionaire agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race,

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creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If the Concessionaire transfers its obligation to another, the transferee is obligated in the same manner as the Concessionaire.

This provision obligates the Concessionaire for the period during which the property is owned, used or possessed by the Concessionaire and the airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

Staff requests approval for the President and CEO to execute amendments to terminal concession agreements to add General Civil Rights Provisions as needed.

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES DECEMBER 15, 2022

Thompson presided. Present: Hall-Roberts, Hankins, Hannah, Kushner, Morgan, Polanco-Galdamez, and Saidi¹. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman², Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests³

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 Hankins

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Closed session from 11:03 a.m. until 11:51 a.m.

The Committee discussed the following items:

1. Consideration of Lease with Wake County

Presented by Erin Locklear, General Counsel – On September 8, 2017, the Authority issued a Request for Proposals seeking parties interested in leasing a 151-acre parcel of Airport property abutting Umstead State Park. Wake County responded to that RFP, expressing an interest in leasing the property for recreational purposes. The Wake County Commissioners approved such a lease at their meeting on November 21, 2022. Wake County has requested that the Authority Board approve the lease at the meeting on December 15, 2022.

Material Lease Terms

1. Lease Term:
 - a. 10-year initial term beginning 1/1/2023

¹ Vice Chair Saidi joined via Teams with Treasurer Hall-Roberts participating until arriving in-person at 12:20 p.m.

² CRO Freedman joined via Teams

³ In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/rj2Y9-qluIg>

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- b. Wake County has 3, 10-year renewal options for a potential total term of 40 years
 - c. Cancellable by either party with 180-day notice
 2. Lease Rental Amount:
 - a. \$764,040 for first year; ending at \$1,018,915 for Year 10
 - b. Total rental amount for initial 10-year term: \$8,860,611
 - c. Total Wake County payment for initial 10-year term after \$360,000 annual Wake Stone credit: \$5,260,611
 3. Fence: No fence will be built in a north-south direction on the border of the leased property
 4. Property Use: Compatible recreational purposes that do not conflict with airport aeronautical and non-aeronautical uses
 5. Environmental Obligation: Wake County must apply for all necessary permits and correct existing environmental damage on the leased property as needed to obtain permits.

Board members commented on the lease version containing current terms and being executed by Wake County, with no reference to the Wake Stone monetary credit, which credit will continue during the initial lease term unless the lease is sooner terminated. Board members discussed having executed their fiduciary duties to act in the best interest of the Authority and RDU, and that this lease is the result of inter-government cooperation as well as supporting the public's interest. The several years of negotiation efforts regarding this lease were noted. Board members commented that this isn't a sale of property, that this tract won't be for sale, and that the FAA required fair market value for lease of airport property. It was noted that these terms only apply to this lease for this parcel and during this initial ten-year lease period, and are not applicable for other parcels under different circumstances,

Staff requests approval of a 151-acre lease with Wake County for a 10-year term with three 10-year renewal options with an initial 10-year term annual rental of \$8,860,611 with the rate under these terms only applying to this lease and this parcel and for this initial ten-year lease period, and not viewed for other parcels under different circumstances, and authorization for the President and CEO to execute the lease.

2. Consideration of Approval of the Project Environmental Compliance Review Policy

Presented by William Sandifer, A.A.E., Executive Vice President and Chief Operating Officer – In April 2022, the Board approved staff to proceed with the final design for a significant expansion of Park Economy 3 (PE3). During the April Board meeting, and on several occasions previous to that meeting, staff discussed with the Board that the PE3 expansion project would not be subject to the requirements of the National Environmental Policy Act (NEPA), nor the State Environmental Policy Act (SEPA). Staff recommended the development

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of a policy to require certain projects be evaluated for potential environmental impacts when NEPA and SEPA do not apply.

Staff presented the Draft Project Environmental Compliance Review Policy (Draft Policy) for informational purposes on October 20, 2022. Based on the Board's interest in having a public review and comment period, between October 20, 2022 and November 11, 2022, public comments were accepted for the Draft Policy. In addition, a Public Workshop was held on November 1, 2022 from 5:00 p.m. to 7:00 p.m. for all interested members of the public to learn about the Draft Policy. Staff was available to answer questions about the Draft Policy and accept written comments. Written comments were also accepted at www.rdu.com.

Staff appreciates the comments received during the public comment period. All public comments were reviewed for their applicability to the Draft Policy. Based on all comments received, some minor changes to the Draft Policy are recommended as described in the redlined version of the proposed final draft.

Board members commented that this type of policy was unprecedented and the first of its kind in the nation to give staff a process when NEPA and SEPA don't apply to a project. It was noted that while the public expressed concerns that the policy wasn't "fleshed out" enough, this is an effort by the Authority to be transparent and include public participation.

Staff requests approval of the Project Environmental Compliance Review Policy.

3. Park Economy 3 Expansion – Consideration of Amendment 2 to Task Order 2 for Environmental Consulting Services

Presented by William Sandifer, A.A.E., Executive Vice President and Chief Operating Officer – In April 2022, the Board approved Task Order 2 under Master On-Call Agreement (RS&H-MA20.02.00) with the firm of RS&H for environmental consultant and engineering for expansion of Park Economy 3 (RDU Project 080799). The project involves expanding Park Economy 3 to meet increasing demand for Airport patrons and the future decommissioning of Park Economy 4.

Task Order 2 included the creation of a Project Environmental Compliance Review Policy (Policy), which has been completed and is anticipated to be adopted during the December Board meeting. This proposed Amendment 2 to Task Order 2 includes preparation of an Environmental Compliance Report for the expansion of Park Economy 3, in accordance with the new Policy.

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The cost of services for Amendment 2 is a not-to-exceed amount of \$167,958. Labor (\$155,274) will be billed at hourly rates and expenses (\$12,684) will be billed at direct cost. The overall Minority and Women-owned Small Business goals for the existing Master Agreement are 10% for Minority-owned Businesses (MB) and 5% for Women-owned Businesses (WB). Total new commitments are 15.25% for MB and 24.74% 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 the firm of RS&H in the amount of \$167,958 and authorization for the President and CEO to execute Amendment 2.

4. Terminal 2 Concessions Spaces Program Update

Presented by Carrie Blevins, Project Manager Building and Building Systems – Ms. Blevins gave brief background history on the implementation of the commercial operator model. For Beyu Caffè which will have locations in both terminals, as well as for the three units in Terminal 2 which will be Black & White Coffee Roasters, Crawford's Genuine, and Carolina Craft, Ms. Blevins detailed the scopes of work, identified the locations in the terminals, and shared design renderings. She went over the construction timelines and anticipated opening schedules. Ms. Blevins showed original budget estimates and impacting increases, resulting in increased budget estimates for these projects.

There was Board discussion regarding the budget increases, and staff explained various factors contributing to these increases.

For informative purposes only. No Board action required.

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RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES DECEMBER 15, 2022

Hannah presided. Present: Hall-Roberts, Hankins, Kushner, Morgan, Polanco-Galdamez, Saidi¹, and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman², Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.³

The Committee discussed the following item:

1. Consideration of Recommendation for External Audit Services

Presented by Ronald Kapocius, Vice President and Chief Financial Officer – North Carolina General Statute §159-34 requires annual independent audits. Each unit of local government and public authority shall have its accounts audited as soon as possible after the close of each fiscal year by a certified public accountant or by an accountant certified by the Commission as qualified to audit local government accounts.

The Authority's current agreement for external audit services with Elliott Davis expired in 2022. On October 2, 2022, a Request for Proposal (RFP) was issued for external audit services and three proposals were received from Cherry Bekaert, LLP, Forvis, and Mauldin & Jenkins. The evaluation committee individually reviewed and scored the three responses based on overall proposal, cost, qualifications and capabilities of key staff, demonstration of past performance, approach to scope, value delivered, and Minority and Women-owned Small Business commitment.

Cherry Bekaert, LLP received the highest evaluation score, has the best overall value, a local team based in Raleigh with key staff having over 10 years' experience, and this firm proposed the lowest cost. Cherry Bekaert, LLP has committed 6% minority business participation. The Authority's Small Business Program reviewed the commitment and it meets the MWSB program requirements.

¹ Vice Chair Saidi joined via Teams

² CRO Freedman joined via Teams

³ In a continued effort to mitigate the potential spread of illness, the meeting was live streamed at <https://youtu.be/rj2Y9-qluIg>.

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Staff requests approval to utilize Cherry Bekaert, LLP for external audit services and for the proposed three-year engagement agreement, with the option to extend for two additional years, beginning fiscal year ending March 31, 2023, at a total cost of \$174,500 for three years (year 1 = \$55,000, year 2 = \$58,000 and year 3 = \$61,500). Staff further requests approval of the associated Local Government Commission contract form.

Representatives of Cherry Bekaert, LLP were introduced.

Staff requests approval of the selection and proposed engagement agreement with Cherry Bekaert, LLP for external auditing services beginning fiscal year ending March 31, 2023, and authorization for the necessary Board members and staff to execute the Local Government Commission's Contract to Audit Accounts form, and the engagement agreement with Cherry Bekaert, LLP.

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RALEIGH- DURHAM AIRPORT AUTHORITY MARKETING AND GUEST EXPERIENCE COMMITTEE WORK SESSION MINUTES DECEMBER 15, 2022

Hankins presided. Present: Hall-Roberts, Hannah, Kushner, Morgan, Polanco-Galdamez, Saidi¹, and Thompson. Staff present included: President and CEO Landguth, Executive Vice President and Chief Operating Officer Sandifer, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman², Senior Vice President Operations and Asset Management Connell, Vice President and CFO Kapocius, Vice President and Chief Human Resources Officer Armstrong, Vice President Feldman, General Counsel Locklear, Executive Assistant Harrison, and other staff members and guests.³

The Committee discussed the following items:

1. Consideration of Amendment Two with Indigo Media, LLC

Presented by Dan Miller, Vice President of Marketing – Staff seeks to remain prepared to promote qualified new air service announcements as they are released. Pursuant to the Authority's Air Service Development (ASD) Policy and Air Service Incentive Program, approved by the Board in August 2022, air carriers may qualify for marketing funds to help promote their service. Raleigh-based Indigo Media previously served the Authority under a multi-year Board-approved contract to provide services to develop, implement and manage complex media campaigns to support promotion of new air service; the agency was selected as a result of an RFP.

Indigo Media is currently under contract with the Authority to provide services to promote the launch of the new nonstop Bahamasair service to Freeport. There is a Request for Proposal (RFP) currently being conducted to select a full-service marketing agency and staff plan to have a provider in place no later than March 2023. Until such time, Indigo is essentially serving as an interim agency.

Most recently, the Authority announced new service with Breeze Airways and Avelo Airlines and both carriers qualify for marketing funds under the ASD Policy. The Authority now requires additional media services in the immediate future to promote this new service. Staff requests approval of Amendment Two to the Service Agreement with Indigo Media, in an amount not to exceed \$175,000 (for a total contract value not to exceed \$295,000). This

¹ Vice Chair Saidi joined via Teams

² CRO Freedman joined via Teams

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amendment would authorize Indigo Media to provide media purchasing services to support the two upcoming campaigns and until a new agency may be selected as a result of the current RFP. If Amendment Two is approved, staff will need Indigo to begin work on these campaigns immediately.

All contract services will be completed under the direction of the Authority's Marketing Manager and Vice President of Marketing. Indigo Media, LLC is certified 100% as a woman-owned business (WB) and the commitment for this contract is 100% WB. The Authority's Small Business Office has reviewed the contract.

Staff requests approval of Amendment Two to the current Services Agreement with Indigo Media, LLC, in an amount not to exceed \$175,000 to provide media purchasing services, and authorization for the President and CEO to execute the amendment.

2. Consideration of Agreement with Crisis Communications and Emergency Operations Consultant
Presented by Stephanie Hawco, Director of Media Relations – The Raleigh-Durham Airport Authority (Authority) has a Crisis Communications Plan (CCP) and Joint information Center (JIC) Plan that guide it in distributing timely and accurate public safety information during a crisis or potential crisis. The Authority would like to hire a consultant to update and consolidate its plans based on best practices and lessons learned from real-world crisis events and planned trainings.

Modernizing and updating the CCP and JIC Plan would provide an opportunity for the Authority to enhance overall emergency planning and preparedness efforts by coordinating public information with the protocols and procedures used by the Emergency Operations department. The consultant would also conduct trainings and provide on-call support in the case of a crisis event at RDU. The consultant could also be utilized by the Emergency Operations division to update plans, create checklists and provide consulting services.

An RFP process was conducted and three consulting firms responded. The panel interviewed all three firms and selected Innovative Emergency Management (IEM) as the preferred vendor based on their expertise and experience with airports, aviation, crisis communications and emergency operations. The proposed Master Services Agreement would be for a term of three years plus the option of two one-year extensions. Task Order One for crisis communications consulting services would run from Jan. 3, 2023 through March 31, 2024. It would include updating and consolidating the CCP and JIC Plans, conducting two trainings on the new plan and providing strategic and emergency communications consulting as needed, in an amount not to exceed \$209,529.17.

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The Minority and Women-Owned Small Business (MWSB) participation goals for this Task Order are 7% for minority-owned firms and 4% for women-owned firms. IEM has proposed to use Salus Solutions, LLC to meet the MB portion of the goal and Pickett Group, LLC to meet the WB portion of the goal. The Small Business Program has reviewed this proposed commitment and determined that it meets the MWSB program requirements.

Ms. Hawco introduced Aaron Moore, Senior Air Operations Planner with IEM who gave his background in planning and operations support, and he introduced the team members that would work on this project if approved by the Board.

Staff requests approval of a Master Services Agreement with Innovative Emergency Management, approval of Task Order One in an amount not to exceed \$209,529.17 and authorization for the President and CEO to execute the agreement and Task Order.

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