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

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

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

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

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

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

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

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

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

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David Morgan

CITY OF RALEIGH

Sepideh Saidi, **Vice Chair**
Dickie Thompson

WAKE COUNTY

David Kushner, **Secretary**
Ellis Hankins

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Tammie Hall, **Treasurer**
Yessenia Polanco-Galdamez



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

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

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

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

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

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

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

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

Motion by Hankins to adjourn; Second by Polanco³

ADOPTED BY UNANIMOUS VOTE

³ Meeting adjourned at 9:47 a.m.

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