

BOARD OF DIRECTORS MEETING

Minutes of December 11, 2013

The regular meeting of the Board of Directors was held in the first floor Conference Rooms 1A, 1B and 1C at 1 Aviation Circle. The Chairman called the meeting to order at 11:00 a.m. Fifteen Directors were present during the meeting:

Michael A. Curto, Chairman
Earl Adams, Jr.
Richard S. Carter
Lynn Chapman
Frank M. Conner III
Bruce A. Gates
Anthony H. Griffin
Shirley Robinson Hall

Barbara Lang
Elaine McConnell
William Shaw McDermott
Caren Merrick
Warner H. Session
Nina Mitchell Wells
Joslyn N. Williams

The Secretary and Executive Management were present:

John E. Potter, President and Chief Executive Officer
Margaret E. McKeough, Executive Vice President and Chief
Operating Officer

At 11:01 a.m., a motion was approved to recess the Meeting so that the Audit – Legal Committee could reconvene.

At 11:20 a.m., Chairman Curto reconvened the Board of Directors Meeting, with the same attendees as noted above.

Chairman Curto acknowledged President Obama's announcement of his recent appointment of Richard Kennedy, President and Chief Executive Officer of an elevator company in Pennsylvania. He stated that the Authority looked forward to Mr. Kennedy's insights and perspectives when he joined the Board after his confirmation by the Senate.

Chairman Curto reported that the day's agenda included the approval of the 2014 Budget.

Chairman Curto said that it had been a privilege and an honor to serve as Chairman for the past two years. He personally thanked current and former Directors for their support, particularly all the Committee Chairs who had been engaged in the issues under their jurisdictions and the work that they had done in leading the Committees. Chairman Curto stated that he had been confident two years ago that Directors Conner and Session had been the right individuals to lead the Finance and Business Administration Committees. As a result of their leadership over the past two years, Chairman Curto said that he was even more confident now and believed that the Authority will be well positioned under their leadership as Chairman and Vice Chairman. Chairman Curto said that he would be personally committed to be fully engaged in all of the new initiatives in 2014. He thanked Jack Potter for his leadership, strength of character and friendship. The Chairman also thanked Margaret McKeough and all the Vice Presidents for their willingness to work with him and the entire Board. Lastly, he thanked the Board Office Staff, most notably Quince Brinkley, for the work they had performed and for their efforts in providing support during his tenure. Chairman Curto said that he appreciated the Board's collegiality. Lastly, the Chairman reported that he believed that the Authority is better positioned now than it had been two years ago and that he hoped the Directors, senior management and traveling public agreed. Chairman Curto received a standing ovation.

I. MINUTES OF THE NOVEMBER 13, 2013 ANNUAL BOARD OF DIRECTORS MEETING

The Chairman then called for the approval of the Minutes of the November 13 Annual Board of Directors Meeting, which were unanimously adopted.

II. COMMITTEE REPORTS

a. Audit – Legal Committee – Earl Adams, Jr., Co-Chair

Mr. Adams stated that it had been an honor to serve with Chairman Curto as a fellow Marylander and thanked him for the confidence he had shown in naming him as Co-Chair of the Audit – Legal Committee. He then thanked Chairman Curto for his service and said that he looked forward to working with his colleagues, Rusty and Warner, as they ascend to Chairman and Vice Chairman.

Mr. Adams then reported that the Audit-Legal Committee had met that morning and on November 13. At the day's Meeting, the Committee had received a staff report regarding the Authority's selection and retention of a law firm to provide bond and disclosure counsel services for the Aviation Enterprise. Following a discussion of the report and of the procurement and evaluation process that had been undertaken to date, the Committee had voted to recommend to the Board (i) that it select the law firm of Squire Sanders (US), LLP as bond and disclosure counsel for the Aviation Enterprise, subject to the General Counsel, in consultation with the legal co-chair of the Committee, successfully negotiating a contract with the firm, and (ii) that it authorize the General Counsel, following the negotiation of an acceptable contract, to award the contract to that firm. Mr. Adams stated that he would offer a resolution later in the day's Meeting that would implement the Committee's recommendation.

At the November 13 Meeting, Valerie Holt, Vice President for Audit, had presented the 2014 Risk Assessment and Audit Plan, the Audit Follow-Up Summary and the Overhead Rate Reports. In executive session, the Committee had received information on the audit engagement for the year ending December 31 and had discussed the Authority's business issues and expectations of PricewaterhouseCoopers.

b. Business Administration Committee – Warner H. Session, Chairman

Mr. Session complimented Chairman Curto on a well-done job during a challenging two-year period where he had demonstrated extreme talent, grace and acumen. He then reported that the Business Administration Committee had last met on November 13. Staff had presented the proposed amendments to the Authority regulations. Paul Malandrino, Vice President and Airport Manager, had reviewed the proposed changes pertaining to taxi cab operations at Reagan National, off-Airport rental car permit fees and hotel courtesy shuttle fees at both Airports, and a schedule of events that needed to occur prior to staff making its recommendation on the proposed amendments to the Committee and Board. The Committee had concurred with the staff and had authorized the President and Chief Executive Officer to proceed.

Tony Vegliante, Vice President for Human Resources, had presented the pre-solicitation terms for the 2015 Healthcare Plans, which will be effective January 2015. The Committee had concurred with the pending procurement.

Liz Bryan, Manager, Procurement and Contracts, had presented the Quarterly Acquisition Report as stated in the Fourth Edition of the Contracting Manual.

c. Dulles Corridor Committee – Tom Davis, Chairman

In Mr. Davis's absence, Mr. Conner reported that the Dulles Corridor Committee had last met on November 13. Staff had presented several normal reports relative to the Dulles Corridor Metrorail Project, including the Monthly Cost Summary and reports from Authority staff and Larry Melton of Dulles Transit Partners, LLC.

The Committee had concurred with the pre-solicitation terms on the procurement for special inspection and testing services for Phase 2 – Dulles Corridor Metrorail Project.

Mr. Conner noted that he would provide remarks with respect to Chairman Curto's tenure later in the day's Meeting.

d. Finance Committee – Frank M. Conner, Chairman

Mr. Conner reported that the Finance Committee had met that morning and had recommended that the Board approve the 2014 Budget. He said that he would offer a resolution later in the day's meeting.

e. Executive and Governance Committee – Michael A. Curto, Chairman

Chairman Curto reported that the Executive and Governance Committee had met that morning in executive session to receive information regarding several personnel matters.

f. Strategic Planning and Development Committee – Lynn Chapman, Chairman

Mr. Chapman thanked Chairman Curto for his service. He then reported that the Strategic Planning and Development Committee had met that morning. Staff had presented the Virginia Department of Transportation (VDOT) request for easements at Dulles International for the widening of Route 606. Staff had explained that VDOT is improving a portion of Route 606, and needed a series of easements from the Authority. The Committee had reviewed slides of the separate parcels. Staff had report-

ed that these easements cover approximately 37 acres of Authority property. The Committee had approved the request, and Mr. Chapman stated that he would offer a resolution later in the day's Meeting.

III. INFORMATION ITEMS

a. President's Report

Mr. Potter thanked Chairman Curto for his wise counsel and congratulated him on his successful leadership during some truly challenging times as Chairman over the past two years.

He also thanked and congratulated Tom Davis for his work as Vice Chairman, particularly his leadership on the Dulles Corridor Committee. Mr. Potter said that Mr. Davis had been extremely effective with helping the Authority with its financing efforts for the Silver Line Project and moving toward the successful completion of Phase 1 and the start-up of Phase 2.

Mr. Potter also officially welcomed the new Chairman and Vice Chairman and said that he would continue to build on their existing working relationships.

Mr. Potter reported that staff would continue to monitor the progress of the official merger of US Airways and American Airlines, which would likely have significant implications on Reagan National and Dulles International. While a decision had been made on the slots being divested at New York's LaGuardia Airport as a result of the merger, Mr. Potter said that the Authority is still awaiting word on the outcome of slot divestitures at Reagan National.

He then reported on the continuing strong growth in international air service at Dulles International. Two new international airlines, Etihad and Brussels, had been added, and several other carriers had expanded their international service. Additionally, British Airways had recently announced that it planned to begin serving Dulles International with the new A-380 aircraft, the world's largest passenger airliner that required specially equipped airports to service it, in September 2014.

With regard to the 2014 Budget, Mr. Potter reported that it included a reduction in debt service of approximately 2.9 percent, which would decrease the cost the Authority charged to airlines for their enplanements.

He thanked all staff involved that had helped to cut costs and to generate revenue.

Mr. Potter also reported that the Authority would implement the previously-announced rate increase on the Dulles Toll Road (DTR) on January 1, 2014. The toll rate would increase from \$1.75 to \$2.50 for cars at the Main Toll Plaza, but the ramp tolls of \$1.00 would remain the same. Authority staff would ensure signs notifying the DTR users of the increase would be displayed. Mr. Potter stated that the increase will provide additional revenue to help fund construction of the Silver Line Project. He noted that an increase in tolls for 2015 was not currently planned, mostly because of the anticipated federal Transportation Infrastructure Finance and Innovation Act loan and the \$300 million in financial assistance provided by the Commonwealth of Virginia. Mr. Potter thanked Governor McDonnell, his Administration and the Virginia General Assembly for this very important support.

With respect to administrative matters, as Mr. Potter had reported in November, the Authority had met its one-year goal of acting on all 12 recommendations resulting from the Department of Transportation's Office of Inspector General (IG) November 2012 audit. Mr. Potter stated that the Authority is working with the IG's office to get concurrence on closing out the recommendations.

As previously reported, Mr. Potter stated that Frank Holly, Vice President for Engineering, and Elmer Tippet, Vice President for Public Safety, would soon retire after distinguished careers at the Authority. He noted that the results of Mr. Holly's work were visible throughout the Airports' beautiful facilities. Whenever an emergency response situation occurred, Mr. Tippet's impact became obvious as the Authority's Public Safety Department is among the best anywhere because of his leadership. Both retirees received a standing ovation.

Mr. Potter introduced Obadiah Aguilar, the new Corporate Property Manager who would manage the Authority's extensive Property Program. He thanked John Jackson, who had been on detail from Dulles International, for managing the Program for the past two years. Mr. Potter also introduced Sherri Legall, the new Internal Controls and Compliance Analyst.

Mr. Potter reported that the Authority is close to achieving substantial completion for Phase 1 of the Silver Line. He noted that the final testing

had identified some items, including the modification of software related to the Automatic Train Control System, which needed to be addressed to assure the Project's safety and reliability. Once the modification had been made and reviewed by the engineering teams, the system would be retested. Providing that no other issues were identified during the retesting, Phase 1 would move into the substantial completion phase and then be turned over to the Washington Metropolitan Area Transit Authority. Mr. Potter reported that Pat Nowakowski, Executive Director of the Dulles Metrorail Project, would provide additional details about the Silver Line Project later that day at the Dulles Corridor Committee Meeting.

Turning to Airport operations, Mr. Potter reported that both Airports had been busy during the holiday travel season. Experienced Authority staff had demonstrated its expertise in handling the increased passenger volumes and in being prepared to respond to the operational challenges, such as threatening inclement weather. While the winter storms had not materialized during the holiday as forecasted, the region had received snow the prior day, which had caused numerous flight cancellations and delays. Mr. Potter shared some of the complimentary social media messages received from the traveling public on Thanksgiving and that week, as well as several compliments for the Travelers' Aid volunteers.

Mr. Potter noted that students from area schools would help the Authority to decorate the terminals and treat passengers to holiday music to brighten their travel time.

Mr. Potter also reported that the Operations team at Dulles International had recently provided assistance to a group of soldiers flying home for Thanksgiving from overseas when its late-night flight had to be diverted from Baltimore Washington International to Dulles International due to mechanical problems and low visibility. Since crews from Customs and the airlines were not on duty at such a late hour, the Dulles Operations team, with the help of its colleagues at Landmark Aviation, was able to provide assistance to get the soldiers to their final destinations.

Mr. Potter thanked all Authority employees and volunteers for their service and wished everyone a safe and happy holiday season.

b. Executive Vice President's Report

Ms. McKeough reported on the passenger activity levels at both Airports during October 2013. She noted that as a whole the U.S. aviation pas-

senger activity levels for October had increased approximately 2 percent over October 2012. Ms. McKeough reported that domestic passenger levels at Reagan National and Dulles International had increased by 1 and 3 percent, respectively. Ms. McKeough noted that international passenger levels at Dulles International had also increased by approximately 6.5 percent in October, compared to the prior year.

Ms. McKeough reported that a couple of variances had influenced the comparative year-over-year performance. She noted that Hurricane Sandy had occurred in October 2012, which had resulted in the cancellation of several flights at that time. Ms. McKeough also noted that the recent sequestration had impacted the passenger activity level in October 2013. Lastly, new international service had recently been added at Dulles International, which had led to a positive impact in international passenger levels.

Ms. McKeough reported that the Authority's system as a whole was experiencing a year-to-date increase of approximately 1 percent, which is consistent with industry trends.

Ms. McKeough reported that overall there had been a 3 percent decrease in cargo activity at Dulles International in October 2013. Domestic cargo activity had declined more than 10 percent while international cargo volume had increased compared to October 2012.

Ms. McKeough wished everyone a happy holiday season and reminded everyone of the last-minute holiday gifts that could be purchased from the concessionaires at both Airports.

IV. NEW BUSINESS

a. Recommended 2014 Budget

Mr. Conner moved the adoption of the following resolution, which was unanimously approved by all 15 Directors present:

WHEREAS, The Finance Committee has provided direction to the staff regarding major challenges that the 2014 Budget needs to address;

WHEREAS, The Finance Committee received the details and an update of the draft 2014 Budget, prepared by staff, at its October and November 2013 meetings;

WHEREAS, The Finance Committee considered a draft of the 2014 Budget, prepared by staff, at its December 2013 meeting and recommended its approval to the Board of Directors;

WHEREAS, In order to assist the airlines serving Dulles International by reducing the level of debt service included in the 2014 airline rates and charges, the recommended 2014 Aviation Enterprise Fund Budget provides for \$40.0 million of the debt service attributable to the AeroTrain, which otherwise would be included in such rates and charges, to be paid by Passenger Facility Charges revenues;

WHEREAS, A total of \$3.2 million in available Aviation Capital, Operating and Maintenance Investment Program funds have been reprogrammed in the 2014 Budget from previously authorized Aviation Capital, Operating and Maintenance Investment Program funds to fund new authorizations; and

WHEREAS, The 2014 Budget presents a reasonable level of expenditures, to be made or accrued in 2014, (a) from the Aviation Enterprise Fund, to operate Ronald Reagan Washington National and Washington Dulles International Airports, to repair and maintain the facilities at these Airports, and to undertake needed capital improvements at the Airports, and (b) from the Dulles Corridor Enterprise Fund, to operate the Dulles Toll Road, to repair and maintain Toll Road facilities, to undertake capital improvements for the betterment of the Toll Road and otherwise within the Dulles Corridor, and to continue construction of the Dulles Corridor Metrorail Project, and that there will be sufficient revenues in 2014 and other funds to cover these expenditures; now, therefore, be it

RESOLVED, That the 2014 Budget, as presented at the December 2013 meeting of the Board of Directors, is hereby adopted;

2. That the following sums, totaling \$926,885,000, are hereby authorized to be expended from the Aviation Enterprise Fund in 2014 for the operation, maintenance, care, improvement and protection of Ronald Reagan Washington National and Washington Dulles International Airports:

- (a) \$650,597,000 for the Aviation Operation and Maintenance Program, including \$313,453,000 of this total for debt service;
- (b) \$77,095,000 for the Aviation Capital, Operating and Maintenance Investment Program (COMIP); and
- (c) \$199,193,000 for the Aviation Capital Construction Program (CCP);

3. That the following sums, totaling \$886,680,215, are hereby authorized to be expended from the Dulles Corridor Enterprise Fund in 2014 for the operation, maintenance, care, improvement and protection of the Dulles Toll Road and for the planning, design and construction of the Dulles Corridor Metrorail Project:

- (a) \$73,803,000 for the Dulles Corridor Operation and Maintenance Program, including \$45,634,000 of this total for debt service;
- (b) \$7,665,222 for the Dulles Corridor Renewal and Replacement Program (R&R);
- (c) \$730,708,993 for the Dulles Corridor Capital Improvement Program (CIP), consisting of \$87,440,938 for Dulles Corridor Improvements and \$643,268,055 for the Dulles Corridor Rail Project; and
- (d) \$74,503,000 to be transferred to reserve accounts within the Dulles Corridor Enterprise Fund, as identified in the 2014 Budget;

4. That any revenue received or accrued by the Dulles Corridor Enterprise in 2014 that at the conclusion of 2014 has not been expended, obligated or transferred to a reserve account pursuant to this Resolution, or to a reserve fund or account under the Master Indenture of Trust Securing Dulles Toll Road Revenue Bonds dated as of August 1, 2009, shall be transferred to the Dulles Corridor Reserve and Toll Rate Stabilization Fund;

5. That the President and Chief Executive Officer is hereby authorized to modify or adjust expenditures within each of the six Programs identified in this Resolution, so long as the total expenditures within any such Program in 2014 do not exceed the level authorized herein; provided, that any such

reprogramming exceeding \$10 million in a calendar year for any project in the COMIP, CCP, R&R, or CIP shall be submitted to the Finance Committee for approval and its recommendation to the Board of Directors for approval before it may take effect. All other material budget reprogramming shall be reported to the Finance Committee on a quarterly basis, no later than two months after the end of each quarter at the May, August, November and February Committee meetings, and shall include year-to-date cumulative material budget reprogramming equal or greater than the following:

- (a) Aviation Operation and Maintenance Program (\$250,000);
- (b) Aviation Capital, Operating and Maintenance Investment Program (\$500,000 or any new project, regardless of dollar amount);
- (c) Aviation Capital Construction Program (\$500,000 or any new project, regardless of dollar amount);
- (d) Dulles Corridor Operation and Maintenance Program (\$250,000);
- (e) Dulles Corridor Renewal and Replacement Program (\$500,000 or any new project, regardless of dollar amount); and
- (f) Dulles Corridor Capital Improvement Program (\$500,000 or any new project, regardless of dollar amount).

6. That the new and expanded projects identified in the 2014 Budget, in the amount of (i) \$35,247,000 within the Aviation Capital Operating and Maintenance Investment Program, (ii) \$44,424,000 within the Aviation Capital Construction Program, (iii) \$1,425,000 within the Dulles Corridor Renewal and Replacement Program, and (iv) \$2,250,000 within the Dulles Corridor Capital Improvement Program pertaining to the Dulles Toll Road, are hereby approved and hereafter shall be considered a part of their respective approved programs.

The final resolution filed in the Board of Directors Office includes a copy of the staff PowerPoint presentations.

b. Selection of Aviation Bond and Disclosure Counsel

Chairman Curto stated that he had a conflict of interests in the upcoming matter because he had a substantial financial interest in one of the businesses that will be directly affected by the decisions of the Audit-Legal Committee and the Board. He said that he was recusing himself from participating in the Board's consideration of this matter. Chairman Curto noted that he had executed a recusal agreement with the Ethics Officer and the Secretary (copy attached). He had asked the Secretary to file his recusal agreement in the Board's official records and stated that he would step away from the Board table while the matter is considered. Mr. Adams would preside over the considerations.

With respect to the same matter, Ms. Lang noted that she anticipated that after the start of the new year, one of the businesses that had submitted a proposal under this procurement and will become a member of her employer, the DC Chamber of Commerce, and, in addition, will begin providing some legal services to the Chamber on a *pro bono* basis. Due to this upcoming relationship between this law firm and her employer, Ms. Lang stated that she recognized that she may have what the Authority's Ethics Code characterizes as an *apparent* conflict of interests in connection with the next agenda item. In this situation, Ms. Lang noted that the Code permits a Director to participate in the agenda item if the Director believes that he or she is able to participate in the item fairly and objectively, which she believed to be the case.

Therefore, for disclosure, Ms. Lang stated that notwithstanding this anticipated upcoming relationship between one of the law firms that will be directly affected by the Board's action and the DC Chamber of Commerce, she believed that she was able to participate fairly and objectively in the best interest of the Authority in the next agenda item which involved the selection of bond and disclosure counsel for the Authority.

Mr. Adams moved the adoption of the following resolution, which was unanimously adopted by all Directors at the table, which excluded Chairman Curto:

WHEREAS, The Airports Authority is seeking a law firm to provide bond and disclosure counsel services for its Aviation Enterprise in connection with the issuance of airport system revenue bonds and with other financing transactions;

WHEREAS, Under Resolution No. 01-20, the selection of bond and disclosure counsel is reserved to the Board of Directors;

WHEREAS, A Request for Proposals (RFP) was issued in October 2013 inviting law firms to submit proposals to provide bond and disclosure counsel services for the Aviation Enterprise;

WHEREAS, The proposals which were submitted in response to the RFP have been reviewed and evaluated by an evaluation committee, and the results of the committee's review and evaluation have been reported to the Audit - Legal Committee; and

WHEREAS, After reviewing these results, the Audit - Legal Committee has recommended to the Board the selection of the law firm of Squire Sanders (US), LLP and has further recommend that the Board authorize contract negotiations to begin with that firm; now, therefore, be it

RESOLVED, That, conditioned upon the successful negotiation of a contract, the law firm of Squire Sanders (US), LLP is selected to become bond and disclosure counsel for the Airports Authority's Aviation Enterprise; and

2. That the General Counsel is authorized to begin contract negotiations with the law firm of Squire Sanders (US), LLP and, upon the negotiation of an acceptable contract, to award the contract to Squire Sanders (US), LLP.

The final resolution filed in the Board of Directors Office includes a copy of the staff recommendation paper.

Chairman Curto returned to the meeting table.

c. Virginia Department of Transportation Request for Easements at Dulles International for the Widening of Route 606

Mr. Chapman moved the adoption of the following resolution, which was unanimously approved:

WHEREAS, The Virginia Department of Transportation (VDOT) is widening Route 606 from two lanes to four lanes in Loudoun County;

WHEREAS, A portion of this VDOT project impacts Airports Authority property at Washington Dulles International Airport;

WHEREAS, In order to complete this project, the VDOT has requested easements over approximately 37 acres of Airports Authority property, as currently estimated at the preliminary engineering stage; and

WHEREAS, The Strategic Planning and Development Committee has reviewed the proposed easements, and recommended to the Board of Directors that they be granted; now, therefore, it is

RESOLVED, That the President and Chief Executive Officer is authorized and directed to execute easements to the Virginia Department of Transportation over certain Airports Authority property at Washington Dulles International Airport, not to exceed 40 acres in total, for use in conjunction with the department's project to widen Route 606 adjacent to the Airport, as these easements have been described in materials presented to the Strategic Planning and Development Committee at its December 11 meeting.

The final resolution filed in the Board of Directors Office includes a copy of the staff recommendation paper.

V. UNFINISHED BUSINESS

a. Recognizing Elmer Tippet on his Retirement from the Airports Authority

Chairman Curto moved the adoption of the following resolution:

WHEREAS, Elmer Tippet – better known throughout the Airports Authority as “Tip” – joined the Airports Authority in July 1993 as the Manager of the Public Safety Division, a position

subsequently designated as the Vice President for Public Safety;

WHEREAS, Prior to joining the Airports Authority, Tip served as the superintendent of the Maryland State Police, and held several positions with the Prince George's Police Department, where he began his law enforcement career, advancing to the position of Deputy Chief of Police before retiring after 21 years of service in 1987;

WHEREAS, During his two decades of service for the Airports Authority, Tip has been responsible for advancing the Airports Authority's Public Safety Program to best professional standards and state of the art preparedness;

WHEREAS, These advancements have included the establishment of the Police Department canine program, the Fire Department's river rescue operation, the consolidated public safety dispatch program and 911 emergency call center, the ambulance service cost recovery program, the Airports' external defibrillator program to aid employees and passengers, and the Police Department's assumption of traffic enforcement responsibilities for the Dulles Toll Road;

WHEREAS, These advancements have also included construction of three new airport rescue and firefighting facilities at the two Airports, the Emergency Operations Center at Reagan National Airport, and a new river rescue facility along the Potomac River at Reagan National;

WHEREAS, These advancements have also included the Airports Authority's participation in the National Capital Region's Mutual Aid Partnership for Fire, Police and Emergency Medical Services ensuring the availability of the public safety resources of other regional governments to meet the Airports' emergency needs, and the Airports Authority's formal execution of the Northern Virginia Regional Response Agreement further supporting delivery of emergency response assistance to the Airports by other Northern Virginia public safety agencies if and when required;

WHEREAS, Tip has ably represented the Airports Authority for many years on the Board of Directors of the Northern Virginia Criminal Justice Academy and on the Board of Directors of Capital Wireless Information Net, a partnership between Virginia, the District of Columbia and Maryland to improve first responder communications and information sharing; now, therefore, be it

RESOLVED, That the Board of Directors, on behalf of the entire Airports Authority community, extends its sincere appreciation to Elmer Tippet for his 20 years of public service to the Airports Authority and the traveling public in the metropolitan Washington region, for the dedication, loyalty and good humor he brought to his job each day throughout these 20 years, and for sharing with the Board and the Authority community a personal character and set of talents and abilities that have served the Airports Authority exceptionally well for two decades; and

FURTHER RESOLVED, that the Board of Directors wishes Elmer Tippet upon his retirement January 3, 2014, many years that are filled with good health, joy, relaxation and personal fulfillment.

Mr. Tippet received a round of applause, and Chairman Curto then presented Mr. Tippet with a memento from the Board of Directors.

b. Recognizing Frank D. Holly, Jr. on his Retirement from the Airports Authority

Chairman Curto moved the adoption of the following resolution:

WHEREAS, Frank D. Holly, Jr., joined the Airports Authority on December 14, 1992, as the Manager of Engineering, a position subsequently established as the Vice President for Engineering;

WHEREAS, Prior to joining the Airports Authority, Frank served as the Deputy Commissioner for Facilities at Chicago O'Hare International Airport and in multiple managerial and engineering positions around the world for the United States Army Corps of Engineers;

WHEREAS, Also prior to joining the Airports Authority, Frank served as a member of the United States Army, including assignment to the Pentagon, before retiring at the rank of Colonel;

WHEREAS, During his two decades of service for the Airports Authority, Frank has served as the Building Code Official for all construction on Airports Authority property and been instrumental in the development of numerous aviation facilities at both Ronald Reagan Washington National Airport and Washington Dulles International Airport;

WHEREAS, At Ronald Reagan National Airport, these accomplishments have included the design and construction of Terminals B and C, the new air traffic control tower, new parking structures providing over 8,000 parking spaces for Airport patrons, and substantial renovations to the Airport's historic Terminal;

WHEREAS, At Washington Dulles International Airport, these accomplishments have included the expansion of the historic Eero Saarinen Main Terminal, development of the mid-field concourse facility, construction of a new fourth runway (1L/19R), replacement of the aging air traffic control tower, construction of the underground AeroTrain passenger conveyance system, and construction of the new International Arrivals Building for the clearance of arriving international passengers;

WHEREAS, Overall during his two decades of service, Frank oversaw an Airports Authority capital construction program that saw the planning, design and construction of more than \$7 billion in new Airport facilities and associated infrastructure;

WHEREAS, In addition to these major accomplishments at the two Airports, for the past six years Frank has played a critical role in overseeing construction of the \$6 billion Dulles Corridor Metrorail Project, which is extending the Washington, DC, regional Metrorail transit system to Washington Dulles International Airport; now, therefore, be it

RESOLVED, That the Board of Directors, on behalf of the entire Airports Authority community, extends its sincere appreciation to Frank Holly for the extraordinary commitment, resolve and public service he has provided the Airports Authority over the past 21 years and for sharing throughout this period his very special skills, talents and capabilities to improve the aviation facilities in the metropolitan Washington region and enhance the travel experience of the individuals passing through them, including connecting Dulles International Airport to the region's Metrorail transit system; and

FURTHER RESOLVED, That the Board of Directors wishes Frank Holly upon his retirement on January 3, 2014, many years that are filled with good health, joy, relaxation and personal fulfillment.

Mr. Holly received a round of applause, and Chairman Curto presented him with a memento from the Board.

The Board unanimously approved the resolutions for both retirees.

Mr. Conner reported that the Board had scheduled a reception the prior evening to reflect on the Authority's accomplishments and to discuss what still needed to be done. Because the Authority's offices were closed due to potentially inclement weather, the reception had been rescheduled. Mr. Conner noted that some of those accomplishments had already been mentioned earlier that day. He recalled that when the Authority had been created in the late 1980s and had assumed the responsibilities of Reagan National and Dulles International, the appearances of both Airports had been dramatically different than the existing facilities, some of which had been described as part of Frank and Tip's significant contributions. While it is sometimes possible to lose sight of the amount of people that had contributed to the Airports' success, Mr. Conner noted that many, many people had made significant contributions over an extended period of time to these facilities, which are very important to the region, the traveling public and the population. Mr. Conner reported that the Authority had not had the responsibility of the Dulles Toll Road when it had first been created and noted the drastic improvements that had occurred under the Authority's reign. He stated that he is still amazed that the Metrorail Project had been developed and constructed in one of the most congested residential areas in the country. When the Authority had assumed the Silver Line Project, a new era of responsibili-

ties and oversight, which was occasionally tedious work because of the undefined project scope and some decisions made by the Board, had begun. A substantial amount of credibility earned from individuals who had long supported the important work of the Authority had been lost. Mr. Conner stated that many people had made significant contributions in rebuilding the Authority's credibility, especially Chairman Curto and Vice Chairman Davis, who had taken on their roles at a very difficult time. He noted that all public servants strive to leave a place in better condition than it had been when they first undertook their responsibilities. In the Chairman and Vice Chairman's case, Mr. Conner said he believed that that goal had been achieved as they, along with many others, had saved the Authority so that its credibility could be rebuilt.

Mr. Conner presented the Chairman with a photo of the old terminal at Dulles International. Chairman Curto said it would be hung in a special place and that it captured his sentiments of both the Authority and his colleagues. The same photo would also be given to the Vice Chairman.

VI. OTHER BUSINESS & ADJOURNMENT

The Meeting was thereupon adjourned at 12:08 p.m.

Respectfully submitted:

Quince T. Brinkley, Jr.
Vice President and Secretary

MWAA Board of Directors Recusal Agreement

FROM: Michael A. Curto

TO: Naomi Klaus, Ethics Officer

This is to affirm that I am disqualified from participating in the following Authority matter due to my substantial financial interest in the business identified below that may reasonably appear to conflict with the fair and objective performance of my official duties:

Authority Transaction or Matter
Staff recommendation for the Selection of
Aviation Bond and Disclosure Counsel

Disqualifying Interest
I have a Substantial Financial Interest in one of the
three businesses that will be directly affected by
the decisions of the Audit-Legal Committee and
the Board in this matter.

In accordance with the Authority's Code of Ethics for Members of the Board of Directors, I agree to recuse myself from participating in the above-listed matter. My recusal prohibits me from approving, disapproving, making, undertaking, influencing, or attempting to influence any action or decision of the Authority with regard to the above-listed Authority matter, or any other Authority matters that may involve or affect the above-listed interest.

For the purpose of this recusal, the Board Secretary has been advised to screen incoming matters to ensure that such matters relating to the above-listed interests are not brought to my attention.

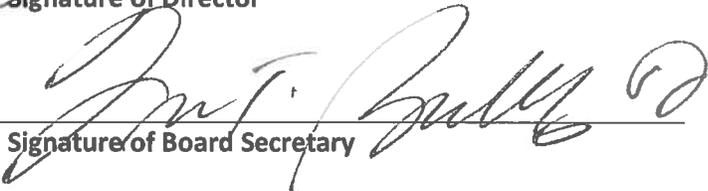
I will seek the assistance of the Ethics Officer if I am ever uncertain whether or not I may participate in a particular matter.



Signature of Director

12/19/2013

Date



Signature of Board Secretary

12/19/2013

Date



Signature of Ethics Officer

12/11/2013

Date