



Raleigh-Durham Airport Authority

Business Opportunity Workshop

Raleigh-Durham International Airport

June 9, 2021

A photograph of an air traffic control tower on the left side of the slide, with a small airplane flying in the sky to its right. The background is a warm, orange-hued sky.

Agenda

- RDU Team Introductions
- State of RDU
- Project Opportunities
 - Terminal 2 Concession Program
 - Runway 5L/23R Replacement Program
- MWSB/DBE Program
- Future Selection Process
- Questions

The background of the slide is a photograph of a modern building with a large, curved, blue-tinted glass roof. The building's facade is made of vertical, golden-brown panels. The sky is a hazy, light blue. The text "RDU Team Introductions" is centered over the image in a white, sans-serif font.

RDU Team Introductions

RDU Team Introductions

- Bill Sandifer, SVP & COO



- Jaymes Carter, VP Buildings & Building Systems



- Ron Jewett, VP Facility Asset Management



- Thiane Carter, Director of Small Business Programs



The background of the slide is a photograph of the RDU airport terminal. The terminal's iconic blue, ribbed, curved roof is prominent on the left side. Below the roof, the building's facade is made of vertical, golden-colored panels. In the background, a hazy mountain range is visible under a soft, golden light, suggesting a sunrise or sunset. The text "State of RDU" is centered in the middle of the image in a white, sans-serif font.

State of RDU

Maintained Air Service

U.S. Destinations

Atlanta
Austin
Baltimore-Washington
Boston
Charlotte
Chicago-Midway
Chicago-O'Hare
Dallas-Fort Worth
Denver
Detroit
Fort Lauderdale
Fort Myers
Houston-Bush
Jacksonville
Las Vegas
Los Angeles
Miami
Minneapolis
Nashville
Newark
New Orleans
New York-JFK
New York-LaGuardia
Orlando-International
Orlando-Sanford
Philadelphia
Phoenix
Punta Gorda
Salt Lake City
San Juan
Seattle
St. Louis
St. Pete-Clearwater
Tampa
Washington-Dulles
Washington-Reagan

International Destinations

Cancun
Montego Bay



BEFORE COVID-19

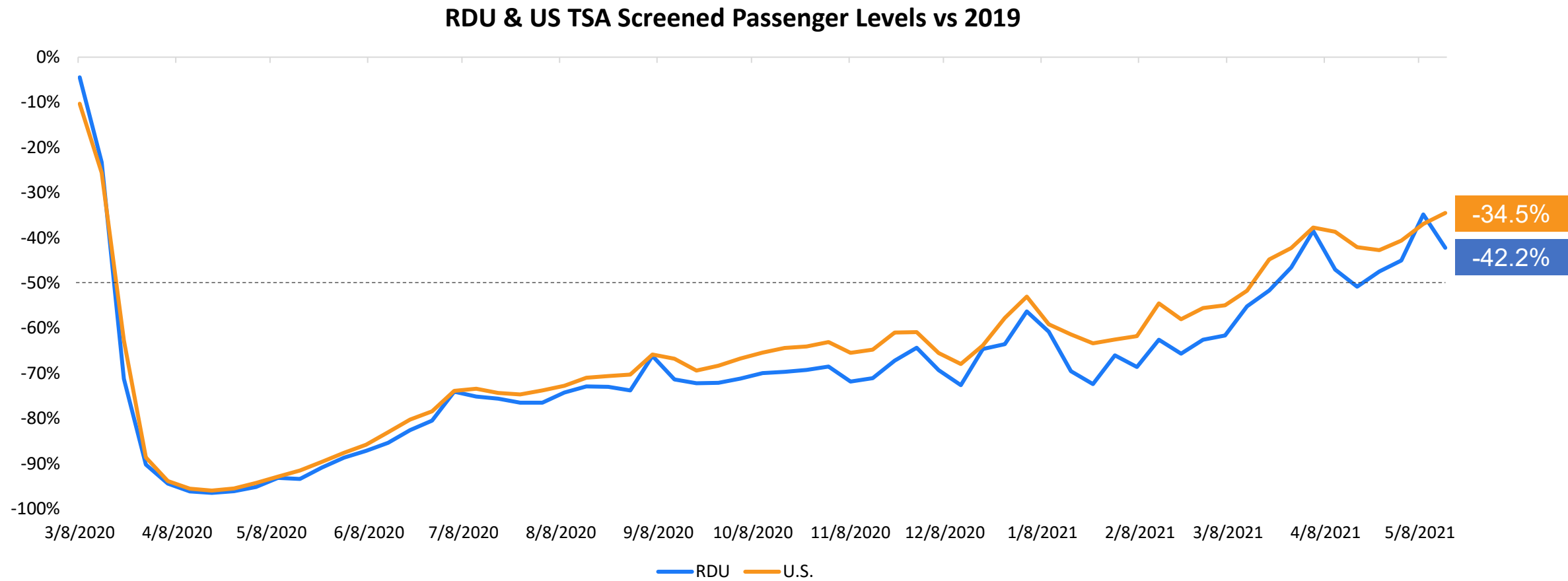
57 Nonstop Destinations
with **5** International Destinations

MAY 2021

38 Nonstop Destinations
with **2** International Destinations

RDU Traffic Recovery Trend

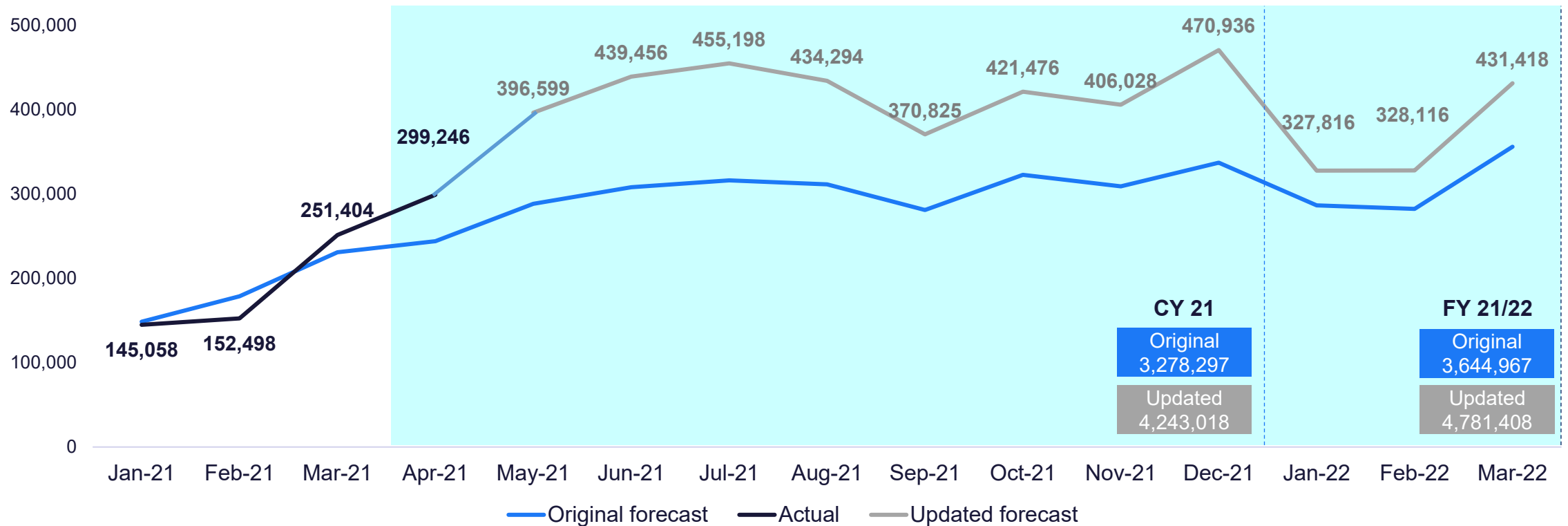
For the week ending May16, RDU traffic recovered to 58% of 2019 levels



RDU Short-Term Forecast

Though February came in below initial forecast, March & beyond favorable

RDU EPAX Forecast Trend



Business Growth & Expansion



Apple

- New research & development campus in RTP
- 3,000 jobs in Wake County with average annual wages of at least \$187,000 starting in 2023



Google

- New cloud engineering hub in Durham
- Hiring 500 employees by 2023



FUJIFILM Diosynth

- Investing \$2 billion in Wake County
- Biopharmaceutical manufacturing facility in Holly Springs
- Creating 725 jobs over five years with average salary of \$99,848



Fidelity Investments

- Creating 750 new jobs in Durham and at its existing RTP campus
- Financial services company with 3,600 employees in the Triangle



Raleigh-Durham Airport Authority

The Triangle Leads Nation in Real Estate Prospects

PwC/Urban Land Institute study rates region top real estate buy market for 2021



Overall Real Estate Prospects

- 1 Raleigh/Durham
- 2 Austin
- 3 Nashville
- 4 Dallas/Fort Worth
- 5 Charlotte
- 6 Tampa/St. Petersburg
- 7 Salt Lake City
- 8 Washington, DC–Northern VA
- 9 Boston
- 10 Long Island

Homebuilding Prospects

- 1 Raleigh/Durham
- 2 Austin
- 3 Dallas/Fort Worth
- 4 Jacksonville
- 5 Tampa/St. Petersburg
- 6 San Antonio
- 7 Boise
- 8 Atlanta
- 9 Denver
- 10 Nashville

*“...They are not necessarily inexpensive markets but are more affordable than the establishment markets, from which they draw many newcomers. **The dynamic economies of these markets continue to make them popular with developers and investors for 2021 – as illustrated by the five of the 10 highest-ranked markets in overall real estate prospects that fall into this category: Austin, Charlotte, Nashville, **Raleigh/Durham**, and Salt Lake City.**”*

Raleigh Top Five Market for Economic Growth and Recovery

Durham recognized among markets with largest rank performance gains

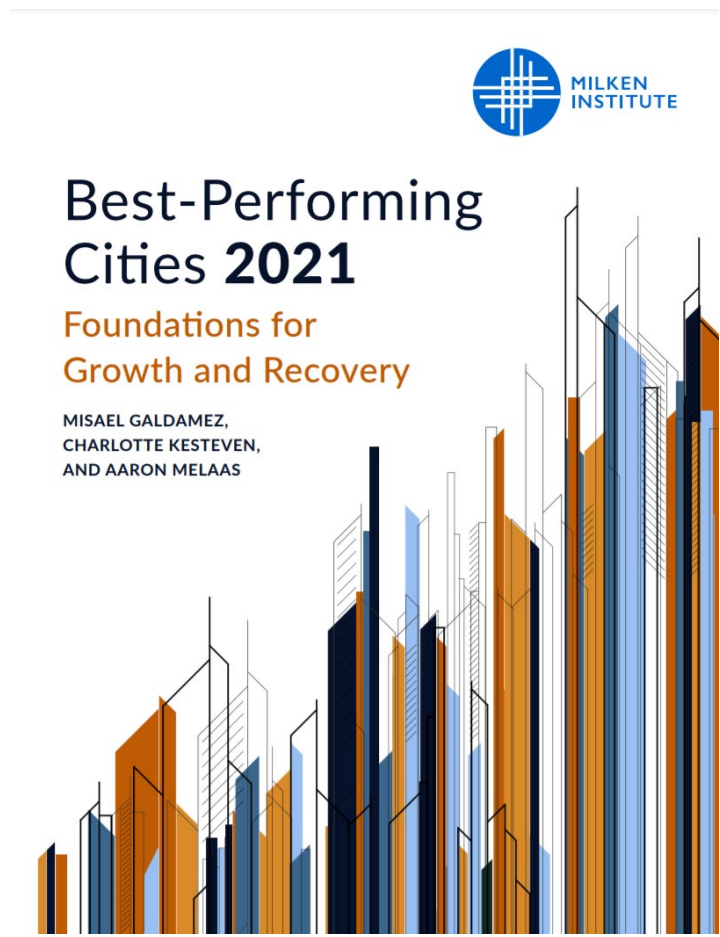


Table 1. Tier 1 Large Cities

Metropolitan Statistical Area	2021 Rank	2020 Rank	Change	2020 Tier
Provo-Orem, UT	1	2	1	1
Palm Bay-Melbourne-Titusville, FL	2	10	8	1
Austin-Round Rock-Georgetown, TX	3	3	-	1
Salt Lake City, UT	4	25	21	1
Raleigh-Cary, NC	5	11	6	1
Bois★D	6	7	1	1
Phoenix-Mesa-Chandler, AZ	7	12	5	1
Nashville-Davidson-Murfreesboro-Franklin, TN	8	14	6	1
Ogden-Clearfield, UT	9	22	13	1
Huntsville, AL	10	49	39	2
Denver-Aurora-Lakewood, CO	11	18	7	1
Fort Collins, CO	12	21	9	1
Seattle-Bellevue-Kent, WA Metro Division	13	8	-5	1

Table 4. Biggest Gains among Large Cities

Metropolitan Statistical Area	2021 Rank	2020 Rank	Change
Wichita, KS	64	150	86
Harrisburg-Carlisle, PA	54	133	79
Albuquerque, NM	89	161	72
Durham-Chapel Hill, NC	42	102	60
Madison, WI	34	93	59
Lincoln, NE	80	139	59
Columbia, SC	77	128	51
Kennewick-Richland, WA	19	69	50
Indianapolis-Carmel-Anderson, IN	56	106	50

“Raleigh rejoins the ranks of the Top 10 Best-Performing Cities, fueled by a dynamic, diversified, and dense high-tech sector. Further, the region has experienced significant growth over the last five years in both high-tech output and overall wages, resulting in an all-time best performance in five-year wage growth.”



Raleigh-Durham Airport Authority

Wall Street Journal highlights RDU for airline growth

Market among handful of top performing midsize markets identified

THE WALL STREET JOURNAL.

The U.S. Cities Where Airlines See the Most Growth

Austin, Boston and Raleigh-Durham are among the mini-hubs the major carriers will be fighting over this year, to the benefit of air passengers



By [Scott McCartney](#)

April 28, 2021 8:56 am ET

Is your city about to get the gift of more direct flights?

As carriers rebuild networks, they're eyeing new cities where they can build large, hub-type operations to capture the loyalty and wallets of the local market. While New York and Los Angeles remain competitive airline cities, lots of planes are now pointed toward fast-growing economies where one airline doesn't yet dominate—places like Austin, Texas, Boston and North Carolina's Raleigh-Durham region.



Raleigh-Durham Airport Authority

Delta Scales Back Focus Cities to Two – AUS & RDU

Remaining focus cities seen as key to carrier's post-COVID recovery



Ed Bastian
Chief Executive Officer
Delta Air Lines

"[Focus cities] will be an important part of our portfolio moving forward ... we'll continue to work on making sure that we have the great capacity in those cities as demand returns."

Delta Air Lines earnings call – 1/15/21



Raleigh-Durham Airport Authority

American Airlines CEO pinpoints RDU for growth

April comments made during employee town hall event



Doug Parker
Chairman & CEO
American Airlines Group, Inc.

“10% of revenue is customers in spoke cities who are not AAdvantage members prior to this, and they’ve flown us more than one time, so we have new passengers from Austin, Nashville and Raleigh.”

“Certainly in those cities, and a handful of others, there’s real opportunity to grow and profitably expand.”

**American Airlines State of the Airline
Employee Presentation – 4/22/21**



Raleigh-Durham Airport Authority



Impact on RDU

- 17 routes added during the pandemic
 - American Airlines: 4 (AUS, BNA, VPS, MCO)
 - JetBlue: 12 (AUS, CUN, EWR, JAX, LAS, LAX, MBJ, MCO, RSW, SFO, SJU, TPA)
 - Sun Country: 1 (MSP)
- Corporate relocation and expansion in the region
 - Long-term growth potential for airlines
 - Competitive market offering diverse scheduling and lower fees
- General consensus
 - Airlines optimistic about spring and summer travel
 - Leisure market remains dominant
 - Larger businesses slower to return than smaller businesses

A white regional jet aircraft, likely a Bombardier CRJ, is shown from a low angle on a runway at dusk. The aircraft is positioned on the left side of the frame, facing towards the left. The runway is illuminated by warm, golden light, and the sky is a deep orange. The aircraft's engines and wings are clearly visible.

Key Takeaways

- Local Economy

- All indications show significant economic growth in our region
- This should fuel demand for additional air service beyond 2019 levels
- Time to dust off Vision 2040 and begin prioritizing key projects for implementation
 - Vision 2040 remains relevant

- Operations

- Passenger traffic hitting 58% of 2019
- Leisure passenger surges exhausting parking and concession capacity
 - We rightsized the organization and services to meet demand in FY 2020
 - Recover for services will take a similar amount of time
- Hitting key metrics to add capacity related to parking and concession

A photograph of a modern building with a curved, blue, ribbed roof and a yellow, vertically-slatted facade. The building is set against a hazy, mountainous background. The text 'Project Opportunities' is overlaid in white on the building's facade.

Project Opportunities

The background of the slide is a photograph of an airport terminal. The terminal features a large, curved, blue-tinted glass roof that reflects the sky. Below the roof, the building's facade is made of vertical, golden-brown panels. The sky in the background is a hazy, light blue. The title "Terminal 2 Concession Program" is centered over the image in a large, white, sans-serif font.

Terminal 2 Concession Program



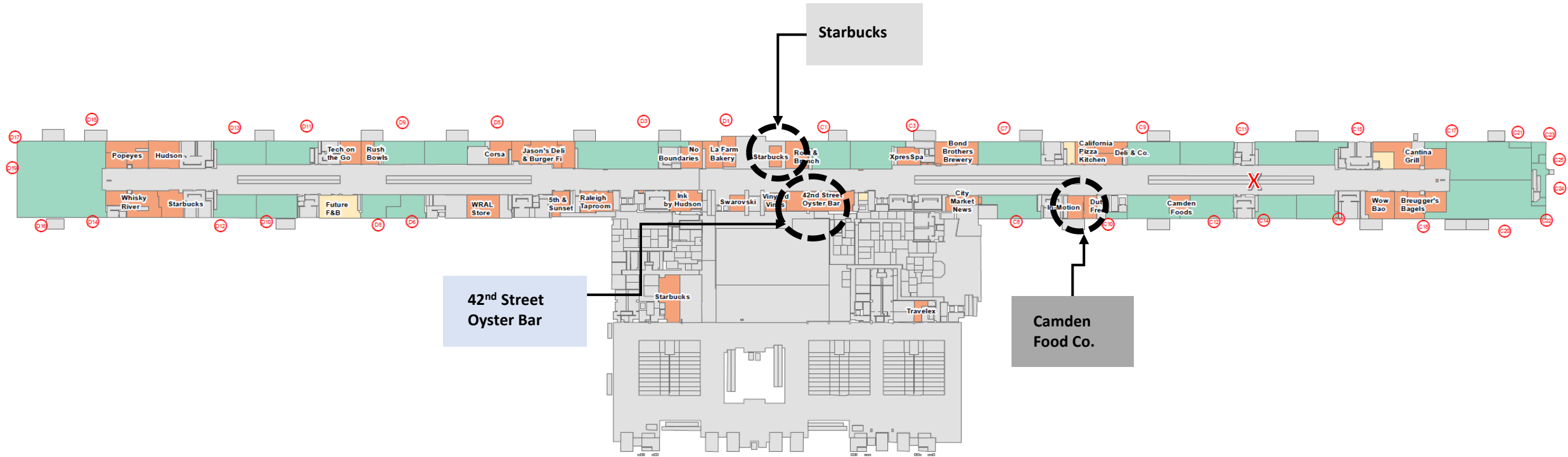
Terminal 2 Concession Program

- Working with RDU Commercial Management Division on a new delivery method.
- Commercial Operator Model
- RDU will design and build (3) tenant spaces in Terminal 2.
- RDU will hire the Architect and the Construction Manager at Risk.
- If the Commercial Operator Model proves successful, there could be an additional 10-12 additional spaces designed and constructed between Terminal 1 and Terminal 2
- Total Estimated Construction costs for all spaces: \$4-5 million

Terminal 2 Concession Program



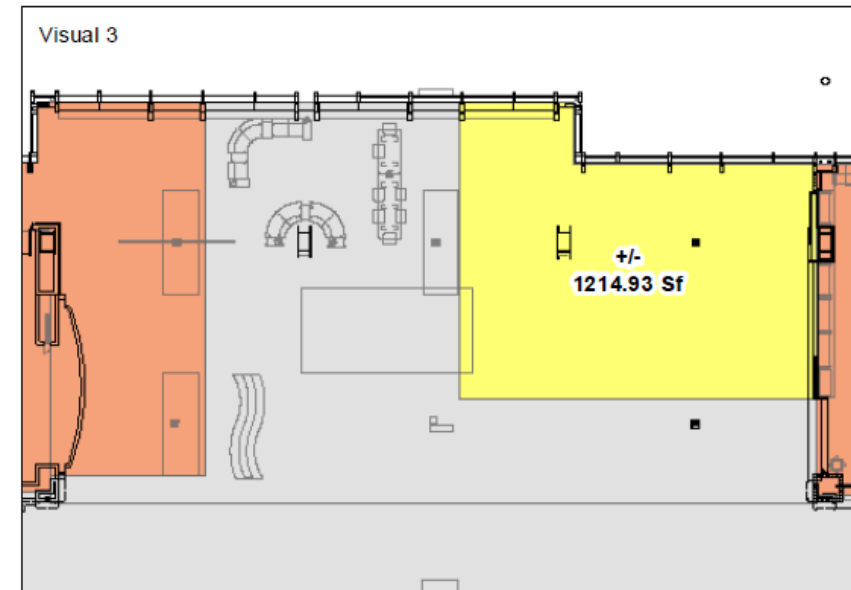
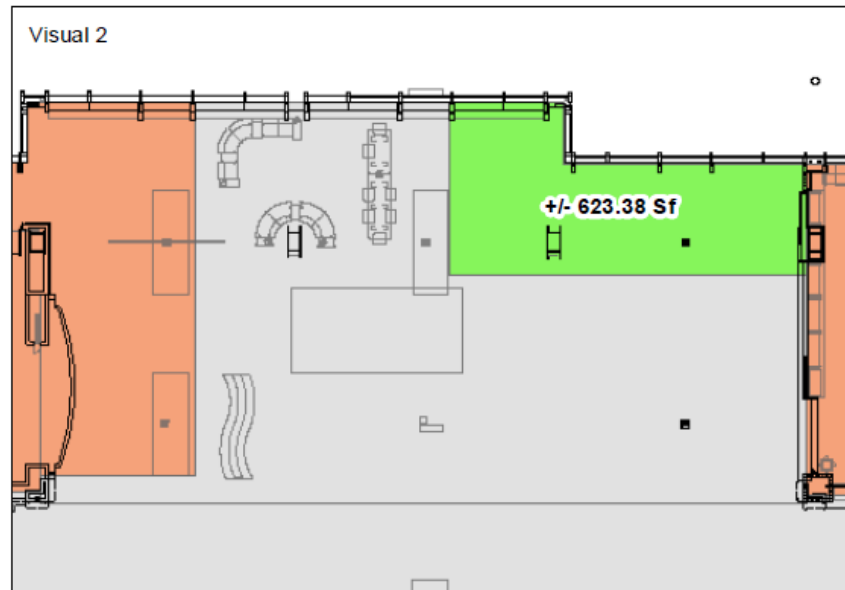
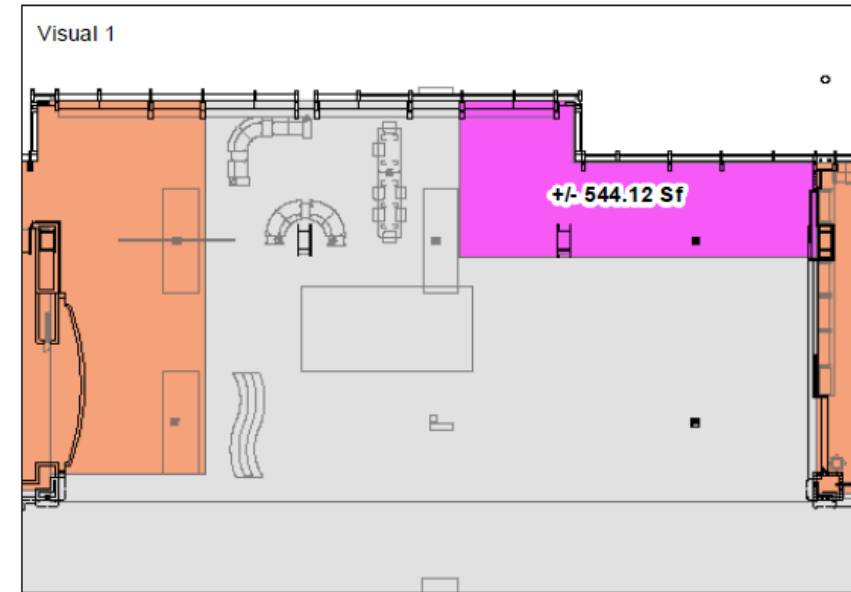
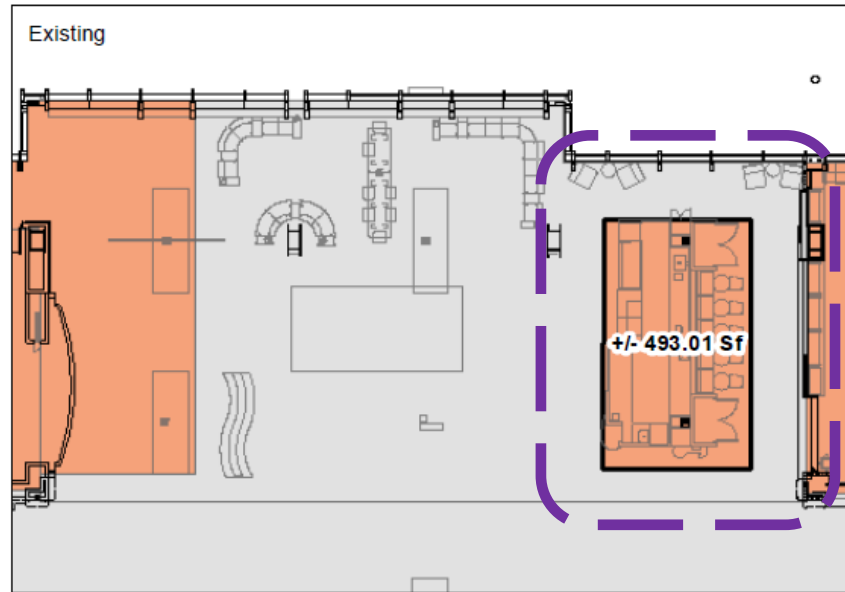
Raleigh-Durham Airport Authority



- (3) Existing Tenant Spaces to be Renovated
- Demolition, Arch, MP&E, FP, IT
- Area of construction estimated: 500 sf – 2,663 sf
- Spaces may be constructed concurrently or phased.

Terminal 2: Starbucks Marketplace

(500 sf – 1215 sf) – Concept: Coffee, Tea, Pastry & Sandwich



Terminal 2: Starbucks Marketplace

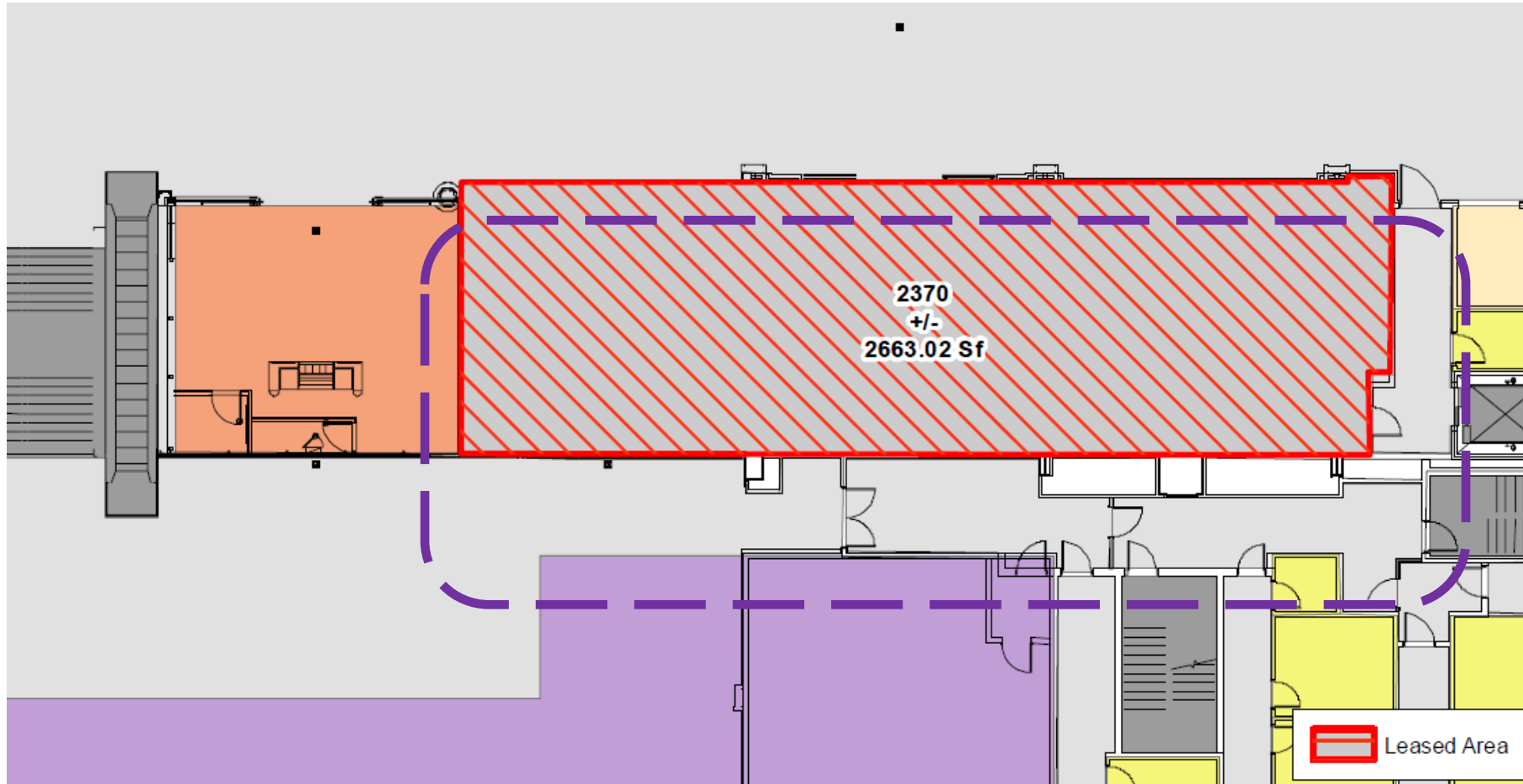
(500 sf – 1215 sf)



- Located at the nexus between Concourse C and D, just beyond the Security Checkpoint.
- Challenging Area to Work In due to location. Barricade walls will be needed during construction. High-visibility.
- Minimal demolition.
- Area of construction estimated: 500 sf – 1,215 sf

Terminal 2: 42nd Street Oyster Bar & Grill

(2,663 sf) – Concept: Dine In Full-Service Restaurant & Bar



Terminal 2: 42nd Street Oyster Bar & Grill

(2,663 sf) – Concept: Dine In Full-Service Restaurant & Bar



- Located on Concourse C near Gate C1, just beyond the Security Checkpoint.
- Largest space to be constructed in this phase of work.
- All trades needed. Full kitchen will be needed.
- Demolition
- Estimated Construction Area: 2,663 sf

Terminal 2: 42nd Street Oyster Bar & Grill

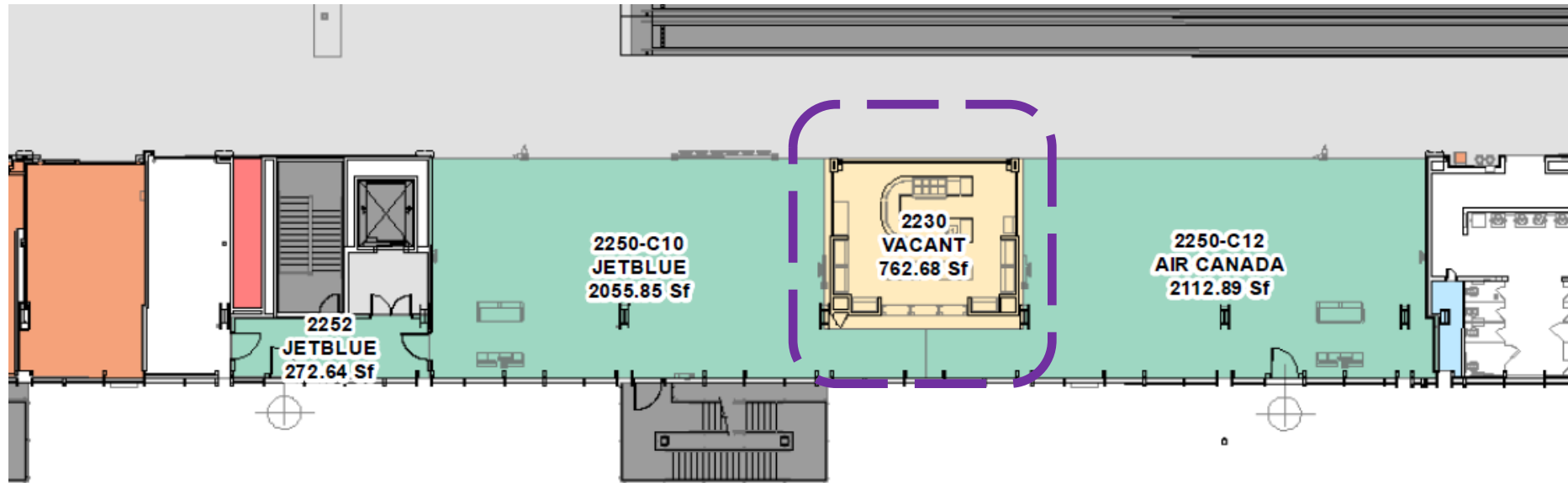
(2,663 sf) – Concept: Dine In Full-Service Restaurant & Bar



- Existing full-service kitchen
- Existing full-service bar
- Connection to existing systems in place (grease trap)

Terminal 2: Camden Food Company

(760 sf +) – Concept: Sushi/Tapas, Wine Bar & Coffee Bar



- Located on Concourse C between Gates C10 and C12.
- Limited access to construct space – Between two hold rooms.
- Footprint may be expanded to window wall near exterior stair.
- All trades needed.
- Demolition
- Estimated Construction Area: 760 sf +

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Runway 5L/23R Replacement Program

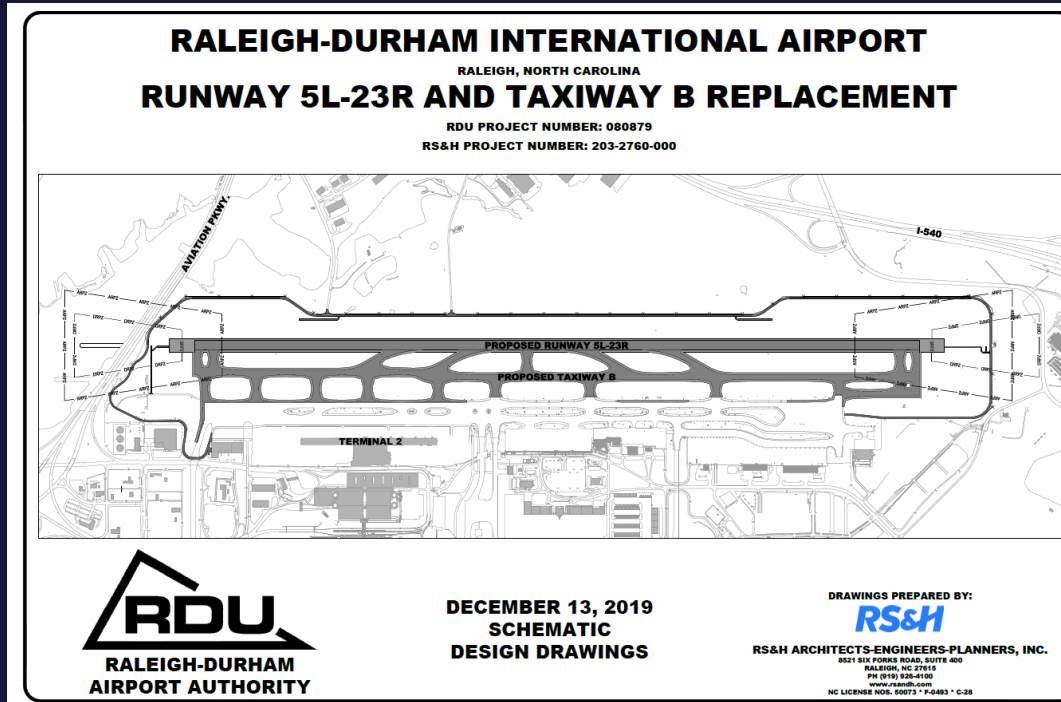


RDU Runways

RDU Runway 5L-23R Replacement



Schematic Design Documents



RUNWAY 5L-23R AND TAXIWAY B REPLACEMENT

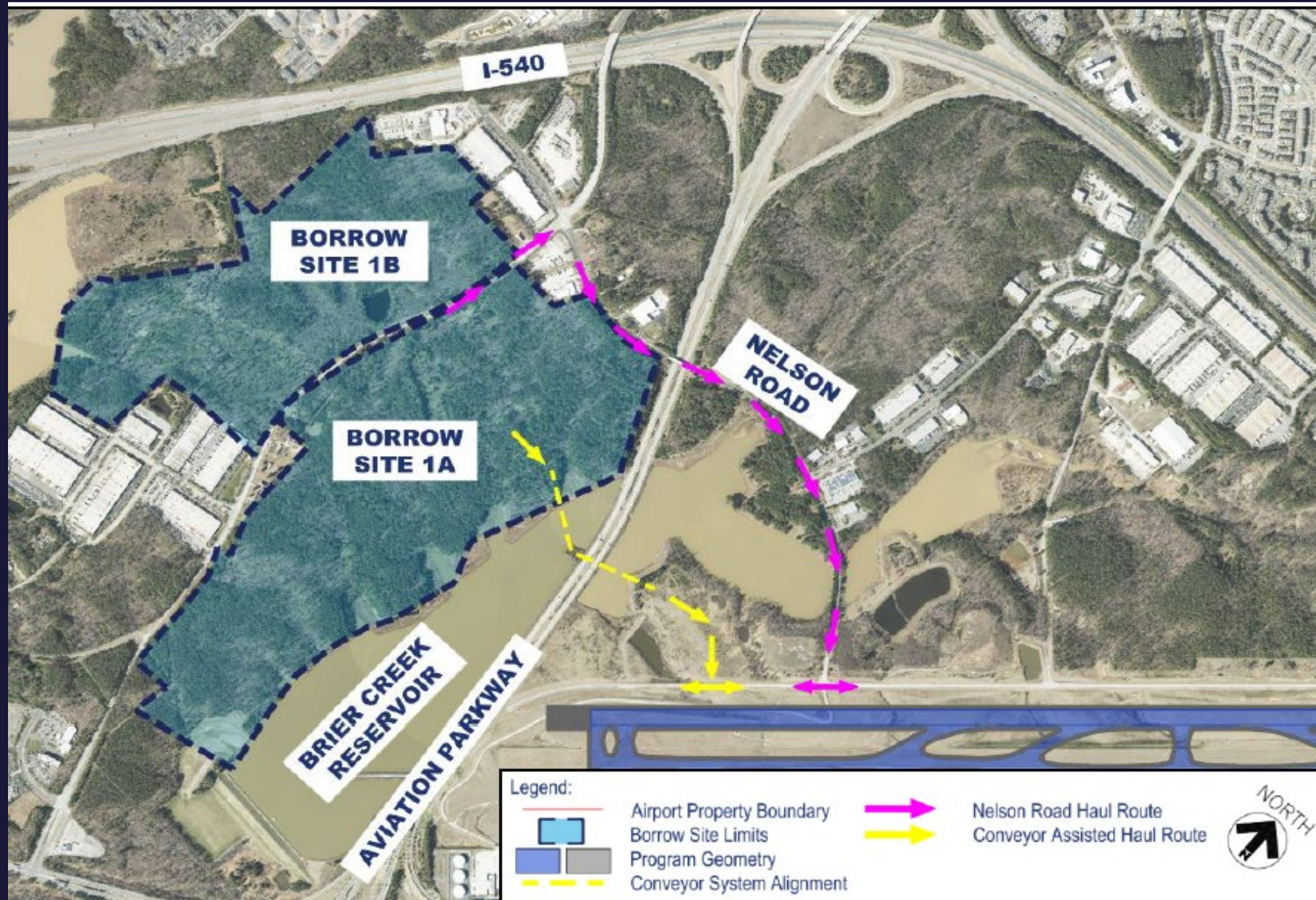
SCHEMATIC DESIGN REPORT

DECEMBER 20, 2019

RDUAA Project No.: 080879
RS&H Project No.: 203-2760-000



Embankment



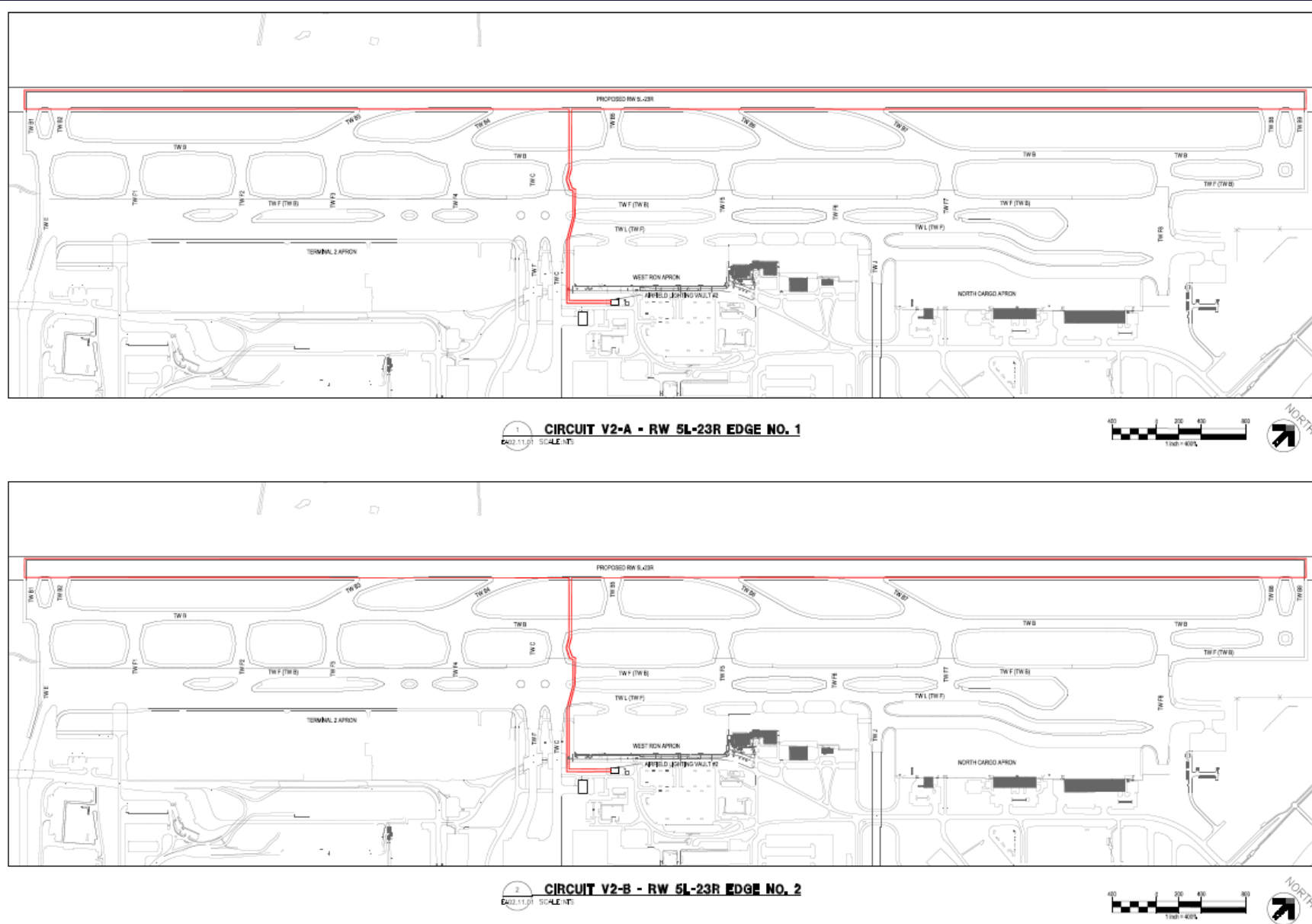
Phasing



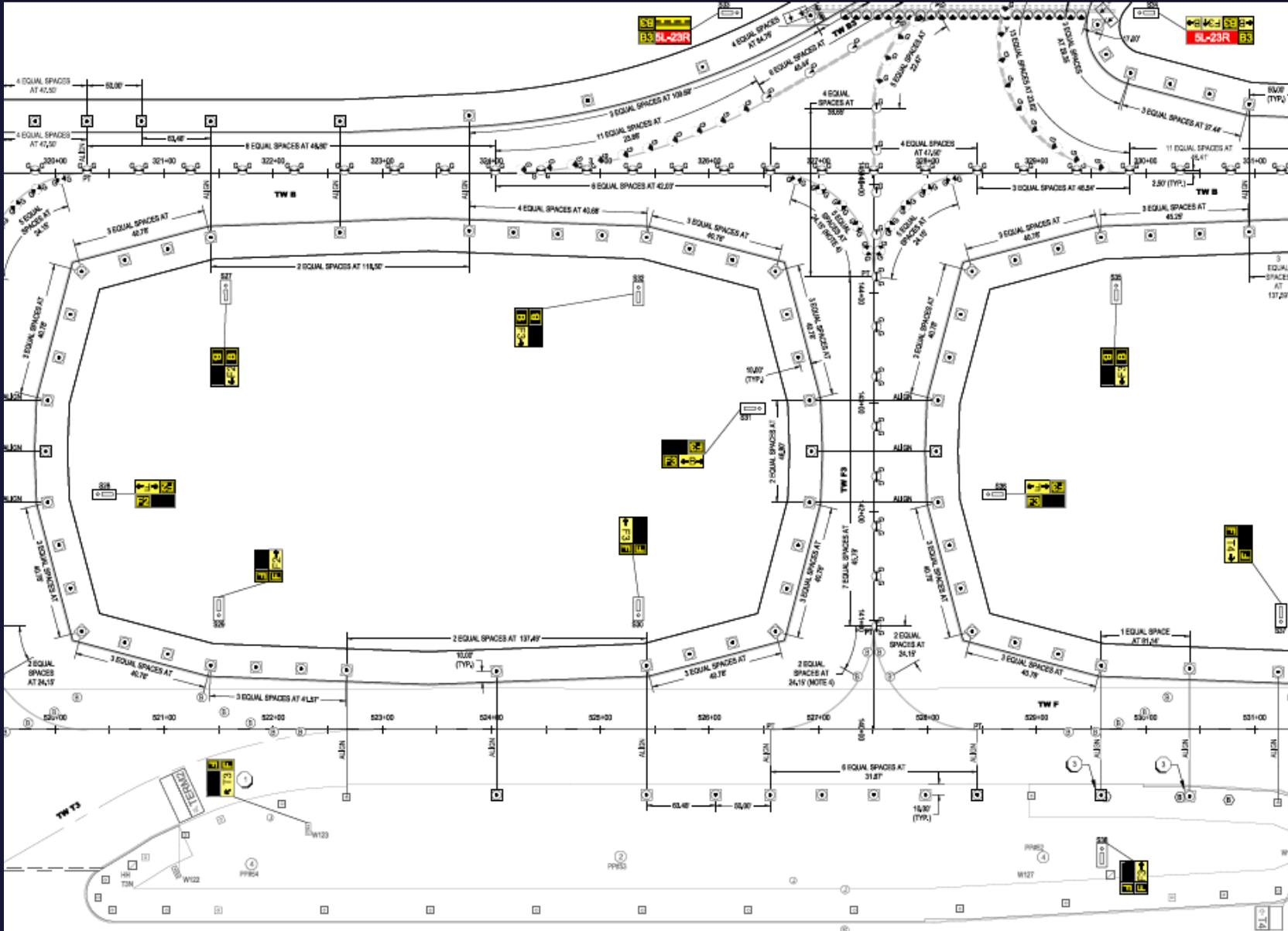
FIGURE 14-5
PACKAGE 2 – PHASE 2 - OPERATIONAL



Airfield Electrical



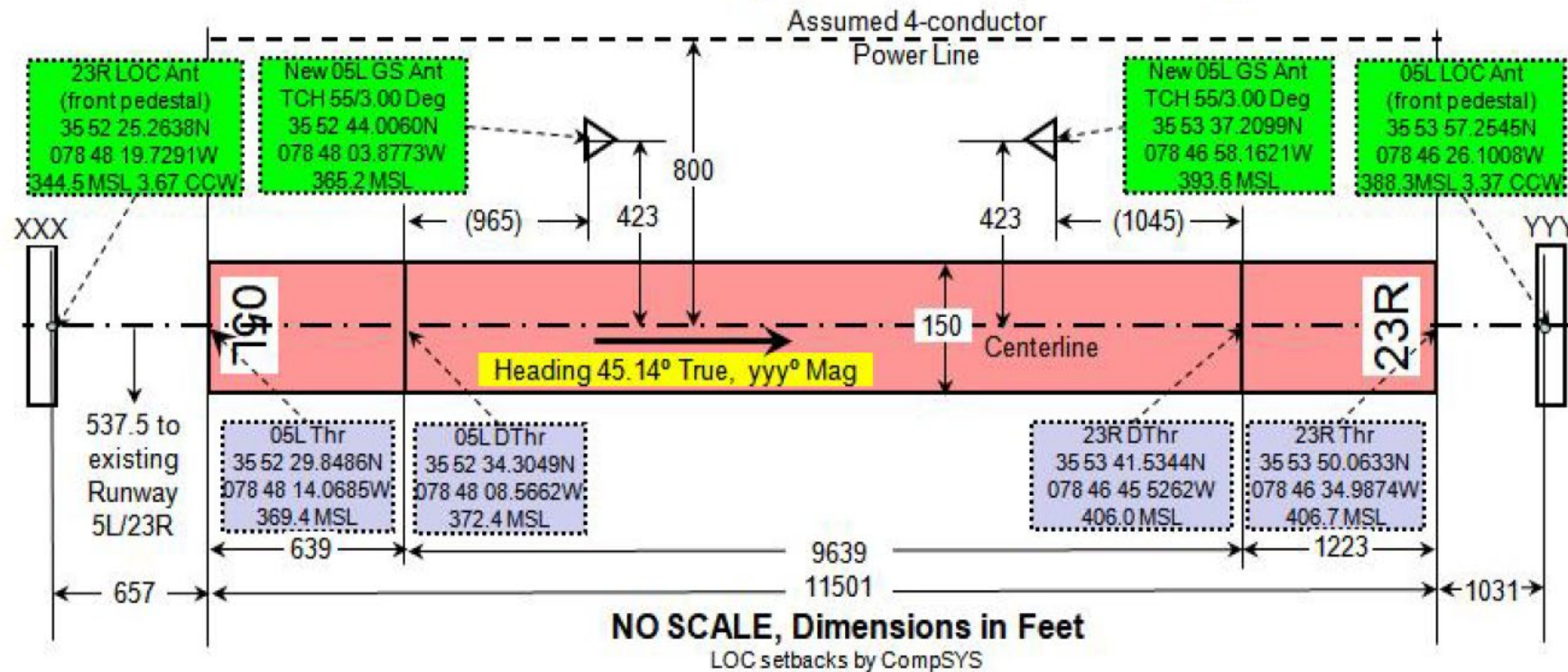
Airfield Signage



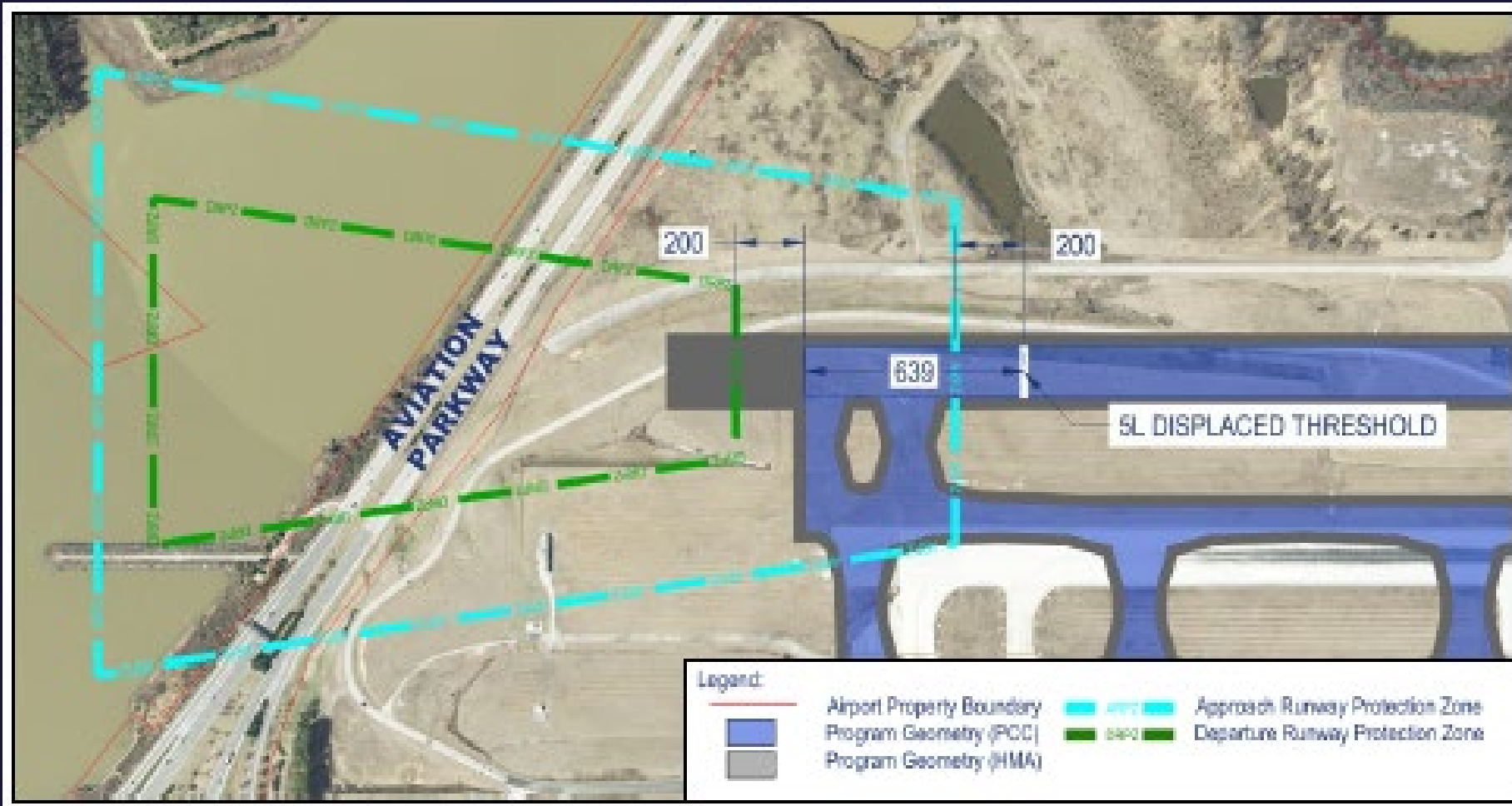
Navigational Aids (NAVAIDS)



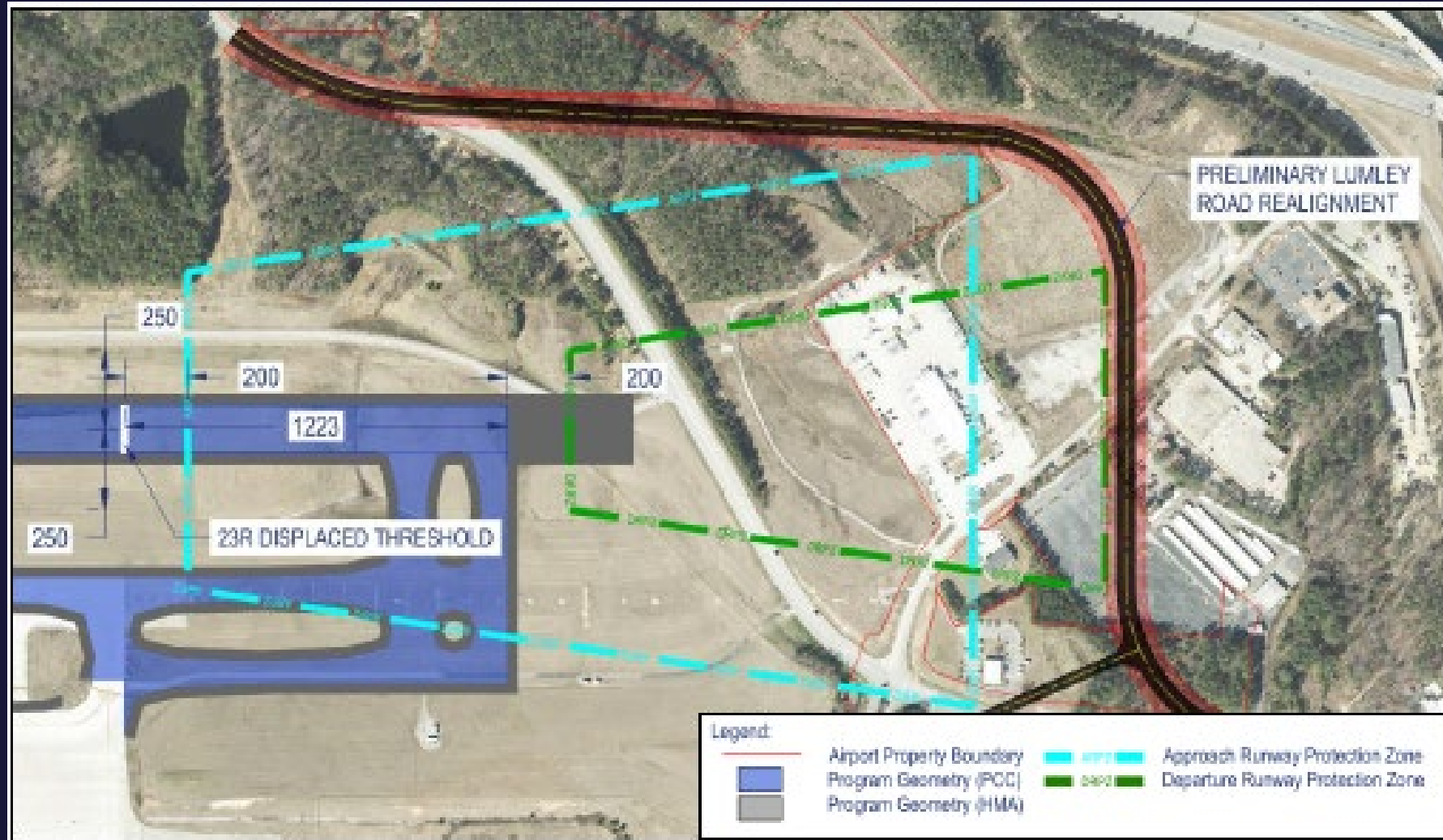
KRDU – New Runway 05L/23R and ILS Layout



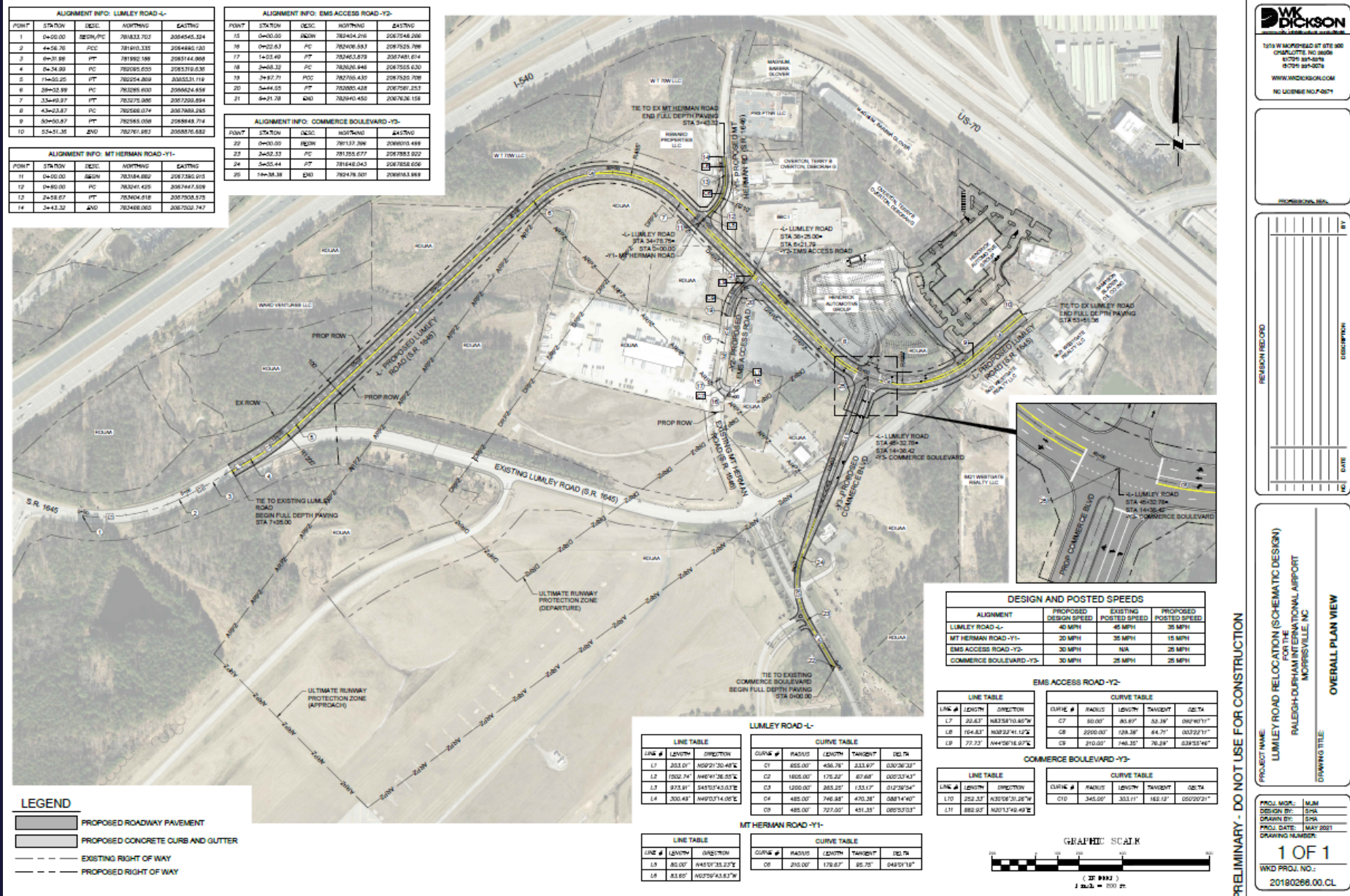
Runway Protection Zone - South



Runway Protection Zone - North

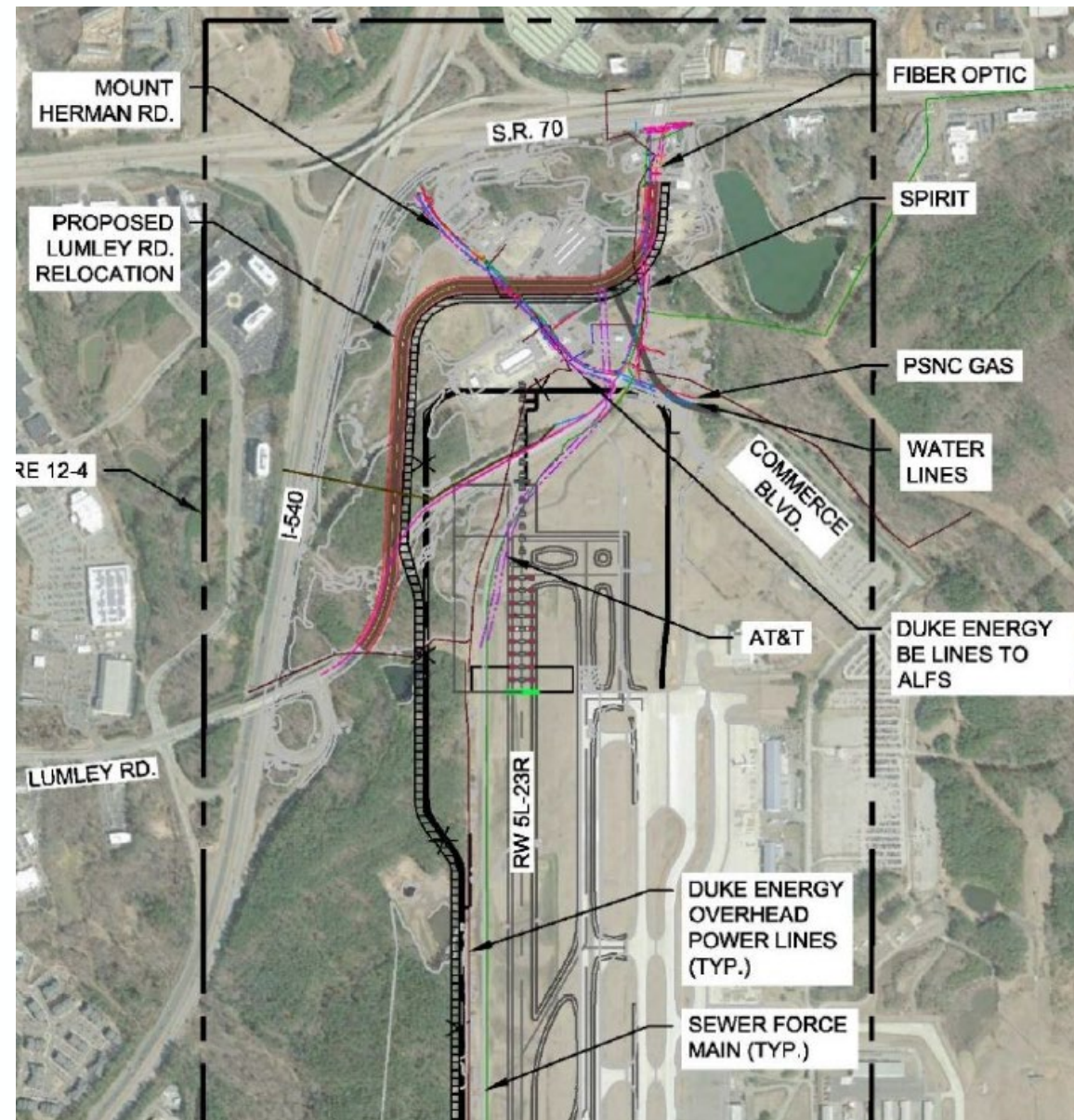


Lumley Road Relocation



PRELIMINARY - DO NOT USE FOR CONSTRUCTION

Runway 5L/23R Replacement Program - Utilities



Questions?



A photograph of a modern building with a curved, blue, ribbed roof and a facade of vertical gold-colored slats. The building is set against a hazy background of trees and hills. The text 'MWSB/DBE Program' is overlaid in white on the building's facade.

MWSB/DBE Program

Small Business Programs

- RDUAA has two programs designed to facilitate the inclusion of minority and women-owned small businesses
 - **Federal Disadvantaged Business Enterprise (DBE)**
 - DBE program applies to federally-assisted contracts
 - **RDUAA Minority and Women-owned Small Business (MWSB)**
 - MWSB program applies to contracts RDU or state-funded contracts
- MWSBs & DBEs are **small businesses** which are **owned, operated and controlled** by individuals that are: Black, Hispanic, Asian-Pacific, Native American, Subcontinent Asian American or Women.





Small Business Programs

- RDU sets **goals** for the participation of MWSB or DBE firms in all contracts.
 - Goals are based on the scope of work and the availability of DBE or MWSB firms.
- Goals are calculated as a percentage of the contract, or as a percentage of the Guaranteed Maximum Price (GMP).

How to Achieve MWSB or DBE Goals

- MWSB or DBE goals will apply to the Construction Manager at Risk (CMR) contract:
 - Overall contract goals
 - Pre-Construction Activities
 - Construction Activities (separate goals for each bid package)
 - Additional amendments or contracts





Achieving MWSB/DBE Goals

- CMR should include MWSB/DBEs in each contract to achieve the **overall goal** and each contract goal or demonstrate efforts to meet the goals.
- The **Terminal 2 Concessions** will apply the **MWSB program**.
- The **Runway Program** will apply the **DBE program**.

MWSB Program

- Separate goals for the participation of minority-owned small businesses (MB) and women-owned small businesses (WB)
- The goals are determined based on the type of work being performed and the availability of MB and WB firms
- Typically achieve higher participation with CM at Risk projects than “traditional” bid-build
- Multiple certification types are accepted





MWSB Program Certification

RDUAA accepts various certifications for the MWSB Program:

- NCDOT – Disadvantaged Business Enterprise – DBE
- SBA 8(a) Business Development Certification – SBA 8(a)
- Women’s Business Enterprise National Council – Women-Owned Small Business – WOSB

MWSB Program Certifications

RDUAA must verify business size for these certifications

- NCDOA – Historically Underutilized Business – HUB
 - Minority or women-owned HUBs only
- Carolinas-Virginia Minority Supplier Development Council – CVMSDC



DBE Program Goal

- One DBE goal – combines MB and WB participation
- DBE goal per package based on the scope of work and the availability of DBE firms
- RDU is committed to the inclusion of both **minority-owned** businesses and **woman-owned** businesses

A photograph of an airport terminal at sunset. The terminal has a large glass facade and a prominent, angled roof structure. An airplane is flying in the sky above the terminal. The sun is low on the horizon, creating a warm, orange glow.

DBE Certification

- Firms that wish to be DBE certified must apply through the North Carolina Dept. of Transportation
- DBE certification is a federal certification which can take up to 90 days.
- DBE certification is the only certification which will be accepted for the Runway Program

Locating DBE/MWSB Firms

RDUAA certified directory:
www.rdu.com/mwsbdirectory

Search for DBE or MWSB firms



Vendor Certification

Search and/or join our database of certified vendors

[Search Certified Directory](#)

System Training

Learn how to fully utilize our system with a live trainer

[Training List](#)

Business Opportunities

Find a list of current business opportunities available with the Raleigh-Durham Airport Authority.

[View Opportunities](#)

About the System

Learn more about this system and how it works today

[Information for Vendors](#)

Account Access

Lookup Vendor accounts or reset user passwords

[Account Lookup](#)

[Forgot Password](#)

RDUAA Small Business Programs

Find additional information and resources through Raleigh-Durham Airport Authority small business programs webpage.

[RDUAA Small Business Programs](#)



Raleigh-Durham Airport Authority

Small Business Proposal Requirements

CMR proposers must submit a written statement that describes the Proposer's plan to meet or exceed the MWSB Goals or DBE goal or provide documentation of efforts to meet the MWSB Goals or DBE goal.

- Describes the MWSB/DBE firms that will participate in the CMR
- Describes in specific detail, the scope to be performed by the MWSBs/DBEs
- Estimated MWSB participation (percentage) based on the scope



Small Business Proposal Requirements

- May also include the methods by which a Proposer will monitor its participation throughout the contract
- Must include Proposer's commitment to meet the requirements of the Authority's MWSB Program
- Must include Proposer's commitment to use the MWSB firms listed in the proposal as submitted
- Must include written confirmation from each MWSB stating its scope and intent to participate in the agreement.



Small Business Proposal Requirements

- For the **MWSB Program**, proposers must meet **both** the MB and WB goals or provide documentation of the efforts to achieve the goals.
- For the **DBE Program**, proposers must meet **DBE goal** or provide documentation of the efforts to achieve the goals.
- RDUAA will determine whether the Proposer has provided sufficient documentation
 - If the CMR does not meet the DBE/MWSB goals, good faith effort documentation must be submitted with the proposal





Good Faith Efforts

- Efforts that are merely pro-forma do not meet the MWSB Program requirements.
- RDUAA considers the quality, quantity and intensity of efforts
- RDUAA reserves the right to reject the proposal of any proposer who fails to make a good faith effort and submit timely, satisfactory evidence of its good faith effort.



Small Business Programs

- The successful Proposer's MWSB or DBE commitment will be incorporated into the contract and will be enforceable under the terms of the contract.
- Proposers shall be solely responsible for confirming experience, capacity, and MWSB and DBE eligibility of subconsultants related to this solicitation.

A photograph of a modern building with a curved, blue, ribbed roof and a yellow, vertically-slatted facade. The building is set against a backdrop of green hills under a hazy sky. The text 'Future Selection Process' is overlaid in white on the building's facade.

Future Selection Process



Future Selection Process

- Terminal 2 Concessions Program
- Runway 5L/23R Replacement Program

A photograph of a modern building with a curved, blue, ribbed roof. The building's facade is made of vertical, golden-brown panels. The word 'Questions?' is written in white, sans-serif font across the center of the image. In the background, there are green hills under a hazy sky.

Questions?