

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 1:30 p.m. Tuesday, March 18, 2014, at the NCDOT Offices, Raleigh, North Carolina, upon notice duly given.

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

Others in attendance included the following:

Mr. Rudy Lupton, GTP Executive Director/Director of Logistics, NCDOT
Ms. Lori Fuller, NCDOT Deputy General Counsel for Logistics/GTP Legal Counsel
Ms. Alanna King, GTP Marketing Director
Mr. Allen Pope, Chief Engineer, NCDOT Statewide Logistics
Mr. Rick Barkes, Deputy Director, NCDOT Division of Aviation/GTP Airport Director
Ms. Shelley Blake, NCDOT General Counsel
Ms. Ann Dishong, Director, NCDOT Office of Governance
Mr. John Rouse, NCDOT Division Engineer
Mr. Paul Worley, NCDOT Rail Division Director
Mr. Richard Walls, NCDOT Deputy Secretary for Transit
Ms. Aurea Hernandez, NCDOT
Ms. Helen Landi, NCDOT

Following the introductions, Chairman Tata noted that 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.”

No conflicts were identified.

Chairman Tata said minutes of the November 13, 2013, meeting had been distributed to the Board prior to the meeting. He noted that there was a correction to both Open and Closed Session Minutes in that David Ulmer was listed as being present but did not attend. The Chairman called for a motion to approve the corrected minutes. The motion was made by Ms. McQueary, seconded by Mr. Hosford, and unanimously approved.

The Chairman then updated the Board on NCDOT priorities for the year and the Global TransPark’s (GTP’s) place in those plans. The four key factors of focus are: (1) implementation of the Strategic Transportation Investments law with fidelity and transparency, which in effect becomes a new way of distributing money; (2) development and delivery of the Governor’s 25-year infrastructure vision; (3) identification of new revenue sources for transportation funding; and, (4) DMV reform. The new law, the 25-year vision and funding reform all impact what is being done at the GTP.

Chairman Tata called on John Rouse, NCDOT Division Engineer, for an update on the Highway 70 corridor projects. Those projects include: (1) The Goldsboro bypass, currently under construction, which has an anticipated completion date of fall 2015. (2) In Kinston/Lenoir County, Part A of the C. F. Harvey Parkway (Hwy, 258 to Hwy. 70) is expected to be completed in spring 2014 and open to traffic later in the year. A feasibility study for Part C of the Parkway (NC 58 to NC 11) has been completed and submitted to STI. (3) The Hwy.70 Kinston bypass northern alternatives have been removed from further consideration, and a recommendation has been made to upgrade the western and eastern thirds of the existing bypass and create a shallow bypass around the remaining one-third. (4) The EIS for the 10-mile Havelock bypass is scheduled to be completed in late 2014 with a let date of April 2017. (5) Construction on Slocum Gate improvements in Havelock is expected to begin June 2015. (6) Construction on the Gallant’s Channel high rise bridge began in January of this year.

Mr. Rouse also said in 2009 a Northern Corridor Bypass feasibility study was done that would tie the Gallants Bridge project into the Havelock Pass and basically give freeway access to the port. The project was not pursued because of cost, \$400 million in 2009, and the substantial environmental impact to the coastal area.

At the conclusion of Mr. Rouse’s report, Mr. Worley was asked to speak about GTP rail connections. Mr. Rouse said rail access has been a vital part of the GTP’s Master Plan since

1994. As part of the state's commitment to Spirit Aero Systems, the first GTP rail project was planned and built in just over 4 years and ready for service in January 2012. There are 5.7 miles of track that provide two alternatives for connection to CSX and give the GTP access to both Norfolk Southern and CSX. —NCDOT has partnered with the NC Departments of Agriculture/Consumer Services and Commerce on studies mandated by the General Assembly in 2013 to evaluate infrastructure and access improvements for the GTP and the NC State Ports Authority. Those improvements would promote job creation and commerce and advance development of the GTP as an inland terminal. On March 1 an interim report was submitted to the Joint Legislative Transport Oversight Committee with the final report due January 1, 2015.

Chairman Tata next recognized Mr. Lupton for a report on GTP activity. Mr. Lupton discussed the following GTP goals and objectives: (1) increase/maximize revenue by focusing on increasing airport traffic, leasing existing facilities, providing services for tenants, and finding ways to generate rail spur traffic; (2) create jobs/economic development by increasing the number of private sector jobs at the GTP with a goal of adding 50 jobs and 2 new tenants in 2014-2015; (3) cost avoidance/management that would reduce costs by 3% in 2014-2015, and include partnering with other agencies to in-source work, provide GTP assistance for a fee, bimonthly budget reviews, and asset management; (4) manage debt by working with the Finance Committee to develop a debt management plan that would reduce the six loans totaling \$11.15 million by 50% within 4 years; and, (5) prepare for future planning as directed by SB402 by conducting a feasibility study of infrastructure and access improvements for the GTP.

Following Mr. Lupton's report, Ms. Fuller discussed the roles and responsibilities of Board members. She said the authority of any state government entity is based on the NC Constitution and state statutes and her remarks would address the constitutional authority of GTP and how that authority is shared between the Board and the Secretary of Transportation.

Ms. Fuller stated that duties and tasks for the Board are divided into two categories: (1) information items, whereby the Board is updated on the activities of the Secretary and his staff, and (2) action items in those areas where the Board has direct authority or makes a recommendation for action by the Secretary where he has direct authority. When compared with other state agencies, the basis of GTP's authority is its important distinction under Article 5 Section 13 of the Constitution, which provides broad powers for it to engage in commercial activity, something mostly forbidden to state agencies. The GTP's purpose is to develop facilities which relate to, develop, or further commerce. Statutes were enacted granting it power to have the zoning authority of a municipality, a county, all the authority of an airport authority, and all the powers of a corporation. This is a broad range of authority and provides flexibility to the GTP that is not available to other state agencies. In 2011 through a Type II transfer the Legislature transferred the GTP under the oversight of the N. C. Secretary of Transportation.

Ms. Fuller explained that information items consist of the Ethics Statement that is read at each meeting of the Board and reports from GTP staff and other relevant speakers. Board action items include reviewing lease rates, assisting in the collection of past due fees and rents, paying the cost of operations, reviewing sites for development, exercising zoning power on GTP-owned land and on land up to six miles outside GTP-owned property, and the exercise of police power by enforcement of zoning ordinances.

In response to a question from the Board about the GTP's present position and history in meeting DBE goals as outlined in § 63A-19, Chairman Tata said staff would put those figures together.

Following Ms. Fuller's presentation, Ms. Dishong briefed the Board about Committee assignments. Those assignments are attached to the minutes.

It was noted that Ms. Darlene Waddell, former Treasurer, had retired at the end of February. A motion was made by Ms. McQueary, seconded by Mr. Hosford, and unanimously approved to send Ms. Waddell a letter of thanks from the Board for her work on behalf of the GTP and with best wishes in her retirement.

Chairman Tata thanked members of the Board for their time and attendance at the Board meeting and those committee meetings to follow. With no other business to come before the Board, the meeting was adjourned upon a motion from Mr. York, which was seconded by Mr. Smith, and unanimously approved.

Respectfully submitted,

Alanna King
Secretary/Assistant Secretary

Proposed GTP Board Committee Description and Membership 2014

Executive Committee

Makes recommendations to the Chair of the Board of Directors and/or the Secretary of Transportation on strategic actions to be taken on behalf of the GTP, in concert with the specialty committees listed below when appropriate.

Secretary Tata, Chair
Rob Hosford
Jeff Sheehan
George York, Jr.
John Lennon

Staff Contact: Rudy Lupton

Marketing Committee

Provide general guidance on business development within identified target industries to facilitate recruitment and expansion of new and existing industries.

Members: Steve Mayo, Chair
Courtney Thornton
Cheryl McQueary
Rod Forsyth
Scott Ralls

Staff Contact: Alanna King

Land Use Planning Committee

Provide general guidance on property improvements, infrastructure, leasing, building construction, as well as zoning and land use planning.

Members: George York, Jr. – Chair
Jeff Sheehan
Danny McComas
Rob Hosford
Danny Smith

Staff Contact: Allen Pope/Lori Fuller

Finance Committee

Provide general guidance on budget development and forecasting, debt structure and financing.

John McNairy, Chair
Kevin Williams
Fran Lawrence
Steve Mayo
Joe Koletar

Staff Contact: TBD

Aviation Committee

Provide general guidance on airside operations and planning as it relates to all sectors of aviation.

Cecil Boyd, Chair
Jerry Kanter
John Lennon
Billy Lamm

Staff Contact: Rick Barkes