



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

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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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.

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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.

- 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.

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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.

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