



THE SECRETARY OF TRANSPORTATION  
WASHINGTON, D.C. 20590

July 31, 2012

Mr. Michael A. Curto, Chairman  
Mr. John E. Potter, President and Chief Executive Officer  
Metropolitan Washington Airports Authority  
1 Aviation Circle  
Washington, DC 20001

Dear Messrs. Curto and Potter:

The May 15, 2012, draft audit report of the Metropolitan Washington Airport Authority's (MWAA) operations by the U.S. Department of Transportation's (DOT) Inspector General raised significant concerns about MWAA's policies and procedures in contracting, ethics, and travel, and the lack of transparency and accountability in the activities of MWAA's Board of Directors.

As you know, I am responsible for protecting the Federal interests in the airports that you operate under a lease with DOT. Pursuant to the Transfer Act of 1986, 49 U.S.C. Chapter 491, and the lease, you have an obligation to promote, protect, and develop these airports; to ensure the integrity of decisions made by your Board of Directors and employees; and to conduct your acquisitions through open competition to the maximum extent practicable. As a public body, you also have a responsibility to conduct business in a way that is transparent and accountable to the public that you serve.

I am appointing an Accountability Officer to ensure that the concerns raised in the Inspector General's draft report are addressed and that the interests of the United States Government are protected. The need for this appointment is made all the more urgent following yesterday's *Washington Examiner* article on former board members leveraging their experiences for personal gain (see enclosed). The Accountability Officer will report directly to me and help ensure that the Authority's policies and practices meet the highest standards of ethics and fiscal responsibility and will put an end to any preferential treatment—real or perceived—shown to insiders.

I have appointed an attorney from DOT's Office of the General Counsel, Ms. Kimberly Moore, to this position. Ms. Moore is a career attorney with a strong background in procurement and ethics and is a former Virginia prosecutor. Ms. Moore will work with you to strengthen your policies and procedures and promote compliance with them. I fully expect you to provide

Ms. Moore access to personnel and documents, and to inform her in advance of, and provide her access to, all Board of Directors meetings, including general and committee meetings, and including executive and closed sessions, so that she may assist your efforts and those of the United States Government.

Sincerely yours,

Ray LaHood

Enclosure

Local: Virginia

## Airports board takes care of its own, including Jeffrey Thompson

July 30, 2012



Mame Reiley (Getty Images)

Liz Essley

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The Washington Examiner  
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The day after Mame Reiley resigned for health reasons from the airports authority overseeing the \$6 billion Dulles Rail project, the authority quietly created a full-time job for her as a "senior adviser" to authority CEO Jack Potter and agreed to pay her \$180,000 a year, *The Washington Examiner* has learned.

Reiley, a longtime Democratic activist from Virginia, left the Metropolitan Washington Airports Authority on Feb. 15 after serving 10 years as the state's representative. The next day the authority, which recently drew a rebuke from federal investigators for wasteful spending and questionable contracting practices, hired Reiley to consult with it on issues she helped oversee as a board member, authority officials said.

Reiley told *The Examiner* that she'd mentioned her intention to resign to fellow airports officials at the end of 2011 and they "made the suggestion" that she become a full-time employee.

"I was thrilled to have the opportunity because I could no longer afford the volunteer time, which was averaging anywhere from 75 to 100 hours per month," she said.

**Metropolitan Washington Airports Authority officials who received authority contracts include:**

**Mame Reiley:** Former authority board member resigned for health reasons in February and was hired by the authority the next day as a "senior adviser" for \$180,000 a year plus benefits.

**Jeffrey Thompson:** Former board member whose accounting firm, now known as Bazilio Cobb Associates, was paid nearly \$1 million by the authority under a series of contracts between 2007 and 2011.

**Leonard Manning:** Former board member retired in 2011 and months later received a \$42,000 no-bid contract to bring flower shipments from Ethiopia to Washington Dulles International Airport.

**Gregory Wolfe:** Former board secretary retired in 2007 but continued to advise the board on ethics issue under a series of contracts, including one for \$197,000 awarded in October 2011.

**Michael Curto:** Authority chairman whose wife's law firm was paid \$100,000 by the authority for legal advice. Federal investigators said Curto recommended his wife's firm. Curto acknowledges his wife's firm was hired, but denies recommending it.

Potter, the executive for whom Reiley now works, defended the hiring of a former board member. Reiley gained "significant experience and insight" by serving on the board and is an "important asset" to the authority, he said.

"As chairwoman, Mame led the effort to have the airports authority take on the construction and management of the Metrorail project," Potter said in an email statement to *The Examiner*. "Her skills, professional contacts and institutional knowledge are invaluable and make her uniquely qualified to be a senior advisor on my executive staff."

Reiley isn't the only board or staff member to be paid by the authority after leaving.

Jeffrey Thompson, a D.C. businessman and political contributor caught up in a federal investigation into D.C. Mayor Vince Gray's 2010 campaign, served on the airports authority board between 1998 and 2004. His accounting firm, now known as Bazilio Cobb Associates, was paid nearly \$1 million by the authority between 2007 and 2011 and has since received another contract, *The Washington Examiner* has learned.

Authority officials defended the contracts, saying they were awarded competitively.

"The airports authority selected this firm through a process of full and open competition," spokesman Rob Yingling said.

A lawyer for Thompson and his firm did not return calls seeking comment.

Former board member Leonard Manning was awarded a \$42,000 no-bid contract to help bring Ethiopian flower shipments to Dulles International Airport. The authority said he was uniquely qualified because of contacts he had with Ethiopian airline officials. But Manning had made those contacts while on an authority-paid trip to Ethiopia prior to leaving the board.

Former board secretary Gregory Wolfe was awarded a series of contracts, including one worth \$197,000, to provide legal and ethics consulting services after leaving the authority, *The Examiner* reported in May.

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