

**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 1:15 p.m. Monday, November 17, 2014, at the NCDOT Offices, Raleigh, North Carolina, upon notice duly given.

Chairman Tony Tata presided. He said participating Board members constituted a quorum and declared the meeting officially open for business. Those members taking part included:

Secretary Tony Tata	Mr. Steve Mayo
Mr. Scott Clontz	Mr. John McNairy (via conference call)
Secretary Sharon Decker	Ms. Cheryl McQueary (via conference call)
Mr. Jerry Kanter	Mr. Danny Smith
Mr. Joe Koletar (via conference call)	Dr. Courtney Thornton (via conference call)
Mr. Billy Lamm	Mr. George York
Mr. John Lennon (via conference call)	Ms. Fran Lawrence for Treasurer Cowell
Mr. Mark Lesnau	

Other participants were:

Mr. Rudy Lupton, GTP Executive Director/NCDOT Director of Logistics  
Ms. Lori Fuller, GTP Legal Counsel/NCDOT Deputy General Counsel for Logistics  
Ms. Mary Jane Westphal, GTP Controller  
Mr. Rick Barkes, GTP Airport Director  
Ms. Shelley Blake, NCDOT General Counsel  
Ms. Ann Dishong, Director, NCDOT Office of Governance  
Mr. Paul Worley, NCDOT Rail Division Director  
Rep. John Torbett, Joint Legislative Transportation Oversight Committee

Although there were no contractual matters to come before the Board, in keeping with the requirements of state ethics policies the Chairman 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.”**

Board members were reminded that conflicts could be identified at the time a matter was presented for discussion. None were identified at this time.

Chairman Tata said both open and closed session minutes of the September 23, 2014 meeting had been distributed to the Board prior to the meeting. In the open session minutes, two corrections in the names of those in attendance were identified. A motion to approve the open portion of the stated minutes as corrected was made by Ms. McQueary, seconded by Mr. Smith, and unanimously passed. A motion to accept the closed session minutes as presented was made by Mr. Lesnau, seconded by Mr. Smith, and unanimously approved.

In his opening comments Chairman Tata briefed the Board on events that have taken place since the last meeting. He said one of the highlights was a visit to the GTP by U. S. Secretary of Transportation Fox and Congressman Butterfield. The Governor’s 25-year transportation plan was presented to Secretary Fox and has also been presented to numerous groups across the state. At the next NCDOT Board Meeting the new draft statewide transportation improvement program (STIP) will be presented for approval. The criteria and data used to select projects will result in a more efficient use of money and an almost 300% gain in the number of projects. There will be 400+ highway projects as opposed to 174 in the old ten-year improvement plan. Multi-modal is addressed as well so that every mode receives some funding. It is a significant and ambitious ten-year program and shows that taxpayer money is being used as efficiently as possible. To improve the prioritization process different ways are being considered; i.e., using seasonal instead of annual traffic counts, consideration of connectivity, economic competitiveness, and emergency evacuation routes.

Secretary Decker said looking at connectivity and the future placement of roads is critical to growing communities. Development is happening again in large sectors of the state and planning for future development in those communities that have the potential for growth is important in eliminating congestion. The state has to be prepared for that. Secretary Decker has found that as she travels the state and shares the 25-year transportation plan, it has been well received. The public is appreciative of a longer term view rather than a project to project one. Chairman Tata said the GTP is featured prominently in the 25-year vision and encouraged members to go to [NCvision25.org](http://NCvision25.org) and view it.

The Chairman called on committee chairs for reports.

In the absence of Aviation Committee Chairman Cecil Boyd, John Lennon reported that the new FBO is up and operating and doing a good job. Mr. Lupton told the Board that the company has been successful in keeping established business and in bringing back some who had left.

Marketing Chairman Steve Mayo had nothing to report for that committee.

Land Use and Planning Committee Chairman George York reported that this committee met on November 7. Mr. York said the GTP had requested the Army Corps of Engineers to include 158 acres in the environmental impact permit that was acquired after the original 404 permit was issued in 1998. The Corps has not yet responded. In conversations with the Corps field office in Washington, N. C. concerning this acreage, early indications are that that upon renewal of the 404 permit in 2018, the permit may be interpreted differently than it has been. Different interpretations could positively or negatively impact the GTP and is something the agency needs to be aware of as the renewal date draws closer.

The Committee again discussed the GTP's zoning authority. The GTP has the authority to zone areas outside the perimeter of the GTP-owned land and there are positive reasons for doing so. For the Committee, the question became whether or not this is the right time to proceed with that effort. Although the GTP received a reduced cost from its consultant, The Wooten Company, it decided not to recommend proceeding with the public process at this time. The current benefit of zoning outside the GTP perimeter seemed to be outweighed by the negative publicity that often follows such action. In addition, even with the associated costs at a reduced level it is not in the budget, and there isn't anything going on at present that would require zoning outside the GTP perimeter.

Discussion returned to renewal of the 404 environmental permit issued by the U.S. Army Corps of Engineers. Mr. Lupton pointed out that the GTP needs to be in alliance with the Corps and the GTP has actually offered to offset its request for inclusion of the GTP's 158 acres into the 404 permit area by removing Area B land currently inside the GTP permit area. This would be a zero net gain in the amount of acreage in question. Area A is a closed issue, and the important part now is the Area B land inside the 404 permit area. Changes to it could pose a problem since it is essentially a water quality permit controlling the amount of dredge and fill that can drain into wetlands. At this point there has not been any discussion of interpreting the permit any differently. The GTP permit stipulates that there are a number of acres that can be impacted, and this is unique since apparently acreage numbers are no longer included in permits. The 404 permit enables prospective businesses to move quickly from a construction perspective and is important for recruiting tenants. Also, if the ACE changes its interpretation, the question arises of whether this would have an impact on surrounding landowners and possibly change the GTP's scope of responsibility.

Following this discussion, Mr. Lupton updated the Board on the November 6, 2014, Finance Committee meeting. Mr. Lupton said a first quarter update on the budget was presented, and a brief discussion was held about the consolidation of the GTP's last two loans. The GTP Controller has looked at RFPs put out by other government agencies regarding the refinancing of loans. A significant amount of savings could be achieved by refinancing, and GTP staff is now undertaking a refinance effort.

The Chairman said there was nothing to report from the Executive Committee.

Mr. Lupton provided an update on recent GTP activity. From a financial perspective, the first quarter ended with a net income of \$191,000 and about a 4% overage in expenses due to costs associated with personnel changes and an overage in utilities. Based on projected revenues

and expenses, a positive cash flow is anticipated for the end of the fiscal year. Mr. Lupton said the annual audit has been completed with no findings, and goals and objectives are reviewed every month to evaluate progress.

Recent activity has included the following: (1) working with two companies who are interested in the GTP location. One would like to establish an MRO at the airport to work on helicopters, and the other is looking for non-contiguous lands for solar farms; (2) a meeting facilitated by Ms. McQueary with the former director of FEMA. The GTP is putting together a letter for signatures of the Secretary and Governor showing the GTP's advantages and how it could be a viable site for a FEMA location; (3) GTP has been working with Mr. Worley of the Rail Division on getting short haul rail active at the Park; (4) working contacts with other companies that aren't as well developed but will be presented to the Board when progress is made; (4) the posting for a Marketing Director replacement ended November 14 with numerous applicants for the position.

Mr. Lupton stated that Spirit had a reduction in its employee numbers in 2014 due to a change in work force from research and development to a production phase. A second autoclave has been installed and Spirit is beginning to ramp up production. Secretary Decker commented that Governor McCrory and she recently had a very positive visit with Spirit's Chairman and CEO in Wichita at which time the fluctuation in staffing was discussed. She said there are also changes in technology that are shifting the development of the plane a little differently, but Spirit is very positive about what is being done in Kinston and its continued investment at the GTP. There is some opportunity for GTP in relationship with Airbus, and recent meetings have been held in Washington, D. C. and Winston-Salem. A meeting between Airbus and the Governor is anticipated in December.

Mr. Worley reported on the progress of the Eastern Infrastructure Improvement Study required by the General Assembly and said DOT has collaborated with the Department of Agriculture Consumer Services as well as the Department of Commerce on the study. The study includes an outline of infrastructure improvements that would promote job creation and commerce and advance development of the GTP as an inland terminal; an assessment of highway/rail infrastructure improvements that would improve access to the GTP and the Morehead City port; and, a market demand, financial and technical feasibility analysis of the Wallace-Castle Hayne track restoration project. Mr. Worley discussed a mix of short and long term strategies for both the GTP and the Morehead port and said it is important that these be integrated with the Governor's 25-year transportation vision and also preserve flexibility for future opportunities. An overview of these findings will be presented to the Board of Transportation on December 3 and will be completed by the end of the year for transmittal to the General Assembly.

Chairman Tata said the Chief Deputy of Transportation has been asked to begin a design to bring Morehead to 50 feet depth for post panamax development of Radio Island to enable it to handle super max container vessels, energy development offshore and perhaps auto manufacturing shipments. This would then be connected through the restricted access road and rail that moves into Havelock, bypasses all of Morehead, and then connects into the inland port

at the GTP. This will be done in pursuit of a public private partnership and will be aggressively pursued as part of the Governor's 25-year vision.

Secretary Decker said one of the strategies Commerce is using in partnership with Agriculture is to pull together information about produce grown in the state, which of those products are currently processed in state, and target for recruitment those processors not located in North Carolina. The three priorities in the Eastern part of the state are agriculture, aviation and automotive.

At this point in the meeting, Chairman Tata had to leave for a meeting with the Governor and asked Mr. York to preside in his absence.

In response to a question by Ms. McQueary, Mr. Lupton explained to the Board that Dr. Tim Constantine authored a study on the oil leases coming up in 2018 on the East Coast and the Gulf of Mexico. On the East Coast, North Carolina is the state that will probably benefit from that effort more than any other mainly due to its coast line and other physical characteristics. The evaluations talked about in the study are very informative and open a new area of potential for the state and the huge logistics trail that follows the oil industry. GTP has attributes the industry could use. Mr. Lupton will forward an electronic copy of the study to the Board.

Mr. York told the Board that they would be contacted via e-mail in the near future with proposed 2015 meeting dates.

With no other business to come before the Board, Mr. York accepted a motion from Mr. Smith to adjourn the meeting. It was seconded by Mr. Clontz and unanimously approved.

Respectfully submitted this 17<sup>th</sup> day of March, 2015.

Donna C. Hogelford  
Secretary/Assistant Secretary