

MINUTES

REGULAR MEETING

BOARD OF DIRECTORS

NORTH CAROLINA GLOBAL TRANSPARK AUTHORITY

A regular meeting of the Board of Directors (the “Board”) of the North Carolina Global TransPark Authority (the “Authority”) was held at 9:30 a.m., Wednesday, November 13, 2013, at the Spirit AeroSystems Composite Center of Excellence, Kinston, North Carolina, upon notice duly given.

Chairman Tony Tata presided. He said the first order of business would be for Board members to be sworn in and called on Dawn Stroud, Lenoir County Clerk of Superior Court, to administer the oath. Following the swearing in and a group photo opportunity, Chairman Tata welcomed everyone, and after noting that participating Board members constituted a quorum declared the meeting open for the conduct of business.

Board members taking part in the meeting included:

Secretary Tony Tata	Mr. Kent Misegades
Mr. Cecil Boyd	Mr. Jeff Sheehan
Mr. Jerry Kanter	Mr. Danny Smith
Mr. Joseph Koletar	Dr. Courtney Thornton (via conference call)
Mr. Billy Lamm	Mr. Kevin G. Williams
Mr. John D. Lennon	Mr. George S. York, Jr.
Mr. Steve Mayo	Mr. Rod Forsythe for Secretary Decker
Mr. John McNairy	Mr. Rob Hosford for Commissioner Troxler
Ms. Cheryl McQueary	Ms. Fran Lawrence for Treasurer Cowell (via conference call)

Others in attendance included the following:

Ms. Dawn Stroud, Lenoir County Clerk of Superior Court
Mr. Rudy Lupton, GTP Executive Director/Director of Logistics, NCDOT
Ms. Lori Fuller, NCDOT Deputy General Counsel for Logistics/GTP Legal Counsel
Ms. Darlene Waddell, GTP Treasurer
Ms. Alanna King, GTP Marketing Director
Mr. Rick Barkes, Deputy Director, NCDOT Division of Aviation/GTP Airport Director
Ms. Anne Stapleford, GTP Administrative Assistant
Ms. Shelley Blake, NCDOT General Counsel
Ms. Ann Dishong, Director, NCDOT Office of Governance
Mr. Allen Pope, Chief Engineer, NCDOT Statewide Logistics
Mr. Richard Walls, NCDOT Deputy Secretary for Transit
Ms. Susan Pullium, NCDOT Director of Strategic Planning

Ms. Kathy Warner, NCDOT
Ms. Aurea Hernandez, NCDOT

Following the introductions and in keeping with the requirements of state ethics policies, the Chairman read the following ethics awareness and conflict of interest reminder:

“In accordance with the State Government Ethics Act Executive Order 2 signed by Governor Beverly Perdue on January 9, 2009, it is the duty of every Board member to avoid both conflicts of interest and appearances of conflict.

To comply with this statement and the State Ethics Act, I ask whether any Board member has a 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 when the item appears on the agenda for consideration and refrain from any undue participation in the particular matter involved.”

No conflicts were identified at the time.

Chairman Tata stated that minutes of the January 8, 2013, meeting were distributed to the Board prior to the meeting and requested a motion to approve the Open Session minutes as written. A motion to approve the stated minutes was made by Mr. Boyd, seconded by Mr. Smith, and unanimously approved.

The Chairman noted that the appointment process for the Board had taken some time and today's meeting was to provide a common start for both new and veteran Board members and to update everyone on GTP activity. Specific outcomes will be defined and addressed at the next Board meeting to be held in the January-February time frame. He said Ann Dishong is the focal point for communications with him for the boards on which he serves and regularly updates him on all of them.

Chairman Tata said the Governor had given him three major goals: (1) improving customer service with a focus on the Division of Motor Vehicles, (2) leveraging infrastructure to create jobs, and (3) increasing government efficiency. He expounded on the infrastructure piece and a new law (House Bill 817) concerning the distribution of highway funds. The new law created a new strategic transportation investment formula with five governing criteria: reducing congestion, decrease in travel time, increasing the number of jobs each project creates, increase in safety, and increase in connectivity. Those criteria at the state level are 100% data driven, while at the regional level there is 30% subjective input and 70% data driven. Each highway division will receive its own cut of money from the ten-year budget. It is believed the new law will have a positive impact on the GTP as an economic driver for suggested road or rail projects under the job criteria creation. This law takes effect in 2015, and projects already underway will not be disrupted. He suggested Board members work with Division Engineers and metropolitan or rural planning organizations to submit projects.

Chairman Tata told the Board that because of the Global TransPark's (GTP) proximity to Fort Bragg, a consideration was to use it for refurbishing military equipment being returned to the United States from overseas via the port at Morehead. A proposal for this was turned down due to underutilization of other depots; however, it was suggested the GTP could serve as a holding place for vehicles for foreign military sales. The Board will be updated on any further development in this area. The Chairman also said he had discussed the GTP with various members of the N. C. congressional delegation and would continue to stay in touch with that group.

In response to a question about standing committees, the Chairman said a list of GTP committees would be made available to Board members prior to the next meeting so that each person could indicate his/her area of interest. Based on those responses, committee assignments would be made at the next meeting

Chairman Tata called on Mr. Lupton for a Global TransPark overview and update. Mr. Lupton gave a brief background of the GTP from its creation in 1991 as an independent state agency to its alignment with NCDOT in 2011. He pointed out the features and attributes that make it attractive to prospective customers and the types of industries the GTP is targeting. He stated that one significant advantage the GTP offers prospective tenants is its 404 permit under the Clean Water Act. Mr. Lupton also discussed the original 1991 proposed investment in the GTP as opposed to the actual investment and gave figures for the GTP's economic impact in terms of the number of private sector employees and payroll. He said the current focus is on generating traffic, leasing existing facilities, future development, managing costs and reducing debt. Chairman Tata suggested that for the next Board meeting Mr. Lupton outline his objectives in the preceding focus areas so the Board can assist in managing that direction.

Following Mr. Lupton's report, the Board adjourned to tour the Spirit AeroSystems facility and the GTP. Upon reconvening, Ms. Waddell presented the 2014 budget and provided the Board a summary of the detailed financial budget information. She said Mr. Lupton and the management team had reviewed the budget by line item for each cost center and had targeted a substantial reduction in expenses. She also reported that the team reviews the financials twice monthly. Ms. Waddell pointed out that the GTP owns facilities that today are 84% leased, and that of the approximately 170,000 square feet of available space, 44% is for aviation and 56% for non-aviation tenants. She said the GTP's long term debt position had improved significantly due to the General Assembly directing that the Escheat Fund debt be paid in full. Ms. Waddell also reviewed the GTP's financial position for the first quarter of Fiscal Year 2014.

After Ms. Waddell's report, Chairman Tata said the Governor has charged NCDOT with developing a 25-year infrastructure plan that will leverage infrastructure investments to grow North Carolina's economy and called on Ms. Pullium to address the Board about building and implementing this vision. Ms. Pullium began by saying it must be recognized that each economic sector of the state is different, not only by cluster or industry but by region. She said the population is growing but the current funding method is unsustainable since DOT funding is trending downward, and resources should be strategically invested to ensure state, regional and local priorities are met. She spoke about what has been learned from studies that have been completed in recent years, including the Statewide Logistics Project, the Seven Portals Study, the N. C. Maritime Strategy, the Governor's Logistics Task Force Final Report and plan recommendations (the 2012 N.

C. Statewide Transportation Plan). In conclusion, she said to build and implement infrastructure investments the following need to be addressed: the needs of a changing economy, long range economic development trends, how infrastructure investments can be leveraged to a competitive advantage, how to build collaboration among agencies, and identifying funding sources and alternatives.

The Chairman thanked Ms. Pullium for her presentation, and said 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. General Statute Section 143-318.11(a)(4). Upon a motion made by Mr. McNairy and seconded by Ms. McQueary, the Board adjourned the open portion of the meeting to 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. Smith, 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 January 8, 2013, Closed Session minutes were approved and that no other official action was taken.

With no other official business to come before the Board, Chairman Tata declared the meeting adjourned.

Respectfully submitted this 18th day of March, 2014.

Alanna King
Assistant Secretary