

MINUTES
ANNUAL MEETING
BOARD OF DIRECTORS
NORTH CAROLINA GLOBAL TRANSPARK AUTHORITY

The Annual Meeting of the Board of Directors (the "Board") of the North Carolina Global TransPark Authority (the "Authority") was held at 1:15 p.m. Tuesday, May 20, 2014, at the NCDOT Offices, Raleigh, North Carolina, upon notice duly given.

Chairman Tony Tata presided, noting that participating Board members constituted a quorum, and declared the meeting open for official business. Those Board members taking part included:

Secretary Tony Tata	Mr. Jeff Sheehan
Mr. Cecil Boyd	Mr. Danny Smith
Mr. Jerry Kanter	Dr. Courtney Thornton
Mr. Joe Koletar	Mr. Kevin Williams
Mr. Billy Lamm	Mr. George S. York, Jr.
Mr. Michael Lee (via conference call)	Mr. Rod Forsythe for Secretary Decker
Mr. John Lennon (via conference call)	Mr. Rob Hosford for Commissioner Troxler
Mr. Steve Mayo	Ms. Joan Fones for Treasurer Cowell
Ms. Cheryl McQueary	

Other attendees were:

Ms. Lori Fuller, NCDOT Deputy General Counsel for Logistics/GTP Legal Counsel
Ms. Alanna King, GTP Marketing Director
Mr. Rick Barkes, GTP Airport Director
Ms. Shelley Blake, NCDOT General Counsel
Ms. Ann Dishong, Director, NCDOT Office of Governance
Mr. Allen Pope, Chief Engineer, NCDOT Division of Logistics
Mr. Keith Weatherly, Deputy Secretary, NCDOT Legislative Affairs & Policy
Mr. Bobby Lewis, Chief of Staff, NCDOT
Ms. Helen Landi, Deputy Director, NCDOT Office of Governance
Ms. Aurea Rodriguez, NCDOT

Chairman Tata noted there were no contractual matters coming before the Board but in keeping with the requirements of state ethics policies read the following statement:

"In accordance with the State Ethics Act, N.C.G.S. §138A-1, et seq., as applicable, and N.C.G.S. §63A-21, it is the duty of every Board member to avoid both conflicts of interest and appearances of conflict."

“Does any Board member have any known conflict of interest or appearance of conflict with respect to any matters coming before the Board today?”

“If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.”

In response, Mr. Hosford stated that the agency he represents, the N. C. Department of Agriculture and Consumer Sciences, and the Authority are involved in discussion regarding a particular project which could create a conflict. Mr. Hosford said he would recuse himself from any participation.

The Chairman said minutes of the March 18, 2014 meeting had been distributed to the Board prior to the meeting. There being no corrections to the minutes, a motion to approve the stated minutes was made by Mr. York and seconded by Ms. McQueary. The motion passed unanimously.

Chairman Tata welcomed Michael Lee as a new member of the Authority Board and briefly described his background before moving on to other agenda items. In his opening comments, the Chairman said under the Strategic Transportation Investment (STI) approximately 3100 hundred projects in all transportation modes across the state have been evaluated by the new law criteria and equate to \$70 billion. Preliminary data for 1300 highway projects was released in March, 500 additional highway projects have been added, and an additional 1300 non-highway projects were evaluated. Based on current data it is estimated that 370 regional and division projects and statewide highway and aviation projects could be programmed over the next ten years. Those projects along with 108 transition or grandfathered projects will move forward. June 2 will mark the beginning of a 90-day period for DOT to receive public comment from planning organizations and division engineers. The GTP obviously is interested in the Hwy. 70 corridor and the rail connection to Morehead and perhaps Wilmington.

Chairman Tata said DOT is working hard on the Governor’s 25-year vision and expects to have it completed to present to the Board at its next meeting. He also read the letter of appreciation sent on behalf of the Board to Darlene Waddell, former GTP CFO and Executive Director.

Following his opening remarks, the Chairman asked committee chairs to brief the Board on committee activity. On behalf of the Aviation Committee, Mr. Boyd reported that it had met once since March with the topic for discussion being the selection of a new Fixed Base Operator (FBO). Three options were presented to the Committee, and all appeared to be somewhat equal. Mr. Boyd was complimentary of the GTP staff in its analysis and said negotiations are ongoing.

Marketing Committee Chairman Mayo said it has met twice and reviewed and discussed the results of two site selection surveys, what industries to target, how to prioritize those, and based on the surveys to identify the GTP’s advantages and disadvantages. The Committee expects to bring recommendations to the Board in the near future.

Mr. York reported for the Land Use Planning Committee and said at the March 18 organizational meeting it received an overview of the GTP’s zoning authority. The group agreed to take a fresh look at the Exclusive Development Ordinance already in place on GTP-owned property

and take the necessary steps to implement a Development Ordinance on land outside that owned by the GTP. At its second meeting in May, The Wooten Company presented a detailed report concerning the GTP Master Plan, the land use plan, and the current and proposed ordinance. A cost estimate for land use activities is expected in the near future since it is one of the primary concerns moving forward. Once that information is received there will be a follow-up meeting in June to develop the next steps for comprehensive land planning for the GTP. The Committee has gone back to what it was working on 18 months ago and is trying to keep momentum going forward by educating all the members about the opportunities, challenges and needs.

The Chairman stated there was nothing to report from the Finance Committee at this time.

Chairman Tata reported for the Executive Committee and said the group first met March 18 at which time it was provided an overview and brief history of the Committee. The Committee met again today and discussed the annual requirement to elect officers for the Authority. It voted unanimously to present the following slate:

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| George York | Secretary |
| Alanna King | Assistant Secretary |
| Mary Westphal | Treasurer |
| Trina Warren | Assistant Treasurer |

Chairman Tata reminded the Board that officers can be selected from staff or membership of the Board and opened the floor for other nominations. There were none, and a motion to accept the slate of officers as presented was made by Mr. Hosford, seconded by Ms. McQueary and approved unanimously.

The Chairman called on Ms. King to speak about communication channels used by the GTP. Ms. King said there are primarily five areas the GTP uses to reach out to the public and prospective customers: (1) web site, (2) Facebook page, (3) Twitter; (4) LinkedIn Group, and (5) Flicker. She reviewed the purpose and targeted audience for each and answered questions posed by Board members.

Following Ms. King's presentation, Mr. Weatherly updated the Board on current legislative activity. He reviewed NCDOT items to come before the Joint Legislative Transportation Oversight Committee, including those from the Division of Motor Vehicles. Mr. Weatherly also said critically important to the funding of N. C. projects is the \$1 billion of federal monies at stake under the current method of allocation. Members of the state's congressional delegation and other congressional leaders have been contacted about the importance of the federal reauthorization of legislation currently called MAP-21. Each delegate received the same talking points along with a map of each Congressional district showing projects that would be impacted by the lack of funding going forward. To avoid a funding crisis, it is important to NC and its projects to have this authorization made as soon as possible. Chairman Tata said the \$1 billion at risk impacts 108 projects, 20,000 jobs, and makes up 28% of NCDOT's budget. Secretary Tata asked that the booklet which was given to the congressional delegation be provided to GTP Board members, and each member was provided one.

Mr. Lewis spoke to the Board about Strategic Transportation Investments (STI) and said STI is about accelerating infrastructure investment for economic growth with complete transparency. He said STI is intended to better connect small towns to economic centers, expand economic opportunities, and create more jobs. Local input is pending on 280 division and regional level projects that will be programmed over the next 10 years and reprioritized every two years. Additionally, there are 91 highway and aviation projects under consideration. The \$70 billion estimated cost of these projects highlights the need for additional funding to complete them all. By August 30 public feedback and rankings from planning organizations should have been completed, and in December a draft of the State Transportation Improvement Program (STIP) will be available for public comment with final STIP approval expected by the end of June 2015.

It was pointed out that the three GTP highway projects (Section C of the Harvey Parkway, the proposed US 70 Bypass, the upgrade of the roadway to full controlled access freeway for US 258 to NC 58) are competing for approval at either the division or regional level. The rural or metropolitan planning organization (RPO/MPO) will have input of either 50% at the division level or 30% at the regional level. Mr. Lewis also reviewed the standings of the two rail projects affecting the GTP.

Following Mr. Lewis' report, the Chairman asked Ms. Fuller for a GTP update. Ms. Fuller briefed the Board on the GTP's Foreign Trade Zone (FTZ) #214 and its two active sub zone sites – NAACO Materials and Kanban Logistics. In Eastern NC there are three FTZs, #214 at the GTP, #66 headquartered at the Port of Wilmington and #67 headquartered at the Port of Morehead City. Because all three have been transferred to NCDOT, and in order to have uniform management and one-stop shopping for businesses interested in importing into Eastern NC, the US FTZ Board recommended and approved the consolidation of the three into FTZ #214. Ms. Fuller is the Foreign Trade Administrator for FTZ #214, and a company who is interesting in becoming a subzone would apply to the US FTZ Board through her office. She gave an overview of a FTZ – what it is, what it does for businesses, and why those businesses would be interested in FTZ status. While NCDOT administers FTZ #214, it is actually administering the rules of the US FTZ Board and has to understand those rules and comply with them. U. S. Customs is also involved since it audits the sub zones or those areas outside of US commerce within the FTZ. Thus there are two federal agencies whose regulations must be followed

In addition to sub zone sites, a FTZ can also have magnet sites, which are warehouse and distribution facilities. The magnet site operator brings in goods for other companies, holds them in the warehouse area, and distributes them as needed or required by the importer. The magnet site is more useful to smaller companies who import less, and the GTP is currently recruiting for magnet sites. FTZ #214 operates under a Traditional Site Framework (TSF), but an application to the FTZ Board is being finalized to change it to an Alternative Site Framework (ASF). Under the current TSF it takes from 12 to 18 months for a company to set up a site within a FTZ. Under the ASF a business that wants to become a subzone can do so in six weeks, and a magnet site can be set up in as little as 4 – 6 months, rather than the 18 months under the traditional framework. Twenty-four counties make up the service area for FTZ #214. The ASF presents a more streamlined process and provides an opportunity to invigorate those areas that have not been as active as hoped.

Following Ms. Fuller's presentation, a request was made by Mr. Boyd for the Board to receive updated financials on at least a quarterly basis and for the staff to also estimate the amount required in future revenues for the GTP to be profitable.

The Chairman announced the Board would enter into Closed Session to discuss personnel matters or business involving the location or expansion of other businesses at the Global TransPark as permitted under N.C.G.S Sec. 143-318.11(a)(4). Upon a motion by Ms. McQueary and a second by Mr. Sheehan, the Board unanimously agreed to adjourn the open portion of the meeting and reconvene in Closed Session to consider such matters.

(Closed Session Minutes Recorded Separately)

At the conclusion of the business of the Closed Session, a motion was made by Mr. Sheehan, seconded by Ms. McQueary, and unanimously approved to adjourn the Closed Session and reconvene in Open Session.

Upon reconvening in Open Session, Chairman Tata said the Board took no official action in the Closed Session. He announced that the next meeting will be held September 23 at 1 p.m. at the NCDOT offices in Raleigh.

With no other official business to come before the Board, the Chairman accepted a motion to adjourn the meeting from Ms. McQueary. It was seconded by Mr. Boyd and unanimously approved.

Respectfully submitted this Twenty-third day of September, 2014.

Donna C. Hagerford
Secretary/Assistant Secretary