



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

RALEIGH-DURHAM AIRPORT AUTHORITY

1000 Trade Drive • P O Box 80001 • RDU Airport, NC 27623

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES JANUARY 16, 2020

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

I. APPROVAL OF AGENDA

Motion by Hannah to approve the agenda; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Thompson to approve the minutes of the December 19, 2019 regular meeting of the Raleigh-Durham Airport Authority Board, including consent actions and the committee minutes incorporated therein; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Kane welcomed everyone.
2. New hires and employee service milestones were recognized and congratulated.
3. Chair Kane detailed the six new dining options offered in Terminal 2 as part of the concessions relationship with Areas USA.
4. Chair Kane noted the launch of the RDU Savings Passport digital coupon book for exclusive deals and discounts at shopping and dining in the terminals.

IV. OLD BUSINESS

1. Land and Development Committee Report – Teer reported Board members met during the Land and Development Committee work session on January 16, 2020 and discussed the following items:

a. Presentation Regarding Airport Security Improvements

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

b. Consideration of Amendment with Balfour Beatty for Enhanced Security Perimeter Gates Project

[Presentation to Board in Committee closed session pursuant to NCGS §143-318.11(a)(1) and 49 CFR parts 15 and 1520 to protect sensitive security information.]

Motion by Teer for approval of the Construction Phase Amendment with Balfour Beatty Construction

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for the enhanced security perimeter gates project in the amount of \$2,066,632 and authorization for the President and CEO to execute the amendment; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

c. Consideration of Task Order 25 with O'Brien/Atkins for Design Services

Motion by Teer for approval of Task Order 25 with O'Brien/Atkins Associates, PA in the total not-to-exceed amount of \$264,137 and authorization for the President and CEO to execute the task order; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

2. Operations Committee Report – Thompson reported Board members met during the Operations Committee work session on January 16, 2020 and discussed the following item:

a. Consideration of Terminal Concession Lease with MERA RD, LLC

Motion by Thompson for approval of the Terminal Concession Lease with MERA RD, LLC and authorization for the President and CEO to execute the lease and any associated documents; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

b. Sustainability Management Plan Update Presentation

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

V. NEW BUSINESS

1. Consent Agenda:

- a. Consideration of Video Management System Replacement
- b. Consideration of Purchase of Replacement Security Cameras

Motion by Teer 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

Staff and attendees were wished a happy and productive New Year. Kushner noted his first anniversary as a board member and thanked other members for their kindness in welcoming him and management and staff for assisting him in the transition. New hires and employees with service milestones were congratulated. Staff was thanked for their continued efforts, for detailed and

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informative presentations to the Board, and for management's leadership and continued discussions and efforts to bring the community together. Continued support of the USO was encouraged. Appreciation was expressed for the Authority's sustainability program. New concessionaires were welcomed.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Activity Report

RDU continues to experience record-setting growth. The airport served 14.2 million passengers last year, an 11% increase over 2018. We also set a record for the month of December, with 600,000 passengers. That is a 14% increase over December of 2018 and a new record for the month. In fact, seven months experienced double-digit year-over-year growth in 2019. July was the busiest month in airport history, with more than 679,000 travelers boarding flights throughout the month. Dec. 1 set a single-day record with approximately 54,800 passengers. RDU has experienced 55% growth since 2011. Along with that increase in passenger volume comes growing pains on our campus, including in our parking deck.

Parking Garage Improvements

Work to improve levels 2 – 6 of the parking garage resumed on January 3 after pausing from late November to early January to make parking more convenient during the busy holiday season. The number of available spaces in the garage will be reduced by an average of 1,150 a week from January through mid-May. When the work was going last year, the deck periodically reached capacity and had to be closed temporarily due to the reduced number of available spaces.

This is a good time to remind customers to reserve parking in advance with our online booking system. Customers who book online at least 24 hours in advance get guaranteed entry at the lowest daily rate. We now have electronic signs across campus that notify drivers which parking lots are open and which are full. The signs also remind customers that even if a particular lot is full, there are still spaces available for people who booked online.

You may also notice hard hats and construction in the parking garage. RDU recently kicked off a campaign to improve the elevators, escalators and passenger walkways that help passengers get where they need to go.

T2 Baggage System

The Terminal 2 Baggage Handling System re-control project has undergone final testing and received TSA approval. The \$3 million project began in late 2017 with a design phase and moved

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into programming and construction throughout 2018 and 2019. The goal of was to improve the overall efficiency, reliability, and capacity of the T2 baggage handling control system that dates back to the original installation in 2008. The new controls system went live on January 3rd and we have been very pleased with the performance improvements we have seen. The contractor is still on site monitoring the changes, performing training, and completing punch list items. They will return to RDU for busy Mother's Day and college graduation weekend to assist with the heavy baggage loads we anticipate.

The next step for the baggage handling systems in T1 and T2 is for RDU to work with TSA to upgrade their baggage screening equipment. That project will go out for bid shortly and an award is expected in the spring.

I want to thank all of the members of Team RDU who helped make this important transition such a success.

Vision 2040 Webpage

Visitors to RDU.com now can find a new webpage dedicated to keeping the community informed about our Vision 2040 master plan. The URL is www.rdu.com/vision2040/. Authority staff and partners are already hard at work on a number of capital projects, including improvements to Taxiway Foxtrot and the current Runway 5L/23R. The new webpage tracks these projects and shares background information about Vision 2040. Team RDU will continue to update the site with new information as more projects commence, so it is easy to find out what we're working on, all in one convenient place.

IX. ADJOURNMENT

Motion by Hannah to adjourn; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT JANUARY 16, 2020

The Board approved the following items on the Consent Agenda:

a) Consideration of Video Management System Replacement

Memorandum by Michael McLanahan, Vice President of IT Business Solutions – The Secure Access and Control System (SAACs) is responsible for all badge-related access and supporting security video coverage for the airport and is comprised of two major components: Alarm Monitoring and Video Management. Currently, Lenel provides both components and Lenel has ceased future development of its video management capabilities, which will result in the inability to deploy newer camera technology here at RDU.

Staff is seeking a replacement of the Video Management System component (VMS) currently provided by Lenel. The VMS component is responsible for collecting the video recordings from the cameras, storing the recordings on disk, and providing search and retrieval of the video. The replacement VMS component must be capable of full integration with the existing Lenel Alarm Monitoring System such that a comprehensive SAACs solution at RDU is maintained.

The Request for Bid #554-IFB20-2006-DSP, which was posted on the RDU website on December 10, 2019. Four bids were received, none of which was from a Minority or Women-Owned Small Business compliant organization.

Staff is proposing obtaining the replacement of the Lenel VMS component from Milestone Video Management System at a cost of \$201,004.48.

Staff requests approval to purchase Milestone Video Management software at a cost of \$201,004.48 and authorization for the President and CEO to execute the documents necessary for this purchase.

b) Consideration of Purchase of Replacement Security Cameras

Memorandum by David Kruse Vice President of IT Infrastructure – The use of security cameras at the airport is a critical infrastructure and operational necessity. Staff put together a multi-year prioritized plan to systematically replace aging cameras. Camera and hardware purchases and replacement, approved under phases 1 and 2 of this 3-phase plan, have been completed.

This request constitutes the final phase of this 3-year plan and would replace the remaining cameras. For FY 19/20, this initiative was identified as a Tactical Plan item and \$125,000 was allocated. A Request for Bid was posted on November 15, 2019. Four bids were received, and

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the lowest cost complete bid was from A3 Communications Inc. (which has a local office in Raleigh).

Staff proposes to replace the remaining identified cameras and associated mounting hardware at a cost of \$103,993.50. The camera installation will be performed by staff which installation will continue into the later part of 2020.

Staff requests approval to purchase security cameras and hardware at a cost of \$103,993.50 and authorization for the President and CEO to sign any necessary, related documents.

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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RALEIGH-DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES JANUARY 16, 2020

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

The Committee discussed the following items:

1. Presentation Regarding Airport Security Improvements:¹

Presented by William Sandifer, A.A.E., Senior Vice President and Chief Operating Officer – Mr. Sandifer briefly recapped information shared with the Board at the December meeting regarding trespassing, criminal activity and environmental damage caused by years of building and using illegal bike trails as key concerns for the Authority's consideration of the construction of perimeter fencing around airport property. He shared new photographs documenting recent unauthorized structures erected on airport property, as well as estimates for riparian buffer restoration. Mr. Sandifer gave an update on recent discussions with N.C. State Park officials and staff's recommendation that the needed perimeter fencing project be briefly paused to allow for continued discussions with state agency officials.

For informative purposes. No Board action required at this time.

2. Consideration of Amendment with Balfour Beatty for Enhanced Security Perimeter Gates Project

Presented by Ronald Jewett, Vice President Facilities Asset Management

Motion by Teer to enter into a closed session pursuant to NCGS §143-318.11(a)(1) and 49 CFR parts 15 and 1520 to protect sensitive security information from disclosure; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Board members, President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CHRO Umphrey, Vice Presidents Feldman, Jewett, and Legan, General Counsel Locklear and other staff members met in Room 100 of the RDU Center for a closed session from 11:10 a.m. until 11:30 a.m.

¹ Agenda item for consideration of amendment with Balfour Beatty Construction as to perimeter fencing portion of the security improvements project was deferred to a future meeting

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Motion by Hannah to exit the closed session; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

The Committee discussed the following item:

3. Consideration of Task Order 25 with O'Brien/Atkins for Design Services:

Presented by Jaymes Carter, Director of Buildings & Building Systems – Staff requests approval of the award of Task Order 25 under the Master Consulting Services Agreement with O'Brien/Atkins Associates, PA (Consultant) for work related to the AOC 5th Floor Buildout project. The Authority building has reached full capacity and office space is no longer available for new staffing hires. In this proposed project, the shell space on the 5th floor of the Airport Operations Center (AOC) will be utilized to create office space, and it is anticipated that staff in the Commercial Management Division will be relocated from the Authority building to this space in the AOC.

The task order will initiate consulting services for design services, which generally include the following: project management, code review and analysis, design development, construction documents, cost estimating, bidding and negotiation/procurement, construction administration, furniture, fixtures and equipment, signage and project closeout. The Authority will compensate the Consultant for services rendered for this Task Order on an hourly not-to-exceed basis not to exceed \$259,667 with allowable reimbursable expenses compensated at direct cost, to a ceiling of \$4,470. Total compensation under Task Order 25 is a not-to-exceed amount of \$264,137.

The overall Minority and Women-Owned Small Business (MWSB) goals for the existing Master Agreement with Consultant are 10.0% for Minority-Owned Businesses (MB) and 5.0% for Women-Owned Businesses (WB). Total participation for proposed Task Order #25 are 46% for MB and 4% for WB. The Authority's Small Business Programs Office concurs with this commitment.

Staff requests approval of Task Order 25 with O'Brien/Atkins Associates, PA in the total not to exceed amount of \$264,137 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 JANUARY 16, 2020

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

The Committee discussed the following items:

1. Consideration of Terminal Concession Lease with MERA RD, LLC

Presented by Kimberly Stewart, Director of Concessions – A solicitation for a bistro/café was issued on August 12, 2019 as a part of the Authority's reimagined concession program goals to recruit a local concept to elevate the guest experience while driving airport revenue. Three proposals were received: MERA RD, LLC (MERA RD), Jackmont Hospitality and RDU Donuts Café, LLC. MERA RD and Jackmont were shortlisted with both companies interviewed on October 14, 2019. MERA RD, LLC was ranked first.

MERA RD is a partnership of three family-owned companies: MERA Corporation, MCS Burbank and La Farm Bakery & Café. The group represents combined experience of more than 40 years and shares a commitment to operational excellence, providing exceptional guest experiences and maintaining brand authenticity. La Farm Bakery & Café was founded in 1999 in Cary, North Carolina. Led by James Beard Award semifinalist and Master Baker, Lionel Vatinet, La Farm Bakery will bring an award-winning all-day parts menu to RDU, supporting local agricultural communities by incorporating heirloom grains into their baked products.

The café will occupy the current Brighton space in the Terminal 2 Marketplace, converting the current retail space into a food and beverage concession unit and will be a focal point for all guests entering the concourse. It will showcase fresh baked bread pulled from the signature oven and La Farm retail merchandise will be available for convenient on-the-go purchases. The café will serve Counter Culture Coffee, a local roaster from Durham. A new patio seating area will be featured where La Farm will start operations with a temporary presence in early May, and will offer a limited assortment of grab and go items, beer and wine, coffee service and retail merchandise. La Farm Bakery & Café will complete construction and open the full-service café in November 2020.

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MERA will pay the Authority \$275,000 in Minimum Annual Guarantee and a tiered percent rent as indicated in the table below. The lease will have a term of 8 years ending January 31, 2028. The term comes with two 1-year options, extending the term to 10 years, if exercised. MERA proposed a 28% ACDBE participation which exceeds the required participation of 26.4%.

Temporary Food Program	% Rent	Long Term Food Program	Gross Sales	% Rent
Food & Non-Alcoholic Beverages	14%	Alcoholic Beverages	All Sales	18%
Alcoholic Beverages	17%	Food & Non-Alcoholic Beverages	Up To \$3.0 M	15%
		Food & Non-Alcoholic Beverages	Above \$3.0M	15.5%
		Food & Non-Alcoholic Beverages	Above \$3.5M	16%
		Food & Non-Alcoholic Beverages	Above \$4.0	16.5%
		Food & Non-Alcoholic Beverages	Above \$5.0	17%

Staff requests approval of the Terminal Concession Lease with MERA RD, LLC and authorization for the President and CEO to execute the lease and any associated documents.

2. Sustainability Management Plan Update Presentation

Presented by Gina Danison, Environmental Program Administrator – Information provided relative to the status of the Sustainability Management Plan, together with an update on the baseline assessment completed as part of the project and an overview of the next steps.

For informative purposes only. No Board action required.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES JANUARY 27, 2020

Chair Kane presided. Present: Hannah, Morgan, Saidi, Teer, and Thompson. Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CRO Freedman, Vice Presidents Feldman, Jewett and Legan, General Counsel Locklear, Executive Assistant Rivera, and other staff members and other guests.

I. APPROVAL OF AGENDA

Motion by Hannah to approve the agenda; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

II. NEW BUSINESS

1. Consideration of Amendment No. 3 with Balfour Beatty Construction regarding Terminal 2 Checkpoint Expansion Phase 2:

Motion by Morgan to approve Amendment No. 03 with Balfour Beatty Construction in the amount of \$453,372 and authorization for the President and CEO to execute the amendment; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

Presented by Jaymes Carter, Director of Buildings & Building Systems - Staff requests the award of Amendment No. 03 under the Construction Manager At-Risk Master Agreement with Balfour Beatty Construction (CMR) for work related to the Terminal 2 Checkpoint Expansion project.

This project involves increasing the size of the passenger screening and queuing areas to facilitate two additional TSA screening lanes, and to minimize the periodic queue of waiting passengers extending into the terminal's ticketing areas. In addition, this expansion involves the demolition and up-fit of adjacent spaces on the second and third floors, to relocate staff offices for TSA and the Authority. This proposed amendment would authorize the CMR to perform construction services generally including project management, scheduling assistance, constructability reviews, demolition, construction, quality control, building permits and project closeout. The proposed amendment establishes the contract amount (Fixed Guaranteed Maximum Price):

<u>Component</u>	<u>Amount</u>
Cost of Work	\$333,498
Contractor's Contingency (5%)	\$ 16,675
Contractor's Construction Fee (3.5%)	\$ 15,023
Reimbursable General Conditions	\$ 88,176
Construction Phase Amendment No. 3	\$453,372

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The overall Minority and Women-owned Small Business (MWSB) goals for the existing CMR Master Agreement are 10.0% for Minority-Owned Businesses (MB) and 5.0% for Women-Owned Businesses (WB). Total participation for proposed Amendment No. 03 are 12.07% MB and 7.60% WB. The Authority's Small Business Programs Office concurs with this commitment.

Staff requests approval of Amendment No. 03 with Balfour Beatty Construction in the amount of \$453,372 and authorization for the President and CEO to execute the amendment.

2. Terminal 1 Expansion Program Presentation:

Presentation for informative purposes; no Board action required at this time.

Presented by William Sandifer, A.A.E., Senior Vice President and Chief Operating Officer – Mr. Sandifer gave an overview of passenger growth experienced at RDU through 2019 and compared that growth to Vision 2040 projections. He discussed current gate occupancy demands at both terminals and expansion for four additional gates underway at Terminal 1 previously approved by the Board. Mr. Sandifer discussed various concepts for gate expansion and the potential need to add more than 4 gates to Terminal 1. He explained constraints to adding new gates in Terminal 2 tied to opening the new runway, and the projected timeline before any new gates could be utilized. Mr. Sandifer noted how constructions efforts would affect and impact existing gate usage. He outlined variables in calculating future gate requirements and the utilization of the vGates model during the master planning process. Mr. Sandifer outlined next steps which included updating the vGates model, having discussions with the airlines, and a financial analysis. He noted that with aging infrastructure and activity levels exceeding projections, review and discussion of the Vision 2040 plan's goals and objectives, and potential adjustment in policy direction may be future considerations for the Board. Mr. Sandifer discussed the RTA's preliminary recommendation to consider a new Terminal 3 north of Terminal 2, and indicated that the recommendation was one of the alternatives identified in the Vision 2040 process, but it was excluded due to a range of issues including overall anticipated cost. Mr. Sandifer also indicated that at some point in the future there will be a need to consider a new Terminal 3, but that was some time in the future, plus, any consideration of a new Terminal 3 must look at all available sites including the large tract of land between Runway 5R/23L and National Guard Drive.

III. ADJOURNMENT

Motion by Hannah to adjourn; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES FEBRUARY 20, 2020

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

I. APPROVAL OF AGENDA

Motion by Hannah to approve the agenda; Second by Wallace

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Hannah to approve the minutes of the January 16, 2020 regular meeting of the Raleigh-Durham Airport Authority Board, including consent actions and the committee minutes incorporated therein and of the special meeting of the Board held on January 27, 2020; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Kane welcomed everyone.
2. New hires and promotions were recognized and congratulated.
3. Chair Kane described the Minority and Women-owned Small Business Program at RDU and the construction, services, and goods participation goals set and achieved this fiscal year.
4. Chair Kane noted the Concessions 101 event hosted by the Authority in January to increase awareness of in-terminal food and retail business opportunities.
5. Chair Kane shared the results from the online parking survey, noting ParkRDU Express earned an overall satisfaction of 4.7 (on a 5-point scale).
6. Chair Kane reminded everyone of the ongoing improvements in the parking garage to elevators, escalators and motorized walkways.

IV. OLD BUSINESS

1. Land and Development Committee Report – Teer reported Board members met during the Land and Development Committee work session on February 20, 2020 and discussed the following items:
 - a. Closed Session
[Closed committee work session to consult with an attorney(s) in order to preserve the attorney-client privilege between the attorney(s) and the public body pursuant to NCGS §143-318.11(a)(1) and (3), including discussion of Umstead Coalition et al. v. Raleigh-Durham Airport Authority et al.]

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b. Consideration of Selection of On-Call Consultants for Civil Engineering Services

Motion by Morgan for approval of the Airside and Landside Services on-call consultant firms

Airside Services:

1. RS&H
2. WK Dickson
3. Jacobs

Landside Services:

1. RS&H
2. WK Dickson
3. Dewberry
4. Kimley-Horn

and authorization for the President and CEO to execute with each firm an On-Call Master Agreement for a term of five years; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

c. Consideration of Amendment with Balfour Beatty for Construction Services for Terminal 2 Checkpoint Expansion Project

Motion by Morgan for approval of Amendment No. 04 with Balfour Beatty Construction in the amount of \$3,111,593 and authorization for the President and CEO to execute the amendment; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

2. Finance Committee Report – Teer reported Board members met during the Finance Committee work session on February 20, 2020 and discussed the following items:

a. Consideration of Amended Task Order with Ernst & Young Infrastructure Advisors, LLC

Item moved to Consent Agenda for consideration and approval.

3. Operations Committee Report – Hannah¹ reported Board members met during the Operations Committee work session on February 20, 2020 and discussed the following item:

a. Consideration of Master Services Agreement with Ricondo & Associates, Inc.

Motion by Hannah for approval of a multi-year Master Services Agreement with Ricondo & Associates, Inc. and authorization for the President and CEO to execute the agreement; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda²:

¹ Requested by Chair Kane in the absence of Committee Chair Thompson

² Chair Kane noted that the Ernst & Young amended task order was added to the Consent Agenda

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- a. Consideration of Service Agreement with Safety-Kleen Systems Inc.
- b. Consideration of Agreement with Varec, Inc. for Fuel Farm Load Rack Computer Replacement
- c. Consideration of Service Agreement with Russelectric
- d. Consideration of Purchase of Proterra Electric Buses
- e. Consideration of Amendment with Siemens Industry, Inc. for Critical Building Systems Upgrade
- f. Consideration of Amendment to Lease with Areas USA RDU, LLC
- g. Consideration of Amendment to Lease with Hughes Publishing, LLC
- h. Consideration of Terminal Support Space Lease Agreement with MERA RD, LLC
- i. Consideration of Agreement with CenturyLink
- j. Consideration of Contract with Spectrum NLP, LLC
- k. Consideration of Reimbursable Agreement with the FAA
- l. Consideration of Agreement with Atlantic Business Technologies, Inc.
- m. Consideration of Selection of On-Call Consultants for Environmental and Other Services
- n. Consideration of Change Order 6 with SITA for Common Use Technology and Associated Services
- o. Financial Performance for Third Quarter of Fiscal year Ending March 31, 2020
- p. Consideration of Amended Task Order with Ernst & Young Infrastructure Advisors, LLC

Motion by Hannah to approve and adopt the Consent Agenda items a. – p. excluding item j. pertaining to the contract with Spectrum (item o. being for informative purposes only); Second by Saidi

ADOPTED BY UNANIMOUS VOTE

Motion by Kane to approve and adopt the Consent Agenda item j. pertaining to the contract with Spectrum; Second by Wallace

ADOPTED BY UNANIMOUS VOTE³

VI. GENERAL COUNSEL’S REPORT

No items were reported.

VII. MEMBER COMMENTS

New hires and promotions were congratulated. Representatives from Ricondo & Associates were welcomed. Staff was thanked for their continued efforts and for continued support of the USO. The recent news article was referenced about the WWII veteran meeting Marines at the RDU USO center on the 75th anniversary of the Iwo Jima landing.

³ Kushner recused himself due to a conflict of interest and abstained from voting

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R A L E I G H - D U R H A M A I R P O R T A U T H O R I T Y

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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.

Activity Report

RDU continues to grow rapidly, with 492,000 passengers boarding flights at the airport in January. That is an 8.1% increase over January over 2019, and it follows a year of record-setting double-digit growth.

We were also pleased to see Spirit airlines announce starting in April, it will increase its number of direct flights from RDU to Orlando from once a day to twice a day. Spirit came into the market last May with seven destinations and has been a great business partner for RDU.

Delta also announced twice-daily year-round service to Miami beginning in May. Delta and American continue to compete for a larger share of the Raleigh-Durham market. Combined, those carriers accounted for 57% of RDU traffic for the month, compared to 54% a year ago. It's also interesting to note that Southwest's enplanements fell nearly 5% due to the ongoing fleet challenges posed by the MAX grounding.

Nonstop Destinations

In 2019, RDU's airline partners launched 31 new routes including nine to previously unserved destinations, and seven from our newest airline partner, Spirit Airlines. In light of our record-setting growth, it might come as a surprise that RDU's total number of non-stop destinations actually declined over the course of the year. While RDU peaked with service to 65 total non-stop destinations in 2019, the airport will enter 2020 with non-stop service to 57 – so why the decline? The answer relates to competition and growth, and the risks airlines are willing to take in testing potential routes in competitive markets like Raleigh-Durham. RDU's non-stop destinations grew in 2019 due in large part to ultra-low cost carriers like Frontier testing numerous markets over the course of the year, but decreased recently to levels that still exceed where they were just two years ago, when RDU carriers served 48 non-stop destinations. Fortunately, when a carrier decides to drop a RDU route, it often opts to reinvest those flights into another RDU destination as we saw with Spirit.

Despite the temporary decline, RDU's passenger growth trend is expected to continue in 2020, with airlines adding more seats in the market. Bigger planes and more flights increase competition to our customers' most popular destinations, which provides more flight options and helps lower ticket prices.

Spirit/Allegiant Move

We are on track to open two additional gates in Terminal 1 to accommodate Spirit and Allegiant, who are relocating there. They are expected to begin operations out of Terminal 1 in April, using gates A3 and A4.

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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RTA Task Force Report

The Regional Transportation Alliance held its annual State of Mobility Summit in January, where it presented the findings of a task force that recommended potential solutions to RDU's funding needs. The task force recognized the airport's importance to the regional economy and acknowledged that growth in passenger volume alone will not close the \$2 billion shortfall for important airport construction projects.

We appreciate the engagement from RTA and are reviewing the task force's recommendations to identify the most promising ones. Having RTA make RDU a priority helps us have the broader conversation that is necessary for finding an overall solution.

Vision 2040 Video

You have heard me talk about RDU's approved Vision 2040 master plan as a 'flight plan' for the future of the airport. We are already hard at work building for the future, and I wanted to share some of that progress with you today. At this time, I would like to share a new video produced by our team. It will help you visualize what the airport might look like in the coming years www.rdu.com/vision2040/.

I-40/Aviation Parkway Detours

You may have seen a sign of RDU's growing pains on your way to the meeting today. Road closures at the Interstate 40-Aviation Parkway interchange started last week when DOT crews began realigning the parkway. The exit ramp from eastbound I-40 to Aviation Parkway (Exit 285) closed down over the weekend. A detour is taking drivers to Exit 284 and directing them to turn right onto Airport Boulevard, left onto Chapel Hill Road (N.C. 54) and left back onto Aviation Parkway. The loop from southbound Aviation Parkway to I-40 East is also be closed. Drivers are being directed to turn left onto the ramp used by northbound traffic. That traffic pattern is not currently permitted, but signage will alert drivers that they can turn left to access I-40 East while the loop is closed. Travelers to RDU will have to take detours for up to 60 days while the construction is underway. RDU recommends you arrive at least two hours early for domestic flights and three hours early for international flights to navigate the detours near the airport, clear security and get to your gate on time.

IX. CLOSED SESSION

Motion by Hannah to enter into a closed session for the purpose of discussing a personnel matter pursuant to NCGS §143-318.11(a)(1) and (6), §160A-168, §153A-98, etc.; Second by Wallace

ADOPTED BY UNANIMOUS VOTE

X. ADJOURNMENT

Motion by Hannah to adjourn; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT FEBRUARY 20, 2020

The Board approved the following items on the Consent Agenda:

a) Consideration of Service Agreement with Safety-Kleen Systems Inc.

Memorandum by John A. Connell, P.E., C.M., Vice President of Operational Asset Management – Staff requests approval of a five year service agreement with Safety-Kleen Systems Inc. This proposed agreement provides annual preventative maintenance for five oil-water separators serving the following locations: Maintenance Facility Car Wash, General Aviation plane Wash, General Aviation Ramp South End, General Aviation Ramp North End, and Recycle Trash Site. The cost of the proposed service agreement is \$31,591.48.

Staff requests approval of the five year Service Agreement with Safety-Kleen Systems Inc., in the amount of \$31,591.48 and authorization for the President and CEO to execute the agreement.

b) Consideration of Agreement with Varec, Inc. for Fuel Farm Load Rack Computer Replacement

Memorandum by John A. Connell, P.E., C.M., Vice President of Operational Asset Management – Staff requests approval of the agreement with Varec, Inc. to provide and install new load rack computers, replacing existing equipment which has reached end-of-life. A load rack computer serves at the fueling points authorizing users to dispense fuel, tracking amount dispensed, and reporting information to the database to track and reconcile fuel inventories. It is similar to a “pay at the pump” interface at a retail gas station but more robust for an aviation environment. This project will also provide updated software to allow the fuel farm equipment to work properly with the Airport’s Fuels Manager software platform.

A Request for Bids was formally advertised and three bids were received:

Attaway Services Carolina, Inc. - \$128,400

Varec, Inc. - \$195,210 (lowest responsible/responsive bidder)

Malor & Company, Inc. - \$212,930

While Attaway Services provided the lowest bid, it did not include the required equipment (installation only) and, therefore, was deemed non-responsive.

The overall Minority and Women-Owned Small Business (MWSB) goals for the solicitation were 5% for Minority-Owned Businesses (MB) and 5% for Women-Owned Businesses (WB). There is 0% MB participation and 0% WB participation associated with this procurement. The successful bidder provided documentation of good faith efforts.

The Authority will compensate Varec, Inc. for services rendered under this agreement on a fixed-fee arrangement of \$195,210 for the purchase, installation and commissioning of the

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equipment described in the project scope. The funds for these load computer replacements are budgeted in the FY19/20 capital budget.

Staff requests approval of the agreement with Varec, Inc. in the amount of \$195,210 and authorization for the President and CEO to execute the agreement.

c) Consideration of Service Agreement with Russelectric

Memorandum by John A. Connell, P.E., C.M., Vice President of Operational Asset Management – Staff requests approval of a five year Service Agreement with Siemens Industry Inc., d/b/a Russelectric, a Siemens Business. The proposed Service Agreement provides annual preventative maintenance and infrared testing for the Automatic Transfer Switch (ATS) located in Airfield Vault #2 which serves the airfield lighting system for runway 5L-23R and associated taxiways. The cost of the proposed Service Agreement is \$7,627.95.

Staff requests approval of the five year Service Agreement with Siemens Industry Inc., d/b/a Russelectric in the amount of \$7,627.95 and authorization for the President and CEO to execute the agreement.

d) Consideration of Purchase of Proterra Electric Buses

Memorandum by John A. Connell, P.E., C.M., Vice President of Operational Asset Management – Staff requests approval to purchase four Proterra Catalyst E2 Battery Electric Buses, utilizing a previously bid contract. The North Carolina General Statutes allow the Authority to procure goods and services from contracts that have been publicly advertised and bid in the previous twelve months in a manner substantially similar to that required by NCGS §143-129. Staff proposes to utilize the State of Virginia Department of General Services Statewide Contract E194-81688, which meets this requirement.

Purchase of the four Proterra Catalyst E2 Battery Electric Buses includes base bus cost, extended range batteries and configurables/options to match the Authority's existing fleet. This includes RDU-specific wrap/branding and RDU-compatible announcement, vehicle locator, and passenger counting systems. The price per bus is \$824,378, for a total of \$3,297,512, and this purchase was budgeted in the FY19/20 budget. Delivery time is estimated at fifteen months following order placement.

Staff requests approval to utilize State of Virginia Department of General Services Statewide Contract E194-81688 to purchase four Proterra Catalyst E2 Battery Electric Buses for a total cost of \$3,297,512 and authorization for President and CEO to execute a purchase order for this purchase and any related documents.

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- e) Consideration of Amendment with Siemens Industry, Inc. for Critical Building Systems Upgrade
Memorandum by John A. Connell, P.E., C.M., Vice President of Operational Asset Management – Staff requests approval of Amendment One to the existing Service Agreement with Siemens Industry, Inc. This proposed amendment includes project work to replace obsolete software and associated devices to help integrate existing critical building systems with updated computer systems, while utilizing existing infrastructure and building automation system hardware. The procurement and installation of new equipment and software will allow the airport to better monitor, control and optimize the energy efficiency in mechanical systems that are currently in place at Terminal 2 and the Central Energy Plant while also allowing staff to better monitor, report and respond to life safety system events originated by the existing fire alarm system.

This proposed amendment will allow the Authority to purchase the equipment and necessary licensing software exponentially faster and at a lower cost. On June 1, 2019, the final negotiated amendment proposal was received from Siemens Industry, Inc. in the amount of \$798,000.

There is no Minority and Women-Owned Small Business (MWSB) participation in this amendment; the Authority's Small Business Programs Office determined that due diligence was completed for this project.

Staff requests approval of Amendment One with Siemens Industry, Inc. in the amount of \$798,000, and authorization for the President and CEO to execute the amendment.

- f) Consideration of Amendment to Lease with Areas USA RDU, LLC
Memorandum by Kimberly A. Stewart, CRRP, Director of Concessions – Areas USA RDU, LLC (Areas) leases storage and office spaces in Terminal 2 to support its eight food and beverage units. The support space lease runs concurrently with the Terminal Concession Lease which expires May 31, 2021. Areas proposes to lease an additional storage unit, Room 1350A, representing 59.71 s.f., to support its units. Areas will pay to the Authority annual rent of \$112,552.73 for this space. The rental amount may adjust each year based on the higher of a 3% escalation or the adjusted rate established in accordance with the operating budget adopted by the Authority.

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

- g) Consideration of Amendment to Lease with Hughes Publishing, LLC
Memorandum by Kimberly A. Stewart, CRRP, Director of Concessions and Diane Harris, Business Manager – Hughes Publishing, LLC (Hughes Publishing) operates a literature display business that sells advertising space in brochures and magazines. The display units are located in Terminal 1 Ticketing and Terminal 2 Baggage Claim. The Authority entered into an

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agreement with Hughes Publishing, formerly Coastal Media, LLC, on March 1, 2016 for a one-year pilot program. During the trial period, staff assessed the viability of program and recommended the Authority approve a long term agreement. The long term agreement commenced on August 1, 2017 and will expire on March 31, 2020 with no renewal options. This proposed Amendment 1 would extend the term for two years beginning April 1, 2020 and expiring on March 31, 2022. This two year extension is recommended while staff continues outreach for the upcoming Request for Proposals for the food and beverage program and to allow time to research other viable options for an airport brochure/magazine distribution program.

Hughes Publishing pays fixed rent in the amount of \$250 per terminal per month, for a total of \$6,000 per year. Fixed rent has not increased over the initial term of the agreement.

Staff requests approval of Amendment 1 to the Terminal Concession Agreement with Hughes Publishing, LLC and authorization for the President and CEO to execute the amendment.

h) Consideration of Terminal Support Space Lease Agreement with MERA RD, LLC

Memorandum by Kimberly A. Stewart, CRRP, Director of Concessions and Diane Harris, Business Manager – MERA RD, LLC (MERA) will operate a food and beverage unit in the Terminal 2 Marketplace effective March 1, 2020. To support this location, MERA proposes to lease office space of 155.11 square feet on the ticketing level in Terminal 1. The term for this proposed Support Space Lease Agreement will run concurrently with the MERA Terminal Concession Lease Agreement that will expire on January 31, 2028. MERA will pay to the Authority annual rent of \$15,143.39 for this space. The rental amount may adjust each year based on the higher of a 3% escalation or the adjusted rate established in accordance with the operating budget adopted by the Authority.

Staff requests approval of the Terminal Support Space Lease Agreement with MERA RD, LLC and authorization for the President and CEO to execute the agreement.

i) Consideration of Agreement with CenturyLink

Memorandum by David Kruse, Vice President of IT Infrastructure – Internet connectivity is a critical requirement for business operations and the Authority relies on this connectivity for email, cloud services, flight feeds, remote connectivity, and to process more than \$50 million in credit card transactions annually. Therefore, the Authority's internet service must be robust and reliable. The Authority's staff maintains two redundant, operational connections to the internet currently provided by CenturyLink. These connections support services and internet traffic not only for the Authority, but also for approximately 50 tenants in Terminals 1 and 2, and connectivity for multiple airport operators including TAC Air, Landmark, and the Civil Air Patrol.

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The current three year agreement with CenturyLink is expiring, and staff reviewed circuit usage, reliability, and performance. RDU's growth has caused utilization to routinely hit 90+% of the available bandwidth necessitating larger circuits. Staff reviewed the existing service costs and, utilizing the recent Request for Proposals for the WiFi project, identified the current provider, CenturyLink, as not only the least costly but, also, the least risky from a business operations perspective.

Staff proposes to renew contracted internet services with CenturyLink (formerly Level 3 Communications), the Authority's existing provider, to include two 1G circuits (one primary, one secondary), noting that these proposed two internet connections are 5x faster than existing circuits, yet will cost 39% less, which is a savings of \$46,466 over three years.

<u>Provider</u>	<u>Monthly</u>	<u>Annual Cost</u>	<u>Installation Fees</u>	<u>3 Year Cost</u>
CenturyLink	\$1,977.60	\$23,731.20	\$0.00	\$71,193.60

Staff requests the approval to renew internet services with CenturyLink for a three year term with a total contract cost of \$71,193.60 and authorization for the President and CEO to execute any necessary paperwork associated with these services.

j) Consideration of Contract with Spectrum NLP, LLC

Memorandum by Crystal Feldman, Vice President of Communications, Government & Community Affairs – Staff requests approval of a five-year contract with Spectrum NLP, LLC (Spectrum) to maintain a fixed video camera and other associated equipment located on the roof of the RDU Operations Center. The purpose of the camera is to supply engaging video footage to enhance television coverage of airport related news stories. The video camera points towards Terminal 2 and does not show any portion of the FAA control tower. Spectrum will pay the Authority \$5,574 over the life of the contract.

Spectrum is not a Minority and Women-owned Small Business (MWSB) firm, and with no anticipated subcontracting opportunity, there is no MWSB participation expected in this matter. The efforts related to participation were reviewed at the time of the original contract and met the requirements of the MWSB Program.

Staff recommends approval of this five year contract with Spectrum NLP, LLC and authorization for the President and CEO to execute the contract.

k) Consideration of Reimbursable Agreement with the FAA

Memorandum by Ronald Jewett, Vice President Facilities Asset Management – Staff requests the approval of a Reimbursable Agreement with the Federal Aviation Administration (FAA). The proposed term is up to 36 months, beginning upon agreement execution.

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Regarding the Runway 5L-23R replacement program, the Reimbursable Agreement authorizes the FAA's personnel to initiate engagement with Authority staff and the design engineer for matters relating to the Navigational Aids (NAVAIDS) that will be affected in the construction of the existing and future runway, and to determine the most expedient and cost effective actions to support construction, with special emphasis on ongoing airport operations. The FAA's services included in this proposed agreement are:

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

The proposed cost to the Authority is \$42,760.72, which is covered in capital project 080879. The FAA requires payment in advance, with expenses reported quarterly to the Authority as work progresses.

Staff requests approval of the Reimbursable Agreement with the Federal Aviation Administration in the amount of \$42,760.72 and authorization for the President and CEO to execute the agreement.

1) Consideration of Agreement with Atlantic Business Technologies, Inc.

Memorandum by Dan Miller, Vice President of Marketing and Patrick Glace, Digital Marketing Administrator – Staff continues to work diligently to complete the RDU Brand Development Project, while implementing innovative ways to generate new revenue. To support these efforts, staff identified a local professional web design agency to redesign RDU.com and integrate all RDU-affiliated digital web assets, including www.parkrdu.com, www.rduaircraftnoise.com, and www.rdu.com/vision2040.

The Authority received fourteen responses to the Request for Proposals and Atlantic Business Technologies, Inc. (ABT) was one of four finalists invited for interviews. ABT was identified as one of the most highly qualified agencies, its proposal was the most cost effective and ABT was unanimously selected to deliver all of the services necessary for this project. ABT is a forward-thinking, Morrisville-based company that has successfully completed similar projects for many Triangle organizations, including the City of Raleigh, Campbell University and the NC Dept. of Revenue.

Contract Scope & Costs – Website Design and Development Services

1) Research & Discovery	\$10,660	4) Content Migration	\$ 16,510
2) Visual Design & UI Assets	\$24,960	5) Project Mgmt, Training/Deployment	\$ 17,160
3) Tech. Design & Page Building	\$37,570	Contract Total	\$106,860

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Approval of this proposed agreement with ABT will ensure a successful website redesign as part of the overall Brand Development Project's Phase Three. Additionally, completion of this project will allow the Authority to implement new e-commerce programs, which will generate much needed additional revenue. Funding for this project is included in the FY 2019-20 and 2020-21 Operating Budget.

ABT worked with the Authority's Small Business Program Office to determine opportunities for Minority and W-owned Small Business (MWSB) participation. However, ABT will self-perform all components in the Scope of Services; thus, MWSB Program participation for this contract is 0%. The successful bidder provided documentation of its good faith efforts.

Staff requests approval of a services agreement with Atlantic Business Technologies, Inc. from February 24, 2020 through November 23, 2020, for an amount not to exceed \$106,860 and authorization for the President and CEO to execute the agreement.

m) Consideration of Selection of On-Call Consultants for Environmental and Other Services

Memorandum by Ellis Cayton, Vice President of Planning, Sustainability and Environmental Compliance, Gina Danison, Environmental Program Administrator, and Rachel Stair, Planning and Environmental Officer – Staff requests approval of the selection of and to enter into Master Agreements with on-call consultants for environmental and other services. The Authority currently has a five year Master Agreement for on call environmental consulting services with a firm selected in 2015, which agreement expires on March 1, 2020. To initiate the current selection process, a Business Opportunity Workshop was held on September 10, 2019 that included the Pre Proposal and Minority and Women-owned Small Business (MWSB) Conference. Staff released a Request for Qualifications (RFQ) on September 12, 2019. Desired services in the RFQ involve providing assistance to the Authority on environmental compliance and permitting, National Environmental Policy Act (NEPA) document preparation, aircraft noise monitoring and abatement, and Sustainability Management Plan related services.

Six proposals were received on November 1, 2020 from the following six prime firms (listed alphabetically): 1) AECOM Technical Services of North Carolina, Inc.; 2) Dewberry Engineers, Inc.; 3) Mead & Hunt, Inc.; 4) VHB Engineering NC, P.C.; 5) WSP USA Inc.; and 6) Wood Environment & Infrastructure Solutions, Inc. A selection committee reviewed the proposals in accordance with the RFQ's selection criteria. 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 that the Authority enter into five-year term On-Call Master Agreements with each of the following two professional services firms and their identified team members: WSP USA Inc., and AECOM Technical Services of North Carolina, Inc. Under the proposed on-call Master Agreements, as projects come to fruition during the period

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of performance, staff will use the agreed upon personnel rates to negotiate task orders for services. Task orders that exceed the signature authority of the President and CEO will be brought for Board consideration.

The MWSB participation goals are 10% for minority-owned firms and 5% for women-owned firms. Both firms submitted written commitments to meeting or exceeding these MWSB goals. The Authority's Small Business Programs Office found that a good faith effort was met.

Staff requests approval of the selection of WSP USA Inc. and AECOM Technical Services of North Carolina as on-call consultants and authorization for the President and CEO to execute with each firm an On-Call Master Agreement for a term of five years.

n) Consideration of Change Order 6 with SITA for Common Use Technology and Associated Services

Memorandum by Keisa Hudson, PMP, Senior Project Manager – Staff requests approval of Change Order 6 with SITA to provide common use hardware and software for Terminal 1, Gates 1 – 4; Microsoft SQL licenses for RDU's Common Use system; and authorization of the Common Use support services, which initiated as of October 21, 2019.

In December 2018, the Board granted SITA a five-year contract to provide common use technology services in Terminal 2. These services included the design and installation of the following systems, together with support and other associated services: Common Use Passenger Processing System (CUPPS), Airport Operational Database (AODB), Content Management System (CMS), Resource Management System (RMS), Multi-User Flight Information Display System (MUFIDS), and Common Use Self Service Kiosks (CUSS).

This proposed change order will allow SITA to procure hardware and software to install RDU's Common Use system in Gates 1-4 of Terminal 1, in support of RDU's ongoing Terminal 1 four gate activation project. It also includes 60 months of Microsoft SQL licenses in support of RDU's Common Use system. Lastly, this proposed change order formally authorizes SITA for its support services which initiated as of October 21, 2019, which was the formal transition date following the successful implementation of new passenger processing technology in Terminal 2.

The Change Order adds \$45,716 to SITA's current contract, for a new total contract value of \$6,868,292.09 over five years.

Staff requests approval of Change Order 6 with SITA increasing the value of the contract by \$45,716, resulting in a new total five year contract value of \$6,868,292.09 and authorization for the President and CEO to execute the change order.

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- o) Consideration Financial Performance for Third Quarter of Fiscal year Ending March 31, 2020
Presentation¹ by Ron Kapocius – Vice President and Controller, Finance

- p) Consideration of Amended Task Order with Ernst & Young Infrastructure Advisors, LLC

Memorandum by Donna Sylver, Senior Vice President and Chief Financial Officer – In April 2019, the Board approved a Master Service Agreement (MSA) with Ernst & Young Infrastructure Advisors, LLC (E&Y) to assist with possible public-private partnership (P3) initiatives related to future capital projects. In September 2019, the Authority entered into Task Order #1, under the MSA, with E&Y to consider the feasibility of a P3 for the Consolidated Rental Car Facility (CONRAC) project. The original task order had a not-to-exceed amount of \$94,930 covering:

Phase	Title	Objective	Amount
1	Screening Analysis	To determine if the Authority, and the CONRAC project would be a candidate for P3 methods	\$15,000
2	Qualitative & Quantitative Analysis	If screening concludes yes to P3, the next step would determine if the CONRAC project is the best option for P3 methods by applying qualitative and quantitative analysis	\$79,930

At the completion of Phase I, it was determined that key operating and maintenance cost estimates, as well as lifecycle cost estimates, were not readily available from the Authority, and would be needed to complete the Qualitative and Quantitative Analysis (Phase II). An additional cost of \$76,810 would be needed for E&Y to provide these cost estimates. This proposed change would amend Task Order #1 to a not-to-exceed amount of \$171,740.

Staff requests approval to amend Task Order #1 with Ernst and Young Infrastructure Advisors, LLC to increase the not-to-exceed amount to \$171,740 and authorization for the President and CEO to execute the document.

¹ Presentation slides provided to Board members for informative purposes only.

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RALEIGH-DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES FEBRUARY 20, 2020

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

Motion by Hannah to enter into a closed session to consult with an attorney(s) in order to preserve the attorney-client privilege between the attorney(s) and the public body pursuant to NCGS §143-318.11(a)(1) and (3), including discussion of Umstead Coalition et al. v. Raleigh-Durham Airport Authority et al.; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Board members, President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CHRO Umphrey, Vice Presidents Feldman, Jewett, and Legan, General Counsel Locklear and other staff members met in Room 100 of the RDU Center for a closed session from 11:03 a.m. until 12:10 p.m.

The Committee discussed the following items:

1. Consideration of Selection of On-Call Consultants for Civil Engineering Services

Presented by Ronald Jewett, Vice President Facilities Asset Management – Staff requests approval of the selection of and to enter into Master Agreements with on-call consultants for airside and landside civil engineering services. The Authority currently has On-Call Master Agreements with four firms for Airside and Landside Civil Engineering and related services. Three firms were selected in 2015, and those initial five year agreements expire March 1, 2020. An additional fourth firm was selected in 2018 and its agreement expires in 2023.

To initiate the current selection process, a Business Opportunity Workshop was held on September 10, 2019 that included the pre-proposal and Minority and Women-owned Small Businesses Conference. Staff released the full Request for Qualifications (RFQ) on September 11, 2019, and potential respondents were offered the opportunity to submit for services related to airside only, landside only, or for both. Desired services listed in the RFQ included: Project Planning and Programming; Civil Engineering; Landscape Architecture

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and Irrigation Design; Land Surveying; Pavement Conditions Assessment, Design, and Maintenance Management; Airfield Lighting and Guidance Systems Engineering; Roadway Lighting and Electrical Engineering; Utility Engineering; Mechanical Engineering (Fueling Systems); Construction Materials QA Testing; Exterior Signage and Wayfinding; Pavement Markings Design; and Cost Estimating.

Seventeen total proposals were received on November 1, 2019, which the committee reviewed in accordance with the selection criteria presented in the RFQ. The responses to the RFQ were considered in accordance with the respondents' interest categories; Airside Services, Landside Services, or both. After individually considering each response, the committee met to discuss the merits of each proposal. Following the initial meeting, further information was requested from some respondents regarding certain details of intentions to meet the Authority's MWSB goals for the proposed services, which are 10% Minority-owned Businesses and 5% Women-owned Businesses. Further, for respondents with which staff has limited or no past work experience, references were contacted to gauge past or current client satisfaction. In a summation meeting, the selection committee conducted a final review of the proposals, additional information requested from respondents, and reference checks as necessary.

The selection committee unanimously recommends the top ranked firms for On-Call Master Agreements as follows:

Airside Services:

- | | | |
|---------|---------------|-----------|
| 1. RS&H | 2. WK Dickson | 3. Jacobs |
|---------|---------------|-----------|

Landside Services:

- | | | | |
|---------|---------------|-------------|----------------|
| 1. RS&H | 2. WK Dickson | 3. Dewberry | 4. Kimley-Horn |
|---------|---------------|-------------|----------------|

Under the proposed on-call Master Agreements, as projects come to fruition during the period of performance, staff will use agreed upon personnel rates to negotiate task orders for services. Task orders that exceed the signature authority of the President and CEO will be brought for Board consideration.

Staff requests approval of the Airside and Landside Services on-call consultant firms listed above and authorization for the President and CEO to execute with each firm an On-Call Master Agreement for a term of five years.

2. Presentation regarding Repairs to Runway 5R-23L and Taxiways A1 and A/A7
Presented by Ronald Jewett, Vice President Facilities Asset Management¹

¹ Due to time constraints, Board members requested that the presentation be emailed to them for informational review only.

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3. Consideration of Amendment with Balfour Beatty for Construction Services for Terminal 2 Checkpoint Expansion Project

Presented by Carrie Blevins, Project Manager, Buildings & Building Systems – Staff requests the award of Amendment No. 04 under the Construction Manager At-Risk Master Agreement with Balfour Beatty Construction (CMR) for work related to the Terminal 2 Checkpoint Expansion project - Phase 2.

The Terminal 2 Checkpoint Expansion involves increasing the size of the passenger screening and queuing areas to facilitate two additional TSA screening lanes (expanding to 14 lanes), and to minimize the periodic que of waiting passengers extending into the ticketing areas of the terminal. In addition, this expansion involves the demolition and up-fit of adjacent spaces on the second and third floors, to relocate TSA staff, and Authority staff offices. This proposed amendment will initiate construction services generally including project management, scheduling assistance, constructability reviews, demolition, construction, quality control, building permits, commissioning and project closeout. The proposed amendment establishes the Contract Amount (Fixed Guaranteed Maximum Price):

<u>Component</u>	<u>Amount</u>
Cost of Work	\$2,385,169
Cost of Design Contingency (5%)	\$ 119,258
Contractor's Contingency (5%)	\$ 119,258
Contractor's Construction Fee (3.5%)	\$ 103,108
<u>Reimbursable General Conditions</u>	<u>\$ 384,800</u>
Construction Phase Amendment No. 04	\$3,111,593

The overall Minority and Women-Owned Small Business (MWSB) goals for the existing CMR Master Agreement are 10.0% for Minority-Owned Businesses (MB) and 5.0% for Women-Owned Businesses (WB). Total participation for proposed Amendment No. 04 is 7.47% MB and 4.69% WB. Total participation for the entire project including Phase 1 and Phase 2 work is 31.0% MB and 3.0% WB. The Authority's Small Business Programs Office concurs with this commitment.

Staff requests approval of Amendment No. 04 with Balfour Beatty Construction in the amount of \$3,111,593, and authorization for the President and CEO to execute the amendment.

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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**RALEIGH-DURHAM AIRPORT AUTHORITY
FINANCE COMMITTEE WORK SESSION MINUTES
FEBRUARY 20, 2020**

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

The Committee discussed the following items:

1. Consideration of Amended Task Order with Ernst & Young Infrastructure Advisors, LLC
Item transferred to Consent Agenda due to time constraints.

2. Update on Budget Amendments

Presented by Donna Sylver, Senior Vice President and Chief Financial Officer – Ms. Sylver gave an update on capital budget amendments. She mentioned budget amendments approved by the Board this fiscal year. With one more month in FY19-20, she indicated that further amendments may be necessary as airfield projects are accelerated. Ms. Sylver briefly explained the financial forecast projections and draw down of savings.

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES FEBRUARY 20, 2020

Hannah presided.¹ Present: Kane, Kushner, Morgan, Saidi, Teer, and Wallace. Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and Chief HR Officer Umphrey, Vice Presidents Connell, Feldman, Jewett, and Legan, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.

The Committee discussed the following item:

1. Consideration of Master Services Agreement with Ricondo & Associates, Inc.

Presented by Diane Harris, Business Manager – Staff requests approval of a Master Services Agreement with Ricondo & Associates, Inc. to provide business consulting services for the Authority's consolidated rental car facility (CONRAC) program. A Request for Proposal was issued on July 16, 2019 seeking consultants with demonstrated experience to provide business planning services and recommendations to support the development of the Authority's CONRAC program. Ricondo & Associates, Inc. (Ricondo) and Leigh Fisher Inc. were the two responding firms. Staff reviewed the proposals, and as a result of the interviews, ranked Ricondo & Associates, Inc. first.

While both companies have the experience required and are prominent leaders in the industry, Ricondo has provided consulting services for 30 CONRACs nationwide. Ricondo is a well-regarded consulting firm in the rental car industry and brings extensive experience assisting airports with planning and developing CONRAC facilities. Ricondo was instrumental in assisting the Authority with the negotiations and implementation of the current rental car operating agreement and the development of a plan to reallocate and upgrade the existing rental car customer service and vehicle servicing sites. Ricondo has exhibited a strong and proven record of successful project completion with the Authority, with historical knowledge of the Authority's current rental car facilities and overall concession program. It was involved in the preparation of the 2040 Master Plan that recommended the site for the proposed CONRAC facility.

The proposed agreement term is three years beginning March 1, 2020 and ending February 28, 2023 with two one-year renewal options. The total cost for the initial three year term is \$330,444.

¹ Requested by Chair Kane in the absence of Committee Chair Thompson

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The Minority and Women-Owned Small Business goals for this agreement are 4% for woman-owned business participation and 7% for minority-owned business participation. Ricondo fulfilled this requirement by subcontracting with R.R. Ramsey Research, LLC, Newhouse and Associates, LLC and Demattei Wong to perform the required work.

Staff requests approval of a multi-year Master Services Agreement with Ricondo & Associates, Inc. and authorization for the President and CEO to execute the agreement.

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES MARCH 19, 2020

Chair Kane presided. Present: Hannah, Kushner, Morgan, Saidi, Teer, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and Chief HR Officer Umphrey, Vice Presidents Connell, Feldman, Jewett, and Legan, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

I. APPROVAL OF AGENDA

Motion by Teer to approve the agenda; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Saidi to approve the minutes of the February 20, 2020 regular meeting of the Raleigh-Durham Airport Authority Board, including consent actions and the committee minutes incorporated therein; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Kane welcomed everyone.
2. Chair Kane noted that a public meeting regarding the draft budget was required today and numerous measures had been undertaken due to the coronavirus precautionary efforts.
3. Chair Kane noted the unprecedented challenges faced by the Authority's leadership and staff to continue airport operations in view of severe travel reductions. Everyone was encouraged to follow health precautions such as thorough hand washing and practicing social distancing. Chair Kane mentioned the coronavirus webpage at www.rdu.com.
4. Chair Kane briefly recapped the special board meeting held on March 12, 2020 during which board members reviewed the proposed FY 20-21 budget. He noted that the budget process began in October 2019, before any coronavirus concerns and economic impact were known. He stressed that the budget would allow flexibility to navigate the short-term operational challenges while still being thoughtful about long-term growth. He thanked Michael Landguth, Donna Sylver and the Finance staff for their efforts on this budget during these current circumstances.

IV. OLD BUSINESS

¹ Due to coronavirus precautionary measures and federal and state directives limiting public gatherings, board members attended via WebEx and roll call votes were taken.

² Attendees physically present at the meeting practiced social distancing and abided by federal and state directives limiting public gatherings.

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1. Land and Development Committee Report – Teer reported Board members met during the Land and Development Committee work session on March 19, 2020 and discussed the following items:

- a. Closed Session

[Closed committee work session to consult with an attorney(s) in order to preserve the attorney-client privilege between the attorney(s) and the public body pursuant to NCGS §143-318.11(a)(1) and (3).]

- b. Consideration of Third Amendment with Parsons Transportation Group

Motion by Teer for approval of the Third Amendment to the Agreement with Parsons Transportation Group, Inc. in the maximum amount of \$4,635,050 and authorization for the President and CEO to execute the amendment; Second by Saidi

ADOPTED BY MAJORITY VOTE

- c. Consideration of Selection of On-Call Consultants for Architecture and Building Engineering Services

Motion by Teer for approval of O'Brien Atkins, Gensler, EVOKE Studio Architecture, DWL Architects, and Andre Johnson Architects as the selected architecture and building engineering services on-call consultant firms and authorization for the President and CEO to execute On-Call Master Agreements with each firm, pending successful negotiations by staff of personnel rates to be applied to each future task order; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

- d. Consideration of Selection of Prime Firm for New ARFF/AOC Services

Motion by Teer for approval of the selection of LS3P, Leo A Daly, and Ghafari as prime firm candidates and authorization for staff to negotiate (in the order of ranking) with these prime firms to provide on call services for the ARFF/AOC program and authorization for the President and CEO to execute an On Call Master Agreement with the final selected prime firm; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

- e. Consideration of La Farm Bakery Conceptual Design Drawings

Motion by Teer for approval of the La Farm Bakery & Café conceptual design drawings; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

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2. Operations Committee Report – Kane³ reported Board members met during the Operations Committee work session on March 19, 2020 and discussed the following items:

- a. Consideration of Change Order No. 1 with The Whiting-Turner Contracting Company

Motion by Kane to approve Change Order No. 1 with The Whiting-Turner Contracting Company in the amount of \$303,094, and authorization for the President and CEO to execute the Change Order; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda:

- a. Consideration of Adopt-A-Highway Program Renewal Agreement with NCDOT

Motion by Kushner to approve and adopt the Consent Agenda item; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

2. Public Hearing on Draft Budget for FY20-21:

Chair Kane opened and presided over a public hearing related to the budget as required by NCGS §159-12. He noted that due to the coronavirus precautionary measures, for the public who preferred to avoid physical attendance at the budget public hearing, the public had been offered the opportunity to submit their comments via email and that comments had been received and relayed to all board members from: Liz Adams, William Doucette, Dr. Jean Spooner/The Umstead Coalition, Ron Sutherland, Ph.D./Wildlands Network, and Betsy Beals. Chair Kane opened the public hearing for comments by the public in physical attendance.

Attended and spoke in person:

- Betsy Beals, as an adjoining property owner, expressed concern regarding Authority expenditures and that the budget and contemplated projects were excessive for an airport of this size. *(Mrs. Beals submitted her written comments, which were submitted to the Board members.)*
- Natalie Lew stressed that the area's recreation and forested spaces are a huge draw for people to this area and questioned if the proposed budget was fiscally responsible. Ms. Lew questioned the reasoning for proceeding with a quarry and expressed the need to defer projects in this economic downturn.
- Dr. Jean Spooner questioned the prioritization and funding of airport projects and asked the airport to focus on airport purposes and eliminate projects outside of that primary mission. She discussed the expansion of sustainability and storm water management plans, indicating drainage into William B. Umstead State Park should be better managed. She commented on the recent RTA Task Force report and expressed that the airport's entire master plan should be reevaluated particularly as to use of non-aeronautical land.

³ Chair Kane reported in the absence of Committee Chair Thompson

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Comments submitted via email:

- Liz Adams requested the budget be modified to reflect serious reductions in revenue, staff furloughs, closing and consolidation of gates, deferral of new projects, reduction or suspension of existing projects, and other extreme measures to reduce costs for at least the next 12-18 months. She requested that the lease to Wake Stone be stopped and the property be donated to Umstead State Park, and endorsed the recommendations/comments of the Umstead Coalition.
- William Doucette commented that the budget is out of touch with current economic conditions and that revenue from parking and car rental companies will be drastically reduced as the economy recovers. He spoke against discretionary projects, asked that the Vision 2040 plan be revisited, and cautioned that federal and state funding sources will not be available post-COVID-19.
- Ron Sutherland, Ph.D./Wildlands Network requested a drastic and immediate clamp down on the proposed budget, particularly removing any fencing funding. He asked that the budget not reflect revenue from the proposed quarry, which may not ever be built, and that raising user fees be considered for funding airport operations.
- The Umstead Coalition, submitted by Chair Dr. Spooner, stated that revenues will be down significantly and requested measures be taken to reduce costs for the next 12-18 months, with focus on the airport purposes mission and elimination of projects outside of that mission (specifically naming certain projects). The Coalition requested expansion of the Sustainability Management Plan, evaluation of alternatives for non-aeronautical land use, and that the criteria used for project prioritization undergo public comment/evaluation.

There being no other individuals to give comments, Chair Kane conveyed the Board's appreciation for the public's attendance and comments and he closed the hearing.

3. FY 2020-21 Budget Adoption

Motion by Teer to approve the Operating and Capital Budgets for the Fiscal Year 2020/2021, including the attached Fiscal Year 2020/2021 Budget and Capital Project Ordinances, with direction to the President and CEO to cut \$95 million from the Operating and Capital Budgets, and to delay the approved increases to the rates and charges until July 1, 2020; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL'S REPORT

No items were reported.

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VII. MEMBER COMMENTS

Board members noted that the current circumstances were something never experienced, the situation was fluid and constantly changing, and difficult times were being faced. The leadership team and staff were thanked for stepping up, for communication efforts, and for precautionary practices. Board members noted that everyone was in this together and to stay positive.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Coronavirus

I'll start with the topic that's top of mind for everyone – the airport's response to COVID-19, commonly known as coronavirus. The Authority is taking proactive steps to ensure the health and safety of everyone at the airport. We have increased the scope and frequency of our cleaning practices, and are using cleaning products approved to be effective in eliminating viruses including coronavirus. Hand sanitizer is available on all our shuttle buses and we ordered hand sanitizing stations for the terminals a couple of weeks ago. The terminal stations are expected to arrive any day. We are also making operational adjustments, including modified restaurant and shop hours in the terminals and consolidating parking options. You can find all of the latest information on the airport's response to coronavirus on www.rdu.com.

There has been a great deal of interest around how coronavirus is impacting RDU's passenger volumes. More than 482,000 passengers boarded flights at RDU this February. That is an 8.8% increase over the same month last year. This public health pandemic has caused a sharp decline in global air traffic, and RDU is no exception. Over the past week we've seen a dramatic reduction in the number of people flying through RDU. While we are unable to speculate how long these impacts will last, the airport is financially stable and able to adapt to dynamic business circumstances. The reduction in flights and passengers is also impacting the airport's business partners.

I would like to take a moment to directly thank the more than 5,000 people who have been showing up to work at the airport each day these past few weeks. From ticket sales to ramp agents, our airline partners are keeping people connected. Grateful to have you on Team RDU. Our friends at the Transportation Security Administration are keeping travelers safe, too. All our federal agencies, including CBP and the FAA, should be acknowledged for their work through this challenging situation. RDU's concessions and rental car partners are truly critical to making the airport world-class. Whether you work for our fueling support companies, the USO, volunteer at RDU, or serve in any role at the airport – we are with you in this fight.

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I would like to echo Mr. Kane's remarks. I highly encourage the public to visit www.rdu.com to find out how we are responding to this public health crisis, and what steps the community should be taking. We are all in this together.

Spirit/Allegiant Move

We have decided to postpone the activation of two gates in Terminal 1 by two months. Spirit and Allegiant will now relocate there on June 1. We will keep you posted if that date gets pushed further out.

Washington D.C. Trip

Finally, earlier this month, I went to Washington D.C. to visit with our state congressional delegation to discuss RDU's transportation infrastructure funding needs. Here is what I shared with them.

- RDU has a \$12.6 billion dollar annual economic impact. It generates more than \$450 million in state and local taxes. And it supports more than 86,000 regional jobs.
- The foundation of RDU's Vision 2040 master plan is the replacement of the airport's primary runway, 5L-23R. The runway is near its end-of-life and is undergoing an emergency preservation program to remain open.
- The FAA approved the runway replacement in 2017 when it approved the master plan, yet here we are three years later and the process remains stalled.

I asked our congressional delegation to voice support for the FAA to issue to the Notice of Intent to officially begin the two-year environmental review process. Each member is extremely supportive, understanding the significance of keeping our primary runway operational. I also had a productive conversation with the FAA and am hopeful we'll receive the Notice of Intent this year.

IX. ADJOURNMENT

Motion by Saidi to adjourn; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

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RDU Airport Authority

FY 2020-2021 Budget

RALEIGH-DURHAM AIRPORT AUTHORITY 2020-2021 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 2020-2021 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, 2020 and ending March 31, 2021 in accordance with the following schedule:

EXPENDITURES:

Airport Operating Expenses	\$	96,016,236
Capital Projects Spend		135,097,013
Future CFC Projects		18,060,470
Net Debt Service		47,998,155
Total	\$	297,171,874

Section 2. It is estimated that the following revenues will be available for the fiscal year beginning April 1, 2020 and ending March 31, 2021:

REVENUES:

Airfield	\$	17,223,884	
General Aviation		2,082,884	
Buildings and Grounds		166,936,565	
Total Operating Revenues	\$	186,243,333	
Interest and Other Income		6,666,483	
Grants		19,880,000	
PFC Revenue		30,033,391	
CFC Revenue		18,060,470	
Appropriated Fund Balance		36,288,197	
Total	\$	297,171,874	

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, 2020.

Adopted this 19th day of March 2020

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RDU Airport Authority

FY 2020-2021 Budget

RALEIGH-DURHAM AIRPORT AUTHORITY 2020-2021 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:

\$ 1,598,035,236

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 \$ 1,578,155,236

Total Grant Funds 19,880,000

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

New 20/21 Projects

211170	North Cargo Apron Reconstruction	\$ 30,750,000
211180	T-Hangar Area Pavement Repair Project	3,500,000
331000	T2 Landside Master Plan	2,000,000
311110	Pet Relief Rooms T1 and T2	250,000
331010	T2 Bathrooms Refresh	2,750,000
621020	Parking Improvements Business Plan (Parking Guidance System)	8,200,000
881400	John Brantley Blvd Reconfiguration (in conjunction with CONRAC)	80,346,000
881410	National Guard Drive Improvements / Haleys Branch Road Rehabilitation	3,000,000
881420	Aviation Parkway & National Guard Drive Intersection Improvement	31,200,000
881430	Commerce Blvd & East GA Perimeter	24,519,000
881440	FY20-21 New/Replacement Vehicles & Equipment	6,900,000
441000	Fuel Farm Facility Improvement Plan	9,186,000
211190	Data Center - Storage - Ongoing Enterprise Growth	800,000
889000	Water Valve and Backflow Preventer	500,000
621010	MX Building Parking Lot Rehabilitation (Secure Side)	5,500,000
453000	Enlarge Single Fleet MX Door	200,000
321000	Common Use Implementation of T1 Gates 5 through 9	550,000
		<u>\$ 210,151,000</u>

Amended Projects

080789	CONRAC and New Rental Car Storage Lot	\$ 536,904,000
080799	Expanded Park Economy 3	35,618,000
080879	Runway 5L-23R and Taxiway B Replacement	390,300,000
211160	Taxiway C & D Rehabilitation (Between T/W A and T/W H)	43,569,000
311010	AOIS - RIDS Computer and Hardware Replacement	3,525,000
311020	Terminal 1 Airline Operations Space Buildout	24,000,000
311070	T2 and CEP Siemens BMS System Hardware Upgrade	665,000
881100	International Drive Rehabilitation	10,036,462
881110	Rehab & Energy Improvements for PG 1,2,3 and 4 - Phase 2	13,000,000
881160	Fleet Fuel Management Software and Hardware Replacement	100,000

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RDU Airport Authority

FY 2020-2021 Budget

881180	Consolidated Trash Facility Concrete Dumpster Slabs	300,000
881250	Pavement Rehab for the Bus Route in Economy 4	50,000
881260	Maintenance Facility HVAC Replacement and Upgrade	525,000
881300	Desigo CC Upgrade	285,000
881320	Snow Removal Equipment Storage Facility	7,000,000
881380	AOC 5th Floor Buildout	2,800,000
		<u>\$ 1,068,677,462</u>

Ongoing Projects

010829	Roadway Informational Sign Rehabilitation	\$ 13,200,000
011109	Heritage Displays at Observation Park	1,600,000
011359	Advanced Surveillance Program	3,795,774
070549	Terminal 2 Checkpoint Expansion	9,250,000
080729	Park Economy 3 Lot Rehabilitation	4,800,000
080779	Cemetery Road Rebuild	820,000
080819	John Brantley Boulevard Reconstruction	16,000,000
080869	FIS Facilities Expansion	69,000,000
211110	West RON Apron Rehabilitation	38,000,000
211120	Taxiway B Rehabilitation (North of TW D)	35,000,000
211130	Perimeter Security Improvements (Property Fencing)	4,000,000
211140	Enhanced Security Perimeter Gates (TSA)	3,000,000
311000	AOIS System Replacement - Common Use	1,800,000
311050	T1 4 Gate Expansion	115,450,000
311060	T2 and AOC PCF Room UPS System Replacement	1,046,000
311100	Avtek Radio Over IP Tower	200,000
881150	FAM Modular Buildings	1,200,000
881270	Spill Prevention Control and Countermeasure items	125,000
881280	Water and Sewer Improvements	500,000
881310	Computer Replacement for Jet A and Glycol racks	395,000
881390	Airfield Lighting and GIS Hardware	25,000
		<u>\$ 319,206,774</u>

Project Ordinance Total \$ 1,598,035,236

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.

Adopted this the 19th day of March 2020

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RALEIGH-DURHAM AIRPORT AUTHORITY
ACTIONS BY CONSENT
MARCH 19, 2020

The Board approved the following item on the Consent Agenda:

a) Consideration of Adopt-A-Highway Program Renewal Agreement with NCDOT

Memorandum by Barry Stoker, Director of Contract Facilities Maintenance – Staff requests approval of an Agreement with the North Carolina Department of Transportation (NCDOT) for the continuation of the Authority's participation in the Adopt-A-Highway program. The proposed agreement will be for a period of four years, beginning on May 1st, 2020.

This Agreement will renew the Authority's commitment with NCDOT to provide litter pickups along Aviation Parkway, from Interstate 40 to the Nelson Road Bridge, just south of Interstate 540. Routine litter pickups along this stretch of highway are accomplished through our landscape maintenance contract with BrightView Landscapes. NCDOT provides two signs, located at either end of the Authority's sponsored segment of Aviation Parkway, indicating the Authority's contribution to the Adopt-A-Highway program.

Staff requests approval of a four-year Agreement with the North Carolina Department of Transportation for the continuation of the Authority's participation in the Adopt-A-Highway program and authorization for the President and CEO to execute the Agreement.

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RALEIGH-DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES MARCH 19, 2020

Teer presided. Present: Hannah, Kane, Kushner, Morgan, Saidi, Thompson, and Wallace.¹ President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and Chief HR Officer Umphrey, Vice Presidents Connell, Feldman, Jewett, and Legan, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

Motion by Teer to enter into a closed session to consult with an attorney(s) in order to preserve the attorney-client privilege between the attorney(s) and the public body pursuant to NCGS §143-318.11(a)(1) and (3); Second by Saidi

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Board members, President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and CHRO Umphrey, Vice Presidents Feldman, Jewett, and Legan, General Counsel Locklear and other staff members met in Room 100 of the RDU Center for a closed session from 11:04 a.m. until 11:40 p.m.

The Committee discussed the following items:

1. Consideration of Third Amendment with Parsons Transportation Group

Presented by Ellis Cayton, Vice President of Planning, Sustainability, and Program Support – Staff requests approval of the Third Amendment to the Master Agreement with Parsons Transportation Group, Inc. (Parsons) for Program and Construction Management Services (PM/CM Services). The Parsons' Master Agreement is a 5-year contract which commenced on April 1, 2017. This proposed Third Amendment will provide PM/CM Services for the Authority's Fiscal Year 20/21. Through this Agreement, Parsons' core project management staff works with the Authority's staff, assisting with the management of multiple design and construction projects. Some of the key services provided by Parsons through this Master Agreement are: quality assurance, project and construction management, document and cost control, change order management, design management and reviews, contract management,

¹ Due to coronavirus precautionary measures and federal and state directives limiting public gatherings, board members attended via WebEx.

² Attendees physically present at the meeting practiced social distancing and abided by federal and state directives limiting public gatherings.

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Program Management software implementation and project inspection services.

The maximum compensations that can be requested under this Third Amendment is \$4,332,970 for services and \$302,080 for Reimbursable Expenses for a maximum total of \$4,635,050.

The overall Minority and Women-Owned Small Business (MWSB) goals for the existing Master Agreement are 10.0% for Minority-Owned Businesses (MB) and 5.0% for Women-Owned Businesses (WB). MB and WB participation goals remain unchanged for this Third Amendment and Parsons' committed goals for this Third Amendment are 16.01% MB and 5.83% WB. Accomplishments to-date through the first three years of the Agreement are 12.61% MB and 11.94% WB.

Staff requests approval of the Third Amendment to the Agreement with Parsons Transportation Group, Inc. in the maximum amount of \$4,635,050 and authorization for the President and CEO to execute the amendment.

2. Consideration of Selection of On-Call Consultants for Architecture and Building Engineering Services

Presented by Jaymes Carter, Vice President of Buildings and Building Systems – Staff requests approval of on-call consultants for architecture and building engineering related services. The Authority currently has two firms under on-call Master Agreements for these services. Both firms were selected in 2015, and those initial two five year agreements will expire on March 1, 2020.

To initiate the current selection process, a Business Opportunity Workshop was held on September 10, 2019 that included the Pre-Proposal and Minority and Women-owned Small Businesses (MWSB) Conference. Staff released the full Request for Qualifications (RFQ) on September 11, 2019. Desired services in the RFQ included: Architectural Planning, Programming and Design Services (Interior and Exterior), Structural Engineering, Mechanical, Electrical and Plumbing Engineering, Heating, Ventilation and Air Conditioning Engineering, Fire Protection Engineering, Interior and Exterior Lighting Consulting, Building Management Systems Consulting, Horizontal and Vertical Circulation and Passenger Load Modeling, Horizontal and Vertical Conveyance Systems Consulting, Secured Area Access Control Systems and CCTV Consulting, Passenger Boarding Bridges and Aircraft Systems Consulting, Baggage Handling Consulting, Aircraft Circulation Modeling and Layout Consulting, Energy Evaluations and Improvements Consulting, LEED and Sustainability Consulting, National and Local Code Compliance Consulting, Interior and Exterior Signage and Wayfinding, Audio/Video Design Consulting, IS and TSA Security Modeling and Consulting, Information Technology/Communication Systems/Network Consulting and Cost Estimating.

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Eleven total proposals were received on November 1, 2019 and each of the proposers included numerous subconsultants, several of which are on multiple teams. The selection committee reviewed the proposals in accordance with the selection criteria presented in the RFQ. After individually considering each response, the committee met to discuss the merits of each proposal. Following the initial meeting, further information was requested from some respondents regarding certain details of intentions to meet the Authority's MWSB goals, which are 10% Minority-owned Businesses and 5% Women-owned Businesses. Further, for firms with which staff has limited or no experience, references were contacted to gauge past or current client satisfaction. In a summation meeting, the selection committee considered a final review of the proposals, additional information as requested from the respondents, and reference checks as necessary.

The selection committee unanimously recommends the top ranked firms for On-Call Master Agreements as follows:

Architecture and Building Engineering-related Services

1. O'Brien Atkins
2. Gensler
3. EVOKE Studio Architecture
4. DWL Architects
5. Andre Johnson Architects

Under the proposed on-call Master Agreements, as projects come to fruition during the period of performance, staff will use the agreed upon personnel rates to negotiate task orders for services. Task orders that exceed the signature authority of the President and CEO will be brought for Board consideration.

Staff requests approval of the selected architecture and building engineering services on-call consultant firms and authorization for the President and CEO to execute On-Call Master Agreements with each firm, pending successful negotiations by staff of personnel rates to be applied to each future task order.

3. Consideration of Selection of Prime Firm for New ARFF/AOC Services

Presented by Keisa Hudson, PMP, Senior Project Manager – Staff requests approval of the selection of the top three prime firm candidates and approval to enter into an on-call Master Agreement with the prime firm staff concludes negotiations with for the Aircraft Rescue and Fire Fighting (ARFF)/Airport Operations Center (AOC) Program. This consists of several important projects aimed at replacing the outdated ARFF facility and transforming the AOC and adjacent Emergency Operations Center (EOC) into a single, fully integrated, command center that monitors, controls, manages and responds to all aspects of business operations) at RDU. Various projects identified for integration into the consolidated ARFF/AOC program include: Business Requirements Analysis; Staffing Analysis; Policy and Procedure

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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Development; Facility Requirements Analysis, Site Selection, and Development; and Training and Facility Commissioning.

The Request for Qualifications (RFQ) was issued on September 16, 2019 and the Pre-Proposal and MWSB Conference was conducted on October 2, 2019. Six proposals were received on November 15, 2019 and each proposer included numerous subconsultants, with several of the subconsultants being on multiple teams. A selection committee of nine persons reviewed the written proposals per the selection criteria presented in the RFQ and met to discuss the merits of each proposal. Further information was requested regarding details to meet the Authority's MWSB goals for the proposed services of 10% Minority-owned Businesses and 5% Women-owned Businesses. Further, references for the top three scoring firms were contacted to gauge past or current client satisfaction.

The selection committee unanimously recommends these three prime firms for staff to negotiate and enter into one Master Agreement with the successful prime firm for new ARFF/AOC services, ranked as follows: 1. LS3P; 2. Leo A Daly; and 3. Ghafari. Under the proposed on call Master Agreement, as projects come to fruition during the period of performance, staff will use the agreed-upon personnel rates to negotiate task orders for services. Task orders that exceed the signature authority of the President and CEO, will be brought for Board consideration.

Staff requests approval of the selection of LS3P, Leo A Daly, and Ghafari as prime firm candidates and authorization for staff to negotiate (in the order of ranking) with these prime firms to provide on call services for the ARFF/AOC program and authorization for the President and CEO to execute an On Call Master Agreement with the final selected prime firm.

4. Consideration of La Farm Bakery Conceptual Design Drawings

Presented by Kimberly Stewart, Director of Concessions – The Board approved the Terminal Concession Lease with MERA RD, LLC (MERA) on January 16, 2020, for the operation of La Farm Bakery & Café (La Farm) concept in the Terminal 2. Staff seeks approval for the conceptual design drawings for the development of the La Farm.

The La Farm concept is located in the Marketplace which allows guests an immediate view of the café as they descend from the escalators and stairs from the security checkpoint. With a direct view of the patio area, guests will enjoy an eye-catching bar featuring craft beers on tap and a wide selection of wines. Guests will enjoy the aroma of fresh baked bread from the signature Wenz oven and an array of baked goods. Seating is provided in the patio area and offers guests a panoramic view of the tarmac. The focal point of the storefront will be the recognizable La Farm silo marquee and signature logo. The décor includes an eclectic mix of materials like rough sawn beams, distressed brick, quartz countertop and open trellis at the bar. A feeling reflective of the La Farm brand will be emphasized throughout the space. La Farm

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will feature two point of sale stations, two self-ordering kiosks and digital menu boards for ease of access and convenience.

In light of the continued issues and recent changes in the industry, the Authority and MERA have decided not to move forward with the temporary location. As a result, MERA and its contractor will focus on completing the permanent unit with a proposed opening date in August 2020.

Staff requests approval of the La Farm Bakery & Café conceptual design drawings.

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES MARCH 19, 2020

Kane presided.¹ Present: Hannah, Kushner, Morgan, Saidi, Teer, and Wallace.² Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and Chief HR Officer Umphrey, Vice Presidents Connell, Feldman, Jewett, and Legan, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.³

The Committee discussed the following item:

1. Consideration of Change Order No. 1 with The Whiting-Turner Contracting Company

Presented by Duane Legan, Vice President, Airport Operations – Staff requests approval of Change Order No. 1 with The Whiting-Turner Contracting Company (Whiting Turner). Whiting-Turner is currently providing construction services for the TSA Advanced Surveillance Program (ASP) upgrade project which includes the installation of cameras and the installation of network switch ports and expanded storage hardware necessary to facilitate camera functionality.

During the submittal review of the video storage equipment, it was determined that additional storage was required for the project as well as additional network switch ports. The proposed change order includes the procurement and installation of expanded storage hardware units to commission and operate the cameras to be installed as part of this project. The change order also involves procurement of eight (8) network switches to allow camera operation on the existing system and provide an adequate amount of available switch ports for future projects or initiatives that require network connections.

The contract time will not be extended and the compensation to the Contractor under this proposed change order is \$303,094 which includes costs for the equipment and installation fees. With this change order, the TSA Advanced Surveillance Program (ASP) upgrade project would be increased from \$2,590,000 to \$2,893,094.

¹ In the absence of Committee Chair Thompson

² Due to coronavirus precautionary measures and federal and state directives limiting public gatherings, board members attended via WebEx.

³ Attendees physically present at the meeting practiced social distancing and abided by federal and state directives limiting public gatherings.

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The Contractor's proposed Minority and Women-Owned Small Business participation is 0% Minority-Owned Businesses (MB) and 3.6% Women-Owned Businesses (WB). For this proposed change order for the expanded storage and additional network switch port elements, participation is 0% MB and WB. The Authority's Small Business Program Office has been informed of the proposed participation.

Staff requests approval of Change Order No. 1 with The Whiting-Turner Contracting Company in the amount of \$303,094 and authorization for the President and CEO to execute the Change Order.

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES MARCH 12, 2020

Chair Kane presided. Present: Hannah, Kushner, Morgan, Saidi, and Teer. Staff present included: President and CEO Landguth, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice Presidents Feldman, Jewett, Cayton, Kapocius, and Legan, General Counsel Locklear, Executive Assistant Rivera, and other staff members and other guests.

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

President and CEO Landguth gave an update on the Authority's response measures to the coronavirus. He discussed the rapidly evolving issues, potential impacts, and challenges in the upcoming weeks. Mr. Landguth noted the various groups and resources activated by the Authority including the Policy Group, EOC, and Joint Information Center. Mr. Landguth detailed airline schedule adjustments and expected decreases and the potential impact forecast. He discussed the proposed FY 2020-21 Business Plan and Budget, noting that projects can be accelerated or delayed depending on the extent of impact to revenue. Mr. Landguth summarized the many accomplishments by the Authority during the past year including the addition of airlines and additional nonstop destinations, additional electric buses, new signage, opening ParkEXPRESS, establishing online parking booking, rehabilitation of the runway slabs, and refinancing of bonds. He discussed what is planned for developing the airport to meet the regional growth and demand. Mr. Landguth noted that the proposed budget documents the financial resources required to support the business plan.

Vice President and Controller Kapocius reviewed the Operating and Capital Budgets for FY 2020-21, explaining year-over-year revenue and expense comparisons, rates and charges proposed for implementation effective April 1, 2020, and Capital Budget projects carryover as well as new projects. He reviewed other details contained in the proposed budget as well as the Budget Ordinance and the Capital Project Ordinance. The Board discussed concerns regarding impact to revenue during the anticipated downturn in air travel while the coronavirus is contained. Members discussed a potential interim budget and other scenarios. Board members discussed with staff possible amendments dependent on revenue fluctuations once the extent of impact to RDU operations can be determined. Board members thanked staff for their efforts regarding the budget, knowing that due to the current circumstances it might be subject to future change and expressed that they were comfortable with proceeding as staff recommended.

The draft FY 2020-21 Operating and Capital Budgets, including the Budget and Capital Project Ordinances, will be presented for approval at the upcoming meeting on March 19, 2020.

II. CLOSED SESSION

Motion by Hannah to go into a closed session for the purposes of discussing a personnel matter pursuant to §143-318.11(a)(1) and (6), §160A-168, §153A-98, etc.; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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Based on information presented in the closed session:

Motion by Saidi that the President and CEO receive a 10% market adjustment salary increase, a 6% merit salary increase, and a 15% bonus payment; and that the existing contract with the President and CEO be amended to maintain a 5 year rolling term; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

III. ADJOURNMENT

Motion by Morgan to adjourn; Second by Hannah

ADOPTED BY UNANIMOUS VOTE

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES APRIL 16, 2020

Chair Kane presided. Present: Hannah, Kushner, Morgan, Teer, Thompson and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

I. APPROVAL OF AGENDA

Motion by Teer to approve the agenda; Second by Wallace

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Thompson to approve the minutes of the March 19, 2020 regular meeting of the Raleigh-Durham Airport Authority Board, including consent actions and the committee minutes incorporated therein and of the special meeting of the Board held on March 12, 2020; Second by Teer

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Kane welcomed everyone.
2. Chair Kane thanked staff members working on site and performing essential tasks to keep the airport operational, as well as staff working remotely.
3. Chair Kane congratulated Jane Martin on her retirement, thanking her for her work and dedication. He noted the various positions Jane held, and her accomplishments and contributions during her almost 14 years with the Authority.
4. Chair Kane described the preservation work being performed for Runway 5L/23R, noting that after more than 3 decades of service it is nearing end of useful life due to pavement deterioration. Chair Kane recapped that 117 slabs were replaced in 2019, which required the runway to be closed at night while slabs were removed and concrete poured. With the current downtown in air travel, Runway 5L/23R is temporarily closed, allowing repair work to continue uninterrupted. The Authority continues working with the FAA on the environmental review process for the new runway project.

IV. OLD BUSINESS

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

² The meeting was live streamed at <https://youtu.be/9lNx4GZgIbo>

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1. Operations Committee Report – Thompson reported Board members met during the Operations Committee work session on April 16, 2020 and discussed the following item:

- a. Consideration of Beverage Services and Sponsorship Agreement with Pepsi Bottling Ventures, LLC

Motion by Teer for approval of the Beverage Services and Sponsorship Agreement with Pepsi Bottling Ventures, LLC with authorization for the President and CEO to execute the agreement and associated documents; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

There were no New Business items.

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members thanked the leadership team for staying abreast of ever-changing circumstances and staff for continuing to keep the airport operational. Michael Landguth was especially thanked for leading the RDU team during this difficult time. The Information Services staff was thanked for their efforts in establishing the remote meeting capability and for assisting with connection issues. Board members expressed the desire for staff and their families to stay safe and healthy. Everyone was encouraged to thank military service members and to continue support of the USO.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service Report

March passenger volumes were down nearly 52% when compared to March 2019. Only 535,487 passengers traveled through RDU last month. To date, passenger traffic has settled at approximately 96% below 2019 levels as airlines slashed operations and public health officials discouraged discretionary travel. That level is consistent with passenger counts at airports around the country and reflects the changing industry dynamics in response to the COVID-19 pandemic.

Airlines at RDU adjusted their schedules in March by cancelling flights, often on the day the flight was scheduled to depart. By the end of the month, airlines were cancelling more than 70% of their

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totaled scheduled operations. Airlines began to downsize the number of daily scheduled flights at RDU in April. For example, RDU's flight schedule for April 8 showed 144 total flights – down 66% from a year ago. Airlines have also reduced scheduled flights through the month of June, but their summer schedules and beyond are consistent with, or slightly below, pre-COVID-19 levels. RDU expects the airlines to continue to make day-to-day schedule adjustments as the impact of coronavirus on travel demand becomes better known.

Business Partners

Passenger travel and the associated revenue from airlines is not the only funding stream that suffers when the public is not flying. Nearly all of the airport's revenue sources take a hit when passenger traffic declines including parking, concessions and rental cars.

RDU is cutting costs by consolidating its parking operations, which account for about 40% of the airport's total revenue. Even with many lots closed, the remaining spaces sit nearly empty, with occupancy rates of 1 – 5%.

Our concessionaires' sales are down more than 90% year-over-year and many have reduced their hours or closed their stores. We expect that the few stores and restaurants that remain open will close soon.

Budget

Amid the unprecedented decline in air travel, RDU is implementing cost-saving measures to ensure the airport is financially stable and able to adapt to dynamic business circumstances. The Airport Authority is consolidating operations, pausing construction projects, reducing external contracts and continuing to identify cost savings.

Authority staff have taken immediate steps to halt spending as a temporary measure until we formally seek a budget amendment from the Board in June or July. We have placed approximately half of our budget – \$160 million – on hold. This “survival” budget will allow us to keep the lights on and continue to prepare for recovery as we navigate the new landscape of the air travel industry.

CARES Act Funding

The Coronavirus Aid, Relief, and Economic Security Act – or CARES Act – was recently signed into law to offer relief to airlines, airports and small businesses. The act provides \$61 billion for passenger and cargo carriers and \$10 billion in new funds for all airports that are considered part of the national airport system.

RDU will receive \$49.5 million in CARES Act funds, all of which will be used to help pay for debt service and salaries. Under the CARES program, airports must maintain 90 percent of their

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workforce – after making adjustments for retirements or voluntary separations – through the end of 2020.

The CARES Act also allocates \$349 billion to help small businesses keep their workforce employed amid the pandemic and economic downturn. Our Small Business Program is in regular communication with RDU's business partners to relay the federal resources available.

IX. A D J O U R N M E N T

Motion by Teer to adjourn; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES APRIL 16, 2020

Thompson presided. Present: Kane, Hannah, Kushner, Morgan, Teer, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following item:

1. Consideration of Beverage Services and Sponsorship Agreement with Pepsi Bottling Ventures, LLC

Presented by Ingrid N. Hairston, Director of Business Initiatives and Martin Strobel, Aviation Practice Leader with Enliven Partnership, LLC – A solicitation for a Beverage Marketing Partner was issued on October 10, 2019, with goals to generate new non-aeronautical revenue, improve the traveler's journey, increase beverage sales, and enhance sustainability initiatives. Proposals were received from Pepsi Bottling Ventures (PBV) and Durham Coca-Cola Bottling Company and each presented proposals on February 12 and 13, 2020, respectively, with PBV receiving the highest ranking. PBV's proposal held a significant advantage in total funding to the Authority, which includes an upfront signing bonus and additional bonus payment based on growth. Additionally, Pepsi's proposal offered lower wholesale pricing over the term, higher vending commissions and an exciting customer engagement program.

PBV, based in Raleigh, NC, is the largest private bottler of PepsiCo (NASDAQ: PEP) beverages in the US and has a close alignment with PepsiCo, a minority stakeholder in PBV. PepsiCo products are enjoyed by consumers more than one billion times a day in more than 200 countries and territories around the world. PepsiCo generated more than \$67 billion in net revenue in 2019, driven by a complementary food and beverage portfolio that includes 23 brands that generate more than \$1 billion each in estimated annual retail sales.

The proposed Beverage Services and Sponsorship Agreement contains fixed and volume-based funding that is anticipated to generate between \$8.6 - \$14.3 million in revenue for the Authority during the term. In addition, PBV is committing approximately \$600,000 in mutually agreed to spending that will help to improve the traveler's journey, increase beverage sales and enhance sustainability efforts. The Airport Disadvantaged Business Enterprise Program (ACDBE) goal is 10% of dollars spent on goods and services related to

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

² The meeting was live streamed at <https://youtu.be/9INx4GZglbo>

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Annual Marketing Activation Support and Sustainability Support. The agreement will be for 10 years, ending June 30, 2030.

PBV will receive the semi-exclusive right to sell non-alcoholic and non-brewed beverages (i.e., bottled or canned waters, teas, coffees, sports drinks, juices and carbonated soft drinks) to all participating concessionaires and through vending machines at the airport. The amount of branding/marketing allowed at the airport is decided by the airport management team.

Staff requests approval of the Beverage Services and Sponsorship Agreement with Pepsi Bottling Ventures, LLC with authorization for the President and CEO to execute the agreement and associated documents.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES MAY 1, 2020

Chair Kane presided. Present: Hannah, Kushner, Morgan, Saidi, Teer, Thompson and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

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

Chair Kane welcomed everyone to the special meeting of the board and thanked staff for their efforts in arranging the virtual meeting. He noted that in-person board meetings would resume when governmental orders allow and public health experts advise it is safe to do so.

Chair Kane gave information regarding the Coronavirus Aid, Relief, and Economic Security (CARES) Act passed by Congress to offer financial relief to airports, including:

- RDU will receive \$49.5 million in CARES Act funds, which accounts for about 17% of the Authority's total annual budget, and approximately a third of the "survival budget."
- Under the CARES program, airports must maintain 90 percent of their workforce through the end of 2020, after making adjustments for retirements or voluntary separations.

Chair Kane expressed appreciation for the support of our congressional delegation making this needed funding available.

The Board considered the following matters:

1. Coronavirus Aid, Relief, and Economic Security (CARES) Act Grant

Presented by William C. Sandifer, A.A.E., Senior Vice President & Chief Operating Officer – Staff requests the acceptance of a CARES Act Grant from the Federal Aviation Administration (FAA) in the amount of \$49,591,593. On April 21, 2020 the Authority submitted a grant application to the FAA in the amount of \$49,591,593, with said funds to be used for any lawful purpose as described in the Act. The use of these grant funds does not require any local match.

Staff requests acceptance of the CARES Act grant in the amount of \$49,591,593 and authorization for the President and CEO and General Counsel to execute the grant documents.

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

² The meeting was live streamed at https://youtu.be/muVG2y7Ez_w.

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Motion by Thompson for the acceptance of the CARES Act grant in the amount of \$49,591,593 and authorization for the President and CEO and General Counsel to execute the grant documents; Second by Teer

ADOPTED BY UNANIMOUS VOTE

2. Consideration of a Construction Contract with Fred Smith Company in the amount of \$598,895 for repairs to Runway 5R-23L

Presented by Ronald Jewett, Vice President of Facility Asset Management – Staff requests the approval of a construction contract with the Fred Smith Company, which offered the lowest price in a recent bid opening.

Runway 5R-23L, which consists of asphalt pavement, was fully rehabilitated most recently in 2008 with some repair work being performed in the summer of 2019. The 2019 repairs consisted of milling and paving the centerline for nearly the full length of the runway and also in a section west of centerline between of Taxiways A1 and A5. The work involved in-pavement light can adjustments, as well as grooving and the restoration of pavement markings as necessary. The current proposed repairs will continue the asphalt milling and paving where repairs ended in 2019 on the west side of centerline between Taxiways A5 and A7. The work will also involve touchdown zone light adjustments, pavement grooving, and pavement marking.

The project was advertised on March 9, 2020 and three bids were received on April 9, 2020:

Fred Smith Company	\$598,895
Rifenburg Construction	\$664,380
Kiewit Infrastructure South	\$998,130

The Engineer's cost estimate was \$807,000.

The bid MWSB goals were 5% Minority-owned Businesses and 5% Women-owned Businesses, which the low bidder commits to meet. This commitment is acceptable to the Authority's Small Business Programs Office.

Staff requests approval of a contract with Fred Smith Company in an amount of \$598,895, and authorization for the President and CEO to execute the contract.

Motion by Teer for approval of a contract with Fred Smith Company in an amount of \$598,895, and authorization for the President and CEO to execute the contract; Second by Morgan

ADOPTED BY UNANIMOUS VOTE³

³ Board Member Kushner recused himself due to a potential conflict of interest.

Raleigh-Durham Airport Authority Board Members

John M. Kane, Vice Chairman
Wake County

Patrick Hannah, Esq., Secretary
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City of Durham

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3. Consideration of Short-Term Authorization for Modification Signature by the President and CEO

Presented by Erin Locklear, General Counsel – The ongoing COVID-19 crisis has impacted the Raleigh-Durham Airport Authority and Raleigh Durham International Airport in an unprecedented manner. These impacts are felt to differing degrees by all entities operating at RDU, including restaurants, retail locations, rental car companies, etc. Many of these tenants have requested relief from some obligations under their existing agreements with the Authority. Authority staff are working through those requests considering the realities of the pandemic's impacts.

In analyzing each tenant's request, Authority staff are considering the business situation of the tenant, the changed circumstances created by the public health emergency, and the desirability of having solvent tenants that can resume normal operations when the emergency ends. Additionally, Authority staff are adhering to guidance from the FAA, which includes the following considerations:

- The underlying basis for the rents/fees in the original agreement has been materially altered;
- The modifications are reasonable under the circumstances and reflect the changes to passenger traffic volume; and
- The modifications consider other governmental or insurance relief that may be available to the tenant.

Given the nature of this crisis and the large number and varying types of tenant agreements that would need to be modified to incorporate any tenant relief, it is not feasible for staff to bring each modification to the Board for approval. In light of these unique, emergent circumstances, staff requests authorization for the President and CEO to execute modifications of the Authority's agreements with tenants operating at RDU. The requested authorization would end after a 6-month period. The President and CEO will regularly update the Board regarding relief measures.

Staff requests authorization for the next 6 months for the President and CEO to execute agreement modifications for tenants operating at RDU.

Motion by Thompson for approval of authorization for the next 6 months for the President and CEO to execute agreement modifications for tenants operating at RDU; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

Chair Kane thanked management and staff for their continued efforts and Board members for making the time in their schedules to join this meeting.

Motion by Hannah to adjourn; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES MAY 21, 2020

Chair Kane presided. Present: Hannah, Kushner, Morgan, Saidi, Teer, Thompson and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, 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 that the live stream was operating for public viewing.

I. APPROVAL OF AGENDA

Chair Kane requested that a closed board session be added at the end of the agenda 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)(1) and (3).

Motion by Hannah to approve the amended agenda; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Saidi to approve the minutes of the April 16, 2020 regular meeting of the Raleigh-Durham Airport Authority Board, including consent actions and the committee minutes incorporated therein and of the special meeting of the Board held on May 1, 2020; Second by Hannah

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Kane welcomed everyone.
2. Chair Kane thanked staff members for arranging another virtual meeting, acknowledging the behind-the-scenes work needed to accomplish this process.
3. Chair Kane talked about "Operation Clean Sweep" involving staff performing tasks previously done by contractors. He noted the nearly 180 prioritized tasks, including grounds keeping, mechanical systems upkeep, maintenance, data entry, and painting. Operation Clean Sweep is expected to continue throughout the year. Chair Kane expressed appreciation to the Authority employees for their dedication and commitment to keep RDU running efficiently.

IV. OLD BUSINESS

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

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

Raleigh-Durham Airport Authority Board Members

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Durham County

Robert D. Teer, Jr., Treasurer
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Dickie Thompson
City of Raleigh

David Morgan
Durham County

Sepideh Saidi, PE, Secretary
City of Raleigh

David Kushner
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1. Land and Development Committee Report – Teer reported Board members met during the Land and Development Committee work session on May 21, 2020 and discussed the following item:
 - a. Consideration of Amendment 2 to Task Order 19 with W.K. Dickson & Co., Inc.

Motion by Teer for approval of Amendment 2 to Task Order 19 with W.K. Dickson & Co., Inc. in the amount of \$30,178 and authorization for the President and CEO to execute this amendment; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

2. Finance Report – Teer reported Board members met during the Finance Committee work session on May 21, 2020 and discussed the following item:

Committee Chair Teer referred to the bond refunding results presentation by Senior Vice President and CFO, Donna Sylver, and he thanked all participants contributing to this successful airport revenue bond refunding. Highlights of that refunding include:

- Total 2020 Bond Refunding Gross Savings was \$88.3M (over next 17 years)
- NPV savings at \$62.7M (or 23% of refunded Bonds, well over savings of 10% historically regarded as very successful)
- Annual savings range from \$4.5M to \$7.2M
- All-in TIC for 2020AB Bonds declined substantially; from 4.83% to 1.96%
- Additionally, 2020AB Refunding Par of \$210.6M, compared to refunded bonds of \$273.4M, reduced outstanding debt by \$62.8M (less to borrow)
- RDU maintains very strong credit ratings of Aa3 from Moody's and AA- from Fitch
- RDU is one of only 2 medium hubs rated in the "AA" category by Moody's and the only such medium hub airport rated by Fitch
- RDU terminated separate investment agreements with Bank of America and Wells Fargo
- Both Forward Delivery Agreements were terminated at a profit to the Authority of over \$8.2 million
- The Underwriters (Siebert Williams Shank) generated \$651.6 million in priority and retail orders from 56 institutional investors (3.1x oversubscription)
- 37 of these investors did not previously report holding RDU's bonds
- SWS lowered yields by 1 to 10 bps

For informative purposes only. No Board action required.

- a. Consideration of Debt Issuance and Management Policy

Motion by Teer for approval of the Debt Issuance and Management Policy; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

Raleigh - Durham Airport Authority Board Members

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Wake County

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V. NEW BUSINESS

There were no New Business items.

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members commended Donna Sylver and staff, bond counsel, underwriters and financial advisors on successful bond refunding, and on the Debt Issuance and Management Policy. Staff was thanked for their continued efforts and work on behalf of RDU and in Operation Clean Sweep and reminded to stay vigilant regarding health and safety. Appreciation for the senior leadership was expressed for their efforts during these difficult times. Everyone was wished a happy Memorial Day and encouraged to remember military service members and to continue support of the USO.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service Report

Passenger traffic continues to hover around 96% below the same time period last year amid the COVID-19 pandemic. Just 40,000 passengers flew through RDU during the month of April. That was a 96.5% decrease over April 2019 and is consistent with what other commercial airports across the country are experiencing.

RDU's airline partners continue to make week-to-week adjustments to their near-term schedules, with May capacity now down 83%. The airlines are expected to continue making reductions. The breakdown in the airlines' market share was notably different from what we're used to seeing, with Delta traditionally being our largest carrier. In April, American had 34% of the market with Delta at 25% and Southwest at 24%.

Terminal 1 Delay

Because of the decrease in passenger traffic, we are postponing the move of Allegiant and Spirit airlines from Terminal 2 to Terminal 1. Initially scheduled for April, we will reevaluate their move in September.

Operational Changes

While the public has stayed home to comply with the state's stay at home order, Team RDU has been hard at work developing a comprehensive plan to adapt the airport to comply with public health

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guidance to prevent the spread of the virus. Passengers will begin to see changes in the terminals soon as we put measures in place to protect their health and safety.

New physical and digital signage will remind guests to maintain six feet of distance from others and wear a face covering. Sneeze guards are being installed in common areas including ticket counters, queuing areas and information desks. We will place floor stickers in baggage claim and seat covers in the gate hold rooms that promote appropriate distancing.

We are also conducting a capacity analysis in the terminals to determine what space constraints we'll see when traffic picks up as a result of six-foot distancing in areas like the security checkpoints. Some of the changes are visible now, with the rest expected to be in place by the end of June.

Many of our airline partners are adopting new guidelines as well, including recommendations or requirements that passengers wear face coverings. Passengers should check with their airline before they travel to make sure they're aware of any new requirements.

Parking Garage Improvements

There is some good news to share today about the paint removal project in the parking garage. The final section that was closed while workers removed ceiling paint reopened this week. The number of available spaces in the parking garage had been reduced by an average of 1,150 a week while crews worked to remove and repair paint on levels two through six. The work began just after Labor Day last year and paused for the holiday season. The final punch list items are being finished now and a final walk through will be done on May 27th.

IX. CLOSED SESSION

Motion by Teer to enter into a closed session to consult with an attorney(s) in order to preserve the attorney-client privilege between the attorney(s) and the public body pursuant to NCGS §143-318.11(a)(1) and (3); Second by Saidi

ADOPTED BY UNANIMOUS VOTE

X. ADJOURNMENT

Motion by Hannah to adjourn; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES MAY 21, 2020

Teer presided. Present: Kane, Hannah, Kushner, Morgan, Saidi, Thompson, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following item:

1. Consideration of Amendment 2 to Task Order 19 with W.K. Dickson & Co., Inc.

Presented by Jim Novak, Director of Facilities Engineering, Facilities Asset Management – Staff requests approval of the award of Amendment 2 to Task Order 19 under the Master On-Call Agreement with W.K. Dickson & Co. Inc. (Consultant) for work related to the Runway 5R-23L repairs project.

The project includes milling and overlaying a portion of Runway 5R-23L, touchdown zone light adjustments, grooving, and pavement markings. Task Order 19 for Schematic Design was executed with Consultant on April 3, 2019. Amendment 1 for Design and Construction Administration (CA) Phase 1 was executed on July 7, 2019 in association with the initial phase of repairs that were completed in December 2019. This proposed project is a continuation of repairs needed for Runway 5R-23L, the construction of which was awarded on May 1, 2020. Total compensation under Amendment 2 to Task Order 19 is a not-to-exceed amount of \$30,178. New total amount for Task Order 19, including Amendment 2, will be \$155,141.

The scope of work for CA services includes attending a pre-construction meeting, reviewing shop drawings and submittals for compliance with the contract documents, reviewing and responding to requests for information, reviewing potential change orders, reviewing contractor submitted applications for payment, performing periodic site visits to inspect the work for compliance with the contract documents, attending project progress meetings with the Authority and General Contractor, issuing field reports to document the progress of the work and note any defects or deficiencies, conducting inspections associated with substantial completion and final completion, prepare record drawings, issuing Certificate(s) of Substantial Completion, accumulating project closeout records and project closeout.

The overall Minority and Women Owned Small Business (MWSB) goals for the existing Master Agreement are 10% for Minority Owned Businesses and (MB) and 5% for Women Owned Businesses (WB). Total MB and WB commitments for Amendment 2 to Task Order

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

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

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R A L E I G H - D U R H A M A I R P O R T A U T H O R I T Y

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19 are 0.0% for MB and 9.3% for WB. The Authority's Small Business Programs Office concurs with this commitment since the overall Task Order commitments will be 13.5% MB and 5.2% WB.

Staff requests approval of Amendment 2 to Task Order 19 with W.K. Dickson & Co., Inc. in the amount of \$30,178 and authorization for the President and CEO to execute this amendment.

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES MAY 21, 2020

Teer presided. Present: Kane, Hannah, Kushner, Morgan, Saidi, Thompson, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following items:

1. Refunding Results of Airport Revenue Refunding Bonds, Series 2010A, 2010B and 2010B-1, and Consideration of Debt Issuance and Management Policy

Presented by Donna Sylver, Senior Vice President and Chief Financial Officer – Ms. Sylver thanked the Board for its involvement and recognized participants that worked on the complex bond refunding. She noted highlights from the successful refunding including:

- Total 2020 Bond Refunding Gross Savings was \$88.3M (over next 17 years)
- NPV savings at \$62.7M (or 23% of refunded Bonds, well over savings of 10% historically regarded as very successful)
- Annual savings range from \$4.5M to \$7.2M
- All-in TIC for 2020AB Bonds declined substantially; from 4.83% to 1.96%
- Additionally, 2020AB Refunding Par of \$210.6M, compared to refunded bonds of \$273.4M, reduced outstanding debt by \$62.8M (less to borrow)

Bond counsel, Tom Lee of Womble Bond Dickson, briefly gave the ancestry on the bonds, detailed the Official Statement, and noted modernized provisions added to the Amended and Restated Master Trust Indenture.

Financial advisors, Ken Cushine and Juan Pittman of Frasca & Associates went over the timely bond refunding schedule. They discussed RDU's very strong credit ratings of Aa3 from Moody's and AA- from Fitch and that it is one of only 2 medium hubs rated in the "AA" category by Moody's and the only such medium hub airport rated by Fitch. The terminated separate investment agreements with Bank of America and Wells Fargo were noted, and both Forward Delivery Agreements were terminated at a profit to the Authority of over \$8.2 million.

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

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

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For the underwriters, Sewon Kim and Suzanne Shank of Siebert Williams Shank discussed in-house marking tools utilized, which generated \$651.6 million in priority and retail orders from 56 institutional investors (3.1x oversubscription), noting 37 of these investors did not previously report holding RDU's bonds. Siebert Williams Shank lowered yields by 1 to 10 bps.

The refunding results presentation was for informative purposes only.

As this Bond refunding process was undertaken, with assistance from the Authority's financial advisor and bond counsel, staff elected to draft a proposed Debt Issuance and Management Policy and Procedure. Staff requests consideration of this proposed policy, which references the North Carolina General Statutes, as well as the Amended and Restated Master Trust Indenture as of March 2020, and related Supplements. This proposed document would provide guidelines for the Authority when making future financing decisions.

Staff requests approval of the Debt Issuance and Management Policy.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES JUNE 18, 2020

Chair Kane presided. Present: Hannah, Kushner, Morgan, Saidi, and Teer.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, 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 that the live stream was operating for public viewing.

I. APPROVAL OF AGENDA

Motion by Teer to approve the agenda; Second by Hannah

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Saidi to approve the minutes of the May 21, 2020 regular meeting of the Raleigh-Durham Airport Authority Board, including the committee minutes incorporated therein; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Kane welcomed everyone.
2. Chair Kane thanked staff members for arranging another virtual meeting, acknowledging the behind-the-scenes work needed to accomplish this process.
3. Chair Kane announced that Ingrid Hairston, Director of Business Initiatives for Concessions, had retired from the Authority with nearly 30 years of services. David Freedman spoke about Ms. Hairston's significant contributions to the Authority and to its concessions program, and the leadership roles she'd held. Ms. Hairston was wished the best in her retirement and future endeavors.
4. Chair Kane recognized John Connell for obtaining his AAE certification and briefly discussed the rigorous process to obtain this designation.
5. Chair Kane thanked employees for their continued efforts in Operation Clean Sweep, which includes nearly 180 prioritized tasks. Over 1,462 labor hours have been spent on these activities since late April, including grounds keeping, warehouse work, data collection and entry, painting, and upkeep on mechanical systems around the airport campus.

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

² The meeting was live streamed at <https://youtu.be/5yg4PHhloAQ>.

Raleigh-Durham Airport Authority Board Members

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6. Delta's 50th anniversary was celebrated at RDU on June 15, 2020. Delta's first flight from the Triangle was a "Super DC-9" and since then RDU has become one of Delta's largest non-hub airports.
7. Chair Kane announced that some store and dining options are reopening and he gave the expected opening dates, noting two restaurants opened in Terminal 2 today.

IV. OLD BUSINESS

1. Operations Committee Report – Chair Kane³ reported Board members met during the Operations Committee work session on June 18, 2020 and discussed the following items:

- a. Closed Session

[Closed committee work 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)(1) and (3).]

For informative purposes only. No Board action required.

- b. Presentation Regarding The Airport Experience in the COVID-19+ World

Presentation in committee work session.

For informative purposes only. No Board action required.

2. Finance Report – Teer reported Board members met during the Finance Committee work session on June 18, 2020 and discussed the following item:

- a. Consideration of Amendment #1 to FY 20/21 Budget and Capital Project Ordinances

Motion by Teer for approval of the attached 2020-2021 Budget Ordinance Amendment #1 and 2020-2021 Capital Project Ordinance Amendment #1; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda:

- a. Consideration of Multi-Year Agreement with Cisco Systems for DNA Spaces

Motion by Morgan to approve and adopt the Consent Agenda item; Second by Teer

ADOPTED BY UNANIMOUS VOTE⁴

³ Chair Kane reported in the absence of Committee Chair Thompson.

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

Raleigh - Durham Airport Authority Board Members

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VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members congratulated Ingrid Hairston on her career and accomplishments at RDU and wished her well in retirement. John Connell was congratulated for obtaining his AAE certification; Staff was thanked for the work they are performing under Operation Clean Sweep, for keeping the airport operational, and for the health and safety measures put into place at the airport. Continued support of the USO was encouraged.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service Report

Passenger traffic showed increases in May during what would traditionally be the kickoff to a busy summer travel season. Nearly 98,000 passengers traveled through RDU last month. That is down 92.5% from May 2019 but up 145% from April 2020. We averaged 47 daily departures, down 80% from May 2019 and down 13% from April 2020. However, the percentage of seats filled per flight increased from 12% in April to 37% in May.

TSA reported exactly 26,000 screened passengers at RDU for the week ending Sunday, up 29% from the previous week – a more pronounced rate of growth compared to the previous weeks. As a result of this new level of growth, the current calendar year forecast now calls for 5 million total passengers in 2020. RDU's current July schedule shows a 68% year-over-year reduction in capacity, though the last week saw an increase in capacity due to better than expected demand. RDU's passenger levels are consistent with airports in similar markets, where passenger traffic is also growing incrementally.

Business Plan

The effects of the COVID-19 pandemic forced RDU to make difficult business decisions. We captured those decisions in a revised 2020-2021 Business Plan that includes the Authority's actions to protect the health and safety of everyone who visits the airport, ensure financial solvency and recover from this catastrophic event.

Our revised Business Plan represents how we aim to safely and responsibly recover and restore RDU's economic vitality. The Authority emphasized three strategic focus areas – Customer Experience, Fiscal Responsibility and Operational Excellence – to develop and prioritize the major projects it will undertake.

Raleigh - Durham Airport Authority Board Members

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You will see that we are deferring many projects, which allows us to sharpen our focus on accelerating the airport's recovery efforts. In some instances, we have added new tactics specifically designed to address COVID-19 impacts.

I want to thank everyone who was involved in the development and execution of this Business Plan, and all members of Team RDU for continuing to rise to the challenges we are facing.

Fly Confident, Fly RDU

If you've been in the terminals lately, you've seen a lot of new practices RDU has put in place to protect the health and safety of everyone in the airport. We recently launched a new web page to create awareness about the new measures. It's called Fly Confident. Fly RDU. and you can access it by visiting our home page at www.rdu.com. The page explains new actions the airport is taking; provides traveler and airline information; describes our coordination with public health partners and explains what to expect when you visit RDU. It gives details about our new cleaning and disinfecting procedures; guidance from public health agencies; information about concessions, parking and ground transportation and lists airline phone numbers that guests can call to learn about any new health and safety requirements before coming to the airport. I encourage everyone to visit www.rdu.com and click on Fly Confident. Fly RDU. for continuously updated information about our commitment to passenger health and safety.

IX. ADJOURNMENT

Motion by Teer to adjourn; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY 2020-2021 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 2020-2021 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, 2020 and ending March 31, 2021 in accordance with the following schedule:

EXPENDITURES:

	Original ¹	Change 6/18/2020	Amended
Airport Operating Expenses	\$ 96,016,236	\$ (16,192,874)	\$ 79,823,362
Capital Projects Spend	135,097,013	(96,084,686)	39,012,327
Future CFC Projects	18,060,470	(11,182,790)	6,877,680
Net Debt Service	47,998,155	(8,999,992)	38,998,163
Total	\$ 297,171,874	\$ (132,460,342)	\$ 164,711,532

Section 2. It is estimated that the following revenues will be available for the fiscal year beginning April 1, 2020 and ending March 31, 2021:

REVENUES:

	Original ¹	Change 6/18/2020	Amended
Airfield	\$ 17,223,884	\$ (8,058,167)	\$ 9,165,717
General Aviation	2,082,884	-	2,082,884
Buildings and Grounds	166,936,565	(112,793,626)	54,142,939
Total Operating Revenues	\$ 186,243,333	\$ (120,851,793)	\$ 65,391,540
Interest and Other Income	6,666,483	(5,851,908)	814,575
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PFC Revenue	30,033,391	(18,596,255)	11,437,136
CFC Revenue	18,060,470	(11,182,790)	6,877,680
Appropriated Fund Balance	36,288,197	(25,569,189)	10,719,008
Total	\$ 297,171,874	\$ (132,460,342)	\$ 164,711,532

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, 2020, and amended this 18th day of June 2020.

Notes:

¹ Original- budget ordinance adopted March 19, 2020

Raleigh-Durham Airport Authority Board Members

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RALEIGH-DURHAM AIRPORT AUTHORITY 2020-2021 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:

\$ 1,600,485,872

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 \$ 1,531,014,279

Total Grant Funds \$ 69,471,593

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

New 20/21 Projects		Original ¹	Change 06/18/2020	Amended
211170	North Cargo Apron Reconstruction	30,750,000		30,750,000
211180	T-Hangar Area Pavement Repair Project	3,500,000		3,500,000
331000	T2 Landside Master Plan	2,000,000		2,000,000
311110	Pet Relief Rooms T1 and T2	250,000		250,000
331010	T2 Bathrooms Refresh	2,750,000		2,750,000
621020	Parking Improvements Business Plan (Parking Guidance System)	8,200,000		8,200,000
881400	John Brantley Blvd Reconfiguration (in conjunction with CONRAC)	80,346,000		80,346,000
881410	National Guard Drive Improvements / Hales Branch Road Rehab	3,000,000		3,000,000
881420	Aviation Parkway & National Guard Drive Intersection Improvement	31,200,000		31,200,000
881430	Commerce Blvd & East GA Perimeter	24,519,000		24,519,000
881440	FY20-21 New/Replacement Vehicles & Equipment	6,900,000		6,900,000
441000	Fuel Farm Facility Improvement Plan	9,186,000		9,186,000
211190	Data Center - Storage - Ongoing Enterprise Growth	800,000		800,000
889000	Water Valve and Backflow Preventer	500,000		500,000
621010	MX Building Parking Lot Rehabilitation (Secure Side)	5,500,000		5,500,000
453000	Enlarge Single Fleet MX Door	200,000		200,000
321000	Common Use Implementation of T1 Gates 5 through 9	550,000		550,000
211190	Taxiway A1 Rehabilitation - Design and Construction		1,100,000	1,100,000
211200	Taxiway E Rehabilitation - Design		500,000	500,000
211210	Taxiways C and J Rehabilitation - Design		350,000	350,000
331020	SITA Flex System		500,000	500,000
		\$ 210,151,000	\$ 2,450,000	\$ 212,601,000

Amended Projects		Original ¹	Change 06/18/2020	Amended
080789	CONRAC and New Rental Car Storage Lot	536,904,000		536,904,000
080799	Expanded Park Economy 3	35,618,000		35,618,000
080879	Runway 5L-23R and Taxiway B Replacement	390,300,000		390,300,000
211160	Taxiway C & D Rehabilitation (Between T/W A and T/W H)	43,569,000		43,569,000
311010	AOIS - RIDS Computer and Hardware Replacement	3,525,000		3,525,000
311020	Terminal 1 Airline Operations Space Buildout	24,000,000		24,000,000
311070	T2 and CEP Siemens BMS System Hardware Upgrade	665,000		665,000
881100	International Drive Rehabilitation	10,036,462		10,036,462
881110	Rehab & Energy Improvements for PG 1,2,3 and 4 - Phase 2	13,000,000		13,000,000
881160	Fleet Fuel Management Software and Hardware Replacement	100,000		100,000
881180	Consolidated Trash Facility Concrete Dumpster Slabs	300,000		300,000
881250	Pavement Rehab for the Bus Route in Economy 4	50,000		50,000
881260	Maintenance Facility HVAC Replacement and Upgrade	525,000		525,000
881300	Desigo CC Upgrade	285,000		285,000
881320	Snow Removal Equipment Storage Facility	7,000,000		7,000,000

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881380 AOC 5th Floor Buildout

	2,800,000		2,800,000
\$	1,068,677,462	\$	- \$ 1,068,677,462

Ongoing Projects

	Original ¹	Change 06/18/2020	Amended
010829 Roadway Informational Sign Rehabilitation	\$ 13,200,000		13,200,000
011109 Heritage Displays at Observation Park	\$ 1,600,000		1,600,000
011359 Advanced Surveillance Program	\$ 3,795,774		3,795,774
070549 Terminal 2 Checkpoint Expansion	\$ 9,250,000		9,250,000
080729 Park Economy 3 Lot Rehabilitation	\$ 4,800,000		4,800,000
080779 Cemetery Road Rebuild	\$ 820,000		820,000
080819 John Brantley Boulevard Reconstruction	\$ 16,000,000		16,000,000
080869 FIS Facilities Expansion	\$ 69,000,000		69,000,000
211110 West RON Apron Rehabilitation	\$ 38,000,000		38,000,000
211120 Taxiway B Rehabilitation (North of TW D)	\$ 35,000,000		35,000,000
211130 Perimeter Security Improvements (Property Fencing)	\$ 4,000,000		4,000,000
211140 Enhanced Security Perimeter Gates (TSA)	\$ 3,000,000		3,000,000
311000 AOIS System Replacement - Common Use	\$ 1,800,000		1,800,000
311050 T1 4 Gate Expansion	\$ 115,450,000		115,450,000
311060 T2 and AOC PCF Room UPS System Replacement	\$ 1,046,000		1,046,000
311100 Avtek Radio Over IP Tower	\$ 200,000		200,000
881150 FAM Modular Buildings	\$ 1,200,000		1,200,000
881270 Spill Prevention Control and Countermeasure items	\$ 125,000		125,000
881280 Water and Sewer Improvements	\$ 500,000		500,000
881310 Computer Replacement for Jet A and Glycol racks	\$ 395,000		395,000
881390 Airfield Lighting and GIS Hardware	\$ 25,000	\$ 636	25,636
	\$ 319,206,774	\$ 636	\$ 319,207,410
	\$ 1,598,035,236	\$ 2,450,636	\$ 1,600,485,872

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 18th day of June 2020

Notes:

¹ Original- budget ordinance adopted March 19th, 2020

Raleigh - Durham Airport Authority Board Members

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**RALEIGH-DURHAM AIRPORT AUTHORITY
ACTIONS BY CONSENT
JUNE 18, 2020**

The Board approved the following item on the Consent Agenda:

a) Consideration of Multi-Year Agreement with Cisco Systems for DNA Spaces

Memorandum by David Kruse, Vice President of IT Infrastructure – Free public wireless is an expectation of the modern traveler. DNA Spaces is a cloud-based service provided by Cisco Systems. Using Cisco's DNA Spaces, staff built a flexible and robust customer-facing portal and reporting system for our public wireless customers. DNA Spaces also benefits the Authority's marketing team in that it provides a method to interact with customers and utilize provided email addresses for direct communication and marketing.

The Authority has been using DNA Spaces since the Public Wi-Fi went live in October 2019. Though other options were considered, the integration with RDU's existing Cisco infrastructure and extensive implementation effort makes considering other options untenable. Staff proposes a 3-year subscription service with Cisco to continue utilizing this needed service.

Provider	Annual Cost	3 Year Cost
Cisco	\$15,840.00	\$47,520.00

Staff requests the approval of a 3-year DNA Spaces subscription with Cisco Systems at a total cost of \$47,520 and authorization for the President and CEO to execute any necessary documents associated with these services.

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES JUNE 18, 2020

Thompson presided. Present: Kane, Hannah, Kushner, Morgan, Teer, and Saidi.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

Motion by Thompson to enter into a closed session to consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to NCGS §143-318.11(a)(1) and (3); Second by Morgan

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Board members, President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, David Bannard, Esq., and other staff were in the closed session from 11:10 a.m. until 12:10 p.m.

The Committee discussed the following items:

1. Presentation regarding The Airport Experience in the COVID-19+ World

Presented by William C. Sandifer, Senior Vice President and Chief Operating Officer – Mr. Sandifer detailed initiatives being put into place for the health and safety of employees, passengers, and visitors to the airport. This includes the installation of sneeze guards, and various types of signage in locations throughout the airport, reminding of social distancing, circulation paths, and other precautionary measures. He discussed sanitizer stations deployed in the terminals and on campus, and face coverings. Mr. Sandifer detailed terminal capacity analysis and how social distancing requirements may impact passenger lines at various points throughout the terminals and TSA checkpoints. Mr. Sandifer briefly described airline initiatives by the various carriers.

Mr. Sandifer discussed the RDU five-year total traffic forecast and how traffic levels are anticipated to develop during the recovery period. He referenced the Vision 2040 Plan and that the current focus would be on aging infrastructure and airport maintenance, as the pressure

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

² The meeting was live streamed at <https://youtu.be/5yg4PHhloAQ>.

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R A L E I G H - D U R H A M A I R P O R T A U T H O R I T Y

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has been lessened to accommodate growth at this current time. He noted that the Authority would be identifying “shovel ready” airfield projects to position RDU for potential federal stimulus project funding. Mr. Sandifer discussed FAA entitlement funding for 2021 where design projects can be undertaken in advance of funding, and the Capital Project Adjustment required for these projects.

For informative purposes. No Board action required at this time.³

³ Board action request regarding amendments to Budget Ordinance and Capital Project Ordinance discussed in Finance Committee Work Session

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES JUNE 18, 2020

Teer presided. Present: Kane, Hannah, Kushner, Morgan, and Saidi.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following items:

1. Consideration of Amendment #1 to FY 20/21 Budget and Capital Project Ordinances

Presented by Ron Kapocius, Vice President and Controller, Finance – Due to the COVID-19 pandemic, staff reassessed the Operating and Capital Budgets for the Fiscal Year ending March 31, 2021. Staff requests consideration of the attached proposed Budget Ordinance Amendment #1 and Capital Project Ordinance Amendment #1.

Mr. Kapocius detailed the Operating Cash Flow Assessment and the Cash Flow Forecast. He discussed the Passenger Traffic Forecast Model Updates, the Five-Year Total Traffic Forecast for RDU and the Trended Enplanements. The Amended Operating Revenue, Operating Expense, Capital Expenditures, and Cash Flow Changes were detailed. Mr. Kapocius discussed the Key Performance Indicators.

Staff requests approval of the attached 2020-2021 Budget Ordinance Amendment #1 and 2020-2021 Capital Project Ordinance Amendment #1.

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² The meeting was live streamed at <https://youtu.be/5yg4PHhloAQ>.

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RALEIGH-DURHAM AIRPORT AUTHORITY 2020-2021 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 2020-2021 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, 2020 and ending March 31, 2021 in accordance with the following schedule:

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	Original ¹	Change 6/18/2020	Amended
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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.

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Notes:

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**RALEIGH-DURHAM AIRPORT AUTHORITY
2020-2021 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:

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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:

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881420 Aviation Parkway & National Guard Drive Intersection Improvement	31,200,000		31,200,000
881430 Commerce Blvd & East GA Perimeter	24,519,000		24,519,000
881440 FY20-21 New/Replacement Vehicles & Equipment	6,900,000		6,900,000
441000 Fuel Farm Facility Improvement Plan	9,186,000		9,186,000
211190 Data Center - Storage - Ongoing Enterprise Growth	800,000		800,000
889000 Water Valve and Backflow Preventer	500,000		500,000
621010 MX Building Parking Lot Rehabilitation (Secure Side)	5,500,000		5,500,000
453000 Enlarge Single Fleet MX Door	200,000		200,000
321000 Common Use Implementation of T1 Gates 5 through 9	550,000		550,000
211190 Taxiway A1 Rehabilitation - Design and Construction		1,100,000	1,100,000
211200 Taxiway E Rehabilitation - Design		500,000	500,000
211210 Taxiways C and J Rehabilitation - Design		350,000	350,000
331020 SITA Flex System		500,000	500,000
	\$ 210,151,000	\$ 2,450,000	\$ 212,601,000

Amended Projects		Change	
	Original ¹	06/18/2020	Amended
080789 CONRAC and New Rental Car Storage Lot	536,904,000		536,904,000
080799 Expanded Park Economy 3	35,618,000		35,618,000
080879 Runway 5L-23R and Taxiway B Replacement	390,300,000		390,300,000
211160 Taxiway C & D Rehabilitation (Between T/W A and T/W H)	43,569,000		43,569,000
311010 AOIS - RIDS Computer and Hardware Replacement	3,525,000		3,525,000
311020 Terminal 1 Airline Operations Space Buildout	24,000,000		24,000,000
311070 T2 and CEP Siemens BMS System Hardware Upgrade	665,000		665,000
881100 International Drive Rehabilitation	10,036,462		10,036,462
881110 Rehab & Energy Improvements for PG 1,2,3 and 4 - Phase 2	13,000,000		13,000,000
881160 Fleet Fuel Management Software and Hardware Replacement	100,000		100,000
881180 Consolidated Trash Facility Concrete Dumpster Slabs	300,000		300,000
881250 Pavement Rehab for the Bus Route in Economy 4	50,000		50,000
881260 Maintenance Facility HVAC Replacement and Upgrade	525,000		525,000
881300 Desigo CC Upgrade	285,000		285,000
881320 Snow Removal Equipment Storage Facility	7,000,000		7,000,000

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881380 AOC 5th Floor Buildout

	2,800,000		2,800,000
\$	1,068,677,462	\$	- \$ 1,068,677,462

Ongoing Projects

	Original ¹	Change 06/18/2020	Amended
010829 Roadway Informational Sign Rehabilitation	\$ 13,200,000		13,200,000
011109 Heritage Displays at Observation Park	\$ 1,600,000		1,600,000
011359 Advanced Surveillance Program	\$ 3,795,774		3,795,774
070549 Terminal 2 Checkpoint Expansion	\$ 9,250,000		9,250,000
080729 Park Economy 3 Lot Rehabilitation	\$ 4,800,000		4,800,000
080779 Cemetery Road Rebuild	\$ 820,000		820,000
080819 John Brantley Boulevard Reconstruction	\$ 16,000,000		16,000,000
080869 FIS Facilities Expansion	\$ 69,000,000		69,000,000
211110 West RON Apron Rehabilitation	\$ 38,000,000		38,000,000
211120 Taxiway B Rehabilitation (North of TW D)	\$ 35,000,000		35,000,000
211130 Perimeter Security Improvements (Property Fencing)	\$ 4,000,000		4,000,000
211140 Enhanced Security Perimeter Gates (TSA)	\$ 3,000,000		3,000,000
311000 AOIS System Replacement - Common Use	\$ 1,800,000		1,800,000
311050 T1 4 Gate Expansion	\$ 115,450,000		115,450,000
311060 T2 and AOC PCF Room UPS System Replacement	\$ 1,046,000		1,046,000
311100 Avtek Radio Over IP Tower	\$ 200,000		200,000
881150 FAM Modular Buildings	\$ 1,200,000		1,200,000
881270 Spill Prevention Control and Countermeasure items	\$ 125,000		125,000
881280 Water and Sewer Improvements	\$ 500,000		500,000
881310 Computer Replacement for Jet A and Glycol racks	\$ 395,000		395,000
881390 Airfield Lighting and GIS Hardware	\$ 25,000	\$ 636	25,636
	\$ 319,206,774	\$ 636	\$ 319,207,410
	\$ 1,598,035,236	\$ 2,450,636	\$ 1,600,485,872

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 18th day of June 2020

Notes:

¹ Original- budget ordinance adopted March 19th, 2020

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES JULY 16, 2020

Chair Kane presided. Present: Hannah, Kushner, Morgan, Teer, Thompson, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, 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 that the live stream was operating for public viewing.

I. APPROVAL OF AGENDA

Motion by Teer to approve the agenda; Second by Hannah

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Hannah to approve the minutes of the June 18, 2020 regular meeting of the Raleigh-Durham Airport Authority Board, including the committee minutes incorporated therein; Second by Wallace

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Kane welcomed everyone.
2. Chair Kane thanked staff members for arranging another virtual meeting.
3. Retirees Randal Wallace (16 years of service) and Robert Catlett (5 years of service) were recognized and thanked for their service to the Authority.
4. Lt. Skula, Lt. Bryant, and Fire Engineer White were recognized and congratulated for completing the program through the American Association of Airport Executives and becoming Accredited Airport Master Firefighters, making 12 accredited Airport Master Firefighters on the Authority's ARFF Department.
5. Chair Kane recognized the Finance staff for receiving, for the 11th consecutive year, the national Certificate of Achievement for Excellence in Financial Reporting given by the Government Finance Officers Association. Chair Kane noted that staff worked on the budget amendment, the audit, and the CAFR all during the same period and while most of the staff worked remotely and he commended them for their efforts.

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

² The meeting was live streamed at <https://youtu.be/oQ0AfsKPGIc>.

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6. Chair Kane discussed the rehabilitation efforts on secondary runway 5R/23L, which closed the runway on July 6th for the next 30 days for milling, repaving and adjusting in-pavement lights. The runway will be opened during the curing process and is expected to close again for two weeks to allow for payment grooving and markings.
7. Chair Kane discussed Operation Clean Sweep, which has transitioned as of July 1 to dedicated staff focusing on key projects and areas. Chair Kane noted that since late April, nearly 1800 volunteer hours were spent on tasks with 151 staff members volunteering in some capacity.

IV. OLD BUSINESS

1. Land and Development Committee Report – Teer reported Board members met during the Land and Development Committee work session on July 16, 2020 and discussed the following items:

- a. Consideration of Acceptance of Federal Aviation Administration Grant for Taxiway F Reconstruction

Motion by Teer for acceptance of the Grant Offer in the amount of \$6,881,956, as presented by the Federal Aviation Administration, and authorization for the President and CEO to execute the grant documents; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

- b. Consideration of Amazon.com Services LLC Parking License Agreement

Motion by Teer for approval of the Parking License Agreement with Amazon.com Services LLC and authorization for the President and CEO to execute the agreement; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

2. Operations Committee Report – Chair Kane³ reported Board members met during the Operations Committee work session on July 16, 2020 and discussed the following item:

- a. Presentation Regarding RDU Community Task Force

Presentation in committee work session.

For informative purposes only. No Board action required.

3. Finance Report – Teer reported Board members met during the Finance Committee work session on July 16, 2020 and discussed the following items:

- a. Presentation of Financial Performance and Consideration of Acceptance of Audited Financial Statements and Compliance Audits for FY 2020

³ Chair Kane reported at request of Committee Chair Thompson.

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Motion by Teer for acceptance of the Comprehensive Annual Financial Report (CAFR) and the two Compliance Audit Reports for FY 2020; Second by Hannah

ADOPTED BY UNANIMOUS VOTE

b. Report of Insurance Premium Renewals

Presentation in committee work session.

For informative purposes only. No Board action required.

V. NEW BUSINESS

No items were reported.

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Board members congratulated the Finance staff for receiving the Excellence Award for the 11th year, and for the clean audit. AARF staff were congratulated on achieving AAAE accreditation. Staff and community participants were thanked for forming and serving on the RDU Community Task Force. Retirees were congratulated and thanked for their service to the Authority. Appreciation was expressed for staff's continued efforts at the airport, continued support of the USO, and for participation in Operation Clean Sweep, and reminded to stay safe. Leadership was thanked for technical strategy and foresight to have a strong working model in place during this period.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service Report

The number of passengers traveling through RDU increased last week, marking 12 straight weeks of growth in the number of passengers screened by TSA. 209,000 passengers traveled through RDU in June, down 84% from June 2019, but up 114% compared to May 2020.

American Airlines carried the largest share of RDU traffic in June at 36% of enplaned passengers; Southwest was next at 33%, with Delta in third at 12%. The number of passengers per flight was impacted by airline social distancing policies, with Delta and Southwest blocking all middle seats, and American restricting some seats during the month.

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Federal Grant

The Airport Authority anticipates receiving \$6.9 million in grant funds from the FAA this fall for the reconstruction of Taxiway F. The reconstruction project was completed last fall and the grant will help reimburse the Authority for funds it already expended. We appreciate the FAA's assistance in helping RDU keep its infrastructure up to date.

State Funding

RDU has secured \$17.9 million in state funding for Fiscal Year 2020-2021, which began July 1. We are extremely fortunate the General Assembly and governor's administration recognize RDU's economic value to the Triangle region and the dire financial situation airports face as a result of the global pandemic. North Carolina's commercial service airports will receive a total of nearly \$72 million in state funding this year to help pay for capital projects, operations and bond repayments, a slight reduction from the \$75 million appropriated last year. Many airports will use the state funds to supplement losses in aeronautical revenue and avoid dipping into cash reserves to cover expenses.

Fly Confident, Fly RDU

Since the onset of the pandemic, RDU staff has focused on adapting operations and modifying the terminals to comply with public health guidance to keep everyone at the airport safe and healthy. We launched the Fly Confident campaign in May that communicates all the measures we're taking to provide guests confidence when flying through RDU.

If you haven't already, I encourage you to visit the Fly Confident webpage on www.rdu.com. It contains a lot of information about what to expect when flying through RDU, as well as a FAQ on the state's face covering requirement. Last week, we released a short video that showcases RDU's new travel experience. We continue to look for new ways to educate the public on our efforts to provide confidence in air travel. [Video was played from <https://www.rdu.com/fly-confident-fly-rdu/>.]

IX. ADJOURNMENT

Motion by Teer to adjourn; Second by Hannah

ADOPTED BY UNANIMOUS VOTE

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES JULY 16, 2020

Teer presided. Present: Kane, Hannah, Kushner, Morgan, Saidi, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following items:

1. Consideration of Acceptance of Federal Aviation Administration Grant for Taxiway F Reconstruction

Presented by William C. Sandifer, Senior Vice President and Chief Operating Officer – Staff requests acceptance of a grant offer from the Federal Aviation Administration (FAA) in the amount of \$6,881,956. On April 16, 2020, the Authority submitted a Grant Application to the FAA in the amount of \$6,881,956, seeking reimbursement of funds previously expended by the Authority for the reconstruction of Taxiway F.

Staff requests acceptance of the Grant Offer in the amount of \$6,881,956, as presented by the Federal Aviation Administration, and authorization for the President and CEO to execute the grant documents.

2. Consideration of Amazon.com Services LLC Parking License Agreement

Presented by Tyler Maheu, C.M., Director of Commercial Management – Staff requests approval to enter into a Parking License Agreement with Amazon.com Services LLC (Amazon) for 245 parking stalls to store delivery vehicles in the northern portion of the former Lot 5. The agreement term will be one year, beginning on or around August 1, 2020, with two one-year options to extend at the mutual discretion of Amazon and the Authority. During the first year, Amazon will pay to the Authority a fee of \$60.00 per-stall per-month, for total annual revenue to the Authority of \$176,400. The fee will increase three percent (3%) per year for each option year exercised.

Amazon will be responsible for upkeep and maintenance of the premises, and for any and all improvements, which shall be made only with the approval of the Authority and in accordance with design requirements.

Staff requests approval of the Parking License Agreement with Amazon.com Services LLC and authorization for the President and CEO to execute the agreement

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² The meeting was live streamed at <https://youtu.be/oQ0AfsKPGIc>.

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES JULY 16, 2020

Chair Kane presided. Present: Hannah, Kushner, Morgan, Saidi, Teer, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following items:

1. Presentation regarding RDU Community Task Force

Presented by William C. Sandifer, Senior Vice President and Chief Operating Officer – Mr. Sandifer detailed the objectives of the task force including passenger process improvements to help reduce the spread of COVID-19 and evaluation of disease preventative products in a public transportation facility. Other objectives include sharing of recommendations and education for preparation of the airport for future virus outbreaks, and guidance in determining what role RDU/other airports play in reducing the spread of infectious diseases. Mr. Sandifer recognized the universities and entities collaborating with the Authority on this task force including Duke University, North Carolina State University, NC Central University, The University of North Carolina at Chapel Hill, RTI International, Biogen, IBM, and the North Carolina Biotechnology Center.

Mr. Sandifer introduced Jim Gibson, Chief Operating Officer at RTI, who noted that this was an important endeavor to RTI, as their employees need to fly for business purposes. Mr. Gibson stated he was impressed with what the task force is considering and doing and has learned from the process.

Mr. Sandifer introduced Judith Cone, Vice Chancellor Innovation, Entrepreneurship & Economic Development at UNC-Chapel Hill. Ms. Cone explained how the universities bring in research dollars and are a great engine for collaboration, communications, and transfer of beneficial knowledge. She noted areas of impactful study including airborne microbes and behavioral sciences. Ms. Cone stated she was impressed with the task force and the committee work being generated.

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² The meeting was live streamed at <https://youtu.be/oQ0AfsKPGIc>.

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Mr. Sandifer thanked Mr. Gibson and Ms. Cone for joining the meeting and for their continued participation on the task force. Mr. Sandifer explained what was already in place at RDU and continuing for promotion of passenger and employee wellness including cleaning and disinfecting practices, products and technology available, passenger processing, and various messaging to passengers and employees. He discussed how airport campus buildings are being maintained to promote wellness through design, HVAC performance and improvements, maintenance practices, operational policies and new technologies.

Chair Kane thanked Bill Sandifer, Mr. Gibson, and Ms. Cone for this great task force effort and for the community participation. Mr. Teer expressed that this was an important initiative for the airport and the community and he thanked everyone for their continued efforts in this regard.

For informative purposes. No Board action required at this time.

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES JULY 16, 2020

Teer presided. Present: Kane, Hannah, Kushner, Morgan, Saidi, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following items:

1. Presentation of Financial Performance and Consideration of Acceptance of Audited Financial Statements and Compliance Audits for FY 2020

Presented by Donna Sylver, Senior Vice President and Chief Financial Officer – Ms. Sylver presented the Financial Performance for fiscal year ending March 31, 2020. Ms. Sylver discussed trended enplanements, noting enplaned passenger traffic increased 5% year-over-year and exceeded budget by 1%. She detailed the operating results, giving budget and year-over-year variances, explaining the factors contributing to these results. Ms. Sylver discussed the 10-year trended operating revenue and expense average growth percentages. She explained the fiscal year's capital spend and the major capital projects undertaken. Ms. Sylver showed the debt outstanding and discussed the recent financing benefits and metrics. She covered cash and cash equivalents impact and discussed key performance indicators. Ms. Sylver presented the trended airline cost per enplanement with RDU having lower CPE than the FAA medium hub average for the last ten years.

In closing her presentation, Mrs. Sylver recognized Ron Kapocius, Vice President and Controller-Finance, and the Finance staff for being awarded for the 11th consecutive year the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association. Ms. Sylver applauded her team's efforts on the CAFR and the audit, noting most of the work was performed remotely due the COVID-19 restrictions and that she appreciated their efforts in this regard.

Committee Chair Teer stated it was a good report and the staff's efforts were appreciated.

Ms. Sylver introduced Kelly Cantwell, Senior Manager of Elliott Davis, PLLC, to talk about the FY 19-20 audit. Ms. Cantwell indicated that Elliott Davis was required to communicate certain aspects of the audit process, the audit results, and findings and recommendations. Ms. Cantwell noted that Authority staff provided the necessary

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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 Authority staff or management. Ms. Cantwell went through the auditor and management responsibilities, and audit results for the Financial Statements, Government Auditing Standards, Single Audit, and Passenger Facilities Charge program. Ms. Cantwell noted that Elliott Davis issued an unmodified opinion on the financial statements, but they did identify a material weakness according to Government Auditing Standards in Accounts Payable cut-off regarding the construction-in-progress general ledger account. All other audits and compliance reports were with no material deficiencies, misstatements, or non-compliance.

Chair Kane commended the Finance staff for an outstanding job and another year of excellence.

Staff requests acceptance of the Comprehensive Annual Financial Report (CAFR) and the two Compliance Audit Reports for FY 2020.

2. Report of Insurance Premium Renewals

Presented by James Witherspoon, PHR, CSP, ARM, Director of Risk Management – The Authority’s Property, Workers Compensation, General Liability, Crime, Automotive, and Directors and Officers/Employment Practices Insurance coverages renew as of July 1, 2020.

Year over year changes in policies are:

1. Property coverage premium increased by \$43,881 with an increase in property values
2. Cyber Liability coverage premium increased by \$4,062
3. Workers Compensation coverage premium decreased by \$20,466 along with an experience modification rate change from .69 to .67
4. Liability coverage premium decreased by \$5,190
5. No change in Crime coverage premium
6. Automotive coverage premium decreased by \$24,072
7. Directors and Officers/Employment Practices coverage premium increased by \$2,581
8. No change in Pollution Liability coverage premium

The net premium impact is an increase of \$796 (from \$1,339,310 to 1,340,106).

Mr. Witherspoon introduced Eric Stevens, with Assured Partners and noted that the brokers did an outstanding job, updating carriers of activities/exposure, which resulted in savings on premiums. Committee Chair Teer commended Mr. Witherspoon for the report and efforts by staff to negotiate these premiums.

For informative purposes only. No Board action required.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD SPECIAL MEETING MINUTES AUGUST 11, 2020

Kane presided. Present: Hannah, Kushner, Morgan, Thompson, and Saidi.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CISO McFall, Vice Presidents Feldman and Jewett, General Counsel Locklear, Executive Assistant Rivera, 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 that the live stream was operating for public viewing.

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)(1) and (3); Second by Morgan

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Board members, President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CISO McFall, General Counsel Locklear, Peter Marino and Casey Vaughn of Smith Anderson, and other staff were in the closed session from 1:36 p.m. until 1:55 p.m.

Motion by Saidi to adjourn; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

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

² The meeting was live streamed at https://youtu.be/u1_mtLQKbcs.

Raleigh-Durham Airport Authority Board Members

John M. Kane, Chairman
Wake County

Patrick Hannah, Esq., Vice-Chairman
Durham County

Robert D. Teer, Jr., Treasurer
City of Durham

Dickie Thompson
City of Raleigh

David Morgan
Durham County

Sepideh Saidi, PE, Secretary
City of Raleigh

David Kushner
Wake County

Napoleon Wallace
City of Durham



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

RALEIGH-DURHAM AIRPORT AUTHORITY

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES AUGUST 20, 2020

Chair Kane presided. Present: Hannah, Kushner, Morgan, Saidi, Teer, and Thompson.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, 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 that the live stream was operating for public viewing.

I. APPROVAL OF AGENDA

Motion by Thompson to approve the agenda; Second by Teer

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Hannah to approve the minutes of the July 16, 2020 regular meeting of the Raleigh-Durham Airport Authority Board, including the committee minutes incorporated therein and of the August 11, 2020 special meeting of the Raleigh-Durham Airport Authority Board; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Kane welcomed everyone.
2. Chair Kane thanked staff members for arranging another virtual meeting.
3. Retiree Courtney Ward, office manager in the Law Enforcement Department, was recognized and thanked for his 30+ years of service to the Authority.
4. Kristin Johnson was recognized and congratulated for completing the G.I.S. Professional Certification program administered by the Geographic Information System Certification Institute.
5. Chair Kane announced that the Delta Air Lines Sky Club is scheduled to reopen in Terminal 2 on September 3rd and that the American Airlines Admirals Club recently reopened as a customer service center.
6. Chair Kane welcomed back California Pizza Kitchen, Whisky River, Root & Branch and InMotion, which reopened with modified hours in Terminal 2.

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

² The meeting was live streamed at <https://youtu.be/7bXEA3WvRbE>.

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IV. OLD BUSINESS

1. Land and Development Committee Report – Teer reported Board members met during the Land and Development Committee work session on August 20, 2020 and discussed the following items:

- a. Consideration of Task Order with WK Dickson for Taxiway A1 Rehabilitation

Motion by Kushner approval of Task Order with W.K. Dickson & Company, Inc. in the amount of \$102,922 and authorization for the President and CEO to execute the document; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

- b. Consideration of Task Order with Delta Airport Consultants for Taxiway D Rehabilitation

Motion by Kushner for approval of Task Order No. 5 with Delta Airport Consultants, Inc. in an amount not to exceed \$127,130 and authorization for the President and CEO to execute the agreement; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

2. Finance Report – Teer reported Board members met during the Finance Committee work session on August 20, 2020 and discussed the following item:

- a. Presentation of Financial Performance for First Quarter of Fiscal Year Ending March 31, 2021

Presentation in committee work session.

For informative purposes only. No Board action required.

3. Operations Committee Report³ – Thompson reported Board members met during the Operations Committee work session on August 20, 2020 and discussed the following items:

- a. Consideration of Purchase of Kiosk Replacements for Terminal 2

Motion by Thompson for approval to purchase 20 Common Use Self-Service Kiosks from SITA at a cost of \$381,292 and authorization for the President and CEO to execute all related documents; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

³ Secretary Saidi joined the meeting,

Raleigh - Durham Airport Authority Board Members

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b. Consideration of Amendment Eight with ABM Aviation, Inc.

Motion by Thompson for approval of Amendment Eight to the Janitorial and Pest Control Services Agreement with ABM Aviation Inc. in the amount of \$6,610,566 and authorization for the President and CEO to execute the amendment; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda:

a. Consideration of Agreement with Barnhill Contracting Company for Airside Snow Removal Services

Motion by Thompson for approval of a five-year agreement with Barnhill Contracting Company for airside snow removal services in an amount not-to-exceed \$1,862,244 and authorization for the President and CEO to execute the agreement; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL'S REPORT

General counsel, Erin Locklear, reported that pursuant to NCGS §143-318.11, on August 11, 2020 the Authority Board approved a settlement agreement with Walker Parking Consultants/Engineers, Tendon Systems, and BASF related to the parking garage ceiling paint project. Under the settlement agreement, the named parties must pay the Authority a total of \$2M. This settlement has concluded, Ms. Locklear is reporting it to the public body and entering it into the minutes in compliance with NC statute.

VII. MEMBER COMMENTS

Board members thanked all staff for their continued work at the airport during this difficult period, The IS team was recognized for arranging virtual meetings, the Finance team for the quarterly report, and the Legal team for its work on the parking garage ceiling paint settlement. Appreciation was express to Michael Landguth for his leadership. Courtney Ward was congratulated on his retirement and thanked for his 30+ years of service to the Authority. Mr. Thompson commented that on a recent trip, he noticed increased flight activity at RDU and that the airport was very clean. Continued support of the USO was encouraged.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Raleigh - Durham Airport Authority Board Members

John M. Kane, Chairman
Wake County

Patrick Hannah, Esq., Vice-Chairman
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Air Service Report

RDU served a total of 306,715 passengers in July, down 77.1% compared to July 2019 but up 46.7% from June 2020. American Airlines carried 33.1% of the passengers flying through RDU last month, followed by Southwest at 27.2% and Delta at 15.8%.

The week ending August 10 was RDU's busiest week since passenger traffic hit its lowest point in mid-April. TSA screened more than 41,000 departing passengers that week, a 74% decline over the same week in 2019, but a 6% increase over the week before. Airports across the U.S. reported a similar uptick in the number of screened passengers. Reduced fares may be responsible for more people flying during the summer months. Experts expect leisure travel to decline with the start of the school year.

Airline Precautions

We have talked a lot about what RDU is doing to protect the health and safety of everyone who visits the airport. You can visit RDU's Fly Confident webpage to stay up-to-date on airport actions. It is also important to know what the airlines are doing to protect passenger health throughout their trip. Travelers will notice new signage, hand sanitizer stations and plexiglass shields at ticket and gate counters. Kiosks, queue lines and seating areas are arranged to accommodate social distancing.

Airlines are conducting more rigorous cleaning and disinfecting on the aircraft as well as boarding back-to-front, blocking seats and adjusting food and beverage services to allow for distancing between people. During flight, fresh air is circulated in the cabin every two to three minutes and many airplanes have hospital grade HEPA filters that remove more than 99 percent of airborne particles. As you can see from this slide, air enters the cabin from the ceiling and is pushed down to exit from vents in the floor. The air then it passes through a HEPA filter and is mixed with new fresh air from outside before starting the process all over again. According to the CDC, "Most viruses and other germs do not spread easily on flights because of how air circulates and is filtered on airplanes."

Recently, airlines have implemented more stringent face covering requirements and increased enforcement. Airlines have the ability to ban passengers from future flights if they refuse to properly wear a mask. We encourage all travelers to check with their airline before coming to the airport for information on the latest requirements.

IX. ADJOURNMENT

Motion by Kushner to adjourn; Second by Teer

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD ACTIONS BY CONSENT AUGUST 20, 2020

The Board approved the following item on the Consent Agenda:

1. Consideration of Agreement with Barnhill Contracting Company for Airside Snow Removal Services – Memorandum by Barry Stoker, Director of Contract Facilities Maintenance – Staff requests approval of a multi-year contract for airside snow removal services with Barnhill Contracting Company (Barnhill). The proposed agreement would allow staff to utilize Barnhill during inclement weather events, including the provision of personnel and equipment for clearing frozen precipitation from airport facilities. These proposed contractor's services will augment the Authority's staff and equipment as determined necessary for each event.

Compensation to the contractor shall include the payment of unit costs for the delivery of equipment, unit personnel and equipment costs for standby and active service, and reimbursement for personnel cost and expenses associated with obtaining security badges. The total not-to-exceed amount of payments authorized under the proposed agreement shall not exceed \$1,862,244.

Competitive bids for these services were solicited through the Authority's website and the State IPS website and responses were received from two firms. Of these two responses, Barnhill, the incumbent, provided the lowest price and met the requirements of responsiveness and responsibility. In addition, Minority and Women-owned Small Business goals were set at 7% and 4% respectively; however, both bid responses indicated their intent to self-perform all required services.

Staff requests approval of a five-year agreement with Barnhill Contracting Company for airside snow removal services in an amount not-to-exceed \$1,862,244 and authorization for the President and CEO to execute the agreement.

Raleigh-Durham Airport Authority Board Members

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Wake County

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES AUGUST 20, 2020

Teer presided. Present: Kane, Hannah, Kushner, Morgan, and Thompson.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following items:

1. Consideration of Task Order with WK Dickson for Taxiway A1 Rehabilitation – Presented by Ronald Jewett, Vice President Asset Facility Management – Staff requests consideration of the award of a Task Order (WKD MA20.01.00) under the Master Agreement with W.K. Dickson & Company, Inc. (Consultant) for engineering services related to the Taxiway A1 Rehabilitation project. Staff identified the need to complete repairs on Taxiway A1, due to pavement areas that developed shoving, cracking, and depressions. Pavement rehabilitation includes mill and overlay, and areas of partial and full depth reconstruction. Repairs will also include subgrade drainage improvements, impacts to hold bar lights, runway guard lights, and taxiway edge lighting systems.

The proposed task order with Consultant includes the services of schematic design, design development, construction documents development, and bidding. The Consultant will make necessary site visits to assess the condition of existing pavement and in-pavement lighting and will perform a topographic survey. Consultant will perform testing, borings, and laboratory analysis of existing base and subgrade; and meet with staff for a schematic design review and evaluation of pavement repair alternatives. The Consultant will develop plans for construction safety phasing and erosion and sedimentation; provide a final engineer's report with a construction cost estimate; prepare bid documents for advertising; assist with answering questions through the bidding process; review bids; and assist staff in preparing and assembling documents for construction.

Total compensation under this proposed Task Order is a not-to-exceed amount of \$102,922. Compensation for Consultant's services will be based upon established personnel rates and at direct cost for reimbursable expenses.

The Disadvantaged Business Enterprise (DBE) goal for this proposed Task Order is 15%. Total DBE commitment for Task Order is 24.1%. The Authority's Office of Small Business Programs concurs with this commitment.

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

² The meeting was live streamed at <https://youtu.be/7bXEA3WvRbE>.

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Staff requests approval of Task Order with W.K. Dickson & Company, Inc. in the amount of \$102,922 and authorization for the President and CEO to execute the document.

2. Consideration of Task Order with Delta Airport Consultants for Taxiway D Rehabilitation

Presented by Ronald Jewett, Vice President Asset Facility Management – Staff requests the award of Task Order No. 5 under the Master Consulting Services Agreement with Delta Airport Consultants, Inc. (Consultant) for design work related to the Taxiway D Pavement Rehabilitation project. The project includes rehabilitation of the asphalt portion of Taxiway D, a portion of Taxiway A5 and a portion of Taxiway C (between Taxiway A and Runway 23L), and sections of the midfield service road. These pavement areas have developed shoving, cracking, and depressions. Rehabilitation will most likely include pavement mill and overlay, selected areas of partial depth and full depth reconstruction. Repair options will also consider subgrade drainage improvements.

The Consultant's proposed scope of professional services includes determining the extent and type of repairs needed for Taxiways D, A5, C, and asphalt sections of the midfield service road. Pavement rehabilitation alternatives will be based on results of previous geotechnical investigations, pavement analysis, and airport operational constraints. Test data will be used to identify the extent of material deficiencies. Based on a desired pavement rehabilitation life, pavement repair alternatives will be developed and summarized in a report which details the pros and cons of each alternative and cost estimates and this information will be used to evaluate and select the best repair alternative. Once selected, plans and specifications will be developed and bid for construction. Total compensation under Task Order No. 5 is a not-to-exceed amount of \$127,130.

The Disadvantaged Business Enterprise (DBE) goal for proposed Task Order No. 5 is 15%. Total DBE commitment for this Task Order is 21.4%. The Authority's Small Business Programs Office concurs with this commitment.

Staff requests approval of Task Order No. 5 with Delta Airport Consultants, Inc. in an amount not to exceed \$127,130 and authorization for the President and CEO to execute the agreement.

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

John M. Kane, Chairman
Wake County

Patrick Hannah, Esq., Vice-Chairman
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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES AUGUST 20, 2020

Thompson presided. Present: Hannah, Kane, Kushner, Morgan, and Teer.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following items:

1. Consideration of Purchase of Kiosk Replacements for Terminal 2

Presented by Michael McLanahan, Vice President of IT Business Solutions – Common Use Self-Service (CUSS) Kiosks are located throughout the Terminal 2 ticketing lobby where passengers can view flight itineraries, view/change seat assignments, and print various travel-related documents. Currently, there are 70 CUSS Kiosks installed in Terminal 2. These kiosks run an unsupported Windows 7 operating system, are experiencing increasing hardware failures, and are becoming more challenging to repair due to scarce availability of replacement parts.

Staff requests approval to procure 20 new SITA kiosks at a cost of \$381,292, in order to begin the partial replacement of the existing 70 CUSS kiosks in Terminal 2. Due to COVID-19 impacts, including the challenges of social distancing in the terminals, staff desires to reduce the number of kiosks in service, with possible relocation of kiosks in the ticketing lobby to facilitate queue line repositioning. This proposed purchase would be the initial phase of a kiosk technology refresh. The eventual quantity of required new kiosks will be based on future passenger and capacity demands.

Staff collaborated on the procurement strategy and contract amendment development and determined this is a sole source situation. Kiosks must be compatible with the Authority's SITA Common Use System now and in the future. A key focus is the opportunity to leverage new technology that SITA is developing to enable touchless kiosk interaction. This opportunity will require the use of SITA kiosks. The proposed 20 kiosks are the same model as six kiosks installed in Terminal 1 earlier this year.

The Authority's Small Business Programs Office reviewed this request and concurs with staff's approach.

Staff requests approval to purchase 20 Common Use Self-Service Kiosks from SITA at a cost of \$381,292 and authorization for the President and CEO to execute all related documents.

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

² The meeting was live streamed at <https://youtu.be/7bXEA3WvRbE>.

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2. Consideration of Amendment Eight with ABM Aviation, Inc.

Presented by Barry Stoker, Director of Contract Facilities Maintenance – Staff requests approval of Amendment Eight to the Janitorial and Pest Control Services Agreement (Agreement) with ABM Aviation Inc. (ABM), (formerly GCA Services Group, Inc.). This proposed amendment would extend the current contract for twelve months, from September 1, 2020 through August 31, 2021. The current five year Agreement term began on September 1, 2015, with the potential for two one-year extension periods. The Agreement was recently amended to increase the scope of services for enhanced cleaning in the terminals due to the COVID-19 outbreak and these cleaning services will continue under this proposed amendment. Contract cleaning of the parking facilities and common areas at remote locations, which were reduced for cost savings at the onset of the pandemic, will be reestablished with this proposed amendment.

The overall current contract value is \$27,771,761.96. The Agreement provides for compensation increase for this extension period not to exceed the Consumer Price Index (CPI) change between September 2015 and September 2020, which per Bureau of Labor Statistics is 11%, amounting to a \$655,101 increase. The current annual expense is \$5,955,465 and adding the CPI increase, the proposed annual expense with this amendment is \$6,610,566, for a total new contract value of \$34,382,327.96.

This services contract was in the process of being resolicited when the COVID-19 pandemic occurred. The contract solicitation was paused due to market and scope uncertainties related to the pandemic and staff intends to recompet the contract during this one year extension period.

The Minority-owned business (MB) participation associated with this amendment is 12% and the Women-owned business (WB) participation is 2.5%. This participation was reviewed by the Authority's Small Business Program Office and represents a good faith effort to achieve the MB goal of 10% and WB goal of 5%.

Staff requests approval of Amendment Eight to the Janitorial and Pest Control Services Agreement with ABM Aviation Inc. in the amount of \$6,610,566 and authorization for the President and CEO to execute the amendment.

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

John M. Kane, Chairman
Wake County

Patrick Hannah, Esq., Vice-Chairman
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RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES AUGUST 20, 2020

Teer presided. Present: Kane, Hannah, Kushner, Morgan, and Thompson.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following items:

1. Presentation of Financial Performance for First Quarter of Fiscal Year Ending March 31, 2021

Presented by Donna Sylver, Senior Vice President and Chief Financial Officer – Ms. Sylver presented the financial performance for the first quarter of the fiscal year ending March 31, 2021. Ms. Sylver discussed trended enplanements over the last 10 years and detailed the first quarter's enplanements. Ms. Sylver discussed the operating results, giving budget and year-over-year variances. She explained the factors contributing to the operating revenue and operating expense budget variances. Ms. Sylver discussed the first quarter capital spend.

For informative purposes only. No Board action required.

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

² The meeting was live streamed at <https://youtu.be/7bXEA3WvRbE>.

Raleigh - Durham Airport Authority Board Members

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES SEPTEMBER 17, 2020

Chair Kane presided. Present: Hannah, Kushner, Morgan, Saidi, Teer, Thompson and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, 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 that the live stream was operating for public viewing.

I. APPROVAL OF AGENDA

Motion by Hannah to approve the revised agenda;³ Second by Morgan

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Teer to approve the minutes of the August 20, 2020 regular meeting of the Raleigh-Durham Airport Authority Board, including the committee minutes and the consent actions incorporated therein; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Kane welcomed everyone, noted that the Board continues to meet virtually during Safer at Home Phase 2.5, and thanked staff members for arranging another virtual meeting.
2. Chair Kane discussed the establishment of the Terminal Operations Team, consisting of over a dozen employees, assigned daily inspections of airport facilities for compliance with stringent cleaning and disinfecting protocols. Team members will assist passengers, increasing RDU's focus on customer service, and support public health best practices by monitoring compliance with face covering and social distancing.
3. Chair Kane discussed the academic challenge involving RDU, Duke, N.C. State, N.C. Central, UNC, and RTI, for students, faculty, and employees to design and develop innovative solutions focusing on passenger transit, cleaning and touchpoint elimination, aircraft safety, and airport operations and employees. Total funding of \$120,000 is available and winners will be announced in early 2021.
4. Chair Kane reported that California Pizza Kitchen closed in Terminal 2 on September 2, 2020.

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

² The meeting was live streamed at <https://youtu.be/-1tGalmY89c>.

³ Agenda revised to add the two additional items heard in the Land and Development Committee Work Session

Raleigh-Durham Airport Authority Board Members

John M. Kane, Chairman
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IV. OLD BUSINESS

1. Land and Development Committee Report – Teer reported Board members met during the Land and Development Committee work session on September 17, 2020 and discussed the following items:

- a. Consideration of Other Transaction Agreement with TSA for In-Line Screening Recapitalization Project

Item added to agenda and presented in closed committee work session, pursuant to NCGS §143-318.11(a)(1) and 49 CFR Parts 15 and 1520, to protect sensitive security information from disclosure.

Motion by Morgan for approval of the Other Transaction Agreement with the Transportation Security Administration to reimburse the Authority for the recapitalization of the EDS machines in the amount of \$3,447,620.70 and authorization for the President and CEO to execute the agreement; Second by Wallace

ADOPTED BY UNANIMOUS VOTE

- b. Consideration of Contract with Balfour Beatty Construction for completion of the TSA In-Line Screening Recapitalization Project

Item added to agenda and presented in closed committee work session, pursuant to NCGS §143-318.11(a)(1) and 49 CFR Parts 15 and 1520, to protect sensitive security information from disclosure.

Motion by Teer for approval of a construction contract to Balfour Beatty Construction (contingent on approval of the Other Transaction Agreement with TSA) in the amount of \$2,523,167 and authorization for the President and CEO to execute the agreement; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

- c. Consideration of Task Order with Jacobs Engineering for Taxiway E Rehab Design Services

Motion by Teer for approval of Task Order MA20.01.00 with Jacobs Engineering Group in the amount not-to-exceed \$634,790 and authorization for the President and CEO to execute the Task Order, subject to Board approval of the related Capital Project Amendment #2; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

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2. Finance Committee Report – Teer reported Board members met during the Finance Committee work session on September 17, 2020 and discussed the following item:

- a. Consideration of Amendment #2 to FY20/21 Capital Project Ordinance

Motion by Saidi for approval of the attached 2020-2021 Capital Project Ordinance Amendment #2, increasing funding in the amount of \$250,000 for the Taxiway E Rehabilitation Design project; Second by Kushner

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 thanked all staff for their continued hard work, for the additional safety and health measures being put into place at the terminals, and for making virtual board meetings possible. Staff was reminded to stay safe and healthy. Appreciation was expressed for the great leadership at RDU. Continued support of the USO was encouraged.

VIII. PRESIDENT AND CEO’S REPORT

Welcome

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

Air Service Report

RDU served a total of 319,349 passengers in August, down 75.7% compared to August 2019 but up 4.1% from July 2020. We averaged 102 daily departures last month, less than half of the 233 daily departures in August 2019, but up from the 87 daily departures in July 2020. American Airlines and Southwest carried the largest share of passenger traffic last month followed by Delta.

41,000 passengers departed RDU during the week ending Labor Day Sunday, and the airport served 65.2% less passengers over Labor Day weekend compared to Labor Day weekend 2019. This was the busiest weekend at RDU since mid-March. The number of available airline seats at RDU for the month of September is down 64% compared to September 2019, while the current October capacity level is down 60% compared to the same month a year ago with additional cuts possible.

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As we move into Fall, we expect leisure travel to continue to dominate the market. Fall airline demand is typically more dependent on business traffic when compared to the summer months, yet corporate bookings remain 90% below 2019 levels.

We do have good news to report on the international travel front. Several international flights are scheduled to return to RDU in the months ahead. American Airlines announced it will resume nonstop service to London and Cancun this fall, while Delta plans to resume its nonstop flight to Paris in the spring. Air Canada plans to resume its Toronto and Montreal flights from RDU once international travel restrictions are lifted.

JetBlue announced last week it will launch five new nonstop destinations at RDU this year, including Cancun, Montego Bay, Fort Myers, San Juan, and Los Angeles. The LAX route is JetBlue's first flight to the West Coast from RDU. We are extremely fortunate to add new destinations a time when airports continue to lose flights. We are optimistic that passengers will support the new routes by traveling to these warm weather destinations during the winter months. The scheduled launch dates are November 19th for Cancun, Montego Bay, Ft. Myers and San Juan – and December 18 for Los Angeles. Delta also plans to relaunch service to LAX in October and American will follow with nonstop service to LAX in November.

Passenger Confidence Survey

RDU has some promising news to share about passenger confidence in air travel. We emailed a survey to more than 9,600 ParkRDU customers from July 27th to July 31st and received a statistically valid return rate of four percent with nearly 400 responses. Our objectives were to:

- Understand barriers to airline travel during the pandemic,
- Evaluate how safety perceptions are impacting RDU operations,
- Develop key learnings to guide RDU's strategic decision making, and
- Develop a set of data-driven recommendations for RDU to consider.

Not surprisingly, we found that customers who perceive air travel to be safe are most likely to fly during the pandemic. What may surprise you is that customers who have flown during COVID-19 feel more confident about flying again. In fact, 75% of respondents who have traveled by air during the COVID-19 pandemic report that they would feel safe flying from RDU, compared to 27% of respondents who have not traveled.

The survey also found that flying through RDU during the pandemic improves the perception of the safety of air travel. Two-thirds of respondents reported being at least somewhat concerned about the safety of their travel prior to their flight. But 51% of those who traveled during the health crisis indicated that they felt safer flying after their trip, compared to 21% who reported feeling less safe.

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Customer feedback indicates that social distancing, the cleanliness of RDU's facilities and the widespread wearing of masks among passengers and airport employees contributed to enhanced feelings of safety.

There are two main takeaways from our survey:

- Number one: Customers who know our safety measures are more confident in flying, and people who have flown are even more confident in air travel after their trip.
- Number two: The biggest factor that will make people even more confident in flying is wearing a face covering. Airport employees, the airlines, TSA and other RDU partners are taking the necessary steps to protect travelers' safety. All airport workers are required to wear a mask at all times. But under the state order, we cannot make guests comply with the face covering requirement. The power lies with guests who make the choice to protect others by wearing a mask at the airport.

Based on our survey results, I am asking everyone who plans to fly during the pandemic to wear a mask throughout your trip. It is the best way to get the Triangle moving again.

IX. ADJOURNMENT

Motion by Wallace to adjourn; Second by Teer

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY 2020-2021 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:

\$ 1,600,735,872

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 \$ 1,531,264,279

Total Grant Funds \$ 69,471,593

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

New 20/21 Projects				
	Original ¹	Change 06/18/2020	Change 09/17/2020	Amended
211170 North Cargo Apron Reconstruction	30,750,000			30,750,000
211180 T-Hangar Area Pavement Repair Project	3,500,000			3,500,000
331000 T2 Landside Master Plan	2,000,000			2,000,000
311110 Pet Relief Rooms T1 and T2	250,000			250,000
331010 T2 Bathrooms Refresh	2,750,000			2,750,000
621020 Parking Improvements Business Plan (Parking Guidance System)	8,200,000			8,200,000
881400 John Brantley Blvd Reconfiguration (in conjunction with CONRAC)	80,346,000			80,346,000
881410 National Guard Drive Improvements / Haleys Branch Road Rehab	3,000,000			3,000,000
881420 Aviation Parkway & National Guard Drive Intersection Improvement	31,200,000			31,200,000
881430 Commerce Blvd & East GA Perimeter	24,519,000			24,519,000
881440 FY20-21 New/Replacement Vehicles & Equipment	6,900,000			6,900,000
441000 Fuel Farm Facility Improvement Plan	9,186,000			9,186,000
881450 Data Center - Storage - Ongoing Enterprise Growth	800,000			800,000
889000 Water Valve and Backflow Preventer	500,000			500,000
621010 MX Building Parking Lot Rehabilitation (Secure Side)	5,500,000			5,500,000
453000 Enlarge Single Fleet MX Door	200,000			200,000
321000 Common Use Implementation of T1 Gates 5 through 9	550,000			550,000
211190 Taxiway A1 Rehabilitation - Design and Construction		1,100,000		1,100,000
211200 Taxiway E Rehabilitation - Design		500,000	250,000	750,000
211210 Taxiways C and J Rehabilitation - Design		350,000		350,000
331020 SITA Flex System		500,000		500,000
	\$ 210,151,000	\$ 2,450,000	\$ 250,000	\$ 212,851,000
Amended Projects				
	Original ¹	Change 06/18/2020	Change 09/17/2020	Amended
080789 CONRAC and New Rental Car Storage Lot	536,904,000			536,904,000
080799 Expanded Park Economy 3	35,618,000			35,618,000
080879 Runway 5L-23R and Taxiway B Replacement	390,300,000			390,300,000
211160 Taxiway C & D Rehabilitation (Between T/W A and T/W H)	43,569,000			43,569,000
311010 AOIS - RIDS Computer and Hardware Replacement	3,525,000			3,525,000
311020 Terminal 1 Airline Operations Space Buildout	24,000,000			24,000,000
311070 T2 and CEP Siemens BMS System Hardware Upgrade	665,000			665,000
881100 International Drive Rehabilitation	10,036,462			10,036,462
881110 Rehab & Energy Improvements for PG 1,2,3 and 4 - Phase 2	13,000,000			13,000,000
881160 Fleet Fuel Management Software and Hardware Replacement	100,000			100,000
881180 Consolidated Trash Facility Concrete Dumpster Slabs	300,000			300,000
881250 Pavement Rehab for the Bus Route in Economy 4	50,000			50,000
881260 Maintenance Facility HVAC Replacement and Upgrade	525,000			525,000
881300 Desigo CC Upgrade	285,000			285,000
881320 Snow Removal Equipment Storage Facility	7,000,000			7,000,000
881380 AOC 5th Floor Buildout	2,800,000			2,800,000
	\$ 1,068,677,462	\$ -	\$ -	\$ 1,068,677,462

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Ongoing Projects	Change		Amended
	Original ¹	06/18/2020 09/17/2020	
010829 Roadway Informational Sign Rehabilitation	\$ 13,200,000		13,200,000
011109 Heritage Displays at Observation Park	\$ 1,600,000		1,600,000
011359 Advanced Surveillance Program	\$ 3,795,774		3,795,774
070549 Terminal 2 Checkpoint Expansion	\$ 9,250,000		9,250,000
080729 Park Economy 3 Lot Rehabilitation	\$ 4,800,000		4,800,000
080779 Cemetery Road Rebuild	\$ 820,000		820,000
080819 John Brantley Boulevard Reconstruction	\$ 16,000,000		16,000,000
080869 FIS Facilities Expansion	\$ 69,000,000		69,000,000
211110 West RON Apron Rehabilitation	\$ 38,000,000		38,000,000
211120 Taxiway B Rehabilitation (North of TW D)	\$ 35,000,000		35,000,000
211130 Perimeter Security Improvements (Property Fencing)	\$ 4,000,000		4,000,000
211140 Enhanced Security Perimeter Gates (TSA)	\$ 3,000,000		3,000,000
311000 AOIS System Replacement - Common Use	\$ 1,800,000		1,800,000
311050 T1 4 Gate Expansion	\$ 115,450,000		115,450,000
311060 T2 and AOC PCF Room UPS System Replacement	\$ 1,046,000		1,046,000
311100 Avtek Radio Over IP Tower	\$ 200,000		200,000
881150 FAM Modular Buildings	\$ 1,200,000		1,200,000
881270 Spill Prevention Control and Countermeasure items	\$ 125,000		125,000
881280 Water and Sewer Improvements	\$ 500,000		500,000
881310 Computer Replacement for Jet A and Glycol racks	\$ 395,000		395,000
881390 Airfield Lighting and GIS Hardware	\$ 25,000	\$ 636	25,636
	\$ 319,206,774	\$ 636 \$ -	\$ 319,207,410
	\$ 1,598,035,236	\$ 2,450,636 \$ 250,000	\$ 1,600,735,872

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 17th day of September 2020

Notes:

¹ Original- budget ordinance adopted March 19th, 2020

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES SEPTEMBER 17, 2020

Teer presided. Present: Kane, Hannah, Kushner, Morgan, Saidi, Thompson, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, 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 Thompson

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Board members, President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests met virtually for a closed session from 12:48 p.m. until 1:05 p.m.

In open session, the Committee discussed the following items:

1. Consideration of Task Order with Jacobs Engineering for Taxiway E Rehab Design Services – Presented by Jim Novak, Director of Facilities Engineering, Facilities Asset Management – Staff requests consideration of the award of Task Order MA20.01.00 under the Master On-Call Agreement with Jacobs Engineering Group (Consultant) for work related to the Taxiway E Rehabilitation project. Staff identified the need to reconstruct Taxiway E as the pavement is 33 years old and has reached its useful life end. Further, the taxiway pavement has developed Alkali Silica Reaction (ASR) causing severe cracking and structural deterioration. Reconstruction will include complete replacement of the concrete pavement, base, and subbase; surface and subgrade drainage improvements; improvements and/or replacement of the taxiway edge lighting system and airfield guidance signs; and construction of new asphalt shoulders, which is required by current Federal Aviation Administration (FAA) standards.

During the schematic design phase, the Consultant will conduct a site visit to review and document existing conditions; perform a topographic survey and pavement and subgrade borings; analyze base and subgrade samples; and assess the condition of existing airfield lights,

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

² The meeting was live streamed at <https://youtu.be/-1tGalmY89c>.

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signs, and circuits. Consultant will meet with staff to focus on high-level construction phasing and constructability constraints, consider sustainability measures, evaluate preliminary cost estimates, and set final design direction. With staff involvement, final design will complete the development of plans and specifications, based on decisions determined in the schematic design phase. Deliverables will also include construction safety phasing plans, erosion and sedimentation control plans, an engineer's report, and construction cost estimates. Upon concurrence of funding agencies with the proposed plans and specifications, the bid documents will be developed. During the bidding phase, the Consultant will conduct a pre-bid meeting, assist staff with contractors' questions, bid evaluations, and in preparation and assembly of construction documents

Total compensation under this proposed Task Order is a not-to-exceed amount of \$634,790. It is anticipated that the expenditure of these funds will be fully reimbursed using 2021 FAA Airport Improvement Program Entitlement Funds. Since it is anticipated that FAA funding will be used for construction, a Disadvantaged Business Enterprise (DBE) goal will apply and that DBE goal for this Task Order is 15%. Total DBE commitment for the Consultant's Task Order is 36.13% and the Authority's Small Business Programs Office concurs with this commitment.

Staff requests approval of Task Order MA20.01.00 with Jacobs Engineering Group in the amount not-to-exceed \$634,790 and authorization for the President and CEO to execute the Task Order, subject to Board approval of the related Capital Project Amendment #2.

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RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES SEPTEMBER 17, 2020

Teer presided. Present: Kane, Hannah, Kushner, Morgan, Saidi, Teer, Thompson and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following items:

1. Consideration of Amendment #2 to FY20/21 Capital Project Ordinance

Presented by Ron Kapocius, Vice President and Controller – Staff requests consideration of the attached proposed 2020-2021 Capital Project Ordinance Amendment #2, for increased funding for the following existing project:

- Capital Project 211200, “Taxiway E Rehabilitation - Design”, was created with an overall budget of \$500,000. For increased consulting services, additional funds of \$250,000 are requested. The new project total requested is \$750,000.

No increase is being recommended for the 2020-2021 Budget Ordinance as no additional cash spend is requested for the current fiscal year.

Staff requests approval of the attached 2020-2021 Capital Project Ordinance Amendment #2, increasing funding in the amount of \$250,000 for the Taxiway E Rehabilitation Design project.

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

² The meeting was live streamed at <https://youtu.be/-1tGalmY89c>.

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**RALEIGH-DURHAM AIRPORT AUTHORITY
2020-2021 CAPITAL PROJECT ORDINANCE AMENDMENT #2**

BE IT ORDAINED by the Raleigh-Durham Airport Authority, that pursuant to Section 13.2 of Chapter 150 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:

\$ 1,600,735,872

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 \$ 1,531,264,279

Total Grant Funds \$ 69,471,593

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

New 20/21 Projects		Original ¹	Change 06/18/2020	Change 09/17/2020	Amended
211170	North Cargo Apron Reconstruction	30,750,000			30,750,000
211180	T-Hangar Area Pavement Repair Project	3,500,000			3,500,000
331000	T2 Landside Master Plan	2,000,000			2,000,000
311110	Pet Relief Rooms T1 and T2	250,000			250,000
331010	T2 Bathrooms Refresh	2,750,000			2,750,000
621020	Parking Improvements Business Plan (Parking Guidance System)	8,200,000			8,200,000
881400	John Brantley Blvd Reconfiguration (in conjunction with CONRAC)	80,346,000			80,346,000
881410	National Guard Drive Improvements / Haleys Branch Road Rehab	3,000,000			3,000,000
881420	Aviation Parkway & National Guard Drive Intersection Improvement	31,200,000			31,200,000
881430	Commerce Blvd & East GA Perimeter	24,519,000			24,519,000
881440	FY20-21 New/Replacement Vehicles & Equipment	6,900,000			6,900,000
441000	Fuel Farm Facility Improvement Plan	9,186,000			9,186,000
881450	Data Center - Storage - Ongoing Enterprise Growth	800,000			800,000
889000	Water Valve and Backflow Preventer	500,000			500,000
621010	MX Building Parking Lot Rehabilitation (Secure Side)	5,500,000			5,500,000
453000	Enlarge Single Fleet MX Door	200,000			200,000
321000	Common Use Implementation of T1 Gates 5 through 9	550,000			550,000
211190	Taxiway A1 Rehabilitation - Design and Construction		1,100,000		1,100,000
211200	Taxiway E Rehabilitation - Design		500,000	250,000	750,000
211210	Taxiways C and J Rehabilitation - Design		350,000		350,000
331020	SITA Flex System		500,000		500,000
		\$ 210,151,000	\$ 2,450,000	\$ 250,000	\$ 212,851,000

Amended Projects		Original ¹	Change 06/18/2020	Change 09/17/2020	Amended
080789	CONRAC and New Rental Car Storage Lot	536,904,000			536,904,000
080799	Expanded Park Economy 3	35,618,000			35,618,000
080879	Runway 5L-23R and Taxiway B Replacement	390,300,000			390,300,000
211160	Taxiway C & D Rehabilitation (Between T/W A and T/W H)	43,569,000			43,569,000
311010	AOIS - RIDS Computer and Hardware Replacement	3,525,000			3,525,000
311020	Terminal 1 Airline Operations Space Buildout	24,000,000			24,000,000
311070	T2 and CEP Siemens BMS System Hardware Upgrade	665,000			665,000
881100	International Drive Rehabilitation	10,036,462			10,036,462
881110	Rehab & Energy Improvements for PG 1,2,3 and 4 - Phase 2	13,000,000			13,000,000
881160	Fleet Fuel Management Software and Hardware Replacement	100,000			100,000
881180	Consolidated Trash Facility Concrete Dumpster Slabs	300,000			300,000
881250	Pavement Rehab for the Bus Route in Economy 4	50,000			50,000
881260	Maintenance Facility HVAC Replacement and Upgrade	525,000			525,000
881300	Design CC Upgrade	285,000			285,000
881320	Snow Removal Equipment Storage Facility	7,000,000			7,000,000
881380	AOC 5th Floor Buildout	2,800,000			2,800,000
		\$ 1,068,677,462	\$ -	\$ -	\$ 1,068,677,462

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Ongoing Projects		Original ¹	Change 06/18/2020	Change 09/17/2020	Amended
010829	Roadway Informational Sign Rehabilitation	\$ 13,200,000			13,200,000
011109	Heritage Displays at Observation Park	\$ 1,600,000			1,600,000
011359	Advanced Surveillance Program	\$ 3,795,774			3,795,774
070549	Terminal 2 Checkpoint Expansion	\$ 9,250,000			9,250,000
080729	Park Economy 3 Lot Rehabilitation	\$ 4,800,000			4,800,000
080779	Cemetery Road Rebuild	\$ 820,000			820,000
080819	John Brantley Boulevard Reconstruction	\$ 16,000,000			16,000,000
080869	FIS Facilities Expansion	\$ 69,000,000			69,000,000
211110	West RON Apron Rehabilitation	\$ 38,000,000			38,000,000
211120	Taxiway B Rehabilitation (North of TW D)	\$ 35,000,000			35,000,000
211130	Perimeter Security Improvements (Property Fencing)	\$ 4,000,000			4,000,000
211140	Enhanced Security Perimeter Gates (TSA)	\$ 3,000,000			3,000,000
311000	AOIS System Replacement - Common Use	\$ 1,800,000			1,800,000
311050	T1 4 Gate Expansion	\$ 115,450,000			115,450,000
311060	T2 and AOC PCF Room UPS System Replacement	\$ 1,046,000			1,046,000
311100	Avtek Radio Over IP Tower	\$ 200,000			200,000
881150	FAM Modular Buildings	\$ 1,200,000			1,200,000
881270	Spill Prevention Control and Countermeasure items	\$ 125,000			125,000
881280	Water and Sewer Improvements	\$ 500,000			500,000
881310	Computer Replacement for Jet A and Glycol racks	\$ 395,000			395,000
881390	Airfield Lighting and GIS Hardware	\$ 25,000	\$ 636		25,636
		\$ 319,206,774	\$ 636	\$ -	\$ 319,207,410
		\$ 1,598,035,236	\$ 2,450,636	\$ 250,000	\$ 1,600,735,872

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 17th day of September 2020

Notes:

¹ Original- budget ordinance adopted March 19th, 2020

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES OCTOBER 15, 2020

Chair Kane presided. Present: Kushner, Morgan, Saidi, and Teer.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, 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 that the live stream was operating for public viewing.

I. APPROVAL OF AGENDA

Motion by Teer to approve the revised agenda³; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Morgan to approve the minutes of the September 17, 2020 regular meeting of the Raleigh-Durham Airport Authority Board, including the committee minutes incorporated therein; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Kane welcomed everyone and thanked staff members for arranging another virtual meeting.
2. Chair Kane noted that the \$600,000 capital repair project to secondary runway 5R/23L completed at the end of September. This runway was closed in July to repair deteriorating pavement, opened for four weeks during the curing process, and closed for again for a two weeks period for pavement grooving and markings to be completed.
3. Chair Kane reported that La Farm Bakery is on track to open in the Terminal 2 Marketplace in late spring of 2021. Vineyard Vines is scheduled to reopen today.
4. Chair Kane discussed a letter sent to the Town of Morrisville, expressing objections to the town's land use plan. Chair Kane gave information about the Airport Overlay District created due to noise complaints in the 1990s, which prohibited residential development in areas due to elevated noise levels and frequent overflights.

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

² The meeting was live streamed originally at https://youtu.be/YGLZaG8_IdU and, due to technical difficulties, redirected to <https://youtu.be/vyV5kiWe3w8>.

³ Agenda revised to move Amazon.com Services item to Consent Agenda.

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IV. OLD BUSINESS

1. Operations Committee Report – Teer⁴ reported Board members met during the Operations Committee work session on October 15, 2020 and discussed the following item:

- a. Closed Session

[Closed committee work 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)(1) and (3).]

Chair Kane discussed that in a meeting on May 1, 2020, the Board gave six months' authorization for the President and CEO to execute modification agreements with RDU tenants. These modifications are in response to the impacts of COVID-19, which impacts are ongoing. Given the nature of this crisis, and the large number of varying types of tenant agreements subject to modification, as well as the extended negotiations that are occurring, it is not feasible for staff to bring each modification to the Board for approval. The original authorization was for six months from May 1st, which will expire on November 1st and Chair Kane asked for a motion to extend this authorization through March 31, 2021, which is the end of this fiscal year.

Motion by Saidi for approval to extend authorization through March 31, 2021 for the President and CEO to execute agreement modifications for tenants operating at RDU; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

2. Air Service Development Committee Report – Teer reported Board members met during the Air Service Development Committee work session on October 15, 2020 and discussed the following item:

- a. Consideration of Air Service Development and Recovery Policies

Motion by Teer for approval of approval of the COVID-19 Air Service Development Recovery Policy and of the Air Service Development Policy, and authorization for the President and CEO to execute the corresponding implementing procedures; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

3. Land and Development Committee Report – Teer reported Board members met during the Land and Development Committee work session on October 15, 2020 and discussed the following item:

⁴ In absence of Committee Chair Thompson for Operations Committee and Air Service Development Committee reports

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- a. Consideration of Task Order with WK Dickson for North Cargo Apron Reconstruction

Motion by Teer for approval of the Task Order with WK Dickson in the amount not-to-exceed \$622,506 and authorization for the President and CEO to execute the task order; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

V. NEW BUSINESS

1. Consent Agenda:

- a. Consideration of Multiyear Service Agreement with DBT Transportation Services
- b. Consideration of Amazon.com Services LLC Parking License Agreement

Motion by Saidi 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

Staff, constituents, and colleagues were thanked for their efforts and dedication during this continuing pandemic. Information Services and Communications staff, particularly Damien Ball and Crystal Feldman were thanked for their efforts to resolve technical issues experienced during the virtual meeting and for communication efforts to the public. The management team was recognized for its continued leadership.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service Report

Passenger levels at RDU have flattened since the modest bump we experienced over Labor Day weekend. TSA screened nearly 310,000 departing passengers at RDU in September – down 72% from September 2019 and down 3% from August 2020. The number of average daily departures in September was 89, down from 227 in 2019 and 102 in August 2020.

The airlines made several notable changes to their November schedules. Southwest cut the number of available seats from RDU by 60% for November and 65% for December. This is the most pronounced cut Southwest has made since the onset of the global health crisis.

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American Airlines reduced its available seats by 71% for November, while United made a 65% reduction compared to 2019. RDU's current capacity for November is scheduled to be 11% above October levels, but the airlines could continue to make changes to their schedules. Delta added seats to its November schedule, taking Ft. Lauderdale, Orlando and Tampa from five times a week to once a day service.

Unless Congress passes another relief bill that includes the airlines, we expect to see airline furloughs begin in earnest over the next two weeks. That is likely to have an additional impact on the airline network.

J.D. Power Ranking

J.D. Power has ranked RDU 9th among large airports in its 2020 North America Airport Satisfaction Study. This is the second year in a row RDU has ranked among J.D. Power's Top Ten. The study measures overall traveler satisfaction for mega, large and medium-sized North American airports.

The overall customer satisfaction score this year for North American airports set a record high, driven by significant improvements in satisfaction with the check-in and in the food, beverage and retail factors.

Passengers also have provided airport terminals with high marks for cleanliness, less crowding and lower noise levels. The study was based on more than 26,000 traveler surveys completed from August 2019 through July 2020.

Since the global health crisis began, RDU has enhanced its cleaning and disinfecting practices, installed plexiglass barriers between guests and employees, added signs, seat covers, and floor decals to encourage social distancing and put a mask requirement in place. As RDU responds to changing industry dynamics, keeping guests safe and healthy while providing a world-class airport experience remains our top priority.

J.D. Power considers large airports as those with 10 to 32.9 million travelers per year. A record 14.2 million passengers traveled through RDU in 2019. RDU expects around five million people to fly through the airport in 2020 due to government travel restrictions and weakened demand.

Podcast

RDU launched a podcast called the "Fly Angle" in September. It offers news about the airport and a behind-the-scenes look at how RDU operates. The first episode features an interview with Ashley Thorsen from Operations talking about how we prepare for hurricanes. You can find the "Fly Angle" on RDU.com and on your favorite podcast app. New episodes will be available about once a month.

IX. ADJOURNMENT

Motion by Teer to adjourn; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT OCTOBER 15, 2020

The Board approved the following items on the Consent Agenda:

a) Consideration of Multiyear Service Agreement with DBT Transportation Services

Memorandum by Curtis L. Henderson, Director of Field Maintenance – Staff requests approval of a five (5) year service agreement with DBT Transportation Services LLC (DBT). This proposed service agreement would provide annual preventative maintenance for RDU’s Runway Weather Information System (RWIS) hardware. The RWIS includes a system of pavement monitoring sensors that are of particular importance to inform staff of surface temperatures for pre-treatment/treatment of airfield pavement deicing materials. DBT will perform inspections, functional checks, adjustments, and cleaning in accordance with manufacturer’s guidelines on an annual basis. Also, included are replacement of any failed components to the RWIS. The cost of the proposed service agreement is not-to-exceed \$32,500.

This is a single source procurement request. Vaisala, Inc. is the manufacturer and supplier of the RWIS equipment. Since 2016, Vaisala no longer provides hardware maintenance services to their equipment but continues to support their software platform. Vaisala highly recommends using its certified partner, DBT, for the maintenance of the RWIS. The certification process requires yearly recertification to ensure that Vaisala partners are continually informed and educated in any changes to the hardware, firmware, and maintenance practices.

Staff requests approval of the five (5) year service agreement with DBT Transportation Services LLC in the amount of not-to-exceed \$32,500 and authorization for the President and CEO to execute the agreement.

b) Consideration of Amazon.com Services LLC Parking License Agreement

Memorandum by Tyler Maheu, C.M., Director of Commercial Management – Staff requests approval to enter into a Parking License Agreement (“Agreement”) with Amazon.com Services LLC (“Amazon”) for 100 parking stalls to store vehicles in the northern portion of the former Lot 5. These additional parking stalls are adjacent to Amazon’s existing spaces under the License executed in July 2020 for delivery vehicle. storage

The Agreement term will be nine months beginning on or around November 1, 2020 and expiring July 31, 2021, with two, one-year options to extend at the mutual discretion of Amazon and the Authority. During the first year, Amazon will pay to the Authority a fee of \$60.00 per-stall per-

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month, for total annual revenue to the Authority of \$72,000. The fee will increase three percent (3%) per year for each option year exercised.

Amazon will be responsible for upkeep and maintenance of the premises, and for any and all improvements, which shall be made only with the approval of the Authority and in accordance with design requirements.

Staff anticipates Amazon may request additional parking spaces for similar use and under similar terms in the future. Upon execution of this Agreement, there will be 147 adjacent parking stalls available for future license.

Staff requests approval of the Parking License Agreement with Amazon.com Services LLC and authorization for the President and CEO to execute the Agreement. Further, staff requests approval for the President and CEO to amend and execute this Agreement, at such time in the future as requested by Amazon, to include up to 147 additional parking stalls, at the then-current price per-stall, with no changes to the use, term, or other Agreement provisions.

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES OCTOBER 15, 2020

Teer presided.¹ Present: Kane, Kushner, Morgan, and Saidi.² Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, 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 that the live stream was operating for public viewing.

Motion by Teer 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 pursuant to NCGS §143-318.11(a)(1) and (3); Second by Morgan

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Board members, President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests met virtually for a closed session from 11:33 a.m.⁴ until 12:30 p.m.

In open session, Chair Kane announced that due to time constraints, consideration of the Amazon.com Services LLC Parking License Agreement was being moved from the Operations Committee agenda and would be considered by the Board as a Consent Agenda item.

¹ At request of Chair Kane

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

³ The meeting was live streamed originally at https://youtu.be/YGLZaG8_IdU and, due to technical difficulties, redirected to <https://youtu.be/vyV5kiWe3w8>.

⁴ Due to technical difficulties with original YouTube live stream, the start of the committee work session was delayed from 11:00 am until 11:30 am

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RALEIGH-DURHAM AIRPORT AUTHORITY AIR SERVICE COMMITTEE WORK SESSION MINUTES OCTOBER 15, 2020

Teer presided.¹ Present: Kane, Kushner, Morgan, and Saidi.² Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.³

The Committee discussed the following item:

1. Consideration of Air Service Development and Recovery Policies

Presented by Kenneth Strickland, Director of Air Service Development & Research – The Authority, on behalf of Raleigh-Durham International Airport, has historically maintained an ongoing air service incentive program (ASIP) aligned with the Airport's Five-Year Air Service Development Strategy document. The most recent strategy was completed just prior to the onset of demand impacts of the COVID-19 pandemic, which resulted in a hiatus to the development of a corresponding ASIP in order to gauge industry impacts and opportunities.

The COVID-19 pandemic is projected to result in a considerably smaller passenger airline industry, characterized by fewer aircraft and smaller airline networks. Consequently, it is expected that competition among airports for the resumption of routes abandoned as a result of COVID-19, as well as new route opportunities, will grow increasingly fierce. Considering the Authority's desire to remain a competitive option at RDU for existing and potential new entrant carriers in the market, as well as the goal of seeing a resumption of service for markets discontinued due to COVID-19, staff recommends the implementation of two specific incentive program policies:

1. Standard ASIP providing 12-months of landing fee waivers for new entrant carriers, or for existing carriers launching service to markets unserved within the previous 18-months.
2. Recovery ASIP providing 12-months of landing fee waivers for existing RDU carriers relaunching international service to previously year-round markets that were served by that carrier during the 12-month period ending February 29th, 2020, that have been discontinued for a period of at least six calendar months from the date of service restart.

¹ At request of Chair Kane

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

³ The meeting was live streamed originally at https://youtu.be/YGLZaG8_IdU and, due to technical difficulties, redirected to <https://youtu.be/vyV5kiWe3w8>.

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The reasons for the proposed approach include:

- A. The approach allows the Authority to provide an attractive cost offset with immediate benefits to carriers looking to take strategic advantage of RDU non-stop markets abandoned as a result of COVID-19, and to carriers looking to re-establish international markets vital to the economic health of the Triangle region and State of North Carolina.
- B. The approach incorporates a strategy and associated spending caps that reflects an appreciation for the Authority's diminished revenue in response to COVID-19 related declines in consumer travel demand and associated passenger volumes.

Success will be measured with the return of service to previously served markets, as well as the expansion of service to new routes.

Staff requests approval of the COVID-19 Air Service Development Recovery Policy and of the Air Service Development Policy, and authorization for the President and CEO to execute the corresponding implementing procedures.

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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RALEIGH- DURHAM AIRPORT AUTHORITY LAND AND DEVELOPMENT COMMITTEE WORK SESSION MINUTES OCTOBER 15, 2020

Teer presided. Present: Kane, Kushner, Morgan, and Saidi.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following item:

1. Consideration of Task Order with WK Dickson for North Cargo Apron Reconstruction

Presented by Jim Novak, Director of Facilities Engineering, Facilities Asset Management – Staff requests the award of Task Order WKD MA20.02.00 under the Master On-Call Agreement with WK Dickson & Company, Inc. (Consultant) for work related to the North Cargo Apron Reconstruction project. Reconstruction of the North Cargo Apron is necessary as the pavement is 28 years old, nearing the end of its useful life, and has developed distresses associated with Alkali-Silica Reactivity. The ramp and taxilane have recently required emergency crack sealing and spall repair to minimize debris and slow the rate of pavement failure, which deterioration is anticipated to accelerate making preparation for replacement essential.

Staff negotiated a proposed task order for Schematic Design for reconstruction of the entire North Cargo Apron and associated taxilane, which is in worse condition than the remainder of the apron and final design for that portion will be deferred for future funding. From prior experience with airfield pavement of this age and type, reconstruction is anticipated to include full depth replacement of the concrete pavement, construction of new paved shoulders along the taxilane, underdrain installation, and stormwater drainage system improvements. It is anticipated that reconstruction of the apron will be completed over 3-4 separate construction projects over the course of multiple construction seasons.

During Schematic Design, the Consultant will review and document existing conditions; perform a topographic survey and pavement coring and subgrade borings; analyze base and subgrade samples; perform geophysical testing to approximate the location and elevation of rock, and assess the condition of existing airfield lights, guidance signs, and circuits. A Schematic Design review meeting will focus on high-level construction phasing and constructability constraints, consider sustainability measures, evaluate the preliminary cost estimate, and set the direction of Final Design.

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

² The meeting was live streamed originally at https://youtu.be/YGLZaG8_IdU and, due to technical difficulties, redirected to <https://youtu.be/vyV5kiWe3w8>.

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For the taxilane portion of the ramp only, the scope of Final Design and the Development of Construction Documents includes furtherance of design based upon decisions made in the Schematic Design Phase. Design will be completed with the development of plans and specifications. The Consultant's deliverables will also include construction safety phasing plans, erosion and sedimentation control plans, an Engineer's Report, and construction cost estimates during the pertinent levels of design, among other measures required by the FAA and the State of North Carolina.

Upon concurrence of funding agencies with the proposed plans and specifications, the Consultant will develop bid documents for taxilane reconstruction (Phase 1 of the reconstruction) and assist staff in advertising the work. During the Bidding Phase, the Consultant will conduct a pre-bid meeting, assist staff with contractors' questions through the bidding process, evaluate bids, and assist with contract documents for construction.

Total compensation under this Task Order is a not-to-exceed amount of \$662,506 and the current project budget is sufficient to support this task order. The expenditure of these funds is expected to be fully reimbursed using 2021 FAA Airport Improvement Program Entitlement Funds.

Since anticipated FAA funding will be utilized, a Disadvantaged Business Enterprise (DBE) goal will apply as opposed to Minority and Women Small Business (MWSB) goals. The DBE goal for this task order is 15%. Total DBE commitment for the Consultant's task order is 25%. The Authority's Small Business Programs Office concurs with this commitment.

Staff requests approval of the Task Order with WK Dickson in the amount not-to-exceed \$622,506 and authorization for the President and CEO to execute the task order.

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RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES NOVEMBER 19, 2020

Chair Kane presided. Present: Hannah, Morgan, Saidi, Teer, Thompson, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, 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 that the live stream was operating for public viewing.

I. APPROVAL OF AGENDA

Motion by Hannah to approve the agenda; Second by Teer

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Morgan to approve the minutes of the October 15, 2020 regular meeting of the Raleigh-Durham Airport Authority Board, including the committee minutes, and consent actions incorporated therein; Second by Hannah

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Kane welcomed everyone and thanked staff members for arranging another virtual meeting.
2. Chair Kane welcomed American Airlines' Admirals Club which reopened this week, operating under American's "Clean Commitment" ensuring sanitization of all touch points throughout the day.
3. Chair Kane noted that the Operation Clean Sweep initiative is now concluded and he recapped the purpose for the initiative, tasks performed, and hours volunteered.
4. He discussed the Terminal Operations Team which helps ensure enforcement of rigorous cleaning practices and health and safety measures at the terminals. Chair Kane commented on the hours and walking steps logged, and that twenty-three 123-point area inspections and fourteen 23-point restroom inspections are performed each day.

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

² The meeting was live streamed at <https://youtu.be/cF4vyuENnA4>.

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5. Chair Kane gave details from the recent Morrisville Town Council meeting where some Authority Board members met virtually with the Council to discuss existing Airport Overlay Districts and changes proposed to Morrisville's Land Use Plan. He gave history on the reasons for the AODs and previous litigation involving noise exposure.
6. Chair Kane referenced changes proposed by the FAA to air traffic procedures for RDU aimed at improving traffic flow in/out of the airport and directed that further details could be viewed at https://www.faa.gov/air_traffic/community_involvement/rdu/.

IV. OLD BUSINESS

1. Operations Committee Report – Thompson reported Board members met during the Operations Committee work session on November 19, 2020 and discussed the following item:

- a. Consideration of Purchase of Passenger Shuttles and Agreement Termination with MV Transportation

Motion by Thompson, subject to approval of related Capital Project and Operating Budget adjustments to fund this project, for approval of the purchase of eight Ford F450 Champion Challenger 14-passenger shuttles from MV Transportation, Inc. for \$413,526.40 and to terminate the operating agreement immediately, and approval to spend \$13,303.79 for vehicle registration fees, with authorization for the President and CEO to execute all necessary documents for the purchase of the shuttles, termination of the agreement, and vehicle registrations; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

2. Finance Committee Report – Teer reported Board members met during the Finance Committee work session on November 19, 2020 and discussed the following items:

- a. Consideration of Adjustments to the Capital Project and Operating Budgets for Park Express Shuttles Project

Motion by Teer for approval of Capital Project Ordinance Amendment #3, providing an increase to the 2020-2021 Capital Project Ordinance of \$426,831 for the new Park Express Shuttles project, and approval of Budget Ordinance Amendment #2 with an increase to the 2020-2021 Budget Ordinance of \$426,831; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

- b. Financial Performance for Second Quarter YTD of the Fiscal Year Ending March 31, 2021

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:

- Consideration of Multiyear Service Agreement with SiteMed North America LLC
- Consideration of Service Agreement with Kennedy Office Supply, Inc.
- Consideration of Multiyear Service Agreement with Signature Structures, LLC
- Consideration of Service Agreement with Siemens for Fire Suppression System Services

Motion by Teer to approve and adopt the Consent Agenda items; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Staff and the leadership team were thanked for their efforts and dedication during this continuing pandemic. Everyone was wished a happy and safe holiday, and reminded that while Thanksgiving 2020 may be different, the meaning is the same and we all have much to be thankful for.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service Report

Next week marks the beginning of what would typically be a busy holiday travel season, with a significant increase in passenger traffic. But as you know, 2020 is not a typical year. We anticipate a single digit increase in traffic, compared to the 10% boost we got over Thanksgiving week last year.

RDU saw an 18% increase in traffic in October compared to September and an 11% increase in flights being sold out of RDU. American continued to carry the largest share of traffic at 28%, and Delta went from third to second at 25%. Southwest and United represented 18% and 16% respectively. These four airlines accounted for 87% of RDU's total departing passenger traffic for the month.

The total number of passengers who flew through RDU in October was just over 366,000. That was an 18% increase over September of this year, but a 71% decrease compared to October 2019. We averaged 94 daily departures for the month, up from 89 in September of 2020, but down from 231 in October 2020.

Harvard Report

Airports and airlines continue to enforce strict measures to protect your health while traveling, and the science shows these efforts are working. According to a recent report by Harvard's School of

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Public Health, the risk of viral transmission during flight is extremely low. Airplane air filtration and circulation, wearing a mask during your flight, disinfection processes and other mitigation strategies reduce the risk of COVID-19 transmission to very low levels. Researchers found that this layered approach makes flying safer than routine activities like grocery shopping or dining out.

SAS Collaboration

A collaboration between RDU and SAS is helping us develop significantly improved passenger forecast models. We are turning to creative solutions for predicting passenger traffic at a time when industry forecasts have become increasingly unreliable. Traditional forecasting methods accurately predicted passenger volume within a few points of actual traffic, but they have become varied and inconsistent amid the global health crisis.

As part of their commitment to supporting the region in the wake of the COVID-19 crisis, SAS took on the task of evaluating RDU's forecasting approach. RDU's collaboration with SAS allows us to develop more precise forecasts that drive important business and planning decisions. We are fortunate SAS offered to consult with the airport during this challenging period for the aviation industry.

Podcast

The second episode of the "Fly Angle", RDU's new podcast, launched this week. Air Service Director Kenneth Strickland chats with co-hosts Mary Griffith and Jake Potter about how airports recruit new airlines and flights even during the global health pandemic.

You can listen to the "Fly Angle" on RDU.com and on your favorite podcast app. New episodes will be available about once a month.

Special Visitor

RDU welcomed a young aviation enthusiast recently for a behind-the-scenes tour of the airport. Ten-year-old Jack was born with a heart defect and had three open heart surgeries before he turned four. His family has traveled all over the world from RDU for his treatment.

Jack fills with excitement when he talks about air travel. He loves to share stories of his experiences on planes and in airports. He sent us a thank you note for keeping the airport running during the pandemic. Jack wrote, "Thank you for looking out for the airport so that it can be a safe and healthy place to be when people have to travel. It's nice of you to help keep the airport running even though you could get sick. You guys are very brave."

As a thank you for his note and kind words, we invited Jack to take a special tour of RDU. Jack and his dad got an insider view of the ramp tower as well as the baggage handling system, which he was most excited to see.

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R A L E I G H - D U R H A M A I R P O R T A U T H O R I T Y

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We at RDU share Jack's love for the aviation industry and look forward to welcoming Jack and his family back to the airport when they are ready to travel again.

IX. A D J O U R N M E N T

Motion by Hannah to adjourn; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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RALEIGH-DURHAM AIRPORT AUTHORITY 2020-2021 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:

\$ 1,601,162,703

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 \$ 1,531,691,110

Total Grant Funds \$ 69,471,593

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

New 20/21 Projects		Original ¹	Change 05/18/2020	Change 09/17/2020	Change 11/19/2020	Amended
211170	North Cargo Apron Reconstruction	\$ 30,750,000				\$ 30,750,000
211180	T-Hangar Area Pavement Repair Project	3,500,000				3,500,000
331000	T2 Landside Master Plan	2,000,000				2,000,000
311110	Pet Relief Rooms T1 and T2	250,000				250,000
331010	T2 Bathrooms Refresh	2,750,000				2,750,000
621020	Parking Improvements Business Plan (Parking Guidance System)	8,200,000				8,200,000
881400	John Brantley Blvd Reconfiguration (in conjunction with CONRAC)	80,346,000				80,346,000
881410	National Guard Drive Improvements / Hales Branch Road Rehab	3,000,000				3,000,000
881420	Aviation Parkway & National Guard Drive Intersection Improvement	31,200,000				31,200,000
881430	Commerce Blvd & East GA Perimeter	24,519,000				24,519,000
881440	FY20-21 New/Replacement Vehicles & Equipment	6,900,000				6,900,000
441000	Fuel Farm Facility Improvement Plan	9,186,000				9,186,000
881450	Data Center - Storage - Ongoing Enterprise Growth	800,000				800,000
889000	Water Valve and Backflow Preventer	500,000				500,000
621010	MX Building Parking Lot Rehabilitation (Secure Side)	5,500,000				5,500,000
453000	Enlarge Single Fleet MX Door	200,000				200,000
321000	Common Use Implementation of T1 Gates 5 through 9	550,000				550,000
211190	Taxiway A1 Rehabilitation - Design and Construction		1,100,000			1,100,000
211200	Taxiway E Rehabilitation - Design		500,000	250,000		750,000
211210	Taxiways C and J Rehabilitation - Design		350,000			350,000
331020	SITA Flex System		500,000			500,000
621030	Park Express Shuttles				426,831	426,831
		\$ 210,151,000	\$ 2,450,000	\$ 250,000	\$ 426,831	\$ 213,277,831
Amended Projects		Original ¹	Change 05/18/2020	Change 09/17/2020	Change 11/19/2020	Amended
080789	CONRAC and New Rental Car Storage Lot	\$ 536,904,000				\$ 536,904,000
080799	Expanded Park Economy 3	35,618,000				35,618,000
080879	Runway 5L-23R and Taxiway B Replacement	390,300,000				390,300,000
211160	Taxiway C & D Rehabilitation (Between T/W A and T/W H)	43,569,000				43,569,000
311010	AOIS - RIDS Computer and Hardware Replacement	3,525,000				3,525,000
311020	Terminal 1 Airline Operations Space Buildout	24,000,000				24,000,000
311070	T2 and CEP Siemens BMS System Hardware Upgrade	665,000				665,000
881100	International Drive Rehabilitation	10,036,462				10,036,462
881110	Rehab & Energy Improvements for PG 1,2,3 and 4 - Phase 2	13,000,000				13,000,000
881160	Fleet Fuel Management Software and Hardware Replacement	100,000				100,000
881180	Consolidated Trash Facility Concrete Dumpster Slabs	300,000				300,000
881250	Pavement Rehab for the Bus Route in Economy 4	50,000				50,000
881260	Maintenance Facility HVAC Replacement and Upgrade	525,000				525,000
881300	Design CC Upgrade	285,000				285,000
881320	Snow Removal Equipment Storage Facility	7,000,000				7,000,000
881380	AOC 5th Floor Buildout	2,800,000				2,800,000
		\$ 1,068,677,462	\$ -	\$ -	\$ -	\$ 1,068,677,462

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Ongoing Projects		Original ¹	Change 06/18/2020	Change 09/17/2020	Change 11/19/2020	Amended
010829	Roadway Informational Sign Rehabilitation	\$ 13,200,000				\$ 13,200,000
011109	Heritage Displays at Observation Park	1,600,000				1,600,000
011359	Advanced Surveillance Program	3,795,774				3,795,774
070549	Terminal 2 Checkpoint Expansion	9,250,000				9,250,000
080729	Park Economy 3 Lot Rehabilitation	4,800,000				4,800,000
080779	Cemetery Road Rebuild	820,000				820,000
080819	John Brantley Boulevard Reconstruction	16,000,000				16,000,000
080869	FIS Facilities Expansion	69,000,000				69,000,000
211110	West RON Apron Rehabilitation	38,000,000				38,000,000
211120	Taxiway B Rehabilitation (North of TW D)	35,000,000				35,000,000
211130	Perimeter Security Improvements (Property Fencing)	4,000,000				4,000,000
211140	Enhanced Security Perimeter Gates (TSA)	3,000,000				3,000,000
311000	AOIS System Replacement - Common Use	1,800,000				1,800,000
311050	T1 4 Gate Expansion	115,450,000				115,450,000
311060	T2 and AOC PCF Room UPS System Replacement	1,046,000				1,046,000
311100	Avtek Radio Over IP Tower	200,000				200,000
881150	FAM Modular Buildings	1,200,000				1,200,000
881270	Spill Prevention Control and Countermeasure Items	125,000				125,000
881280	Water and Sewer Improvements	500,000				500,000
881310	Computer Replacement for Jet A and Glycol racks	395,000				395,000
881390	Airfield Lighting and GIS Hardware	25,000				25,000
		\$ 319,206,774	\$ 636	\$ -	\$ -	\$ 319,207,410
		\$ 1,598,035,236	\$ 2,450,636	\$ 250,000	\$ 426,831	\$ 1,601,162,703

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 19th day of November 2020

Notes:

¹ Original - budget ordinance adopted March 19th, 2020

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RALEIGH-DURHAM AIRPORT AUTHORITY 2020-2021 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 2020-2021 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, 2020 and ending March 31, 2021 in accordance with the following schedule:

EXPENDITURES:

	Original ¹	Change 6/18/2020	Change 11/19/2020	Amended
Airport Operating Expenses	\$ 96,016,236	\$ (16,192,874)		\$ 79,823,362
Capital Projects Spend	135,097,013	(96,084,686)	426,831	39,439,158
Future CFC Projects	18,060,470	(11,182,790)		6,877,680
Net Debt Service	47,998,155	(8,999,992)		38,998,163
Total	\$ 297,171,874	\$ (132,460,342)	\$ 426,831	\$ 165,138,363

Section 2. It is estimated that the following revenues will be available for the fiscal year beginning April 1, 2020 and ending March 31, 2021:

REVENUES:

	Original ¹	Change 6/18/2020	Change 11/19/2020	Amended
Airfield	\$ 17,223,884	\$ (8,058,167)		\$ 9,165,717
General Aviation	2,082,884	-		2,082,884
Buildings and Grounds	166,936,565	(112,793,626)		54,142,939
Total Operating Revenues	\$ 186,243,333	\$ (120,851,793)	\$ -	\$ 65,391,540
Interest and Other Income	6,666,483	(5,851,908)		814,575
Grants	19,880,000	49,591,593		69,471,593
PFC Revenue	30,033,391	(18,596,255)		11,437,136
CFC Revenue	18,060,470	(11,182,790)		6,877,680
Appropriated Fund Balance	36,288,197	(25,569,189)	426,831	11,145,839
Total	\$ 297,171,874	\$ (132,460,342)	\$ 426,831	\$ 165,138,363

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, 2020, amended June 18, 2020, and amended this 19th day of November 2020.

Notes:

¹ Original- budget ordinance adopted March 19, 2020

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RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT NOVEMBER 19, 2020

The Board approved the following items on the Consent Agenda:

a) Consideration of Multiyear Service Agreement with SiteMed North America LLC

Memorandum by Russell Stanley, A.M.F., Fire-Rescue Chief – Aircraft Rescue and Firefighting (ARFF) personnel are required to undergo a physical examination every year. Also, all potential new hire candidates must undergo a physical examination prior to participating in the physical assessment. SiteMed North America LLC (SiteMed) has been the provider for annual physicals for the past seven years and uses state of the art equipment and trained experienced staff. Testing is done under NFPA, OSHA, NIOSH and CAOHC procedures and the examination meets and exceeds the industry standard for firefighters.

SiteMed will come on-site to perform the physical examinations. Each on-site visit will consist of phase 1 (blood draws) 1 day, up to 3 hours each day and phase 2 (physicals) 1-2 days, up to 5 hours each day for a total of 2 days each year. Under this proposed agreement the cost is \$305.00 per physical examination which is a 0% increase from the current cost. This proposed five-year agreement with SiteMed for annual required NFPA 1582 physical exams is in the maximum amount of \$34,400.

Staff requests approval of a five-year agreement with SiteMed North America LLC in the maximum amount of \$34,400, and for authorization for the President and CEO to execute the agreement.

b) Consideration of Service Agreement with Kennedy Office Supply, Inc.

Memorandum by Ashley E. Wages, CLGPO, Procurement & Contracting Specialist II – Staff requests approval of an agreement with Kennedy Office Supply, Inc. to provide coffee, tea, and related supplies, as well as labor and maintenance for coffee equipment installed throughout the Authority office areas. Currently, the Authority has the capacity to provide coffee and related beverages to its employees at twelve office locations throughout the airport. These locations have varying levels of coffee, tea and related supply inventory, and dispensers and burners that are owned by the service provider. Re supply of inventory and machinery maintenance requirements are handled by the service provider as ordered by Authority staff. The incumbent service provider is Kennedy Office Supply under a three (3) year supply contract signed in 2017.

Staff issued a formal solicitation in June 2020 to have a contract in place once the current agreement of 2017 expired. The new contract would have a term of three (3) years, including two one-year renewal options. Three proposals were received from: (i) Compass Group USA Inc. – Canteen Division, (ii) DS Services of America, Inc., and (iii) Kennedy Office Supply, Inc.

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Kennedy Office was determined to be the most reasonable and advantageous solution for the Authority after a thorough review and analysis of a number of factors including: the proposals delivered, capabilities of each submitter, proposed costs of a representative sample of products, potential costs to exchange existing equipment, and relative fit for the Authority. Kennedy Office Supply is a woman-owned office product supplier in North Carolina that has been in business for over 60 years. As mentioned above, Kennedy Office is also the incumbent vendor of this contact and has serviced the Authority providing these services for a total of five years, including two years prior to the existing contract.

The overall Minority and Women-Owned Small Business (MWSB) goals for the solicitation were 7% for Minority-Owned Businesses (MB) and 4% for Women-Owned Businesses (WB). There are 0% MB participation and 100% WB participation associated with this procurement.

Compensation for services rendered under this agreement are a not-to-exceed cost of \$15,000 per year to provide all coffee, tea, supplies, labor, and equipment described in the scope of service.

Staff requests approval of the agreement with Kennedy Office Supply, Inc. for a term of three years, which includes two one-year extension options, in an amount not to exceed \$15,000 per year, and authorization for the President and CEO to execute the agreement.

c) Consideration of Multiyear Service Agreement with Signature Structures, LLC

Memorandum by Curtis L. Henderson, Director of Field Maintenance – Staff requests approval of a multi-year agreement with Signature Structures, LLC for inspections of the canvas roof structures at RDU. The following 16 canvas roof structures require annual inspections and preventative maintenance by a qualified vendor:

Parking Garage 3 (1) North and (1) South Helix
Parking Garage 4 (1) North and (1) South Helix
Parking Garage 3 & 4 Atrium (2)
Parking Garage Entrance Plaza (1) and Exit (1) Plaza
Park Economy 3 Entrance (1), Exit (1) and Bus Shelters (4)
Park Economy 2 Exit Plaza (1) and Bus Shelter (1)

The inspections and preventative maintenance includes but is not limited to: (i) visual inspection of fabric envelope; (ii) minor patching; (iii) checking tightness of turnbuckles, shackle pins, cotter keys, tensioning rods and jacking masts; and (iv) tension testing.

A competitive Request for Proposals was issued and four responses were received. The lowest responsible and responsive bidder was Signature Structures, LLC. The initial term is three years,

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with two one-year extension options, and the total contract amount for this five year service is \$78,720.

Staff requests approval of the Service Agreement with Signature Structures LLC for a term of five years, which includes two one-year extension options, in the amount of \$78,720 and authorization for the President and CEO to execute the agreement.

- d) Consideration of Service Agreement with Siemens for Fire Suppression System Services
Memorandum by Barry Stoker, Director of Contract Facilities Maintenance – Staff requests approval of a multi-year agreement for the maintenance and repair of fire suppression systems located in the terminals and other airport facilities. The services to be provided under the proposed contract include the following:

1. NFPA-required inspections and tests on fire suppression systems located in Terminals 1 and 2, the Central Energy Plant, Fuel Facility, Maintenance Facility, Airport Operations Center, Parking Garage, South Cargo 3 and the NC DOT Aviation facility.
2. On-call services for repairs to the fire suppression systems.

Competitive bids for these services were solicited through the RDU and State IPS websites, and responses were received from five firms. Of these responses, Siemens Industries, Incorporated (Siemens) provided the lowest bid and met all of the requirements of responsiveness and responsibility. Minority and Women-owned Small Business goals were set at 7% and 4% respectively; however, all of the firms indicated their intent to self-perform all required services.

The proposed contract will be for a term of five years, beginning on January 1st, 2021 and will include inspection and testing of the systems at a cost of \$159,670, plus an appropriation of \$50,000 to cover unforeseen repairs, for a total proposed cost of \$209,670 for the five-year term.

Staff requests approval of the five-year agreement for fire suppression system services with Siemens Industries, Incorporated totaling \$209,670 and authorization for the President and CEO to execute the agreement.

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES NOVEMBER 19, 2020

Thompson presided. Present: Kane, Hannah, Morgan, Saidi, Teer, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following item:

1. Consideration of Purchase of Passenger Shuttles and Agreement Termination with MV Transportation

Presented by Jeffrey A. Slayton, PMP, Director of Parking and Ground Transportation – In March 2019 the Authority entered into a three-year operating agreement with MV Transportation to operate the Park Express trunk-to-terminal parking product which included the purchases of eight 14-passenger shuttles. With the onset of the COVID-19 pandemic, MV Transportation's scope of services was reduced on March 23, 2020 to cease operations in Park Express and to use the shuttles to service the Park Economy car parks. On April 21, 2020, all shuttle operations ceased, and the Authority continued to pay MV Transportation \$18,750 per month to retain and maintain the eight shuttles. Staff performed an in-depth analysis on projected parking occupancy and car park reactivations based on projected enplanement modeling and determined that shuttles are not anticipated to be needed until 2024.

The Authority and MV Transportation discussed available options regarding the operating agreement and the eight shuttles and MV Transportation provided the following three (3) options on September 21, 2020:

- Option #1 - Continue with the contract until it expires in March 2022 at a total remaining cost of approximately \$337,500.
 - a. MV Transportation retains ownership of shuttles at the end of the contract.
 - b. Available to re-start shuttle service at any point
 - c. Contractor can be ready to start-up operations in 30-60 days
- Option #2 - Pay MV Transportation \$222,000 and immediately terminate the agreement.
 - a. MV Transportation retains ownership of the shuttles
 - b. No additional costs after lump sum payment
 - c. Contract terminated immediately

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

² The meeting was live streamed at <https://youtu.be/cF4vyuENnA4>.

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R A L E I G H - D U R H A M A I R P O R T A U T H O R I T Y

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- Option #3 - Purchase the shuttles for \$413,527 and terminate the agreement. Plus \$13,304 in registration fees.
 - a. Total of \$413,527 to purchase directly from MV Transportation
 - b. \$13,304 to pay for all registration fees and taxes
 - c. Contract terminated immediately

Staff requests approval to proceed with Option #3 for the purchase the eight 14-passenger shuttles. Staff inspected each shuttle to verify and document each unit's condition and operability. Benefits of choosing Option #3 include:

- a. Avoids future cost to Authority of having to buy new shuttles
- b. Authority would have physical ownership of shuttles to use as needed
- c. Shuttles are all low mileage vehicles
- d. Shuttles already branded in RDU livery
- e. Do not require a CDL-P license to operate and can use existing staff to operate
- f. Ownership allows for faster shuttle start-up when needed. (approximately 30-60 days)
- g. Reduces start-up costs and time
- h. Less operational expense to use for special details instead of a 40' bus

Subject to approval of related Capital Project and Operating Budget adjustments to fund this project, staff requests approval to purchase eight Ford F450 Champion Challenger 14-passenger shuttles from MV Transportation, Inc. for \$413,526.40 and to terminate the operating agreement immediately, and approval to spend \$13,303.79 for vehicle registration fees, with authorization for the President and CEO to execute all necessary documents for the purchase of the shuttles, termination of the agreement, and vehicle registrations.

R a l e i g h - D u r h a m A i r p o r t A u t h o r i t y B o a r d M e m b e r s

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RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES NOVEMBER 19, 2020

Teer presided. Present: Kane, Hannah, Morgan, Saidi, Thompson, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following items:

1. Consideration of Adjustments to the Capital Project and Operating Budget for Park Express Shuttles Project

Presented by Ron Kapocius, Vice President and Controller – Staff requests approval to increase the Capital Project Ordinance and the Budget Ordinance with Amendments #3 and #2 respectively for the following new project:

- Capital Project 621030, “Park Express Shuttles”, is a new project to be created with an overall budget of \$426,831. Additional funds of \$426,831 are being requested to the Operating Budget to cash fund this project.

Staff requests approval of Capital Project Ordinance Amendment #3, providing an increase to the 2020 2021 Capital Project Ordinance of \$426,831 for the new Park Express Shuttles project, and approval of Budget Ordinance Amendment #2 with an increase to the 2020-2021 Budget Ordinance of \$426,831.

2. Financial Performance for Second Quarter YTD of the Fiscal Year Ending March 31, 2021

Presented by Donna Sylver, Senior Vice President and Chief Financial Officer - Presentation to Board in Committee work session for informative purposes only.

No Board action required.

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

² The meeting was live streamed at <https://youtu.be/cF4vyuENnA4>.

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RALEIGH-DURHAM AIRPORT AUTHORITY 2020-2021 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:

\$ 1,601,162,703

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 \$ 1,531,691,110

Total Grant Funds \$ 69,471,593

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

New 20/21 Projects					
	Original ¹	Change 06/18/2020	Change 09/17/2020	Change 11/19/2020	Amended
211170 North Cargo Apron Reconstruction	\$ 30,750,000				\$ 30,750,000
211180 T-Hangar Area Pavement Repair Project	3,500,000				3,500,000
331000 T2 Landside Master Plan	2,000,000				2,000,000
311110 Pet Relief Rooms T1 and T2	250,000				250,000
331010 T2 Bathrooms Refresh	2,750,000				2,750,000
621020 Parking Improvements Business Plan (Parking Guidance System)	8,200,000				8,200,000
881400 John Brantley Blvd Reconfiguration (in conjunction with CONRAC)	80,346,000				80,346,000
881410 National Guard Drive Improvements / Hales Branch Road Rehab	3,000,000				3,000,000
881420 Aviation Parkway & National Guard Drive Intersection Improvement	31,200,000				31,200,000
881430 Commerce Blvd & East GA Perimeter	24,519,000				24,519,000
881440 FY20-21 New/Replacement Vehicles & Equipment	6,900,000				6,900,000
441000 Fuel Farm Facility Improvement Plan	9,186,000				9,186,000
881450 Data Center - Storage - Ongoing Enterprise Growth	800,000				800,000
889000 Water Valve and Backflow Preventer	500,000				500,000
621010 MX Building Parking Lot Rehabilitation (Secure Side)	5,500,000				5,500,000
453000 Enlarge Single Fleet MX Door	200,000				200,000
321000 Common Use Implementation of T1 Gates 5 through 9	550,000				550,000
211190 Taxiway A1 Rehabilitation - Design and Construction		1,100,000			1,100,000
211200 Taxiway E Rehabilitation - Design		500,000	250,000		750,000
211210 Taxiways C and J Rehabilitation - Design		350,000			350,000
331020 SITA Flex System		500,000			500,000
621030 Park Express Shuttles				426,831	426,831
	\$ 210,151,000	\$ 2,450,000	\$ 250,000	\$ 426,831	\$ 213,277,831
Amended Projects					
	Original ¹	Change 06/18/2020	Change 09/17/2020	Change 11/19/2020	Amended
080789 CONRAC and New Rental Car Storage Lot	\$ 536,904,000				\$ 536,904,000
080799 Expanded Park Economy 3	35,618,000				35,618,000
080879 Runway 5L-23R and Taxiway B Replacement	390,300,000				390,300,000
211160 Taxiway C & D Rehabilitation (Between T/W A and T/W H)	43,569,000				43,569,000
311010 AOIS - RIDS Computer and Hardware Replacement	3,525,000				3,525,000
311020 Terminal 1 Airline Operations Space Bulldozer	24,000,000				24,000,000
311070 T2 and CEP Siemens BMS System Hardware Upgrade	665,000				665,000
881100 International Drive Rehabilitation	10,036,462				10,036,462
881110 Rehab & Energy Improvements for PG 1,2,3 and 4 - Phase 2	13,000,000				13,000,000
881160 Fleet Fuel Management Software and Hardware Replacement	100,000				100,000
881180 Consolidated Trash Facility Concrete Dumpster Slabs	300,000				300,000
881250 Pavement Rehab for the Bus Route in Economy 4	50,000				50,000
881260 Maintenance Facility HVAC Replacement and Upgrade	525,000				525,000
881300 Design CC Upgrade	285,000				285,000
881320 Snow Removal Equipment Storage Facility	7,000,000				7,000,000
881380 AOC 5th Floor Bulldozer	2,800,000				2,800,000
	\$ 1,068,677,462	\$ -	\$ -	\$ -	\$ 1,068,677,462

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Ongoing Projects	Change				Amended
	Original ¹	06/18/2020	09/17/2020	11/19/2020	
010829 Roadway Informational Sign Rehabilitation	\$ 13,200,000				\$ 13,200,000
011109 Heritage Displays at Observation Park	1,600,000				1,600,000
011359 Advanced Surveillance Program	3,795,774				3,795,774
070549 Terminal 2 Checkpoint Expansion	9,250,000				9,250,000
080729 Park Economy 3 Lot Rehabilitation	4,800,000				4,800,000
080779 Cemetery Road Rebuild	820,000				820,000
080819 John Brantley Boulevard Reconstruction	16,000,000				16,000,000
080869 FIS Facilities Expansion	69,000,000				69,000,000
211110 West RON Apron Rehabilitation	38,000,000				38,000,000
211120 Taxiway B Rehabilitation (North of TW D)	35,000,000				35,000,000
211130 Perimeter Security Improvements (Property Fencing)	4,000,000				4,000,000
211140 Enhanced Security Perimeter Gates (TSA)	3,000,000				3,000,000
311000 AOTS System Replacement - Common Use	1,800,000				1,800,000
311050 T1 4 Gate Expansion	115,450,000				115,450,000
311060 T2 and AOC PCF Room UPS System Replacement	1,046,000				1,046,000
311100 Avtek Radio Over IP Tower	200,000				200,000
881150 FAM Modular Buildings	1,200,000				1,200,000
881270 Spill Prevention Control and Countermeasure Items	125,000				125,000
881280 Water and Sewer Improvements	500,000				500,000
881310 Computer Replacement for Jet A and Glycol racks	395,000				395,000
881390 Airfield Lighting and GIS Hardware	25,000				25,636
	\$ 319,206,774	\$ 636	\$ -	\$ -	\$ 319,207,410
	\$ 1,598,035,236	\$ 2,450,636	\$ 250,000	\$ 426,831	\$ 1,601,162,703

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 19th day of November 2020

Notes:

¹ Original- budget ordinance adopted March 19th, 2020

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RALEIGH-DURHAM AIRPORT AUTHORITY 2020-2021 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 2020-2021 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, 2020 and ending March 31, 2021 in accordance with the following schedule:

EXPENDITURES:

	Original ¹	Change 6/18/2020	Change 11/19/2020	Amended
Airport Operating Expenses	\$ 96,016,236	\$ (16,192,874)		\$ 79,823,362
Capital Projects Spend	135,097,013	(96,084,686)	426,831	39,439,158
Future CFC Projects	18,060,470	(11,182,790)		6,877,680
Net Debt Service	47,998,155	(8,999,992)		38,998,163
Total	\$ 297,171,874	\$ (132,460,342)	\$ 426,831	\$ 165,138,363

Section 2. It is estimated that the following revenues will be available for the fiscal year beginning April 1, 2020 and ending March 31, 2021:

REVENUES:

	Original ¹	Change 6/18/2020	Change 11/19/2020	Amended
Airfield	\$ 17,223,884	\$ (8,058,167)		\$ 9,165,717
General Aviation	2,082,884	-		2,082,884
Buildings and Grounds	166,936,565	(112,793,626)		54,142,939
Total Operating Revenues	\$ 186,243,333	\$ (120,851,793)	\$ -	\$ 65,391,540
Interest and Other Income	6,666,483	(5,851,908)		814,575
Grants	19,880,000	49,591,593		69,471,593
PFC Revenue	30,033,391	(18,596,255)		11,437,136
CFC Revenue	18,060,470	(11,182,790)		6,877,680
Appropriated Fund Balance	36,288,197	(25,569,189)	426,831	11,145,839
Total	\$ 297,171,874	\$ (132,460,342)	\$ 426,831	\$ 165,138,363

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, 2020, amended June 18, 2020, and amended this 19th day of November 2020.

Notes:

¹ Original- budget ordinance adopted March 19, 2020

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City of Durham

RALEIGH-DURHAM AIRPORT AUTHORITY BOARD MEETING MINUTES DECEMBER 17, 2020

Chair Kane presided. Present: Hannah, Kushner, Morgan, Saidi, Teer, Thompson, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and Chief HR Officer Umphrey, General Counsel Locklear, Executive Assistant Rivera, 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 that the live stream was operating for public viewing.

I. APPROVAL OF AGENDA

Motion by Teer to approve the revised agenda³; Second by Hannah

ADOPTED BY UNANIMOUS VOTE

II. APPROVAL OF MINUTES

Motion by Morgan to approve the minutes of the November 19, 2020 regular meeting of the Raleigh-Durham Airport Authority Board, including the committee minutes, and consent actions incorporated therein; Second by Hannah

ADOPTED BY UNANIMOUS VOTE

III. CHAIR COMMENTS

1. Chair Kane welcomed everyone and thanked staff for their continued efforts in coordinating this virtual meeting.
2. Retirees Nancy Ross (17 years) and Michelle Cooley (32 years) were recognized for their years of service and wished well.

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

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

³ Agenda revised to move item e. on Consent Agenda to separate item in New Business for Board consideration.

Raleigh-Durham Airport Authority Board Members

WAKE COUNTY

David Kushner
Ellis Hankins

DURHAM COUNTY

Patrick Hannah, Esq., Acting Chair
David Morgan

CITY OF RALEIGH

Sepideh Saidi, Secretary
Dickie Thompson

CITY OF DURHAM

Robert D. Teer, Jr., Treasurer
Napoleon Wallace



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President & CEO

3. Chair Kane recognized senior executives Donna Sylver (6 years) and Cleon Umphrey (25 years), detailing key accomplishments during their tenures at the Authority, and congratulating them on their successful careers with the Authority, with best wishes for their future endeavors.
4. Chair Kane announced that Ron Kapocius will step into the role of Vice President and Chief Financial Officer and Donald Armstrong will take over the role of Vice President and Chief Human Resources Officer. Both were congratulated on their promotions.
5. Chair Kane commented on the recent Thanksgiving food drive which collected nearly 400 pounds of food and the current holiday season food drive ongoing through December 18 at the Authority.
6. Chair Kane gave a follow-up on the recent meeting where some Authority Board members met virtually with the Morrisville Town Council to discuss existing Airport Overlay Districts. He noted that the Authority submitted comments last week voicing opposition to the changes proposed to Morrisville's Land Use Plan and that the Authority hopes to work with Morrisville on mutually acceptable options.
7. Chair Kane commented on the unanimous ruling from the NC Court of Appeals, upholding the trial court's decision that the Authority legally executed the agreement with Wake Stone, affirming the Authority's ability to lease airport property to generate revenue to fund operations. Erin Locklear's hard work, together with outside counsel, on this litigation and in achieving this outcome was recognized.
8. Authority staff members were recognized and thanked for their efforts in 2020, especially in view of the challenges arising from the pandemic. Everyone was wished a safe and happy holiday season.

IV. OLD BUSINESS

1. Operations Committee Report – Thompson reported Board members met during the Operations Committee work session on December 17, 2020 and discussed the following items:

- a. Discussion in Closed Session

[Confidential sensitive security information presentation in closed session pursuant to NCGS §143-318(a)(1) and 49 CFR parts 15 and 1520, and attorney-client privileged discussion between the attorney and the public body pursuant to NCGS §143-318.11(a)(1) and (3), including discussion of Umstead Coalition et.al. v. Raleigh-Durham Airport Authority et.al.]

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

- b. Discussion Regarding Terminal 1 Bus Duct Damage

Raleigh-Durham Airport Authority Board Members

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

2. Finance Committee Report – Teer reported Board members met during the Finance Committee work session on December 17, 2020 and discussed the following items:

- a. Consideration of Purchasing Card Policy and Program

Motion by Teer approval of the Purchasing Card Policy and authorization for the President and CEO to execute any related documentation requested by the North Carolina Department of Administration and Bank of America to initiate the Purchasing Card program; Second by Kushner

ADOPTED BY UNANIMOUS VOTE

- b. Presentation regarding Financial Forecast for Fiscal Year Ending March 31, 2021

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

V. NEW BUSINESS

1. Consideration of Lease Agreement with Hendrick Automotive Group⁴

Presentation by William Sandifer – Hendrick Automotive Group plans to open the Reggie Jackson Airport Honda dealership on Lumley Road near the intersection of Mount Herman Road and Lumley Road in late 2021. This proposed agreement will lease an adjacent Authority-owned parcel of approximately 1.65 acres on the north side of Lumley Road to Hendrick for an initial period of twenty (20) years at the base rental rate of \$2,300 per month. The base rental will increase by 3% on the anniversary date of the agreement. Hendrick plans to use the parcel for vehicle parking in conjunction with their motor vehicle dealership. Mr. Sandifer detailed the proposed lease area in relation to the planned relocation of Lumley Road.

Motion by Morgan for approval of the Lease Agreement with Hendrick Automotive Group and authorization for the President and CEO to execute the agreement; Second by Teer

ADOPTED BY UNANIMOUS VOTE

2. Consent Agenda:

- a. Consideration of Contract for Professional Audit Services for FY 2021
 - b. Consideration of Agreement with Bond Water Technologies for HVAC Water Treatment Services
 - c. Consideration of Amendment Two with Elite Line Services

⁴ Agenda amended to move this item from Consent Agenda to separate item for Board consideration.

Raleigh-Durham Airport Authority Board Members

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Patrick Hannah, Esq., Acting Chair
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Napoleon Wallace

d. Consideration of Multi-Year Agreement for Airfield Lighting Computer System & BRITE™ System Preventative Maintenance

Motion by Teer to approve and adopt the Consent Agenda items a-d; Second by Thompson

ADOPTED BY UNANIMOUS VOTE

VI. GENERAL COUNSEL'S REPORT

No items were reported.

VII. MEMBER COMMENTS

Michael Landguth, the leadership team, and staff were thanked for their efforts and dedication during this continuing pandemic and challenging year. Board members were thanked for their leadership during this extraordinary time. Donna Sylver and Cleon Umphrey were commended on their professionalism, leadership and service to the Authority. Other retirees, and those leaving under the VSIP were thanked for their efforts and service. Ron Kapocius and Donald Armstrong were congratulated on their promotions. Everyone was wished a happy and safe holiday and New Year.

VIII. PRESIDENT AND CEO'S REPORT

Welcome

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

Air Service Report

In November, a total of 362,000 passengers traveled through RDU, a 70% decrease from 2019. There were 100 average daily departures in November, down from 227 in November 2019, but up from 94 in October 2020. RDU saw a 12% increase in passenger volume during Thanksgiving week compared to the previous week, but a 64% decline over the same holiday week in 2019.

TSA screened 51,333 departing passengers from Monday, November 23rd through Sunday, November 29th. Approximately 103,000 departing and arriving passengers flew through RDU that week. Southwest removed its middle seat restrictions on December 1st. This added nearly 21,000 additional departing seats that would not have been available for purchase when the airline was imposing the middle seat restriction.

RDU expects more than 104,000 passengers to fly in and out of the airport during Christmas week. That is 64% fewer passengers compared to Christmas week in 2019, and the same year-over-year percentage we saw the week of Thanksgiving. The forecast for New Year's week shows 102,000

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President & CEO

total passengers traveling through RDU – a 59% drop from New Year’s week in 2019. The busiest travel days are projected to be Sunday, December 27th, with 18,450 total passengers; and Sunday, January 3rd, with 18,860 total passengers. For some perspective, 14.2 million people traveled through RDU last year. This year we expect around five million total passengers, and half of those passengers flew between January and March before the pandemic set in.

Looking ahead into the New Year, I’m excited to share some breaking news regarding air service. JetBlue announced seven new nonstop destinations today in addition to the five new routes they recently launched in November and December. JetBlue will begin service to Austin, Jacksonville, Newark, Orlando, and Tampa on February 11th. And on March 4th, JetBlue will add service to San Francisco and Las Vegas. JetBlue’s nonstop flight to SFO will be RDU’s first nonstop route to the Bay Area since the pandemic began. This will bring JetBlue’s network at RDU to 15 total nonstop markets – up from just three a year ago and tying them with Southwest Airlines for the most nonstop markets served from RDU.

In the nearer term, RDU will add another dot to its service map on January 7th, when American Airlines resumes nonstop service to Reagan National Airport (DCA) 3 – 4 times per week. RDU will serve a total of 38 markets in January 2021 compared to 57 pre-pandemic. These new flights help reconnect the Research Triangle to the major tech centers of Austin and San Francisco, while also providing service to some of the most popular markets RDU customers want to visit for leisure and business.

Travel Tips

As travelers head to RDU for their holiday trips, we encourage everyone to practice the three W’s from the time they leave their house to when they return home: wait six feet apart, wear a mask and wash your hands frequently. These are the best steps you can take to prevent the spread of COVID, including when you’re traveling.

Everyone is required to wear a mask at all times at the airport – and remember – the airlines won’t let you board a flight without one either. We are making it easy for everyone to comply by handing out free, FEMA-issued masks at our information desks.

And don’t forget to arrive two hours early for your flight to make sure you have enough time to navigate our new health and safety practices and get to your gate on time.

Concessions

I’m pleased to welcome more concessionaires back to the terminals for the holiday shopping season.

Raleigh-Durham Airport Authority Board Members

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5th & Sunset, Tech on the Go, Corsa, Swarovski and No Boundaries have reopened for select days and hours during the holiday season. If you need a last-minute gift, stop by the terminals for the sidewalk sale from December 17th through 27th. Select items are on sale at Swarovski and all news and gift locations have select items on sale for 20 – 50% off. 5th & Sunset, Vineyard Vines, No Boundaries and Tech-on-the-Go are offering 25 – 50% off the entire store.

Year-End Comments

As we wrap up the last board meeting of 2020, I want to thank Team RDU for their resilience during year of remarkable change. We started on track for our seventh consecutive year of growth, with expectations to serve more than 15 million travelers compared to 14.2 million in 2019. We were also on the brink of expanding our facilities to accommodate more people and aircraft. Then the global health crisis hit and immediately caused air travel to drop to historic lows. In April, RDU's parking lots and terminals sat empty as passenger traffic fell to 3% of 2019 levels.

Airlines pulled more than half of RDU's nonstop flights and canceled all international destinations. The Authority immediately went into survival mode, reducing its budget by nearly half and deferring \$96 million in construction projects. Team RDU jumped into action, operating under our survival budget, saving money and getting important work done through Operation Clean Sweep, and performing their jobs in a whole new way.

The airport also assembled a task force of experts from the university, non-profit, technology and biotech communities to help guide RDU's actions to prevent the spread of COVID-19 and other infectious diseases. We plan to carry this work forward into the new year to ensure a world-class experience for RDU travelers.

RDU now offers a new travel experience that allows passengers to fly with confidence. Our Fly Confident. Fly RDU. campaign highlights all the changes we have made and prepares guests for flying during the pandemic. A recent survey of RDU travelers indicates that our response to the pandemic is instilling confidence in air travel. Travelers who have flown since April feel more confident about flying again and 81% of respondents agree RDU is taking the necessary steps to keep them safe.

I'm proud of all we have done and I'm entering 2021 with a sense of optimism. Although we expect a full recovery to take up to seven years, widespread distribution of a COVID-19 vaccine shows promise in helping the industry recover.

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I hope you enjoy quality time with your family and friends over the holidays and wish you a happy and safe experience wherever your travels take you.

IX. ADJOURNMENT

Motion by Hannah to adjourn; Second by Saidi

ADOPTED BY UNANIMOUS VOTE

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RALEIGH-DURHAM AIRPORT AUTHORITY ACTIONS BY CONSENT DECEMBER 17, 2020

The Board approved the following items on the Consent Agenda:

a) Consideration of Contract for Professional Audit Services for FY 2021

Memorandum by Donna Sylver, Senior Vice President and Chief Financial Officer – North Carolina General Statute §159-34 requires annual independent audits and specifically states: “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 has previously utilized audit services from Elliott Davis, PLLC (hereinafter ED) and because of the prior service, staff requests approval to continue to utilize ED for external audit services for fiscal year ending March 31, 2021, with the proposed audit fees of \$49,240.

Staff requests approval of a one-year contract with Elliott Davis, PLLC to provide audit services for fiscal year ending March 31, 2021, with the proposed audit fees of \$49,240, and authorization for the necessary Board members, President and CEO, and staff to execute the Local Government Commission’s Contract to Audit Accounts form, and the Engagement Letter with Elliott Davis, PLLC.

b) Consideration of Agreement with Bond Water Technologies for HVAC Water Treatment Services

Memorandum by Barry Stoker, Director of Contract Facilities Maintenance – Staff requests approval of a multi-year agreement with Bond Water Technologies (Bond) for HVAC Water Treatment Services. The proposed services include monitoring, testing and maintaining the water chemistry in the open and closed loop HVAC systems located in Terminal 1, the Central Energy Plant, RDU Center, Maintenance Facility, Airport Operations Center and the NC DOT Aviation Facility. Provision of all chemicals is also included.

Competitive pricing for these services was solicited through the RDU and State IPS websites as a Request for Proposals, and responses were received from six firms; however, one proposal was incomplete and was considered non-responsive. Of the remaining five proposals, Bond provided the lowest price and met all the requirements of responsiveness and responsibility. The evaluation team unanimously recommends the Bond proposal as the best value for the Authority.

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The proposed contract will be for a term of three years beginning on January 1, 2021 and the contract amount for the three-year term will be \$70,050. In addition, Minority and Women-owned Small Business participation goals for the contract were set at 7% Minority-owned Businesses and 4% Women-owned Businesses; however, Bond indicated their intent to self-perform all services.

Staff requests approval of a three-year agreement with Bond Water Technologies in the amount of \$70,050 and authorization for the President and CEO to execute the agreement.

c) Consideration of Amendment Two with Elite Line Services

Memorandum by Charles Nolan, Contract Compliance Officer – Staff requests approval of Amendment Two to the Service Agreement with Elite Line Services (“ELS”) for maintenance and repairs of the baggage handling system, passenger boarding bridges, and aircraft support equipment. This proposed amendment will increase the scope of the agreement to include major repairs to 31 passenger boarding bridges located at Terminals 1 and 2. These repairs entail replacing ball screws, bearings and column wear pads on all 25 bridges manufactured by Jetway and replacing column lift cylinders on 6 bridges manufactured by Thyssen Krupp.

These repairs were identified by ELS during an equipment assessment completed during contract start-up and are necessary to maintain the safety and reliable operation of the bridges. Due to the specialized nature of the repairs and amount of labor required for this work, ELS will utilize an offsite “Go Team” supplemented by onsite mechanics to complete the work. Parts, including 50 ball screw kits and 12 column cylinders, have been competitively sourced by ELS and are included in the project. The total cost of the repairs is \$491,327.39 which includes parts, labor, equipment rental and expenses. This cost is included in the Authority’s operating budget for this fiscal year.

Staff requests approval of Amendment Two to the Service Agreement with Elite Line Services in the amount of \$491,327.39 and authorization for the President and CEO to execute the amendment.

d) Consideration of Multi-Year Agreement for Airfield Lighting Computer System & BRITETM System Preventative Maintenance

Memorandum by Curtis L. Henderson, Director of Field Maintenance – Staff requests approval of a multi-year agreement with ADB Safegate for preventative maintenance services on the Airfield Lighting Computer System (ALCS) and BRITETM System (lamp control and monitoring). The airfield lighting system at RDU is controlled by a proprietary control system

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manufactured by ADB Safegate. The major components include the ALCS which controls the overall lighting system and BRITE™ subcomponent that provides individualized control over specific lights at the hold bars and low visibility taxiway routes. In order to properly maintain this system, annual preventative maintenance is required including firmware updates, calibrations, communications tests, diagnostic tests, and well as overall system operational checks.

Staff proposes a three-year Service Agreement for preventative maintenance with ADB Safegate, with two additional one-year extension options. ADB Safegate has agreed to keep the current annual pricing for these services with no escalation over the initial three-year term of the agreement, or during the two option years. The total contract amount for the service is \$92,550 (\$18,510/year). Funds are budgeted in FY20/21 for these services and are proposed to be included in the FY21/22 and FY22/23 budgets to cover these annual services.

Staff requests approval of a multi-year agreement with ADB Safegate for a three year initial term, with two one-year extensions, for a total amount of \$92,550 and authorization for the President and CEO to execute any documents necessary for this contract award.

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RALEIGH- DURHAM AIRPORT AUTHORITY OPERATIONS COMMITTEE WORK SESSION MINUTES DECEMBER 17, 2020

Thompson presided. Present: Kane, Kushner, Hannah, Morgan, Teer, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and Chief HR Officer Umphrey, General Counsel Locklear, Executive Assistant Rivera, 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 that the live stream was operating for public viewing.

Motion by Thompson to enter into a closed session to (i) protect sensitive security information from disclosure pursuant to NCGS §143-318.11(a)(1) and 49 CFR parts 15 and 1520 and (ii) consult with an attorney in order to preserve the attorney-client privilege between the attorney and the public body pursuant to §143-318.11(a)(1) and (3), including discuss to discuss Umstead Coalition et.al v. Raleigh-Durham Airport Authority et.al.; Second by Morgan

ADOPTED BY UNANIMOUS VOTE

CLOSED SESSION

Closed session from 11:33 a.m. until 12:25 p.m.

The Committee discussed the following item:

1. Discussion regarding Terminal 1 Bus Duct Damage

Presented by John Connell, P.E., C.M., Vice President Operational Asset Management – John Connell informed the Board of recent drainage issues which caused flooding in the electrical room serving Terminal 1. A bus duct, which provides power to the chillers was damaged. Mr. Connell outlined corrective actions taken and repairs necessary. There was discussion regarding drainage of the water.

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

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

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

Raleigh-Durham Airport Authority Board Members

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RALEIGH- DURHAM AIRPORT AUTHORITY FINANCE COMMITTEE WORK SESSION MINUTES DECEMBER 17, 2020

Teer presided. Present: Kane, Kushner, Hannah, Morgan, Thompson, and Wallace.¹ Staff present included: President and CEO Landguth, Senior Vice President and COO Sandifer, Senior Vice President and CFO Sylver, Senior Vice President and CISO McFall, Senior Vice President and CRO Freedman, Vice President and Chief HR Officer Umphrey, General Counsel Locklear, Executive Assistant Rivera, and other staff members and guests.²

The Committee discussed the following items:

1. Consideration of Purchasing Card Policy and Program

Presented by Christopher Rosette, Director of Procurement – The Authority currently largely pays for goods and services via paper checks. The payment process can take 4-6 weeks and produces a large amount of relatively small-dollar checks. A recent report from the Audit Department concluded that the Authority could save as much as 50% in time and administrative costs for payments with a Purchasing Card (“P-Card”) program.

Staff researched various P-Card options and determined that the Bank of America Works program is the most advantageous solution for the Authority. The BOA Works program is available under North Carolina Statewide Term Contract 946A – State Procurement Card. Durham and Wake Counties each have relatively large P-Card programs through this contract with over 300 cardholders each. The BOA Works program has a full suite of reporting mechanisms and management tools. The Authority will be able to set formal limits on individual transactions that can be varied for individual cards. Bank of America pays rebates for card purchases (currently around 2%).

The major principles of the proposed P-Card program are limited card distribution, transparency of purchases, cardholder training, and prompt monitoring of spending activities. For the near term, cards will only be issued to a select few individuals within the Authority. The Department head, Procurement and the President/CEO would approve individual cardholders and individual transaction limits. Card distribution will be preceded by training on the Purchasing Card Policy and Procedure.

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

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All card transactions must be approved in the traditional requisition approval process within the existing Oracle iProcurement system. A monthly reconciliation process will be required to pay for approved transactions. Procurement will monitor transactions to ensure compliance with the Purchasing Card Policy and Procedure.

Staff requests approval of the Purchasing Card Policy and authorization for the President and CEO to execute any related documentation requested by the North Carolina Department of Administration and Bank of America to initiate the Purchasing Card program.

2. Presentation regarding Financial Forecast for Fiscal Year Ending March 31, 2021

Presented by Ron Kapocius, Vice President and Controller – Presentation to Board in Committee work session for informative purposes only.

No Board action requested.

Raleigh-Durham Airport Authority Board Members

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